

# DEPARTMENT OF EDUCATION

## OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

### Federal Funds

#### EDUCATION FOR THE DISADVANTAGED

For carrying out title 1 and subpart 2 of part B of title II 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"), ~~[\$16,016,790,000]~~ ~~\$16,043,790,000~~, of which ~~[\$5,127,006,000]~~ ~~\$4,940,990,000~~ shall become available on July 1, ~~[2016]~~ ~~2017~~, and shall remain available through September 30, ~~[2017]~~ ~~2018~~, and of which \$10,841,177,000 shall become available on October 1, ~~[2016]~~ ~~2017~~, and shall remain available through September 30, ~~[2017]~~ ~~2018~~, for academic year ~~[2016–2017]~~ ~~2017–2018~~: *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]~~ ~~\$5,000,000~~ of these funds shall be available to the Secretary of Education (referred to in this title as "Secretary") on October 1, ~~[2015]~~ ~~2016~~, 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 ~~[\$3,544,050,000]~~ ~~\$3,769,050,000~~ shall be for targeted grants under section 1125 of the ESEA: *Provided further*, That ~~[\$3,544,050,000]~~ ~~\$3,769,050,000~~ 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 \$450,000,000 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 \$190,000,000 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 educational 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 one-half of the total amount of funds made available for part A of title I of the ESEA in excess of the amount authorized by section 1002(a) shall be allocated to States, the Bureau of Indian Education, and the outlying areas on the basis of their respective shares of the remaining funds received under part A of title I and shall be used by each State in accordance with the requirements of section 1003(b) of the ESEA: *Provided further*, That \$217,000,000 shall be for carrying out subpart 2 of part B of title II: *Provided further*, That \$44,623,000 shall be for carrying out section 418A of the HEA. (Department of Education Appropriations Act, 2016.)

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

Identification code 091–0900–0–1–501	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Grants to local educational agencies .....	14,410	14,910	15,360
0002 School improvement grants .....	504	450	.....
0003 Comprehensive literacy development grants .....	160	190	190
0004 State agency programs .....	422	422	422
0005 Evaluation .....	1	.....	.....
0006 Special programs for migrant students .....	37	45	45
0007 Innovative approaches to literacy .....	.....	.....	27
0900 Total new obligations .....	15,534	16,017	16,044
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	525	525	525
1010 Unobligated balance transfer to other accts [091–0400] .....	-2	.....	.....
1050 Unobligated balance (total) .....	523	525	525
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	4,695	5,176	5,203
Advance appropriations, discretionary:			
1170 Advance appropriation .....	10,841	10,841	10,841
1900 Budget authority (total) .....	15,536	16,017	16,044
1930 Total budgetary resources available .....	16,059	16,542	16,569
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	525	525	525
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	9,177	9,429	8,449
3010 Obligations incurred, unexpired accounts .....	15,534	16,017	16,044
3020 Outlays (gross) .....	-15,248	-16,997	-15,935
3041 Recoveries of prior year unpaid obligations, expired .....	-34	.....	.....
3050 Unpaid obligations, end of year .....	9,429	8,449	8,558
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	9,177	9,429	8,449
3200 Obligated balance, end of year .....	9,429	8,449	8,558
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	15,536	16,017	16,044
Outlays, gross:			
4010 Outlays from new discretionary authority .....	7,419	8,662	8,662
4011 Outlays from discretionary balances .....	7,829	8,335	7,273
4020 Outlays, gross (total) .....	15,248	16,997	15,935
4180 Budget authority, net (total) .....	15,536	16,017	16,044
4190 Outlays, net (total) .....	15,248	16,997	15,935

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

(in millions of dollars)

	2015–2016 Academic Year	2016–2017 Academic Year	2017–2018 Academic Year
New Budget Authority .....	\$4,695	\$5,176	\$5,176
Advance appropriation .....	10,841	10,841	10,841
<b>Total program level .....</b>	<b>15,536</b>	<b>16,017</b>	<b>16,017</b>

*Grants to local educational agencies.*—Funds are 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, mathematics, and science; develop systems to differentiate among schools on the basis of performance on those assessments and other indicators; provide parents with information on the performance of their child's school; and ensure the development and implementation of support and improvement plans for the lowest-performing schools. A portion of the request would support activities aimed at turning around the lowest-performing schools.

*Comprehensive literacy development grants.*—Funds support continuation grants to States to provide targeted, evidence-based literacy interventions in high-need schools. States must award subgrants to LEAs to support literacy interventions for children from birth through kindergarten entry and for students from kindergarten through grade 12.

*Innovative approaches to literacy.*—Funds support competitive grants to LEAs, consortia of LEAs, the Bureau of Indian Education, or national nonprofit organizations, to promote literacy programs that support the development of literacy skills in low-income communities. Grantees would develop and implement school library programs and provide high-quality, developmentally appropriate, and up-to-date reading material to children and adolescents in low-income communities.

*State agency migrant program.*—Funds 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 correctional facilities.

*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	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
25.1 Advisory and assistance services .....	6	10	7
25.2 Other services from non-Federal sources .....	13	7	8
25.7 Operation and maintenance of equipment .....	1		
41.0 Grants, subsidies, and contributions .....	15,512	16,000	16,029
99.0 Direct obligations .....	15,532	16,017	16,044
99.5 Adjustment for rounding .....	2		
99.9 Total new obligations .....	15,534	16,017	16,044

**IMPACT AID**

For carrying out programs of financial assistance to federally affected schools authorized by title **VIII** *VII* of the ESEA, \$1,305,603,000, of which \$1,168,233,000 shall be for basic support payments under section **8003** *7003(b)*, \$48,316,000 shall be for payments for children with disabilities under section **8003** *7003(d)*, \$17,406,000, to remain available for obligation through September 30, 2018, shall

be for construction under section **8007(a)**, \$66,813,000 shall be for Federal property payments under section 8002, and \$4,835,000 *7007(b)*, and \$71,648,000, to remain available until expended, shall be for facilities maintenance under section **8008** *7008*: *Provided*, That for purposes of computing the amount of a payment for an eligible local educational agency under section **8003** *7003(a)* for school year **2015–2016** *2016–2017*, children enrolled in a school of such agency that would otherwise be eligible for payment under section **8003** *7003(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** *7003(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, 2016.*)

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

Identification code 091–0102–0–1–501	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Basic support payments .....	1,151	1,169	1,169
0002 Payments for children with disabilities .....	48	48	48
0091 Direct program activities, subtotal .....	1,199	1,217	1,217
0101 Facilities maintenance .....	13	5	72
0201 Construction .....		17	17
0301 Payments for Federal property .....	67	67	
0900 Total new obligations (object class 41.0) .....	1,279	1,306	1,306
<b>Budgetary resources:</b>			
1000 Unobligated balance:			
Unobligated balance brought forward, Oct 1 .....	9	19	19
Budget authority:			
Appropriations, discretionary:			
Appropriation .....	1,289	1,306	1,306
1930 Total budgetary resources available .....	1,298	1,325	1,325
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	19	19	19
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	487	365	283
3010 Obligations incurred, unexpired accounts .....	1,279	1,306	1,306
3011 Obligations incurred, expired accounts .....	462		
3020 Outlays (gross) .....	-1,401	-1,388	-1,283
3041 Recoveries of prior year unpaid obligations, expired .....	-462		
3050 Unpaid obligations, end of year .....	365	283	306
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	487	365	283
3200 Obligated balance, end of year .....	365	283	306
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	1,289	1,306	1,306
Outlays, gross:			
4010 Outlays from new discretionary authority .....	1,103	1,158	1,104
4011 Outlays from discretionary balances .....	298	230	179
4020 Outlays, gross (total) .....	1,401	1,388	1,283
4180 Budget authority, net (total) .....	1,289	1,306	1,306
4190 Outlays, net (total) .....	1,401	1,388	1,283

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 LEAs 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 750,000 federally connected students enrolled in about 1,100 LEAs to assist them in meeting their operation and maintenance costs. Average per-student payments will be approximately \$1,500.

*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 53,000 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 *part B of title I, [parts A and B] part A of title II, subpart 1 of part A of title IV, part B of title IV, [parts A and B of title VI,] part B of title V, and parts B and C of title [VII] VI 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, [\$4,433,629,000] \$4,558,409,000, of which [\$2,611,619,000] \$2,732,399,000 shall become available on July 1, [2016] 2017, and remain available through September 30, [2017] 2018, and of which \$1,681,441,000 shall become available on October 1, [2016] 2017, and shall remain available through September 30, [2017] 2018, for academic year [2016–2017] 2017–2018: *Provided, That [funds made available to carry out part B of title VII of the ESEA] \$403,000,000 shall be for part B of title I: Provided further, That \$33,397,000 shall be for part B of title VI and 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] \$32,453,000 shall be for part C of title VI and shall be awarded on a competitive basis, and also may be used for construction: Provided further, That [\$51,445,000] \$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 4.0 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: Provided further, That none of the funds made available by this Act shall be used to allow 21st Century Community Learning Centers initiative funding for expanded learning time unless these activities provide enrichment and engaging academic activities for students at least 300 additional program hours before, during, or after the traditional school day and supplements but does not supplant school day requirements] grants under section 1202 may be made on a competitive basis: Provided further, That, notwithstanding section 4105, funds available for subpart 1 of part A of title IV may be used by state educational agencies to make subgrants on a competitive basis to local educational agencies to carry out the activities authorized in sections 4107 through 4109, for a period not to exceed 3 years and in an amount not less than \$50,000 for each year: Provided further, That State educational agencies may give priority for such subgrants to local educational agencies that propose to carry out one or more of the activities authorized in such sections, as determined by the state: Provided further, That \$175,840,000 shall be for part B of title V. (Department of Education Appropriations Act, 2016.)**

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

Identification code 091–1000–0–1–501	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Supporting effective instruction State grants .....	2,370	2,350	2,250
0002 Mathematics and science partnerships .....	152	153	.....
0003 21st century community learning centers .....	1,149	1,167	1,000

0004 State assessments .....	387	378	403
0005 Education for homeless children and youths .....	65	70	85
0006 Native Hawaiians education .....	32	33	33
0007 Alaska Native education .....	31	32	32
0008 Training and advisory services .....	7	7	7
0009 Rural education .....	170	176	176
0010 Supplemental education grants .....	17	17	17
0011 Comprehensive centers .....	48	51	55
0012 Student support and academic enrichment grants .....	.....	.....	500
0900 Total new obligations .....	4,428	4,434	4,558

<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	93	68	68
1021 Recoveries of prior year unpaid obligations .....	1	.....	.....
1050 Unobligated balance (total) .....	94	68	68
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	2,721	2,753	2,877
Advance appropriations, discretionary:			
1170 Advance appropriation .....	1,681	1,681	1,681
1900 Budget authority (total) .....	4,402	4,434	4,558
1930 Total budgetary resources available .....	4,496	4,502	4,626
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	68	68	68

<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	4,576	4,706	4,834
3010 Obligations incurred, unexpired accounts .....	4,428	4,434	4,558
3011 Obligations incurred, expired accounts .....	3	.....	.....
3020 Outlays (gross) .....	-4,264	-4,306	-4,435
3040 Recoveries of prior year unpaid obligations, unexpired .....	-1	.....	.....
3041 Recoveries of prior year unpaid obligations, expired .....	-36	.....	.....
3050 Unpaid obligations, end of year .....	4,706	4,834	4,957
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	4,576	4,706	4,834
3200 Obligated balance, end of year .....	4,706	4,834	4,957

<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	4,402	4,434	4,558
Outlays, gross:			
4010 Outlays from new discretionary authority .....	940	1,064	1,067
4011 Outlays from discretionary balances .....	3,324	3,242	3,368
4020 Outlays, gross (total) .....	4,264	4,306	4,435
4180 Budget authority, net (total) .....	4,402	4,434	4,558
4190 Outlays, net (total) .....	4,264	4,306	4,435

**SUMMARY OF PROGRAM LEVEL**

	(in millions of dollars)		
	2015–2016 Academic Year	2016–2017 Academic Year	2017–2018 Academic Year
New Budget Authority .....	\$2,721	\$2,752	\$2,877
Advance Appropriation .....	1,681	1,681	1,681
Total program level .....	4,403	4,434	4,558
Change in advance appropriation over previous year .....	0	0	0

**Supporting effective instruction State grants.**—Funds would support formula grants to States and LEAs to increase student achievement consistent with challenging State academic standards; improve the quality and effectiveness of teachers, principals, and other school leaders; increase the number of teachers, principals, or other school leaders who are effective in improving student academic achievement; and provide low-income and minority students greater access to effective teachers, principals, and other school leaders. SEAs and LEAs have flexibility to carry out a wide variety of activities, consistent with their specific needs.

**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. Funds would also support audits of State and local assessment systems.

SCHOOL IMPROVEMENT PROGRAMS—Continued

*Education for homeless children and youths.*—Funds would support activities to ensure that all homeless children and youth have equal access to the same free, appropriate public education available to other children.

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

*Alaska Native education.*—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.

*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.

*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 to carry out activities authorized elsewhere in ESEA. 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.

*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 would support a new cohort of Centers that would reflect changing priorities and new demands resulting from the reauthorization of the ESEA and that would provide services to the Bureau of Indian Education.

*Student support and academic enrichment grants.*—Funds would support formula grants to improve academic achievement by increasing the capacity of States and LEAs to provide all students with access to a well-rounded education, to improve school conditions for student learning, and to improve the use of technology.

Object Classification (in millions of dollars)

Identification code 091-1000-0-1-501	2015 actual	2016 est.	2017 est.
Direct obligations:			
25.1 Advisory and assistance services .....	2		
25.2 Other services from non-Federal sources .....	27	35	57
25.5 Research and development contracts .....	2	2	1
25.7 Operation and maintenance of equipment .....	3		
41.0 Grants, subsidies, and contributions .....	4,394	4,397	4,500
99.9 Total new obligations .....	4,428	4,434	4,558

SAFE SCHOOLS AND CITIZENSHIP EDUCATION

For carrying out activities authorized by *subparts 2 and 3 of part [A]F of title IV [and subparts 1, 2, and 10 of part D of title V] of the ESEA, [\$244,815,000] \$228,000,000: Provided, That [\$75,000,000] \$90,000,000 shall be available for [subpart 2 of part A of title IV] section 4631, 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 [\$73,254,000] \$10,000,000 shall be available for section 4625: Provided further, That \$128,000,000 shall be available through December 31, [2016 for Promise Neighborhoods] 2017, for section 4624. (Department of Education Appropriations Act, 2016.)*

Program and Financing (in millions of dollars)

Identification code 091-0203-0-1-501	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 School safety national activities .....	68	75	90
0002 Elementary and secondary school counseling .....	52	50	
0003 Physical education program .....	44	47	
0004 Promise neighborhoods .....	52	73	128
0005 Full service community schools .....			10
0500 Direct program activities, subtotal .....	216	245	228
0900 Total new obligations .....	216	245	228
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	56	62	62
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	223	245	228
1930 Total budgetary resources available .....	279	307	290
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-1		
1941 Unexpired unobligated balance, end of year .....	62	62	62
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	382	318	313
3010 Obligations incurred, unexpired accounts .....	216	245	228
3020 Outlays (gross) .....	-265	-250	-241
3041 Recoveries of prior year unpaid obligations, expired .....	-15		
3050 Unpaid obligations, end of year .....	318	313	300
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	382	318	313
3200 Obligated balance, end of year .....	318	313	300
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	223	245	228
Outlays, gross:			
4010 Outlays from new discretionary authority .....	2	5	5
4011 Outlays from discretionary balances .....	263	245	236
4020 Outlays, gross (total) .....	265	250	241
4180 Budget authority, net (total) .....	223	245	228
4190 Outlays, net (total) .....	265	250	241

*School safety 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, and otherwise improve their well-being. 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.

*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, by providing children in the community with access to a cradle-through-college-to-career continuum of academic programs and community supports, including effective schools and services.

*Full-service community schools.*—Funds support grants to local educational agencies or the Bureau of Indian Education, in partnership with community-based organizations, nonprofit organizations, or other public or private entities, to provide comprehensive and coordinated academic, social, and health services for students, students' family members, and community members that will result in improved educational outcomes for children in neighborhoods with high rates of poverty, childhood obesity, academic failure, and involvement of community members in the justice system.

Object Classification (in millions of dollars)

Identification code 091-0203-0-1-501	2015 actual	2016 est.	2017 est.
Direct obligations:			
25.2 Other services from non-Federal sources .....	7	8	12

25.3	Other goods and services from Federal sources .....	1	1	1
41.0	Grants, subsidies, and contributions .....	208	236	215
99.9	Total new obligations .....	216	245	228

41.0	Grants, subsidies, and contributions .....	122	141	172
99.9	Total new obligations .....	124	144	175

INDIAN EDUCATION

For expenses necessary to carry out, to the extent not otherwise provided, title [VII] VI, part A of the ESEA, [ \$143,939,000 ], \$174,939,000, of which \$67,993,000 shall be for subpart 2 of part A of title VI and \$6,565,000 shall be for subpart 3 of part A of title VI. (Department of Education Appropriations Act, 2016.)

Program and Financing (in millions of dollars)

Identification code 091-0101-0-1-501	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0001	Grants to local educational agencies .....	100	100	100
0002	Special programs for Indian children .....	18	38	68
0003	National activities .....	6	6	7
0900	Total new obligations .....	124	144	175

<b>Budgetary resources:</b>				
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	124	144	175
1930	Total budgetary resources available .....	124	144	175

<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	131	131	163
3010	Obligations incurred, unexpired accounts .....	124	144	175
3020	Outlays (gross) .....	-121	-112	-140
3041	Recoveries of prior year unpaid obligations, expired .....	-3		
3050	Unpaid obligations, end of year .....	131	163	198
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	131	131	163
3200	Obligated balance, end of year .....	131	163	198

<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	124	144	175
Outlays, gross:				
4010	Outlays from new discretionary authority .....	5	7	9
4011	Outlays from discretionary balances .....	116	105	131
4020	Outlays, gross (total) .....	121	112	140
4180	Budget authority, net (total) .....	124	144	175
4190	Outlays, net (total) .....	121	112	140

The Indian Education programs support the efforts of local educational agencies (LEA), tribes, and Indian organizations 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 enhance and supplement elementary and secondary school programs that serve Indian students, with the goal of ensuring that such programs assist participating students in meeting the same academic standards as all other students.

*Special programs for Indian children.*—Funds support competitive awards for Native Youth Community Projects under the Demonstration Grants authority to improve the college- and career-readiness of Native youth, 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, grants for native language immersion schools and programs, and grants to tribes for education administrative planning, development, and coordination.

Object Classification (in millions of dollars)

Identification code 091-0101-0-1-501	2015 actual	2016 est.	2017 est.	
Direct obligations:				
25.2	Other services from non-Federal sources .....	2	3	3

EDUCATION JOBS FUND

Program and Financing (in millions of dollars)

Identification code 091-0012-0-1-501	2015 actual	2016 est.	2017 est.	
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	10		
3041	Recoveries of prior year unpaid obligations, expired .....	-10		
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	10		
4180	Budget authority, net (total) .....			
4190	Outlays, net (total) .....			

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	2015 actual	2016 est.	2017 est.	
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	1,185		
3020	Outlays (gross) .....	-1,103		
3041	Recoveries of prior year unpaid obligations, expired .....	-82		
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	1,185		
<b>Budget authority and outlays, net:</b>				
Discretionary:				
Outlays, gross:				
4011	Outlays from discretionary balances .....	1,103		
4180	Budget authority, net (total) .....			
4190	Outlays, net (total) .....	1,103		

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] subparts 1 and 4 of part B and section 2232 of title II, and parts [B, C, ] C and D and subparts 1 and 4 of part F of title [V] IV of the ESEA, [and section 14007 of division A of the American Recovery and Reinvestment Act of 2009, as amended, \$1,181,226,000: ] and for carrying out additional activities as specified below, \$1,331,556,000: Provided, That \$391,815,000 shall be for subparts 1 and 4 of part B and section 2232 of title II and shall be made available without regard to sections 2201 and 2241: Provided further, That \$529,741,000 shall be for parts C and D and subpart 4 of part F of title IV, and shall be made available without regard to sections 4311, 4409(a), and 4601 of the ESEA: Provided further, That section 4303(d)(3) shall not apply to the funds available for part C of title IV: Provided further, That of the funds available for part C of title IV, the Secretary shall use not less than \$26,000,000 to carry out section 4304, of which not more than \$10,000,000 shall be available to carry out section 4304(k), not more than \$100,000,000 to carry out section 4305(b), and not less than \$16,000,000 to carry out the activities in section 4305(a)(3) and to make up to 5 competitive grants to charter schools to develop and validate collaborative activities with local educational agencies to improve student outcomes: Provided, That [up to \$120,000,000] notwithstanding section 4601(b), \$180,000,000 shall be available through December 31, [2016] 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

INNOVATION AND IMPROVEMENT—Continued

section: *Provided further*, That the education facilities clearinghouse established through a competitive process in fiscal year 2013 may collect and disseminate information on effective educational practices and the latest research on 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, 2016 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 \$10,000,000 to carry out activities under section 5205(b) and shall use not less than \$16,000,000 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 \$100,000,000 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. **2017 for subpart 1 of part F of title IV: *Provided further*, That of the amounts available for section 4611 of the ESEA, the Secretary may reserve up to \$30,000,000 for the Advanced Research Projects Agency-Education (ARPA-ED), which shall be established within the Department of Education, with a Director appointed by the Secretary, to identify and promote advances in fundamental and applied sciences and engineering that could be translated into new learning technologies, to develop, test, and evaluate novel learning technologies and related processes, and to accelerate transformational technological advances: *Provided further*, That such funds shall remain available until expended and may be used to award grants, contracts, cooperative agreements, and cash prizes, and to enter into other transactions (in accordance with such regulations as the Secretary may establish regarding such other transactions): *Provided further*, That the Secretary may appoint up to 20 scientific, engineering, professional, and other mission-related personnel to positions in ARPA-ED, for up to four years, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service: *Provided further*, That the personnel appointed under the preceding proviso shall be paid at rates of compensation determined by the Secretary: *Provided further*, That \$120,000,000, to remain until expended, shall be for competitive grants to local educational agencies to develop and implement comprehensive strategies to improve socioeconomic integration in early childhood education programs and elementary and secondary schools, of which up to \$2,500,000 may be used for national activities including technical assistance, evaluation, and dissemination: *Provided further*, That \$100,000,000 shall be for competitive grants to local educational agencies, in partnership with institutions of higher education and other public and private entities, to develop and implement strategies to provide high-quality instruction and other learning opportunities in computer science to students in pre-kindergarten through grade 12, including students in underserved communities or from groups historically underrepresented in science, technology, engineering, and mathematics fields: *Provided further*, That \$2,500,000 of the funds provided in the previous proviso shall be for national activities, including technical assistance, evaluation, and dissemination: *Provided further*, That \$10,000,000 shall be for grants to non-profit organizations to support teacher-led projects designed to improve educational outcomes for high-need students. (Department of Education Appropriations Act, 2016.)**

Program and Financing (in millions of dollars)

Identification code 091-0204-0-1-501	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Education, innovation, and research .....	141	120	120
0002 Teacher and school leader incentive fund .....	229	230	250
0003 School leader recruitment and support .....	16	16	30
0004 Supporting effective educator development (SEED) .....			100
0005 Charter schools grants .....	238	319	334
0006 Credit enhancement for charter school facilities .....	14	14	16
0007 Magnet schools assistance .....	92	97	115
0008 Stronger together .....			120
0009 Advanced placement .....	28	28	
0010 Computer sciences for all development grants .....			100
0011 Ready to learn programming .....	26	26	26
0012 Fund for the Improvement of Education: Programs of national significance .....	48	40	
0013 Preschool development grants .....		250	250
0014 Arts in education .....	25	27	27
0015 Javits gifted and talented education .....		12	12
0016 American history and civics academies .....		2	2
0017 STEM master teacher corps .....			10
0018 Teach to lead .....			10
0019 Race to the top .....	249		
0020 Transition to teaching .....	14		
0100 Total direct program .....	1,120	1,181	1,522
0799 Total direct obligations .....	1,120	1,181	1,522
0801 Reimbursable program activity .....	62	45	33
0900 Total new obligations .....	1,182	1,226	1,555

<b>Budgetary resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	434	397 397
Budget authority:			
Appropriations, discretionary:			
1100	Appropriation .....	1,102	1,181 1,332
1120	Appropriations transferred to other acct [091–0400] .....	-1	.....
1160	Appropriation, discretionary (total) .....	1,101	1,181 1,332
Spending authority from offsetting collections, discretionary:			
1700	Collected .....	45	45 45
1900	Budget authority (total) .....	1,146	1,226 1,377
1930	Total budgetary resources available .....	1,580	1,623 1,774
Memorandum (non-add) entries:			
1940	Unobligated balance expiring .....	-1	.....
1941	Unexpired unobligated balance, end of year .....	397	397 219

<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	3,501	3,125 2,044
3010	Obligations incurred, unexpired accounts .....	1,182	1,226 1,555
3020	Outlays (gross) .....	-1,502	-2,307 -1,323
3041	Recoveries of prior year unpaid obligations, expired .....	-56	.....
3050	Unpaid obligations, end of year .....	3,125	2,044 2,276
Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	3,501	3,125 2,044
3200	Obligated balance, end of year .....	3,125	2,044 2,276

<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	Budget authority, gross .....	1,146	1,226 1,377
Outlays, gross:			
4010	Outlays from new discretionary authority .....	4	25 28
4011	Outlays from discretionary balances .....	1,498	2,282 1,295
4020	Outlays, gross (total) .....	1,502	2,307 1,323
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033	Non-Federal sources .....	-45	-45 -45
4180	Budget authority, net (total) .....	1,101	1,181 1,332
4190	Outlays, net (total) .....	1,457	2,262 1,278

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

	2015 actual	2016 est.	2017 est.
Enacted/requested:			
Budget Authority .....	1,101	1,181	1,332
Outlays .....	1,457	2,262	1,278
Legislative proposal, subject to PAYGO:			
Budget Authority .....	.....	.....	4,300
Outlays .....	.....	.....	220
Total:			
Budget Authority .....	1,101	1,181	5,632
Outlays .....	1,457	2,262	1,498

**Education, innovation, and research.**—Funds would support grants to local educational agencies (LEAs), State educational agencies (SEAs), the Bureau of Indian Education (BIE), consortia of LEAs or SEAs, nonprofit organizations; or consortia of SEAs, LEAs, or the BIE with a nonprofit organization, a business, an educational service agency, or an institution of higher education designed to improve the achievement and attainment of high-need students. Funds would also support Advanced Research Projects Agency-Education (ARPA-ED), to identify and promote advances in fundamental and applied sciences and engineering that could be translated into new learning technologies, to develop, test, and evaluate novel learning technologies and related processes, and to accelerate transformational technological advances.

**Teacher and school leader incentive fund grants.**—Funds would support grants to develop, implement, improve, or expand human capital management systems or performance-based compensation systems, especially in high-need schools.

**School leader recruitment and support.**—Funds would support grants to improve the recruitment, preparation, placement, support, and retention of effective principals and other school leaders in high-need schools.

**Supporting effective educator development.**—Funds would support competitive grants to institutions of higher education, national nonprofit entities, and the BIE to provide educators with evidence-based professional

development and to support pathways that allow educators with nontraditional preparation and certification to obtain employment in traditionally underserved local educational agencies.

**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.

**Stronger together.**—Funds would support competitive grants to LEAs to develop and implement comprehensive plans with concrete and ambitious goals for improving socioeconomic diversity in the Nation's preK-12 schools.

**Computer science for all development grants.**—Funds would support competitive grants to local educational agencies to provide high-quality instruction and other learning opportunities in computer science in pre-kindergarten through grade 12, with a focus on expanding access to these opportunities for students in underserved communities or from groups historically underrepresented in science, technology, engineering, and mathematics fields.

**Ready to learn programming.**—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.

**Arts in education.**—Funds would support projects and programs to promote arts education for students, including disadvantaged students, through competitive grants to support development and dissemination of instructional materials and programming and professional development for arts educators.

**Javits gifted and talented education.**—Funds would support a coordinated program of research, demonstration projects, innovative strategies, and other activities to build and enhance the capacity of elementary and secondary schools to identify gifted and talented students and meet their special educational needs.

**American history and civics academies.**—Funds would support competitive grants to institutions of higher education and other nonprofit organizations to improve the quality of American history and civics education by providing intensive workshops for teachers and students.

**STEM master teacher corps.**—Funds would support grants to States to support the development of statewide STEM Master Teacher Corps to promote improved professional development and instruction in STEM subjects as well as grants to States and non-profit organizations to support effective, statewide professional development programs in STEM subjects.

**Teach to lead.**—Funds would support the implementation, expansion, and dissemination of teacher-led projects designed to improve educator effectiveness and student outcomes, empowering teachers to lead beyond their classroom.

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

Identification code 091–0204–0–1–501		2015 actual	2016 est.	2017 est.
Direct obligations:				
25.1	Advisory and assistance services .....	1	30	44
25.2	Other services from non-Federal sources .....	20	3	6
25.3	Other goods and services from Federal sources .....	1	2	2
25.5	Research and development contracts .....	4	.....	.....
41.0	Grants, subsidies, and contributions .....	1,094	1,146	1,470
99.0	Direct obligations .....	1,120	1,181	1,522
99.0	Reimbursable obligations .....	62	45	33

INNOVATION AND IMPROVEMENT—Continued  
Object Classification—Continued

Identification code 091-0204-0-1-501	2015 actual	2016 est.	2017 est.
99.9 Total new obligations .....	1,182	1,226	1,555

INNOVATION AND IMPROVEMENT  
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 091-0204-4-1-501	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Preschool for all .....			1,300
0002 Respect: Best job in the world .....			1,000
0003 Computer science for all .....			2,000
0100 Total direct program .....			4,300
0900 Total new obligations (object class 41.0) .....			4,300

<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....			4,300
1930 Total budgetary resources available .....			4,300

<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....			4,300
3020 Outlays (gross) .....			-220
3050 Unpaid obligations, end of year .....			4,080
Memorandum (non-add) entries:			
3200 Obligated balance, end of year .....			4,080

<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....			4,300
Outlays, gross:			
4100 Outlays from new mandatory authority .....			220
4180 Budget authority, net (total) .....			4,300
4190 Outlays, net (total) .....			220

*Preschool for all.*—Funds would support grants to States to expand the number and availability of high-quality preschool programs to serve all 4-year-olds from low- and moderate-income families, and improve the quality of existing programs.

*Respect: Best job in the world.*—Funds would support competitive grants to States with subgrants to LEAs to improve compensation and paths for advancement, teacher leadership opportunities, and working conditions to attract and retain effective teachers in high-needs schools.

*Computer science for all.*—Funds would support competitive grants to State educational agencies to ensure that all students, including those in underserved communities or from historically underrepresented subgroups, have access to computer science and other rigorous instruction in science, technology, engineering, and mathematics.

OFFICE OF ENGLISH LANGUAGE ACQUISITION

Federal Funds

ENGLISH LANGUAGE ACQUISITION

For carrying out part A of title III of the ESEA, **[\$737,400,000] \$800,400,000**, which shall become available on July 1, **[2016]2017**, and shall remain available through September 30, **[2017]2018**, except that 6.5 percent of such amount shall be available on October 1, **[2015]2016**, and shall remain available through September 30, **[2017]2018**, 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] may use \$10,000,000 of funds available under section 3111(c)(1)(C) to award grants on a competitive basis to local educational agencies and local partnerships with other government or non-profit entities to develop effective multi-generational approaches to improve academic and career outcomes for English**

*learners and their families and for the robust evaluation of such activities carried out under such section: Provided further, That recipients of such grants shall secure matching contributions of at least 25 percent, in funds or in-kind, from State, local, and/or private sources. (Department of Education Appropriations Act, 2016.)*

Program and Financing (in millions of dollars)

Identification code 091-1300-0-1-501	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 English language acquisition grants .....	739	737	800

<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	14	12	12
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	737	737	800
1930 Total budgetary resources available .....	751	749	812
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	12	12	12

<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	1,015	1,072	1,018
3010 Obligations incurred, unexpired accounts .....	739	737	800
3020 Outlays (gross) .....	-679	-791	-742
3041 Recoveries of prior year unpaid obligations, expired .....	-3		
3050 Unpaid obligations, end of year .....	1,072	1,018	1,076
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1,015	1,072	1,018
3200 Obligated balance, end of year .....	1,072	1,018	1,076

<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	737	737	800
Outlays, gross:			
4010 Outlays from new discretionary authority .....	4	7	8
4011 Outlays from discretionary balances .....	675	784	734
4020 Outlays, gross (total) .....	679	791	742
4180 Budget authority, net (total) .....	737	737	800
4190 Outlays, net (total) .....	679	791	742

*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 to increase the supply of high-quality teachers of English Learners, a pilot to identify effective multi-generational approaches to improving literacy, and a national information clearinghouse on English language acquisition.

Object Classification (in millions of dollars)

Identification code 091-1300-0-1-501	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
25.1 Advisory and assistance services .....	2	2	2
25.2 Other services from non-Federal sources .....	2	2	2
25.5 Research and development contracts .....	2	2	2
41.0 Grants, subsidies, and contributions .....	732	731	794
99.0 Direct obligations .....	738	737	800
99.5 Adjustment for rounding .....	1		
99.9 Total new obligations .....	739	737	800

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, **[\$12,976,858,000] \$13,066,858,000**, of which **[\$3,456,259,000] \$3,536,259,000** shall become available



on July 1, [2016]2017, and shall remain available through September 30, [2017]2018, and of which \$9,283,383,000 shall become available on October 1, [2016]2017, and shall remain available through September 30, [2017]2018, for academic year [2016–2017]2017–2018: *Provided*, That the amount for section 611(b)(2) of the IDEA shall be equal to the lesser of the amount available for that activity during fiscal year [2015]2016, 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 [2015]2016: *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 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 to support grants to partnerships of public and private entities for model demonstration projects to increase early screening, evaluation and assessments, early intervention services, and other services, for infants and toddlers with disabilities and at-risk infants and toddlers who may otherwise not qualify for services under Part C of the IDEA in their State: *Provided further*, That the Secretary may use funds reserved under the preceding proviso to support technical assistance and evaluation activities related to carrying out and assessing the performance of those grants: *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. (Department of Education Appropriations Act, 2016.)

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

Identification code 091–0300–0–1–501	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Grants to States .....	11,502	11,912	11,913
0002 Preschool grants .....	353	368	403
0003 Grants for infants and families .....	439	463	504
0091 Subtotal, State grants .....	12,294	12,743	12,820
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	30	30
0191 Subtotal, National activities .....	225	227	237
0201 Special Olympics education program .....	8	10	10
0900 Total new obligations .....	12,527	12,980	13,067
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	9	4	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	3,239	3,693	3,784
Advance appropriations, discretionary:			
1170 Advance appropriation .....	9,283	9,283	9,283
1900 Budget authority (total) .....	12,522	12,976	13,067
1930 Total budgetary resources available .....	12,531	12,980	13,067
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	4	.....	.....
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	6,482	6,732	7,350
3010 Obligations incurred, unexpired accounts .....	12,527	12,980	13,067
3020 Outlays (gross) .....	-12,267	-12,362	-12,924
3041 Recoveries of prior year unpaid obligations, expired .....	-10	.....	.....
3050 Unpaid obligations, end of year .....	6,732	7,350	7,493
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	6,482	6,732	7,350
3200 Obligated balance, end of year .....	6,732	7,350	7,493
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	12,522	12,976	13,067
Outlays, gross:			
4010 Outlays from new discretionary authority .....	6,490	6,302	6,306
4011 Outlays from discretionary balances .....	5,777	6,060	6,618
4020 Outlays, gross (total) .....	12,267	12,362	12,924
4180 Budget authority, net (total) .....	12,522	12,976	13,067
4190 Outlays, net (total) .....	12,267	12,362	12,924

**SUMMARY OF IDEA FORMULA GRANTS PROGRAM LEVELS**

	[in millions of dollars]		
	2015–2016 Academic Year	2016–2017 Academic Year	2017–2018 Academic Year
Current Budget Authority .....	\$3,006	\$3,456	\$3,536
Advance appropriation .....	9,283	9,283	9,283
Total program level .....	12,289	12,739	12,819
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

SPECIAL EDUCATION—Continued

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 the 2017 Budget, the Administration would provide additional flexibility to allow LEAs to provide CEIS to children ages 3 through 5 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 would reserve \$15 million of the requested increase to make competitive grants to partnerships of public and private entities to support community-based model demonstration projects. These model demonstration projects would focus on expanding early screening, referral, and early intervention services to infants and toddlers eligible for Part C and those who are at-risk, but not eligible, for Part C and their families.

**National activities.**—Funds are provided for 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 grants to increase substantially the Administration's investment in model demonstration projects to build the evidence-base for promising practices in critical areas such as interventions for students with autism that require intensive services and support.

**Special Olympics education programs.**—Funds are provided to 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**

Status of Exiting Students Percent / number of students with disabilities aged 14–21 exiting special education:	2011–2012	2012–2013	2013–2014
	Actual	Actual	Actual
Graduated with a diploma .....	39.7% / 250,575	41.9% / 257,982	42.18% / 258,969
Graduated through certification .....	8.5% / 53,901	9.2% / 56,399	8.64% / 53,031
Transferred to regular education .....	10.2% / 64,637	9.4% / 57,639	9.2% / 56,552
Dropped out of school/not known to continue .....	12.7% / 80,427	12.1% / 74,502	11.77% / 72,251
Moved, but known to have continued in education .....	27.9% / 175,709	26.5% / 162,887	27.23% / 167,187
Reached maximum age for services/other .....	.9% / 5,565	.9% / 5,839	.97% / 5,935
<b>Total .....</b>	<b>100% / 630,823</b>	<b>100% / 615,248</b>	<b>100% / 613,921</b>

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

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

Identification code 091–0300–0–1–501	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
25.2 Other services from non-Federal sources .....	1	4	3
41.0 Grants, subsidies, and contributions .....	12,526	12,976	13,064
99.9 Total new obligations .....	12,527	12,980	13,067

REHABILITATION SERVICES [AND DISABILITY RESEARCH]

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973 and the Helen Keller National Center Act, **[\$3,529,605,000] \$3,541,389,000**, of which **[\$3,391,770,000] \$3,398,554,000** 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, nonprofit 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, **[2017] 2018**. (*Department of Education Appropriations Act, 2016.*)

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

Identification code 091–0301–0–1–506	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Vocational rehabilitation State grants .....	3,066	3,161	3,399
0002 Client assistance State grants .....	13	13	13
0003 Supported employment State grants .....	27	28	31
0005 Training .....	30	30	30
0006 Demonstration and training programs .....	6	6	6
0007 Independent living .....	55	33	35
0008 Protection and advocacy of individual rights .....	22	18	18
0011 Helen Keller National Center .....	9	10	10
0012 Assistive technology .....	26		
0013 Disability innovation fund .....	37	28	15
0100 Total direct program .....	3,291	3,327	3,557
0799 Total direct obligations .....	3,291	3,327	3,557
0900 Total new obligations .....	3,291	3,327	3,557
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....		1	3
1001 Discretionary unobligated balance brought fwd, Oct 1 .....		1	
1012 Unobligated balance transfers between expired and unexpired accounts .....	37	28	15
1050 Unobligated balance (total) .....	37	29	18
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	375	138	142
1120 Appropriations transferred to other acct [075–0142] .....	–184		
1160 Appropriation, discretionary (total) .....	191	138	142
Appropriations, mandatory:			
1200 Appropriation .....	3,335	3,161	3,399
1230 Appropriations and/or unobligated balance of appropriations permanently reduced .....	–243		
1260 Appropriations, mandatory (total) .....	3,092	3,161	3,399
Spending authority from offsetting collections, discretionary:			
1700 Collected .....		2	2
1900 Budget authority (total) .....	3,283	3,301	3,543
1930 Total budgetary resources available .....	3,320	3,330	3,561
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	–28		
1941 Unexpired unobligated balance, end of year .....	1	3	4
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	2,408	2,073	1,836
3010 Obligations incurred, unexpired accounts .....	3,291	3,327	3,557
3011 Obligations incurred, expired accounts .....	153		
3020 Outlays (gross) .....	–3,324	–3,564	–3,418
3030 Unpaid obligations transferred to other accts [075–0142] .....	–196		
3041 Recoveries of prior year unpaid obligations, expired .....	–259		
3050 Unpaid obligations, end of year .....	2,073	1,836	1,975
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	2,408	2,073	1,836
3200 Obligated balance, end of year .....	2,073	1,836	1,975

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross .....	191	140	144
Outlays, gross:				
4010	Outlays from new discretionary authority .....	75	70	72
4011	Outlays from discretionary balances .....	207	105	70
4020	Outlays, gross (total) .....	282	175	142
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources .....		-2	-2
Mandatory:				
4090	Budget authority, gross .....	3,092	3,161	3,399
Outlays, gross:				
4100	Outlays from new mandatory authority .....	1,527	1,580	1,700
4101	Outlays from mandatory balances .....	1,515	1,809	1,576
4110	Outlays, gross (total) .....	3,042	3,389	3,276
4180	Budget authority, net (total) .....	3,283	3,299	3,541
4190	Outlays, net (total) .....	3,324	3,562	3,416

**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 2015, State VR agencies assisted approximately 184,000 individuals with disabilities to obtain an employment outcome, about 93 percent of whom were individuals with significant disabilities. VR State Grants is a core program of the workforce development system under the Workforce Innovation and Opportunity Act (WIOA) and a required partner in the one-stop service delivery system for accessing employment and training services. 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 2017 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 the 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	2015 actual	2016 est.	2017 est.	
Direct obligations:				
25.1	Advisory and assistance services .....	1	1	1
25.2	Other services from non-Federal sources .....	1		
41.0	Grants, subsidies, and contributions .....	3,289	3,326	3,556
99.9	Total new obligations .....	3,291	3,327	3,557

**SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES**

**AMERICAN PRINTING HOUSE FOR THE BLIND**

For carrying out the Act to Promote the Education of the Blind of March 3, 1879, \$25,431,000. (Department of Education Appropriations Act, 2016.)

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

Identification code 091-0600-0-1-501	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0001	American printing house for the blind .....	25	25	25
0900	Total new obligations (object class 41.0) .....	25	25	25
<b>Budgetary resources:</b>				
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	25	25	25
1930	Total budgetary resources available .....	25	25	25
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	6	7	7
3010	Obligations incurred, unexpired accounts .....	25	25	25
3020	Outlays (gross) .....	-24	-25	-25
3050	Unpaid obligations, end of year .....	7	7	7
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	6	7	7
3200	Obligated balance, end of year .....	7	7	7
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	25	25	25
Outlays, gross:				
4010	Outlays from new discretionary authority .....	19	19	19
4011	Outlays from discretionary balances .....	5	6	6
4020	Outlays, gross (total) .....	24	25	25
4180	Budget authority, net (total) .....	25	25	25
4190	Outlays, net (total) .....	24	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

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES—Continued

services to consumer organizations on the availability and use of materials. In 2015, the portion of the Federal appropriation allocated to educational materials represented approximately 65 percent of the Printing House's total sales. The full 2015 appropriation represented approximately 73 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, \$70,016,000: *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, 2016.*)

Program and Financing (in millions of dollars)

Identification code 091-0601-0-1-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Operations	67	70	70
0900 Total new obligations (object class 41.0)	67	70	70
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	67	70	70
1930 Total budgetary resources available	67	70	70
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	2	1	
3010 Obligations incurred, unexpired accounts	67	70	70
3020 Outlays (gross)	-68	-71	-70
3050 Unpaid obligations, end of year	1		
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	2	1	
3200 Obligated balance, end of year	1		
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross	67	70	70
Outlays, gross:			
4010 Outlays from new discretionary authority	67	70	70
4011 Outlays from discretionary balances	1	1	
4020 Outlays, gross (total)	68	71	70
4180 Budget authority, net (total)	67	70	70
4190 Outlays, net (total)	68	71	70

This residential program provides postsecondary technical and professional education for people who are deaf or hard of hearing, provides training, and conducts applied research into employment-related aspects of deafness. In 2015, the Federal appropriation represented approximately 72 percent of the Institute's operating budget. The 2017 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, \$121,275,000: *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, 2016.*)

Program and Financing (in millions of dollars)

Identification code 091-0602-0-1-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Operations	120	121	121
0900 Total new obligations (object class 41.0)	120	121	121

Budgetary resources:

Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	120	121	121
1930 Total budgetary resources available	120	121	121

Change in obligated balance:

Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	24	20	15
3010 Obligations incurred, unexpired accounts	120	121	121
3020 Outlays (gross)	-124	-126	-129
3050 Unpaid obligations, end of year	20	15	7
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	24	20	15
3200 Obligated balance, end of year	20	15	7

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	120	121	121
Outlays, gross:			
4010 Outlays from new discretionary authority	120	121	121
4011 Outlays from discretionary balances	4	5	8
4020 Outlays, gross (total)	124	126	129
4180 Budget authority, net (total)	120	121	121
4190 Outlays, net (total)	124	126	129

This institution provides undergraduate, continuing education, and graduate programs for students who are deaf, hard of hearing, and hearing. The University also conducts basic and applied research and provides public service programs for persons with hearing loss and persons who work with them.

Gallaudet operates the Laurent Clerc National Deaf Education Center, which includes elementary and secondary education programs on the main campus of the University serving students who are deaf or hard of hearing. The Kendall Demonstration Elementary School serves students from birth through grade 8, and the Model Secondary School for the Deaf (MSSD) serves high school students in grades 9 through 12. 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 2015, the appropriation for Gallaudet represented approximately 67 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 2017 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"), [\$1,720,686,000, of which \$929,686,000] \$606,667,000, which shall become available on July 1, [2016] 2017, and shall remain available through September 30, [2017, and of which \$791,000,000 shall become available on October 1, 2016, and shall remain available through September 30, 2017] 2018: *Provided*, That [of the amounts made available for AEFLA, \$13,712,000] \$24,712,000 shall be for national leadership activities under section 242. (*Department of Education Appropriations Act, 2016.*)

Program and Financing (in millions of dollars)

Identification code 091-0400-0-1-501	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Career and technical education State grants	1,124	1,121	791
0002 Career and technical education national programs	7	7	7
0091 Total, Career and technical education	1,131	1,128	798

0101	Adult basic and literacy education State grants .....	579	582	582
0102	Adult education national leadership activities .....	14	14	14
0191	Total, adult education .....	593	596	596
0900	Total new obligations .....	1,724	1,724	1,394

**Budgetary resources:**

Unobligated balance:

1000	Unobligated balance brought forward, Oct 1 .....	36	27	26
1011	Unobligated balance transfer from other acct [016-0174] .....	2		
1011	Unobligated balance transfer from other acct [091-0900] .....	2		
1050	Unobligated balance (total) .....	40	27	26

Budget authority:

Appropriations, discretionary:

1100	Appropriation .....	917	930	607
1121	Appropriations transferred from other acct [485-2728] .....	1		
1121	Appropriations transferred from other acct [091-0204] .....	1		
1160	Appropriation, discretionary (total) .....	919	930	607

Advance appropriations, discretionary:

1170	Advance appropriation from prior year .....	791	791	791
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Spending authority from offsetting collections, discretionary:

1700	Collected .....		1	1
1701	Change in uncollected payments, Federal sources .....	1	1	1
1750	Spending auth from offsetting collections, disc (total) .....	1	2	2
1900	Budget authority (total) .....	1,711	1,723	1,400
1930	Total budgetary resources available .....	1,751	1,750	1,426

Memorandum (non-add) entries:

1941	Unexpired unobligated balance, end of year .....	27	26	32
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**Change in obligated balance:**

Unpaid obligations:

3000	Unpaid obligations, brought forward, Oct 1 .....	1,338	1,402	1,439
3010	Obligations incurred, unexpired accounts .....	1,724	1,724	1,394
3011	Obligations incurred, expired accounts .....	4		
3020	Outlays (gross) .....	-1,655	-1,687	-1,455
3041	Recoveries of prior year unpaid obligations, expired .....	-9		
3050	Unpaid obligations, end of year .....	1,402	1,439	1,378

Uncollected payments:

3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....		-1	-2
3070	Change in uncollected pymts, Fed sources, unexpired .....	-1	-1	-1
3090	Uncollected pymts, Fed sources, end of year .....	-1	-2	-3

Memorandum (non-add) entries:

3100	Obligated balance, start of year .....	1,338	1,401	1,437
3200	Obligated balance, end of year .....	1,401	1,437	1,375

**Budget authority and outlays, net:**

Discretionary:

4000	Budget authority, gross .....	1,711	1,723	1,400
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Outlays, gross:

4010	Outlays from new discretionary authority .....	570	623	599
4011	Outlays from discretionary balances .....	1,085	1,064	856
4020	Outlays, gross (total) .....	1,655	1,687	1,455

Offsets against gross budget authority and outlays:

Offsetting collections (collected) from:

4030	Federal sources .....		-1	-1
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Additional offsets against gross budget authority only:

4050	Change in uncollected pymts, Fed sources, unexpired .....	-1	-1	-1
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4070	Budget authority, net (discretionary) .....	1,710	1,721	1,398
4080	Outlays, net (discretionary) .....	1,655	1,686	1,454
4180	Budget authority, net (total) .....	1,710	1,721	1,398
4190	Outlays, net (total) .....	1,655	1,686	1,454

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

	2015 actual	2016 est.	2017 est.
Enacted/requested:			
Budget Authority .....	1,710	1,721	1,398
Outlays .....	1,655	1,686	1,454
Legislative proposal, not subject to PAYGO:			
Budget Authority .....			491
Outlays .....			25
Total:			
Budget Authority .....	1,710	1,721	1,889
Outlays .....	1,655	1,686	1,479

**SUMMARY OF PROGRAM LEVEL**

	2015-16 Academic Year	2016-17 Academic Year	2017-18 Academic Year
New Budget Authority .....	\$917	\$930	\$1,098

Advance Appropriation .....	791	791	791
Total program level .....	1,708	1,721	1,889
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.

**Career and Technical Education:**

*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.

**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 2017 would support States in their efforts to improve adult education standards and assessments and to carry out data collection activities required by the Workforce Innovation and Opportunity Act.

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

Identification code 091-0400-0-1-501	2015 actual	2016 est.	2017 est.
Direct obligations:			
25.1 Advisory and assistance services .....	9	9	9
25.2 Other services from non-Federal sources .....	1	1	1
25.5 Research and development contracts .....	5	5	5
25.7 Operation and maintenance of equipment .....	2	2	2
41.0 Grants, subsidies, and contributions .....	1,707	1,707	1,377
99.9 Total new obligations .....	1,724	1,724	1,394

**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	2015 actual	2016 est.	2017 est.
Obligations by program activity:			
0001 Career and technical education State grants .....			402
0003 Next generation high schools .....			80
0900 Total new obligations .....			482

**Budgetary resources:**

Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....			491
1900 Budget authority (total) .....			491
1930 Total budgetary resources available .....			491
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....			9

**Change in obligated balance:**

Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....			482
3020 Outlays (gross) .....			-25
3050 Unpaid obligations, end of year .....			457

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

Identification code 091-0400-2-1-501	2015 actual	2016 est.	2017 est.
<b>Memorandum (non-add) entries:</b>			
3200 Obligated balance, end of year .....			457
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross .....			491
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....			25
4180 Budget authority, net (total) .....			491
4190 Outlays, net (total) .....			25

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.

*Next generation high schools.*—Funds would support competitive grants to transform teaching and learning in high schools by encouraging partnerships among local educational agencies, 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 091-0400-2-1-501	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
25.1 Advisory and assistance services .....			2
25.2 Other services from non-Federal sources .....			1
41.0 Grants, subsidies, and contributions .....			479
99.9 Total new obligations .....			482

**OFFICE OF POSTSECONDARY EDUCATION**

*Federal Funds*

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, titles II, III, IV, V, VI, and VII 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, **[\$1,982,185,000] \$2,189,200,000:** *Provided*, 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 2016 awards under section 402A: Provided further, That \$30,000,000 shall be used for competitive awards to institutions described in sections 316, 317, 318, 319, 320, 322, and 502 of the HEA to support innovative and evidence-based student-centered strategies and interventions designed to improve the performance of those institutions in graduating low-income students: Provided further, That \$125,000,000 shall be used to make competitive grants to public and private nonprofit entities to support the creation and expansion of high-quality teacher and principal preparation programs, and other activities authorized under title II of the HEA: Provided further, That the Secretary may reserve no more than five percent of the funds described in the preceding proviso for national activities. (Department of Education Appropriations Act, 2016.)*

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

Identification code 091-0201-0-1-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Strengthening institutions .....	80	87	87
0002 Strengthening tribally controlled colleges and universities .....	53	56	58
0003 Strengthening Alaska Native- and Native Hawaiian-serving institutions .....	29	28	29
0004 Strengthening historically Black colleges and universities (HBCUs) .....	306	324	330
0005 Strengthening historically Black graduate institutions .....	59	63	63
0007 Strengthening predominantly Black institutions .....	23	24	25
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	10	10
0091 Subtotal, aid for institutional development .....	575	608	618
0101 Developing Hispanic-serving institutions .....	100	108	107
0102 Developing Hispanic-serving institution STEM and articulation programs .....	93	93	100
0103 Promoting baccalaureate opportunities for Hispanic Americans .....	9	9	10
0104 International education and foreign language studies .....	72	72	67
0105 FIPSE/First in the World .....	69		100
0106 Model transition programs for students with intellectual disabilities into higher education .....	12	12	12
0107 Tribally controlled postsecondary career and technical institutions .....	8	8	8
0108 HBCU and Minority-serving institutions innovation for completion fund .....			30
0191 Subtotal, other aid for institutions .....	363	302	434
0201 Federal TRIO programs .....	840	900	900
0202 Gaining early awareness and readiness for undergraduate programs (GEAR UP) .....	302	323	323
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 .....	1,186	1,267	1,267
0301 Teacher quality partnership .....	41	43	
0302 Teacher and principal pathways .....			125
0391 Direct program activities, subtotal .....	41	43	125
0900 Total new obligations .....	2,165	2,220	2,444
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	1	1	125
1001 Discretionary unobligated balance brought fwd, Oct 1 .....	1	1	
1012 Unobligated balance transfers between expired and unexpired accounts .....	126	124	124
1050 Unobligated balance (total) .....	127	125	249
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	1,925	1,982	2,189
<b>Appropriations, mandatory:</b>			
1200 Appropriation .....	255	238	255
1230 Appropriations and/or unobligated balance of appropriations permanently reduced .....	-19		
1260 Appropriations, mandatory (total) .....	236	238	255
<b>Spending authority from offsetting collections, discretionary:</b>			
1700 Collected .....	1		
1900 Budget authority (total) .....	2,162	2,220	2,444

1930	Total budgetary resources available .....	2,289	2,345	2,693
	Memorandum (non-add) entries:			
1940	Unobligated balance expiring .....	-123		
1941	Unexpired unobligated balance, end of year .....	1	125	249
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	3,137	3,116	3,058
3010	Obligations incurred, unexpired accounts .....	2,165	2,220	2,444
3020	Outlays (gross) .....	-2,129	-2,278	-2,211
3041	Recoveries of prior year unpaid obligations, expired .....	-57		
3050	Unpaid obligations, end of year .....	3,116	3,058	3,291
	Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	3,137	3,116	3,058
3200	Obligated balance, end of year .....	3,116	3,058	3,291
<b>Budget authority and outlays, net:</b>				
Discretionary:				
4000	Budget authority, gross .....	1,926	1,982	2,189
	Outlays, gross:			
4010	Outlays from new discretionary authority .....	33	59	66
4011	Outlays from discretionary balances .....	1,776	1,930	1,894
4020	Outlays, gross (total) .....	1,809	1,989	1,960
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4030	Federal sources .....	-1		
	Mandatory:			
4090	Budget authority, gross .....	236	238	255
	Outlays, gross:			
4100	Outlays from new mandatory authority .....		7	8
4101	Outlays from mandatory balances .....	320	282	243
4110	Outlays, gross (total) .....	320	289	251
4180	Budget authority, net (total) .....	2,161	2,220	2,444
4190	Outlays, net (total) .....	2,128	2,278	2,211

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

	2015 actual	2016 est.	2017 est.
Enacted/requested:			
Budget Authority .....	2,161	2,220	2,444
Outlays .....	2,128	2,278	2,211
Legislative proposal, subject to PAYGO:			
Budget Authority .....			1,805
Outlays .....			142
Total:			
Budget Authority .....	2,161	2,220	4,249
Outlays .....	2,128	2,278	2,353

*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.

*HBCU and Minority-serving institutions (MSI) innovation for completion fund.*—Funds support innovative and evidenced-based student-centered strategies and interventions to increase the number of low-income students completing degree programs at HBCUs and MSIs, including Hispanic-serving institutions, Predominantly Black institutions, Tribally Controlled Colleges and Universities, Asian American and Native American Pacific Islander-serving institutions, and Native American-serving nontribal institutions.

*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/First in the world.*—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

HIGHER EDUCATION—Continued

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.

*Teacher and principal pathways.*—Funds support grants to institutions of higher education and other non-profit entities to create or expand high quality pathways to prepare participants to be effective teachers or principals.

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

Identification code 091–0201–0–1–502	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
25.2 Other services from non-Federal sources .....	5	3	3
25.5 Research and development contracts .....	7	4	7
25.7 Operation and maintenance of equipment .....	2	1	3
41.0 Grants, subsidies, and contributions .....	2,151	2,212	2,431
99.9 Total new obligations .....	2,165	2,220	2,444

HIGHER EDUCATION

(Legislative proposal, subject to PAYGO)

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

Identification code 091–0201–4–1–502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0401 America's college promise .....			1,257
0402 College opportunity and graduation bonus .....			548
0900 Total new obligations (object class 41.0) .....			1,805
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....			1,805
1930 Total budgetary resources available .....			1,805
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Unpaid obligations, brought forward, Oct 1 .....			1,805
3020 Outlays (gross) .....			–142
3050 Unpaid obligations, end of year .....			1,663
Memorandum (non-add) entries:			
3200 Obligated balance, end of year .....			1,663
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....			1,805
Outlays, gross:			
4100 Outlays from new mandatory authority .....			142
4180 Budget authority, net (total) .....			1,805
4190 Outlays, net (total) .....			142

*America's college promise.*—Funds would support the creation of a new partnership with states to make 2 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 2 years of college. Funds would also support HBCUs and other MSIs by waiving or significantly reducing tuition and fees for up to 60 credits for low-income students.

*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, 2016.*)

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

Identification code 091–0603–0–1–502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 General support .....	195	195	195
0002 Howard University Hospital .....	27	27	27
0900 Total new obligations (object class 41.0) .....	222	222	222
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	222	222	222
1930 Total budgetary resources available .....	222	222	222
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	4	5	14
3010 Obligations incurred, unexpired accounts .....	222	222	222
3020 Outlays (gross) .....	–221	–213	–222
3050 Unpaid obligations, end of year .....	5	14	14
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	4	5	14
3200 Obligated balance, end of year .....	5	14	14
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	222	222	222
Outlays, gross:			
4010 Outlays from new discretionary authority .....	218	209	209
4011 Outlays from discretionary balances .....	3	4	13
4020 Outlays, gross (total) .....	221	213	222
4180 Budget authority, net (total) .....	222	222	222
4190 Outlays, net (total) .....	221	213	222

Howard University is a private, nonprofit institution of higher education consisting of 13 schools and colleges. Federal funds are used to provide partial support for University programs as well as for the Howard University Hospital, a teaching facility. In 2015, the Federal appropriation represented approximately 38 percent of the University's revenue and 10 percent of the Hospital'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]** \$457,000. (*Department of Education Appropriations Act, 2016.*)

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

For the cost of guaranteed loans, \$20,150,000, as authorized pursuant to part D of title III of the HEA, which shall remain available through September 30, **[2017]** 2018: *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 **[\$302,099,000]** \$282,212,885: *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]** \$349,000. (*Department of Education Appropriations Act, 2016.*)



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

Identification code 091-0241-0-1-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0701 Direct loan subsidy .....	12	20	20
0705 Reestimates of direct loan subsidy .....	31	17	.....
0706 Interest on reestimates of direct loan subsidy .....	.....	5	.....
0709 Administrative expenses .....	.....	1	1
0900 Total new obligations (object class 41.0) .....	43	43	21
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	16	19	19
1001 Discretionary unobligated balance brought fwd, Oct 1 .....	16	19	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation .....	20	21	21
Appropriations, mandatory:			
1200 Appropriation .....	31	22	.....
1900 Budget authority (total) .....	51	43	21
1930 Total budgetary resources available .....	67	62	40
Memorandum (non-add) entries:			
1940 Unobligated balance expiring .....	-5	.....	.....
1941 Unexpired unobligated balance, end of year .....	19	19	19
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	28	32	30
3010 Obligations incurred, unexpired accounts .....	43	43	21
3020 Outlays (gross) .....	-38	-45	-13
3041 Recoveries of prior year unpaid obligations, expired .....	-1	.....	.....
3050 Unpaid obligations, end of year .....	32	30	38
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	28	32	30
3200 Obligated balance, end of year .....	32	30	38
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross .....	20	21	21
Outlays, gross:			
4010 Outlays from new discretionary authority .....	1	5	5
4011 Outlays from discretionary balances .....	6	18	8
4020 Outlays, gross (total) .....	7	23	13
Mandatory:			
4090 Budget authority, gross .....	31	22	.....
Outlays, gross:			
4100 Outlays from new mandatory authority .....	31	22	.....
4180 Budget authority, net (total) .....	51	43	21
4190 Outlays, net (total) .....	38	45	13

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

Identification code 091-0241-0-1-502	2015 actual	2016 est.	2017 est.
Direct loan levels supportable by subsidy budget authority:			
115002 Historically Black Colleges and Universities .....	183	302	282
115999 Total direct loan levels .....	183	302	282
Direct loan subsidy (in percent):			
132002 Historically Black Colleges and Universities .....	5.94	6.67	7.14
132999 Weighted average subsidy rate .....	5.94	6.67	7.14
Direct loan subsidy budget authority:			
133002 Historically Black Colleges and Universities .....	12	20	20
133999 Total subsidy budget authority .....	12	20	20
Direct loan subsidy outlays:			
134002 Historically Black Colleges and Universities .....	6	8	9
134999 Total subsidy outlays .....	6	8	9
Direct loan reestimates:			
135002 Historically Black Colleges and Universities .....	-6	17	.....
135003 HBCU Hurricane Supplemental .....	-46	-13	.....
135999 Total direct loan reestimates .....	-52	4	.....
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 \$20.1 million in new loan subsidies, allowing the program to guarantee an estimated \$282 million in new loans in 2017. 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	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	.....	2	2

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS FINANCING ACCOUNT

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

Identification code 091-4252-0-3-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0713 Payment of interest to Treasury .....	.....	1	1
0900 Total new obligations .....	.....	1	1
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	.....	1	1
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	1	1	1
1930 Total budgetary resources available .....	1	2	2
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	.....	1	1
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	.....	1	1
3020 Outlays (gross) .....	.....	-1	-1
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	1	1	1
Financing disbursements:			
4110 Outlays, gross (total) .....	.....	1	1
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123 Interest repayments .....	-1	-1	-1
4180 Budget authority, net (total) .....	.....	.....	.....
4190 Outlays, net (total) .....	-1	.....	.....

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS FINANCING  
ACCOUNT—Continued

Status of Direct Loans (in millions of dollars)

Identification code 091-4252-0-3-502	2015 actual	2016 est.	2017 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	5	5	5
1290 Outstanding, end of year .....	5	5	5

Balance Sheet (in millions of dollars)

Identification code 091-4252-0-3-502	2014 actual	2015 actual
<b>ASSETS:</b>		
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....	5	5
1405 Allowance for subsidy cost (-) .....	-1	-1
1499 Net present value of assets related to direct loans .....	4	4
1999 Total assets .....	4	4
<b>LIABILITIES:</b>		
2103 Federal liabilities: Debt .....	4	4
4999 Total liabilities and net position .....	4	4

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-0242-0-1-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0713 Payment of interest to Treasury .....	3	4	4
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	1	1	1
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	16	26	26
1820 Capital transfer of spending authority from offsetting collections to general fund .....	-10	-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 .....	-16	-26	-26
4180 Budget authority, net (total) .....	-13	-22	-22
4190 Outlays, net (total) .....	-13	-22	-22

Status of Direct Loans (in millions of dollars)

Identification code 091-0242-0-1-502	2015 actual	2016 est.	2017 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	133	129	125
1251 Repayments: Repayments and prepayments .....	-4	-4	-4

1290 Outstanding, end of year .....	129	125	121
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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	2014 actual	2015 actual
<b>ASSETS:</b>		
1601 Direct loans, gross .....	128	129
1602 Interest receivable .....	6	2
1699 Value of assets related to direct loans .....	134	131
1999 Total assets .....	134	131
<b>LIABILITIES:</b>		
Federal liabilities:		
2103 Debt .....	38	26
2104 Resources payable to Treasury .....	96	105
2999 Total liabilities .....	134	131
4999 Total liabilities and net position .....	134	131

Object Classification (in millions of dollars)

Identification code 091-0242-0-1-502	2015 actual	2016 est.	2017 est.
Direct obligations:			
25.2 Other services from non-Federal sources .....	1	1	1
43.0 Interest and dividends .....	3	3	3
99.0 Direct obligations .....	4	4	4
99.5 Adjustment for rounding .....	-1		
99.9 Total new obligations .....	3	4	4

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	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0004 Interest paid to Treasury (FFB) .....	35	29	30
Credit program obligations:			
0710 Direct loan obligations .....	183	302	282
0742 Downward reestimate paid to receipt account .....	39	3	
0743 Interest on downward reestimates .....	44	14	
0791 Direct program activities, subtotal .....	266	319	282
0900 Total new obligations .....	301	348	312

Budgetary resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	251	201	233
1023 Unobligated balances applied to repay debt .....	-6		
1050 Unobligated balance (total) .....	245	201	233
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	183	302	282
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	104	128	104
1825 Spending authority from offsetting collections applied to repay debt .....	-30	-50	-45
1850 Spending auth from offsetting collections, mand (total) .....	74	78	59
1900 Budget authority (total) .....	257	380	341
1930 Total budgetary resources available .....	502	581	574
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	201	233	262

**Change in obligated balance:**

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	213	235	386
3010	Obligations incurred, unexpired accounts .....	301	348	312
3020	Outlays (gross) .....	-279	-197	-190
3050	Unpaid obligations, end of year .....	235	386	508
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 .....	191	213	364
3200	Obligated balance, end of year .....	213	364	486

**Financing authority and disbursements, net:**

Mandatory:				
4090	Budget authority, gross .....	257	380	341
Financing disbursements:				
4110	Outlays, gross (total) .....	279	197	190
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal sources .....	-37	-29	-9
4122	Interest on uninvested funds .....	-9	-20	-20
4123	Interest repayments .....	-58	-29	-30
4123	Principal repayments .....	-50	-45	-45
4130	Offsets against gross budget authority and outlays (total) ....	-104	-128	-104
4160	Budget authority, net (mandatory) .....	153	252	237
4170	Outlays, net (mandatory) .....	175	69	86
4180	Budget authority, net (total) .....	153	252	237
4190	Outlays, net (total) .....	175	69	86

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

Identification code 091-4255-0-3-502	2015 actual	2016 est.	2017 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Direct loan obligations from current-year authority .....	183	302	282
1150	Total direct loan obligations .....	183	302	282
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	1,259	1,383	1,474
1231	Disbursements: Direct loan disbursements .....	160	141	150
1251	Repayments: Repayments and prepayments .....	-36	-50	-55
1290	Outstanding, end of year .....	1,383	1,474	1,569

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	2014 actual	2015 actual	
<b>ASSETS:</b>			
1101	Federal assets: Fund balances with Treasury .....	202	151
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross .....	1,259	1,383
1402	Interest receivable .....	11	9
1405	Allowance for subsidy cost (-) .....	-207	-151
1499	Net present value of assets related to direct loans .....	1,063	1,241
1999	Total assets .....	1,265	1,392
<b>LIABILITIES:</b>			
Federal liabilities:			
2102	Interest payable .....	6	9
2103	Debt .....	1,259	1,383
2999	Total liabilities .....	1,265	1,392

4999	Total liabilities and net position .....	1,265	1,392
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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, [2017] 2018: *Provided, That, of the amounts provided under this heading, \$6,553,408,000 shall be available for Pell Grants for award year 2018-2019.*

The maximum Pell Grant for which a student shall be eligible during award year [2016-2017] 2017-2018 shall be \$4,860. (*Department of Education Appropriations Act, 2016.*)

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

Identification code 091-0200-0-1-502	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0101	Federal Pell grants .....	28,153	28,358	28,947
0201	Federal supplemental educational opportunity grants (SEOG) .....	733	733	733
0202	Federal work-study .....	990	990	990
0291	Campus-based activities - Subtotal .....	1,723	1,723	1,723
0900	Total new obligations (object class 41.0) .....	29,876	30,081	30,670

**Budgetary resources:**

Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	10,514	10,431	9,904
1001	Discretionary unobligated balance brought fwd, Oct 1 .....	9,923	7,685	.....
1021	Recoveries of prior year unpaid obligations .....	450	.....	.....
1050	Unobligated balance (total) .....	10,964	10,431	9,904
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation .....	24,198	24,198	24,198
1120	Appropriations transferred to other acct [091-0800] .....	-8	.....	.....
1160	Appropriation, discretionary (total) .....	24,190	24,198	24,198
Appropriations, mandatory:				
1200	Appropriation .....	5,153	5,356	7,629
1900	Budget authority (total) .....	29,343	29,554	31,827
1930	Total budgetary resources available .....	40,307	39,985	41,731
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	10,431	9,904	11,061

**Change in obligated balance:**

Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	20,773	18,568	19,223
3010	Obligations incurred, unexpired accounts .....	29,876	30,081	30,670
3011	Obligations incurred, expired accounts .....	370	.....	.....
3020	Outlays (gross) .....	-31,590	-29,426	-28,282
3040	Recoveries of prior year unpaid obligations, unexpired .....	-450	.....	.....
3041	Recoveries of prior year unpaid obligations, expired .....	-411	.....	.....
3050	Unpaid obligations, end of year .....	18,568	19,223	21,611
Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	20,773	18,568	19,223
3200	Obligated balance, end of year .....	18,568	19,223	21,611

**Budget authority and outlays, net:**

Discretionary:				
4000	Budget authority, gross .....	24,190	24,198	24,198
Outlays, gross:				
4010	Outlays from new discretionary authority .....	222	4,144	3,880
4011	Outlays from discretionary balances .....	21,759	19,955	18,463
4020	Outlays, gross (total) .....	21,981	24,099	22,343
Mandatory:				
4090	Budget authority, gross .....	5,153	5,356	7,629
Outlays, gross:				
4100	Outlays from new mandatory authority .....	1,203	1,393	1,983
4101	Outlays from mandatory balances .....	8,406	3,934	3,956
4110	Outlays, gross (total) .....	9,609	5,327	5,939
4180	Budget authority, net (total) .....	29,343	29,554	31,827
4190	Outlays, net (total) .....	31,590	29,426	28,282

## STUDENT FINANCIAL ASSISTANCE—Continued

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

Identification code 091-0200-0-1-502	2015 actual	2016 est.	2017 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	330	347	357
1251 Repayments: Repayments and prepayments .....	-31	-37	-38
1264 Write-offs for default: Other adjustments, net (+ or -) .....	48	47	46
1290 Outstanding, end of year .....	347	357	365

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 10.3 million awards totaling more than \$33.8 billion in available aid in award year 2017–2018. In addition, the request would provide \$4.1 billion in aid to an estimated 714,000 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 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 2017, over 7.7 million undergraduates will receive up to \$4,860 from the discretionary award and an additional \$1,075 from the mandatory add-on 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 2017 Budget request includes \$22.5 billion in discretionary funding for Pell Grants in 2017, which, when combined with mandatory funding, will support a projected maximum award of \$5,935. Additionally, the Budget proposes to make several reforms to the Pell Grant program:

First, it would reinstate year-round Pell Grant eligibility with total Pell aid limited to 150 percent of a student's regular Pell Grant award, ensuring that students can accelerate their studies and enter the workforce on time. Students will now be eligible for a third semester of Pell during an academic year if they have already completed a full-time course load of 24 credits.

Second, it would provide a \$300 Pell bonus award to recipients who take 15 credits per semester, and are enrolled in 30 semester hours (or the equivalent) of coursework during an award year, to encourage more students to complete their degrees on-time. This feature will be treated as discretionary and funded through annual appropriations and carry over funding. The bonus will effectively raise the maximum grant level for students who take 15 credits, but will not impact the calculation of the Pell maximum award.

Third, to help reduce recidivism, it will lift the restriction on providing Pell Grants to individuals incarcerated in Federal or State penal institutions.

Fourth, it will strengthen academic progress requirements in the Pell Grant program in order to encourage students to complete their studies on time.

Fifth, it would prevent additional Pell disbursements to recipients who repeatedly enroll and obtain aid but do not earn any academic credits.

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

Seventh, 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.

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 2017 Budget includes \$733 million for SEOG, which would generate \$925.2

million in aid to more than 1.5 million students. The President's 2017 Budget proposes to reform Federal allocations in the campus-based programs to target those institutions that enroll and graduate higher numbers of Pell-eligible students, and offer affordable and quality education and training such that graduates can obtain employment and repay their educational debt.

**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 2017 Budget includes \$989.7 million for Work-Study, which would generate \$1.1 billion in aid to 674,000 students. The President's 2017 Budget proposes to reform Federal allocations in the campus-based programs to target those institutions that enroll and graduate higher numbers of Pell-eligible students, and offer affordable and quality education and training such that graduates can obtain employment and repay their educational debt.

**Federal Perkins loans.**—Institutions award low-interest loans from institutional revolving funds, which comprise 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 was recently authorized through September 30, 2017 by the Federal Perkins Loan Program Extension Act of 2015. 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, 2017, 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 enroll and graduate higher numbers of Pell-eligible students. 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 2017 outlays by \$305 million, savings which would be reinvested in student aid. 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 2017 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 2017 data in these tables reflect the Administration's legislative proposals.

## AID FUNDS AVAILABLE FOR POSTSECONDARY EDUCATION AND TRAINING

	[in thousands of dollars]		
	2015	2016	2017
Pell grants .....	\$28,528,650	\$28,282,605	\$30,975,405
Student loans:			
Subsidized Stafford loans .....	23,658,460	23,161,833	23,507,225
Unsubsidized Stafford loans (Undergraduates) .....	24,986,469	24,688,116	25,853,379
Unsubsidized Stafford loans (Graduate students) .....	26,596,539	27,768,668	29,629,160
Unsubsidized Stafford loans (total) .....	51,583,008	52,456,784	55,482,540
Parent PLUS loans .....	11,372,255	12,132,771	12,812,195

Grad PLUS loans	8,591,228	9,166,477	9,834,388
PLUS loans (total)	19,963,483	21,299,248	22,646,583
Consolidation	45,966,501	48,840,565	48,420,084
Perkins loans	1,171,513	871,606	871,606
Unsubsidized Perkins loans	0	0	4,113,423
Student loans, subtotal	142,342,965	146,630,035	155,041,461
Work-study	1,125,372	1,125,372	1,125,372
Supplemental educational opportunity grants	925,246	925,246	925,246
Iraq and Afghanistan service grants	410	477	0 <sup>1</sup>
TEACH grants	86,773	88,496	96,387
Total aid available	173,009,416	177,052,232	188,163,872

<sup>1</sup> Value in 2017 reflects Budget policy to make Iraq and Afghanistan service grants part of the Pell Grant program.

**NUMBER OF AID AWARDS**

(in thousands)

	2015	2016	2017
Pell grants	7,670	7,679	7,719
Subsidized Stafford loans	7,297	7,068	7,157
Unsubsidized Stafford loans (Undergraduates)	7,293	7,169	7,425
Unsubsidized Stafford loans (Graduate students)	1,898	1,936	2,029
Parent PLUS loans	900	958	990
Grad PLUS loans	522	546	574
Consolidation loans	790	809	785
Perkins loans	539	401	401
Unsubsidized Perkins loans	0	0	714
Work-study	674	674	674
Supplemental educational opportunity grants	1,547	1,547	1,547
Iraq and Afghanistan service grants	0 <sup>1</sup>	0 <sup>1</sup>	0 <sup>2</sup>
TEACH grants	30	31	31
Total awards	29,161	28,819	30,047

<sup>1</sup> Number of recipients is fewer than 1,000. Numbers may not add due to rounding.

<sup>2</sup> Value in 2017 reflects Budget policy to make Iraq and Afghanistan service grants part of the Pell Grant program.

**AVERAGE AID AWARDS**

(in whole dollars)

	2015	2016	2017
Pell grants	3,720	3,683	4,013
Subsidized Stafford loans	3,242	3,277	3,284
Unsubsidized Stafford loans (Undergraduates)	3,426	3,444	3,482
Unsubsidized Stafford loans (Graduate students)	14,013	14,343	14,605
Parent PLUS loans	12,631	12,663	12,937
Grad PLUS loans	16,641	16,779	17,125
Consolidation loans	58,184	60,360	61,673
Perkins loans	2,172	2,172	2,172
Unsubsidized Perkins loans	0	0	5,761
Work-study	1,669	1,669	1,669
Supplemental educational opportunity grants	598	598	598
Iraq and Afghanistan service grants	4,881	4,918	0 <sup>1</sup>
TEACH grants	2,881	2,881	3,077

<sup>1</sup> Value in 2017 reflects Budget policy to make Iraq and Afghanistan service grants part of the Pell Grant program.

**NUMBER OF STUDENTS AIDED**

(in thousands)

	2015	2016	2017
Unduplicated student count	11,974	11,833	12,078

**ADMINISTRATIVE PAYMENTS TO INSTITUTIONS**

(in thousands of dollars)

	2015	2016	2017
Pell grants	38,350	38,395	38,595
Work-study	46,711	46,711	46,711
Supplemental educational opportunity grants	13,600	13,600	13,600
Perkins loans	52,695	39,205	39,205

**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, [ \$1,551,854,000 ] \$1,631,990,000, to remain available through September 30, [2017] 2018: Provided, That [the Secretary shall, no later than March 1, 2016, allocate new student loan borrower accounts to eligible student loan servicers on the basis of their performance compared to all loan servicers utilizing established common metrics, and on the basis of the capacity of each servicer to process new and existing accounts] up to \$2,000,000 shall be for necessary expenses to establish

and deploy a Digital Service team. (Department of Education Appropriations Act, 2016.)

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

Identification code 091-0202-0-1-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Student aid administration	824	697	732
0002 Discretionary servicing activities	643	855	900
0900 Total new obligations	1,467	1,552	1,632
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	57	1	1
1001 Discretionary unobligated balance brought fwd, Oct 1	57	1	
1021 Recoveries of prior year unpaid obligations	18		
1050 Unobligated balance (total)	75	1	1
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,397	1,552	1,632
1120 Appropriations transferred to other acct [091-0800]	-4		
1160 Appropriation, discretionary (total)	1,393	1,552	1,632
1900 Budget authority (total)	1,393	1,552	1,632
1930 Total budgetary resources available	1,468	1,553	1,633
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	1
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1	640	694	911
3010 Obligations incurred, unexpired accounts	1,467	1,552	1,632
3020 Outlays (gross)	-1,387	-1,335	-1,524
3040 Recoveries of prior year unpaid obligations, unexpired	-18		
3041 Recoveries of prior year unpaid obligations, expired	-8		
3050 Unpaid obligations, end of year	694	911	1,019
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	640	694	911
3200 Obligated balance, end of year	694	911	1,019
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross	1,393	1,552	1,632
Outlays, gross:			
4010 Outlays from new discretionary authority	792	850	895
4011 Outlays from discretionary balances	587	483	629
4020 Outlays, gross (total)	1,379	1,333	1,524
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances	8	2	
4180 Budget authority, net (total)	1,393	1,552	1,632
4190 Outlays, net (total)	1,387	1,335	1,524

The Department of Education manages Federal student aid programs that will provide nearly \$140 billion in new Federal student aid grants and loans (excluding Direct Consolidation Loans) to 12.1 million students and parents in 2017. 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 2017 Budget includes \$732 million for student aid administration activities and \$900 million for loan servicing activities, for a total of \$1.632 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

STUDENT AID ADMINISTRATION—Continued

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 2017 have increased over past years and will continue to do so, as the Direct Loan program's total number of borrowers continue to increase and as the portfolio matures with more borrowers moving from in-school to in-repayment status.

Object Classification (in millions of dollars)

Identification code 091-0202-0-1-502	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	146	166	176
11.3 Other than full-time permanent .....	1		
11.5 Other personnel compensation .....	2	2	2
11.9 Total personnel compensation .....	149	168	178
12.1 Civilian personnel benefits .....	45	50	54
21.0 Travel and transportation of persons .....	2	3	3
23.1 Rental payments to GSA .....	20	19	23
23.3 Communications, utilities, and miscellaneous charges .....	1		
24.0 Printing and reproduction .....	1	2	2
25.1 Advisory and assistance services .....	10	4	2
25.2 Other services from non-Federal sources .....	753	874	932
25.3 Other goods and services from Federal sources .....	29	27	29
25.7 Operation and maintenance of equipment .....	455	405	409
99.0 Direct obligations .....	1,465	1,552	1,632
99.5 Adjustment for rounding .....	2		
99.9 Total new obligations .....	1,467	1,552	1,632

Employment Summary

Identification code 091-0202-0-1-502	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	1,375	1,537	1,621

TEACH GRANT PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-0206-0-1-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
<b>Credit program obligations:</b>			
0701 Direct loan subsidy .....	16	12	12
0705 Reestimates of direct loan subsidy .....		3	
0900 Total new obligations (object class 41.0) .....	16	15	12
<b>Budgetary resources:</b>			
<b>Budget authority:</b>			
<b>Appropriations, mandatory:</b>			
1200 Appropriation (indefinite) - Loan subsidy .....	17	12	12
1200 Appropriation (indefinite) - Upward reestimate .....		3	
1230 Appropriations and/or unobligated balance of appropriations permanently reduced .....	-1		
1260 Appropriations, mandatory (total) .....	16	15	12
1930 Total budgetary resources available .....	16	15	12
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	5	5	
3010 Obligations incurred, unexpired accounts .....	16	15	12
3020 Outlays (gross) .....	-15	-15	-11
3041 Recoveries of prior year unpaid obligations, expired .....	-1	-5	
3050 Unpaid obligations, end of year .....	5		1
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	5	5	
3200 Obligated balance, end of year .....	5		1

Budget authority and outlays, net:

Identification code	2015 actual	2016 est.	2017 est.
<b>Mandatory:</b>			
4090 Budget authority, gross .....	16	15	12
<b>Outlays, gross:</b>			
4100 Outlays from new mandatory authority .....	11	11	8
4101 Outlays from mandatory balances .....	4	4	3
4110 Outlays, gross (total) .....	15	15	11
4180 Budget authority, net (total) .....	16	15	12
4190 Outlays, net (total) .....	15	15	11

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

Identification code 091-0206-0-1-502	2015 actual	2016 est.	2017 est.
<b>Direct loan levels supportable by subsidy budget authority:</b>			
115001 TEACH Grants .....	95	95	104
<b>Direct loan subsidy (in percent):</b>			
132001 TEACH Grants .....	16.57	13.05	11.88
132999 Weighted average subsidy rate .....	16.57	13.05	11.88
<b>Direct loan subsidy budget authority:</b>			
133001 TEACH Grants .....	16	12	12
<b>Direct loan subsidy outlays:</b>			
134001 TEACH Grants .....	13	12	11
<b>Direct loan reestimates:</b>			
135001 TEACH Grants .....	-31	-2	

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.

Beginning in 2021, the Budget proposes consolidating TEACH grants and the current teacher loan forgiveness programs into a single loan forgiveness program.

TEACH GRANT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-4290-0-3-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
<b>Payment contract collection costs:</b>			
0401 Payment contract collection costs .....		1	
<b>Credit program obligations:</b>			
0710 Direct loan obligations .....	95	95	104
0713 Payment of interest to Treasury .....	20	32	38
0742 Downward reestimate paid to receipt account .....	28	5	
0743 Interest on downward reestimates .....	4		
0791 Direct program activities, subtotal .....	147	132	142
0900 Total new obligations .....	147	133	142
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	1	2	1
1021 Recoveries of prior year unpaid obligations .....	10	7	7
1023 Unobligated balances applied to repay debt .....	-4		
1024 Unobligated balance of borrowing authority withdrawn .....	-7	-6	-6
1050 Unobligated balance (total) .....		3	2

Financing authority:			
Borrowing authority, mandatory:			
1400	Borrowing authority .....	115	116 130
Spending authority from offsetting collections, mandatory:			
1800	Collected .....	47	55 41
1825	Spending authority from offsetting collections applied to repay debt .....	-13	-40 -31
1850	Spending auth from offsetting collections, mand (total) .....	34	15 10
1900	Budget authority (total) .....	149	131 140
1930	Total budgetary resources available .....	149	134 142
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	2	1 .....

**Change in obligated balance:**

Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	64	58 25
3010	Obligations incurred, unexpired accounts .....	147	133 142
3020	Outlays (gross) .....	-143	-159 -160
3040	Recoveries of prior year unpaid obligations, unexpired .....	-10	-7 -7
3050	Unpaid obligations, end of year .....	58	25 .....
Uncollected payments:			
3060	Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-4	-4 -4
3090	Uncollected pymts, Fed sources, end of year .....	-4	-4 -4
Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	60	54 21
3200	Obligated balance, end of year .....	54	21 -4

**Financing authority and disbursements, net:**

Mandatory:			
4090	Budget authority, gross .....	149	131 140
Financing disbursements:			
4110	Outlays, gross (total) .....	143	159 160
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120	Upward Reestimate .....		-3 .....
4120	Subsidy from Program Account .....	-13	-12 -12
4122	Interest on uninvested funds .....	-2	.....
4123	Payment of Principal .....	-31	-32 -19
4123	Interest Received .....	-1	-8 -10
4130	Offsets against gross budget authority and outlays (total) .....	-47	-55 -41
4160	Budget authority, net (mandatory) .....	102	76 99
4170	Outlays, net (mandatory) .....	96	104 119
4180	Budget authority, net (total) .....	102	76 99
4190	Outlays, net (total) .....	96	104 119

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

Identification code 091-4290-0-3-502	2015 actual	2016 est.	2017 est.
Position with respect to appropriations act limitation on obligations:			
1111	Direct loan obligations from current-year authority .....	95	95 104
1150	Total direct loan obligations .....	95	95 104
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year .....	580	641 697
1231	Disbursements: Direct loan disbursements .....	92	88 96
1251	Repayments: Repayments and prepayments .....	-31	-32 -19
1290	Outstanding, end of year .....	641	697 774

As required by the Federal Credit Reform Act of 1990, this nonbudgetary account records all cash flows to and from the Government resulting from the TEACH Grant program. Amounts in this account are a means of financing and are not included in the budget totals.

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

Identification code 091-4290-0-3-502	2014 actual	2015 actual
ASSETS:		
1101	Federal assets: Fund balances with Treasury .....	20 16
Net value of assets related to post-1991 direct loans receivable:		
1401	Direct loans receivable, gross .....	580 641
1402	Interest receivable .....	75 97
1405	Allowance for subsidy cost (-) .....	-120 -108
1499	Net present value of assets related to direct loans .....	535 630
1999	Total assets .....	555 646
LIABILITIES:		
Federal liabilities:		
2101	Accounts payable .....	.....

2103	Debt .....	555	646
2999	Total liabilities .....	555	646
4999	Total liabilities and net position .....	555	646

STUDENT FINANCIAL ASSISTANCE DEBT COLLECTION

Special and Trust Fund Receipts (in millions of dollars)

Identification code 091-5557-0-2-502	2015 actual	2016 est.	2017 est.
0100	Balance, start of year .....	1	1 1
Receipts:			
Current law:			
1130	Student Financial Assistance Debt Collection .....	10	10 10
2000	Total: Balances and receipts .....	11	11 11
Appropriations:			
Current law:			
2101	Student Financial Assistance Debt Collection .....	-10	-10 -10
2103	Student Financial Assistance Debt Collection .....	-1	-1 .....
2132	Student Financial Assistance Debt Collection .....	1	1 .....
2199	Total current law appropriations .....	-10	-10 -10
2999	Total appropriations .....	-10	-10 -10
5099	Balance, end of year .....	1	1 1

Program and Financing (in millions of dollars)

Identification code 091-5557-0-2-502	2015 actual	2016 est.	2017 est.
Obligations by program activity:			
0001	Student Financial Assistance Debt Collection .....	3	3 3
0900	Total new obligations (object class 25.2) .....	3	3 3
Budgetary resources:			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	11	14 15
1021	Recoveries of prior year unpaid obligations .....	3	.....
1022	Capital transfer of unobligated balances to general fund .....	-6	-6 -8
1050	Unobligated balance (total) .....	8	8 7
Budget authority:			
Appropriations, mandatory:			
1201	Appropriation (special or trust fund) .....	10	10 10
1203	Appropriation (previously unavailable) .....	1	1 .....
1232	Appropriations and/or unobligated balance of appropriations temporarily reduced .....	-1	-1 .....
1235	Capital transfer of appropriations to general fund .....	-1	.....
1260	Appropriations, mandatory (total) .....	9	10 10
1930	Total budgetary resources available .....	17	18 17
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	14	15 14

**Change in obligated balance:**

Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	4	1 1
3010	Obligations incurred, unexpired accounts .....	3	3 3
3020	Outlays (gross) .....	-3	-3 -3
3040	Recoveries of prior year unpaid obligations, unexpired .....	-3	.....
3050	Unpaid obligations, end of year .....	1	1 1
Memorandum (non-add) entries:			
3100	Obligated balance, start of year .....	4	1 1
3200	Obligated balance, end of year .....	1	1 1

**Budget authority and outlays, net:**

Mandatory:			
4090	Budget authority, gross .....	9	10 10
Outlays, gross:			
4101	Outlays from mandatory balances .....	3	3 3
4180	Budget authority, net (total) .....	9	10 10
4190	Outlays, net (total) .....	3	3 3

FEDERAL STUDENT LOAN RESERVE FUND

Program and Financing (in millions of dollars)

Identification code 091-4257-0-3-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0102 Obligations, non-Federal .....	9,342	8,751	7,953
0900 Total new obligations (object class 42.0) .....	9,342	8,751	7,953
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	1,471	1,560	1,649
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	9,433	8,840	8,051
1820 Capital transfer of spending authority from offsetting collections to general fund .....	-2		
1850 Spending auth from offsetting collections, mand (total) .....	9,431	8,840	8,051
1930 Total budgetary resources available .....	10,902	10,400	9,700
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	1,560	1,649	1,747
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	9,342	8,751	7,953
3020 Outlays (gross) .....	-9,342	-8,751	-7,953
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	9,431	8,840	8,051
Outlays, gross:			
4100 Outlays from new mandatory authority .....	9,240	8,659	7,886
4101 Outlays from mandatory balances .....	102	92	67
4110 Outlays, gross (total) .....	9,342	8,751	7,953
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources .....	-9,240	-8,659	-7,886
4123 Non-Federal sources .....	-193	-181	-165
4130 Offsets against gross budget authority and outlays (total) .....	-9,433	-8,840	-8,051
4160 Budget authority, net (mandatory) .....	-2		
4170 Outlays, net (mandatory) .....	-91	-89	-98
4180 Budget authority, net (total) .....	-2		
4190 Outlays, net (total) .....	-91	-89	-98

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 Consolidated Appropriations Act, 2016, increased guaranty agency reinsurance payments from 95 percent of the face value of loans to 100 percent. The following schedule reflects the balances in these guaranty agency funds.

Balance Sheet (in millions of dollars)

Identification code 091-4257-0-3-502	2014 actual	2015 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	1,471	1,561
1999 Total assets .....	1,471	1,561
<b>NET POSITION:</b>		
3300 Cumulative results of operations .....	1,471	1,561
4999 Total liabilities and net position .....	1,471	1,561

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-0243-0-1-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0703 Subsidy for modifications of direct loans .....	9,307		
0705 Reestimates of direct loan subsidy .....	12,566	8,647	
0706 Interest on reestimates of direct loan subsidy .....	1,787	1,232	
0900 Total new obligations (object class 41.0) .....	23,660	9,879	
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation (indefinite) .....	23,660	9,879	
1930 Total budgetary resources available .....	23,660	9,879	
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	6	6	1
3010 Obligations incurred, unexpired accounts .....	23,660	9,879	
3020 Outlays (gross) .....	-23,660	-9,884	-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	
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	23,660	9,879	
Outlays, gross:			
4100 Outlays from new mandatory authority .....	23,660	9,879	
4101 Outlays from mandatory balances .....		5	1
4110 Outlays, gross (total) .....	23,660	9,884	1
4180 Budget authority, net (total) .....	23,660	9,879	
4190 Outlays, net (total) .....	23,660	9,884	1

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

Identification code 091-0243-0-1-502	2015 actual	2016 est.	2017 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Stafford .....	28,866	26,207	26,594
115002 Unsubsidized Stafford .....	63,178	60,228	63,707
115003 PLUS .....	20,981	22,737	24,178
115004 Consolidation .....	49,287	49,106	48,682
115999 Total direct loan levels .....	162,312	158,278	163,161
Direct loan subsidy (in percent):			
132001 Stafford .....	6.52	5.64	6.29
132002 Unsubsidized Stafford .....	-14.85	-16.21	-12.80
132003 PLUS .....	-26.32	-27.50	-27.78
132004 Consolidation .....	17.63	12.57	13.75
132999 Weighted average subsidy rate .....	-2.67	-5.28	-3.99
Direct loan subsidy budget authority:			
133001 Stafford .....	1,882	1,478	1,673
133002 Unsubsidized Stafford .....	-9,382	-9,763	-8,154
133003 PLUS .....	-5,522	-6,253	-6,717
133004 Consolidation .....	8,689	6,173	6,694
133999 Total subsidy budget authority .....	-4,333	-8,365	-6,504
Direct loan subsidy outlays:			
134001 Stafford .....	91	2,443	1,427
134002 Unsubsidized Stafford .....	-3,949	-13,429	-7,514
134003 PLUS .....	-2,800	-8,632	-6,138
134004 Consolidation .....	472	14,271	6,655
134005 Federal Direct Student Loans .....	9,307		
134999 Total subsidy outlays .....	3,121	-5,347	-5,570
Direct loan reestimates:			
135005 Federal Direct Student Loans .....	12,329	7,693	
135999 Total direct loan reestimates .....	12,329	7,693	
Administrative expense data:			
3580 Outlays from balances .....		5	1

The Federal Government has two major student loan programs: the FFEL program and the William D. Ford Federal Direct Loan (Direct Loan) program. The SAFRA Act eliminated the authorization to originate new FFEL



loans; as of July 1, 2010, 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 guaranteed almost \$899 billion in loans to postsecondary students and their parents. Although no new FFEL loans have been originated since July 1, 2010, over \$250 billion of outstanding FFEL loans continue to be serviced by lenders and guaranty agencies. The Federal Government continues to make payments to these intermediaries. The Consolidated Appropriations Act, 2016, increased guaranty agency reinsurance payments from 95 percent of the face value of loans to 100 percent.

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 and not-for-profit loan servicers under performance-based contracts with the Department. The Direct Loan program began operation in award year 1994–1995, originating 7 percent of overall loan volume. In 2017, excluding Consolidation Loans, the Direct Loan program will make \$101.6 billion in new loans available. (This figure does not include the current Perkins program nor the new Perkins program proposed in the 2017 Budget.)

The Direct Loan program offers four types of loans: Subsidized Stafford, Unsubsidized Stafford, PLUS, and Consolidation. Loans can be used for qualified educational expenses. 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. The Bipartisan Student Loan Certainty Act of 2013 changed how student loan interest rates are set. The rates are set annually for loans originated in the upcoming award year based on the 10-year Treasury note; 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 award year 2015–2016 have an interest rate of 4.29 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 undergraduate 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 award year 2015–2016 have an interest rate of 5.84 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 award year 2015–2016 have an interest rate of 6.84 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, 2015 and 2016. The base origination fee for PLUS loans is four percent, but has included an additional surcharge in 2013, 2014, 2015 and 2016.

Borrowers may choose from four basic types of repayment plans: standard, graduated, extended (available for qualified borrowers who have outstanding loans of more than \$30,000), and income-driven. FFEL borrowers may change repayment plans annually. Direct Loan borrowers may switch between repayment plans at any time. The maximum repayment period is 10 years for standard and graduated plans, as well as the income-sensitive repayment plan that is available only for FFEL loans. Under the current income-driven administrative Pay As You Earn (PAYE) and statutory In-

come-Based-Repayment (IBR) plans, for new borrowers after 2014, the repayment period is 20 years. Under the current income-driven administrative Revised Pay As You Earn (REPAYE), the repayment period is 20 or 25 years depending on whether the borrower has any graduate school loans. And, under the extended, income-based, and income-contingent repayment (ICR) plans, the maximum time is 25 years. Income-driven plans (except for REPAYE and ICR) 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.

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 120 qualifying monthly 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 2017 Budget proposes to expand and increase teacher loan forgiveness, up to \$25,000 for teachers graduating from an effective preparation program who serve in low-income schools, starting in 2021. This proposal would consolidate various postsecondary assistance available for teachers, such as TEACH grants and the current teacher loan forgiveness program, into a single loan forgiveness program. In addition, the 2017 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. 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, 2017, which would allow for easier selection of a repayment plan. Students who borrowed their first loans prior to July 1, 2017, would continue to be able to select among the existing repayment plans 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 incomes rise; calculating payments for married borrowers filing separately on the combined household Adjusted Gross Income; establishing a 25-year forgiveness period for students who borrowed as graduate 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.

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)

	2015 actual	2016 est.	2017 est.
PROGRAM COST:			
FFEL:			

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

	2015 actual	2016 est.	2017 est.
Liquidating <sup>1</sup> .....	(\$129,001)	(\$291,218)	(\$259,376)
Program:			
Net Reestimate of Prior Year Costs .....	(3,293,567)	(1,226,278)	0
Net Modification <sup>2</sup> .....	0	151,588	0
Subtotal, Program .....	(3,293,567)	(1,074,691)	0
Total, FFEL .....	(3,422,567)	(1,365,908)	(259,736)
Direct Loans:			
Program:			
New Loan Subsidies .....	(4,332,982)	(8,364,917)	(8,292,464)
Net Reestimate of Prior Year Costs .....	12,328,957	7,693,290	0
Net Modification <sup>3</sup> .....	9,307,220	0	0
Total, Direct Loans .....	17,303,194	(671,628)	(8,292,464)
Total, FFEL and Direct Loans .....	13,880,627	(2,037,536)	(8,552,200)
PROGRAM COST OUTLAYS:			
FFEL:			
Liquidating <sup>1</sup> .....	(355,354)	(291,218)	(259,736)
Program:			
Net Reestimate of Prior Year Costs .....	(3,293,567)	(1,226,278)	0
Net Modification <sup>2</sup> .....	0	151,588	0
Subtotal, Program .....	(3,293,567)	(1,074,691)	0
Total, FFEL .....	(3,648,921)	(1,365,908)	(259,736)
Direct Loans:			
Program:			
Regular .....	(6,186,096)	(5,346,798)	(6,720,632)
Net Reestimate of Prior Year Costs .....	12,328,957	7,693,290	0
Net Modification <sup>3</sup> .....	9,307,220	0	0
Total, Direct Loans .....	15,450,080	2,346,492	(6,720,632)
Total, FFEL and Direct Loans .....	11,801,159	980,583	(6,980,368)

Details may not sum to totals due to rounding.

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

<sup>2</sup>Reflects the cost or savings associated with policy changes passed in the Consolidated Appropriations Act of 2016.

<sup>3</sup>Reflects the cost or savings associated with expanding and reformulating the Pay As You Earn repayment plan.

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

(expressed as percentages)

	2015 est.	2016 est.	2017 est.
Direct Loans:			
Stafford .....	22.40	21.99	22.02
Unsubsidized Stafford			
Undergraduate .....	24.60	24.11	24.18
Graduate/Professional .....	6.03	6.04	6.05
PLUS			
Parent PLUS .....	7.80	7.80	7.78
Grad PLUS .....	5.69	5.70	5.71
Consolidation .....	18.77	18.27	18.10
Weighted Average, Direct Loans .....	16.33	15.86	15.69

<sup>1</sup>Default rates displayed in this table, which reflect projected defaults over the life of a loan cohort, are used in developing program cost estimates. The Department uses other rates based on defaults occurring in the first 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)

	2015 actual	2016 est.	2017 est.
FFEL:			
Payments to lenders:			
Interest benefits .....	\$814,082	\$288,927	\$199,298
Special allowance payments <sup>1</sup> .....	(4,288,670)	(2,592,683)	(1,114,539)
Default claims .....	7,328,225	6,717,920	4,914,617
Loan discharges .....	1,802,350	1,149,469	1,114,749
Teacher loan forgiveness .....	134,465	82,052	30,497
Administrative payments to guaranty agencies .....	153,967	158,777	138,728
Fees paid to the Department of Education:			
Loan holder fees .....	(1,614,459)	(891,509)	(711,355)
Other Major Transactions:			
Net default collections .....	(10,396,017)	(9,280,034)	(8,752,691)
Contract collection costs .....	67,939	83,194	89,603
Federal administrative costs .....	44,285	42,005	35,986
Net Cash Flow, FFEL .....	(5,953,834)	(4,252,281)	(4,055,109)
Ensuring Continued Access to Student Loans (ECASLA):			
Inflows .....	(11,751,920)	(10,287,428)	(10,558,037)
Outflows .....	11,135,701	11,500,665	10,557,583
Federal administrative costs .....	120,202	142,817	152,938
Net Cash Flow, ECASLA .....	(496,016)	1,356,053	152,485
Direct Loans:			
Loan disbursements to borrowers .....	142,248,082	144,247,274	148,526,833
Borrower interest payments .....	(12,574,329)	(15,860,998)	(19,030,453)
Borrower principal payments .....	(48,389,983)	(46,151,187)	(55,223,176)
Borrower origination fees .....	(1,617,916)	(2,015,235)	(1,838,698)
Net default collections .....	(2,486,809)	(7,668,906)	(8,486,094)
Contract collection costs .....	894,652	1,200,049	1,319,066
Federal administrative costs .....	468,157	655,276	710,714
Net operating cash flows .....	78,541,854	74,406,274	65,978,191
Loan capital borrowings from Treasury .....	(142,248,082)	(144,247,274)	(148,526,833)
Net interest payments to Treasury .....	23,386,959	38,876,291	42,998,813
Principal payments to Treasury .....	60,851,176	41,436,472	40,200,744
Subtotal, Treasury activity .....	(58,009,946)	(63,934,511)	(65,327,276)
Net Cash Flow, Direct Loans .....	20,531,908	10,471,763	650,916

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

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

(expressed as percentages)

	2015 actual	2016 est.	2017 est.
Direct Loans:			
New Loans:			
Stafford .....	9.98	5.64	5.25
Unsubsidized Stafford			
Undergraduate .....	-3.13	-9.32	-11.12
Graduate/Professional .....	-9.51	-22.35	-17.42
PLUS			
Parent PLUS .....	-30.26	-21.44	-35.34
Grad PLUS .....	-13.31	-35.48	-20.74
Subtotal, new loan subsidy .....	-5.54	-13.37	-12.94
Federal administrative costs .....	1.70	1.70	1.70
Subtotal, new loans .....	-3.84	-11.67	-11.24
Consolidation Loans			
Loan subsidy .....	2.61	12.57	13.45
Federal administrative costs .....	0.38	0.38	0.38
Subtotal, consolidation loans .....	2.99	12.95	13.83
New and Consolidation Loans			
Loan subsidy .....	-3.09	-5.32	-5.07
Federal administrative costs .....	1.45	1.45	1.45
Total, Direct Loans .....	-1.64	-3.87	-3.62

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	-\$105.3
Cumulative Reestimates .....	-\$53.1	+\$25.3
Net Subsidy Costs .....	+\$24.0	-\$80.0
Total Disbursements .....	+\$898.7	+\$1,072.4

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	2015		
	actual <sup>1</sup>	2016 est.	2017 est.
<b>Stafford:</b>			
Standard .....	7.25	2.59	3.64
Extended .....	6.84	-0.17	-0.82
Graduated .....	7.61	0.59	0.14
IDR <sup>2</sup> .....	26.10	23.52	17.60
<b>Unsubsidized Stafford:</b>			
Standard .....	-14.64	-23.91	-21.41
Extended .....	-25.50	-34.04	-38.86
Graduated .....	-20.55	-34.19	-34.41
IDR .....	25.72	23.17	24.46
<b>PLUS:</b>			
Standard .....	-29.69	-31.46	-33.72
Extended .....	-40.02	-49.41	-51.93
Graduated .....	-39.87	-50.91	-51.87
IDR .....	22.48	17.10	21.38
<b>Consolidated:</b>			
Standard .....	-30.36	-22.04	-17.66
Extended .....	-36.70	-26.16	-23.54
Graduated .....	-37.32	-25.58	-23.50
IDR .....	20.32	26.80	28.09

**Direct Loan Repayment Options**

(gross volumes in millions of dollars)

Volumes by Repayment Option	2015		
	actual <sup>1</sup>	2016 est.	2017 est.
<b>Stafford:</b>			
Standard .....	\$20,059	\$20,160	\$19,838
Extended .....	278	240	279
Graduated .....	2,700	2,497	2,671
IDR <sup>2</sup> .....	3,820	3,311	3,806
<b>Unsubsidized Stafford:</b>			
Standard .....	37,175	40,794	39,712
Extended .....	2,003	1,651	2,227
Graduated .....	6,483	6,575	7,003
IDR .....	13,450	11,209	14,765
<b>PLUS:</b>			
Standard .....	14,083	15,414	16,000
Extended .....	1,050	1,210	1,195
Graduated .....	2,573	2,721	2,922
IDR .....	3,512	3,392	4,061
<b>Consolidated:</b>			
Standard .....	10,283	10,106	9,865
Extended .....	1,906	1,282	1,892
Graduated .....	3,269	2,623	3,173

IDR .....	30,762	35,096	33,753
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<sup>1</sup>2015 rates are current; these include actual executed rates for 2015 and the effect of re-estimates on those rates.

<sup>2</sup>All 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	2015 actual	2016 est.	2017 est.
<b>Direct loan subsidy (in percent):</b>			
132001 Stafford .....	0.00	0.00	-1.04
132002 Unsubsidized Stafford .....	0.00	0.00	-1.68
132003 PLUS .....	0.00	0.00	-1.22
132004 Consolidation .....	0.00	0.00	-30
132999 Weighted average subsidy rate .....	0.00	0.00	-1.09
<b>Direct loan subsidy budget authority:</b>			
133001 Stafford .....			-277
133002 Unsubsidized Stafford .....			-1,070
133003 PLUS .....			-295
133004 Consolidation .....			-146
133999 Total subsidy budget authority .....			-1,788
<b>Direct loan subsidy outlays:</b>			
134001 Stafford .....			-172
134002 Unsubsidized Stafford .....			-655
134003 PLUS .....			-179
134004 Consolidation .....			-145
134999 Total subsidy outlays .....			-1,151

**FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT**

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

Identification code 091-4253-0-3-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0301 Consolidation loans-Payment of Orig. Services .....	25	62	60
0401 Payment of contract collection costs .....	896	1,200	1,319
<b>Credit program obligations:</b>			
0710 Direct loan obligations .....	162,312	158,278	163,161
0713 Payment of interest to Treasury .....	27,593	38,876	42,979
0740 Negative subsidy obligations .....	4,333	8,365	6,505
0742 Downward reestimate paid to receipt account .....	1,727	1,471	
0743 Interest on downward reestimates .....	297	714	
0791 Direct program activities, subtotal .....	196,262	207,704	212,645
0900 Total new obligations .....	197,183	208,966	214,024
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	4,622	5,481	
1021 Recoveries of prior year unpaid obligations .....	20,079	21,083	22,137
1023 Unobligated balances applied to repay debt .....	-7,896	-5,481	
1024 Unobligated balance of borrowing authority withdrawn .....	-15,808	-21,083	-22,137
1050 Unobligated balance (total) .....	997		
<b>Financing authority:</b>			
<b>Appropriations, mandatory:</b>			
1200 Appropriation .....	904		
<b>Borrowing authority, mandatory:</b>			
1400 Borrowing authority .....	168,953	168,828	169,666
<b>Spending authority from offsetting collections, mandatory:</b>			
1800 Collected .....	92,936	81,575	84,565
1820 Capital transfer of spending authority from offsetting collections to general fund .....	-275		
1825 Spending authority from offsetting collections applied to repay debt .....	-60,851	-41,437	-40,207
1850 Spending auth from offsetting collections, mand (total) .....	31,810	40,138	44,358
1900 Budget authority (total) .....	201,667	208,966	214,024
1930 Total budgetary resources available .....	202,664	208,966	214,024
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	5,481		

**Change in obligated balance:**

<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	77,328	75,628	71,594
3010 Obligations incurred, unexpired accounts .....	197,183	208,966	214,024
3020 Outlays (gross) .....	-178,804	-191,917	-198,455

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

Identification code 091-4253-0-3-502	2015 actual	2016 est.	2017 est.
3040 Recoveries of prior year unpaid obligations, unexpired .....	-20,079	-21,083	-22,137
3050 Unpaid obligations, end of year .....	75,628	71,594	65,026
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	77,328	75,628	71,594
3200 Obligated balance, end of year .....	75,628	71,594	65,026
<b>Financing authority and disbursements, net:</b>			
<b>Mandatory:</b>			
4090 Budget authority, gross .....	201,667	208,966	214,024
Financing disbursements:			
4110 Outlays, gross (total) .....	178,804	191,917	198,455
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate .....	-12,567	-8,647	.....
4120 Upward reestimate, interest .....	-1,787	-1,231	.....
4120 Upward Modification .....	-9,307	.....	.....
4122 Interest on uninvested funds .....	-4,206	.....	.....
4123 Repayment of principal, Stafford .....	-12,024	-11,863	-13,448
4123 Interest received on loans, Stafford .....	-2,033	-2,278	-2,604
4123 Origination Fees, Stafford .....	-252	-346	-280
4123 Other fees, Stafford .....	-35	.....	.....
4123 Repayment of principal, Unsubsidized Stafford .....	-20,783	-19,679	-23,794
4123 Interest received on loans, Unsubsidized Stafford .....	-4,406	-4,724	-5,770
4123 Origination Fees, Unsubsidized Stafford .....	-547	-777	-651
4123 Other fees, Unsubsidized Stafford .....	-30	.....	.....
4123 Repayment of principal, PLUS .....	-8,849	-9,698	-12,597
4123 Interest received on loans, PLUS .....	-2,454	-2,732	-3,416
4123 Origination Fees, PLUS .....	-819	-892	-907
4123 Other fees, PLUS .....	-11	.....	.....
4123 Payment of principal, Consolidation .....	-8,315	-12,580	-13,857
4123 Interest received on loans, Consolidation .....	-4,458	-6,128	-7,241
4123 Other fees, Consolidation .....	-53	.....	.....
4130 Offsets against gross budget authority and outlays (total) ....	-92,936	-81,575	-84,565
4160 Budget authority, net (mandatory) .....	108,731	127,391	129,459
4170 Outlays, net (mandatory) .....	85,868	110,342	113,890
4180 Budget authority, net (total) .....	108,731	127,391	129,459
4190 Outlays, net (total) .....	85,868	110,342	113,890

Status of Direct Loans (in millions of dollars)

Identification code 091-4253-0-3-502	2015 actual	2016 est.	2017 est.
<b>STAFFORD</b>			
Position with respect to appropriations act limitation on obligations:			
1111 Direct loan obligations from current-year authority .....	28,866	26,207	26,594
1150 Total direct loan obligations .....	28,866	26,207	26,594
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	172,747	188,441	199,536
1231 Disbursements: Direct loan disbursements .....	24,258	23,014	23,383
1251 Repayments: Repayments and prepayments .....	-12,023	-11,863	-13,448
1261 Adjustments: Capitalized interest .....	699	195	150
1264 Write-offs for default: Other adjustments, net (+ or -) .....	2,760	-251	-295
1290 Outstanding, end of year .....	188,441	199,536	209,326
<b>UNSUBSIDIZED STAFFORD</b>			
Position with respect to appropriations act limitation on obligations:			
1111 Direct loan obligations from current-year authority .....	63,178	60,228	63,707
1150 Total direct loan obligations .....	63,178	60,228	63,707
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	248,674	285,152	324,349
1231 Disbursements: Direct loan disbursements .....	52,280	51,559	54,552
1251 Repayments: Repayments and prepayments .....	-20,781	-19,679	-23,794
1261 Adjustments: Capitalized interest .....	1,006	7,632	7,824
1264 Write-offs for default: Other adjustments, net (+ or -) .....	3,973	-315	-378
1290 Outstanding, end of year .....	285,152	324,349	362,553
<b>PLUS</b>			
Position with respect to appropriations act limitation on obligations:			
1111 Direct loan obligations from current-year authority .....	20,981	22,737	24,178
1150 Total direct loan obligations .....	20,981	22,737	24,178
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	78,614	90,615	103,000

1231 Disbursements: Direct loan disbursements .....	19,275	20,846	22,170
1251 Repayments: Repayments and prepayments .....	-8,848	-9,698	-12,597
1261 Adjustments: Capitalized interest .....	318	1,381	1,491
1264 Write-offs for default: Other adjustments, net (+ or -) .....	1,256	-144	-163
1290 Outstanding, end of year .....	90,615	103,000	113,901
<b>CONSOLIDATION</b>			
Position with respect to appropriations act limitation on obligations:			
1111 Direct loan obligations from current-year authority .....	49,287	49,106	48,682
1150 Total direct loan obligations .....	49,287	49,106	48,682
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	193,971	236,603	272,136
1231 Disbursements: Direct loan disbursements .....	46,434	48,829	48,422
1251 Repayments: Repayments and prepayments .....	-8,315	-12,580	-13,857
1261 Adjustments: Capitalized interest .....	1,414	5	3
1264 Write-offs for default: Other adjustments, net (+ or -) .....	3,099	-721	-759
1290 Outstanding, end of year .....	236,603	272,136	305,945

As required by the Federal Credit Reform Act of 1990, this nonbudgetary account records all cash flows to and from the Government resulting from Federal Direct Student Loans. 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 091-4253-0-3-502	2014 actual	2015 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	21,445	27,127
Investments in US securities:		
1106 Receivables, net .....	22,443	6,946
1206 Non-Federal assets: Receivables, net .....	142	7
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....	694,006	800,811
1402 Interest receivable .....	37,151	44,250
1405 Allowance for subsidy cost (-) .....	47,359	35,496
1499 Net present value of assets related to direct loans .....	778,516	880,557
1999 Total assets .....	822,546	914,637
<b>LIABILITIES:</b>		
Federal liabilities:		
2101 Accounts payable .....	128	1,474
2103 Debt .....	819,007	909,927
2201 Non-Federal liabilities: Accounts payable .....	3,411	3,236
2999 Total liabilities .....	822,546	914,637
4999 Total liabilities and net position .....	822,546	914,637

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	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0713 Payment of interest to Treasury .....	.....	.....	19
0740 Negative subsidy obligations .....	.....	.....	1,788
0791 Direct program activities, subtotal .....	.....	.....	1,807
0900 Total new obligations .....	.....	.....	1,807
<b>Budgetary resources:</b>			
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	.....	.....	1,788
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	.....	.....	14
1825 Spending authority from offsetting collections applied to repay debt .....	.....	.....	5
1850 Spending auth from offsetting collections, mand (total) .....	.....	.....	19
1900 Budget authority (total) .....	.....	.....	1,807
1930 Total budgetary resources available .....	.....	.....	1,807
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	.....	.....	1,807

3020	Outlays (gross) .....			-1,171
3050	Unpaid obligations, end of year .....			636
Memorandum (non-add) entries:				
3200	Obligated balance, end of year .....			636
<b>Financing authority and disbursements, net:</b>				
Mandatory:				
4090	Budget authority, gross .....			1,807
Financing disbursements:				
4110	Outlays, gross (total) .....			1,171
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4123	Payment of principal, Consolidation .....			-14
4180	Budget authority, net (total) .....			1,793
4190	Outlays, net (total) .....			1,157

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

Identification code 091-4253-4-3-502	2015 actual	2016 est.	2017 est.
<b>CONSOLIDATION</b>			
Cumulative balance of direct loans outstanding:			
1251	Repayments: Repayments and prepayments .....		-14
1290	Outstanding, end of year .....		-14

**FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT**

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

Identification code 091-0231-0-1-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0704	Subsidy for modifications of loan guarantees .....	152	
0705	Reestimates of direct loan subsidy .....	265	991
0706	Interest on reestimates of direct loan subsidy .....	43	223
0707	Reestimates of loan guarantee subsidy .....	498	26
0708	Interest on reestimates of loan guarantee subsidy .....	556	55
0900	Total new obligations (object class 41.0) .....	1,362	1,447
<b>Budgetary resources:</b>			
Budget authority:			
Appropriations, mandatory:			
1200	Appropriation .....	1,362	1,447
1930	Total budgetary resources available .....	1,362	1,447
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010	Obligations incurred, unexpired accounts .....	1,362	1,447
3020	Outlays (gross) .....	-1,362	-1,447
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090	Budget authority, gross .....	1,362	1,447
Outlays, gross:			
4100	Outlays from new mandatory authority .....	1,362	1,447
4180	Budget authority, net (total) .....	1,362	1,447
4190	Outlays, net (total) .....	1,362	1,447

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

Identification code 091-0231-0-1-502	2015 actual	2016 est.	2017 est.
Direct loan reestimates:			
135010	Direct Participation Agreement Reestimates .....	-1,517	489
135012	Direct Standard Put Reestimates .....	-731	565
135999	Total direct loan reestimates .....	-2,248	1,054
Guaranteed loan subsidy outlays:			
234006	FFEL Guarantees .....		152
234999	Total subsidy outlays .....		152
Guaranteed loan reestimates:			
235006	FFEL Guarantees .....	-1,046	-2,281
235999	Total guaranteed loan reestimates .....	-1,046	-2,281

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, 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	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0101	Default claims .....	1,627	1,015
0102	Special allowance .....	30	18
0103	Interest benefits .....	409	195
0104	Death, disability, and bankruptcy claims .....	249	67
0105	Teacher loan forgiveness, other write-offs .....	36	45
0107	Contract collection costs .....	15	22
0109	Rehab purchase fee .....		229
0110	Guaranty Agency account maintenance fees .....	22	21
0191	Subtotal, Stafford loans .....	2,388	1,612
0202	Default claims .....	1,791	1,108
0203	Special allowance .....	30	22
0204	Death, disability, and bankruptcy claims .....	330	69
0205	Teacher loan forgiveness, other write-offs .....	37	37
0207	Contract collection costs .....	13	15
0209	Rehab purchase fee .....		195
0210	Guaranty Agency account maintenance fees .....	25	18
0291	Subtotal, Unsubsidized Stafford loans .....	2,226	1,464
0301	Default claims .....	286	146
0304	Death, disability, and bankruptcy claims .....	98	24
0307	Contract Collection Costs .....	2	2
0309	Rehab purchase fee .....		33
0310	Guaranty Agency account maintenance fees .....	5	3
0391	Subtotal, PLUS loans .....	391	208
0403	Default claims .....	4	
0405	Death, disability, and bankruptcy claims .....	1	
0407	Contract collection costs .....		1
0409	Rehab purchase fee .....		1
0491	Subtotal, SLS loans .....	5	2
0501	Default claims .....	3,577	4,413
0502	Special allowance .....		88
0503	Interest benefits .....	402	92
0504	Death, disability, and bankruptcy claims .....	1,100	967
0505	Teacher loan forgiveness, other write-offs .....	61	
0507	Contract collection costs .....	18	26
0509	Rehab purchase fee .....		285
0510	Guaranty Agency account maintenance fees .....	102	118
0591	Subtotal, Consolidations loans .....	5,260	5,989
Credit program obligations:			
0713	Payment of interest to Treasury .....	2,083	
0742	Downward reestimate paid to receipt account .....	1,367	1,525
0743	Interest on downward reestimates .....	733	836
0791	Direct program activities, subtotal .....	4,183	2,361
0900	Total new obligations .....	14,453	11,636
<b>Budgetary resources:</b>			
Unobligated balance:			
1000	Unobligated balance brought forward, Oct 1 .....	4,421	7,771
1021	Recoveries of prior year unpaid obligations .....	578	
1050	Unobligated balance (total) .....	4,999	7,771
Financing authority:			
Appropriations, mandatory:			
1200	Appropriation .....		24
Spending authority from offsetting collections, mandatory:			
1800	Collected .....	17,225	12,805
1900	Budget authority (total) .....	17,225	12,829
1930	Total budgetary resources available .....	22,224	20,600
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year .....	7,771	8,964
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000	Unpaid obligations, brought forward, Oct 1 .....	1,966	1,496

FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING ACCOUNT—Continued  
Program and Financing—Continued

Identification code 091-4251-0-3-502	2015 actual	2016 est.	2017 est.
3010 Obligations incurred, unexpired accounts .....	14,453	11,636	7,409
3020 Outlays (gross) .....	-14,345	-11,636	-7,409
3040 Recoveries of prior year unpaid obligations, unexpired .....	-578		
3050 Unpaid obligations, end of year .....	1,496	1,496	1,496
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	1,966	1,496	1,496
3200 Obligated balance, end of year .....	1,496	1,496	1,496
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	17,225	12,829	10,750
Financing disbursements:			
4110 Outlays, gross (total) .....	14,345	11,636	7,409
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate .....	-498	-26	
4120 Interest on upward reestimate .....	-556	-55	
4120 Upward modification .....		-152	
4122 Interest on uninvested funds .....	-256	-66	-202
4123 Stafford recoveries on defaults .....	-2,975	-2,364	-2,065
4123 Stafford other fees .....	-100		
4123 Stafford special allowance rebate .....	-967	-575	-301
4123 Unsubsidized Stafford recoveries on default .....	-2,576	-2,256	-2,004
4123 Unsubsidized Stafford other fees .....	-86		
4123 Unsubsidized Stafford special allowance rebate .....	-1,229	-876	-499
4123 PLUS recoveries on defaults .....	-437	-256	-231
4123 PLUS other fees .....	-15		
4123 PLUS special allowance rebate .....	-400	-165	-92
4123 SLS recoveries on defaults .....	-21	-10	-8
4123 SLS other fees .....	-1		
4123 Consolidation recoveries on defaults .....	-3,619	-4,008	-4,094
4123 Consolidation loan holders fee .....	-1,615	-891	-711
4123 Consolidation other fees .....	-122		
4123 Consolidation special allowance rebate .....	-1,752	-1,105	-543
4130 Offsets against gross budget authority and outlays (total) ....	-17,225	-12,805	-10,750
4160 Budget authority, net (mandatory) .....		24	
4170 Outlays, net (mandatory) .....	-2,880	-1,169	-3,341
4180 Budget authority, net (total) .....		24	
4190 Outlays, net (total) .....	-2,880	-1,169	-3,341

Status of Guaranteed Loans (in millions of dollars)

Identification code 091-4251-0-3-502	2015 actual	2016 est.	2017 est.
<b>STAFFORD</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	34,741	30,820	26,199
2251 Repayments and prepayments .....	-2,055	-3,495	-2,439
Adjustments:			
2261 Terminations for default that result in loans receivable .....	-1,876	-1,015	-653
2263 Terminations for default that result in claim payments .....	-247	-67	-56
2264 Other adjustments, net .....	257	-44	-16
2290 Outstanding, end of year .....	30,820	26,199	23,035
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	29,279	24,889	21,884
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	6,734	5,832	4,674
2331 Disbursements for guaranteed loan claims .....	1,876	1,015	653
2351 Repayments of loans receivable .....	-2,555	-2,364	-2,065
2361 Write-offs of loans receivable .....	-249	-184	-134
2364 Other adjustments, net .....	26	375	350
2390 Outstanding, end of year .....	5,832	4,674	3,478
<b>UNSUBSIDIZED STAFFORD</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	39,711	34,994	29,382
2251 Repayments and prepayments .....	-2,349	-4,398	-3,131
Adjustments:			
2261 Terminations for default that result in loans receivable .....	-2,121	-1,108	-719
2263 Terminations for default that result in claim payments .....	-330	-69	-56
2264 Other adjustments, net .....	83	-37	-15

2290 Outstanding, end of year .....	34,994	29,382	25,461
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	33,245	27,913	24,188
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	9,926	9,546	8,116
2331 Disbursements for guaranteed loan claims .....	2,121	1,108	719
2351 Repayments of loans receivable .....	-2,213	-2,256	-2,004
2361 Write-offs of loans receivable .....	-330	-282	-229
2364 Other adjustments, net .....	42		
2390 Outstanding, end of year .....	9,546	8,116	6,602
<b>PLUS</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	7,947	6,694	5,891
2251 Repayments and prepayments .....	-470	-632	-373
Adjustments:			
2261 Terminations for default that result in loans receivable .....	-384	-146	-103
2263 Terminations for default that result in claim payments .....	-98	-25	-20
2264 Other adjustments, net .....	-301		
2290 Outstanding, end of year .....	6,694	5,891	5,395
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	6,359	5,596	5,051
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	647	561	384
2331 Disbursements for guaranteed loan claims .....	384	146	181
2351 Repayments of loans receivable .....	-375	-256	-231
2361 Write-offs of loans receivable .....	-98	-67	-50
2364 Other adjustments, net .....	3		
2390 Outstanding, end of year .....	561	384	284
<b>SLS</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	64	60	59
2251 Repayments and prepayments .....	-4	-1	-1
Adjustments:			
2261 Terminations for default that result in loans receivable .....	-4		
2263 Terminations for default that result in claim payments .....	-1		
2264 Other adjustments, net .....	5		
2290 Outstanding, end of year .....	60	59	58
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	57	56	55
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	278	264	254
2331 Disbursements for guaranteed loan claims .....	4		
2351 Repayments of loans receivable .....	-18	-10	-8
2361 Write-offs of loans receivable .....	-1		
2364 Other adjustments, net .....	1		
2390 Outstanding, end of year .....	264	254	246
<b>CONSOLIDATION</b>			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	158,546	146,597	130,037
2251 Repayments and prepayments .....	-9,379	-11,180	-9,356
Adjustments:			
2261 Terminations for default that result in loans receivable .....	-4,677	-4,412	-3,410
2263 Terminations for default that result in claim payments .....	-1,100	-967	-963
2264 Other adjustments, net .....	3,207	-1	
2290 Outstanding, end of year .....	146,597	130,037	116,308
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	139,267	123,535	110,492
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	16,666	17,212	16,553
2331 Disbursements for guaranteed loan claims .....	4,677	4,412	3,410
2351 Repayments of loans receivable .....	-3,108	-4,008	-4,094

2361	Write-offs of loans receivable .....	-1,100	-1,063	-957
2364	Other adjustments, net .....	77		
2390	Outstanding, end of year .....	17,212	16,553	14,912

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

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

Identification code 091-4251-0-3-502	2014 actual	2015 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	6,014	8,894
Investments in US securities:		
1106 Receivables, net .....	926	88
1206 Non-Federal assets: Receivables, net .....	66	28
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:		
1501 Defaulted guaranteed loans receivable, gross .....	34,251	33,415
1502 Interest receivable .....	5,273	5,756
1505 Allowance for subsidy cost (-) .....	-1,555	-991
1599 Net present value of assets related to defaulted guaranteed loans .....	37,969	38,180
1999 Total assets .....	44,975	47,190
<b>LIABILITIES:</b>		
Federal liabilities:		
2101 Accounts payable .....	1,484	3,865
2103 Debt .....	43,254	43,254
2201 Non-Federal liabilities: Accounts payable .....	237	71
2999 Total liabilities .....	44,975	47,190
4999 Total liabilities and net position .....	44,975	47,190

Memorandum (non-add) entries:				
3100	Obligated balance, start of year .....	692	666	666
3200	Obligated balance, end of year .....	666	666	666

**Financing authority and disbursements, net:**

Mandatory:				
4090	Budget authority, gross .....	4,373	3,190	2,928
Financing disbursements:				
4110	Outlays, gross (total) .....	3,931	3,190	2,928
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Upward reestimate .....	-265	-531	
4120	Upward reestimate interest .....	-43	-118	
4122	Interest on uninvested funds .....	-131		
4123	Principal repayments .....	-5,723	-4,737	-5,031
4123	Interest repayments .....	-1,220	-1,363	-1,320
4123	Fees and other refunds .....	-23		
4130	Offsets against gross budget authority and outlays (total) ....	-7,405	-6,749	-6,351
4160	Budget authority, net (mandatory) .....	-3,032	-3,559	-3,423
4170	Outlays, net (mandatory) .....	-3,474	-3,559	-3,423
4180	Budget authority, net (total) .....	-3,032	-3,559	-3,423
4190	Outlays, net (total) .....	-3,474	-3,559	-3,423

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

Identification code 091-4453-0-3-502	2015 actual	2016 est.	2017 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year .....	52,782	48,540	43,883
1251	Repayments: Repayments and prepayments .....	-5,723	-4,737	-5,031
1261	Adjustments: Capitalized interest .....		199	125
1264	Write-offs for default: Other adjustments, net (+ or -) .....	1,481	-119	-120
1290	Outstanding, end of year .....	48,540	43,883	38,857

As required by the Federal Credit Reform Act of 1990, this nonbudgetary account records all cash flows to and from the Government resulting from the participation interest program authorized under the Ensuring Continued Access to Student Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

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

Identification code 091-4453-0-3-502	2014 actual	2015 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	947	1,102
Investments in US securities:		
1106 Receivables, net .....	352	477
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....	52,782	48,540
1402 Interest receivable .....	3,358	3,403
1405 Allowance for subsidy cost (-) .....	8,373	7,573
1499 Net present value of assets related to direct loans .....	64,513	59,516
1999 Total assets .....	65,812	61,095
<b>LIABILITIES:</b>		
Federal liabilities:		
2101 Accounts payable .....	1,504	112
2103 Debt .....	64,302	60,983
2201 Non-Federal liabilities: Accounts payable .....	6	
2999 Total liabilities .....	65,812	61,095
4999 Total liabilities and net position .....	65,812	61,095

**STUDENT LOAN ACQUISITION ACCOUNT**

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

Identification code 091-4449-0-3-502	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0005	Contract collection costs .....	66	107	97
Credit program obligations:				
0713	Payment of interest to Treasury .....	1,091	1,629	1,567
0742	Downward reestimate paid to receipt account .....	612		
0743	Interest on downward reestimates .....	120		

**TEMPORARY STUDENT LOAN PURCHASE AUTHORITY FINANCING ACCOUNT**

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

Identification code 091-4453-0-3-502	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0006	Contract collection costs .....	93	178	160
Credit program obligations:				
0713	Payment of interest to Treasury .....	2,018	2,852	2,768
0742	Downward reestimate paid to receipt account .....	1,524	123	
0743	Interest on downward reestimates .....	301	37	
0791	Direct program activities, subtotal .....	3,843	3,012	2,768
0900	Total new obligations .....	3,936	3,190	2,928
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1 .....	256	437	
1021	Recoveries of prior year unpaid obligations .....	31		
1023	Unobligated balances applied to repay debt .....	-287	-437	
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority .....	1,825	160	
Spending authority from offsetting collections, mandatory:				
1800	Collected .....	7,405	6,749	6,351
1825	Spending authority from offsetting collections applied to repay debt .....	-4,857	-3,719	-3,423
1850	Spending auth from offsetting collections, mand (total) .....	2,548	3,030	2,928
1900	Budget authority (total) .....	4,373	3,190	2,928
1930	Total budgetary resources available .....	4,373	3,190	2,928
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year .....	437		
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1 .....	692	666	666
3010	Obligations incurred, unexpired accounts .....	3,936	3,190	2,928
3020	Outlays (gross) .....	-3,931	-3,190	-2,928
3040	Recoveries of prior year unpaid obligations, unexpired .....	-31		
3050	Unpaid obligations, end of year .....	666	666	666

STUDENT LOAN ACQUISITION ACCOUNT—Continued  
Program and Financing—Continued

Identification code 091-4449-0-3-502	2015 actual	2016 est.	2017 est.
0791 Direct program activities, subtotal .....	1,823	1,629	1,567
0900 Total new obligations .....	1,889	1,736	1,664
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	478	460	
1021 Recoveries of prior year unpaid obligations .....	3		
1023 Unobligated balances applied to repay debt .....	-481	-460	
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	731		
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	4,432	4,393	3,932
1825 Spending authority from offsetting collections applied to repay debt .....	-2,814	-2,657	-2,268
1850 Spending auth from offsetting collections, mand (total) .....	1,618	1,736	1,664
1900 Budget authority (total) .....	2,349	1,736	1,664
1930 Total budgetary resources available .....	2,349	1,736	1,664
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	460		

Identification code 091-4449-0-3-502	2015 actual	2016 est.	2017 est.
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	13	14	14
3010 Obligations incurred, unexpired accounts .....	1,889	1,736	1,664
3020 Outlays (gross) .....	-1,885	-1,736	-1,664
3040 Recoveries of prior year unpaid obligations, unexpired .....	-3		
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

Identification code 091-4449-0-3-502	2015 actual	2016 est.	2017 est.
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	2,349	1,736	1,664
Financing disbursements:			
4110 Outlays, gross (total) .....	1,885	1,736	1,664
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate .....		-460	
4120 Upward reestimate interest .....		-105	
4122 Interest on uninvested funds .....	-63		
4123 Principal repayments .....	-3,556	-2,997	-3,123
4123 Borrower interest repayments .....	-799	-831	-809
4123 Fees and other refunds .....	-14		
4130 Offsets against gross budget authority and outlays (total) ....	-4,432	-4,393	-3,932
4160 Budget authority, net (mandatory) .....	-2,083	-2,657	-2,268
4170 Outlays, net (mandatory) .....	-2,547	-2,657	-2,268
4180 Budget authority, net (total) .....	-2,083	-2,657	-2,268
4190 Outlays, net (total) .....	-2,547	-2,657	-2,268

Status of Direct Loans (in millions of dollars)

Identification code 091-4449-0-3-502	2015 actual	2016 est.	2017 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year .....	29,401	26,474	23,540
1251 Repayments: Repayments and prepayments .....	-3,556	-2,997	-3,123
1261 Adjustments: Capitalized interest .....		140	85
1264 Write-offs for default: Other adjustments, net (+ or -) .....	629	-77	-75
1290 Outstanding, end of year .....	26,474	23,540	20,427

As required by the Federal Credit Reform Act of 1990, this nonbudgetary account records all cash flows to and from the Government resulting from the standard and short-term Put programs authorized under the Ensuring Continued Access to Student Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 091-4449-0-3-502	2014 actual	2015 actual
<b>ASSETS:</b>		
Federal assets:		
1101 Fund balances with Treasury .....	322	305
Investments in US securities:		
1106 Receivables, net .....		539
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross .....	29,401	26,474
1402 Interest receivable .....	1,927	1,981
1405 Allowance for subsidy cost (-) .....	5,228	4,410
1499 Net present value of assets related to direct loans .....	36,556	32,865
1999 Total assets .....	36,878	33,709
<b>LIABILITIES:</b>		
Federal liabilities:		
2101 Accounts payable .....	601	
2103 Debt .....	36,273	33,709
2201 Non-Federal liabilities: Accounts payable .....	4	
2999 Total liabilities .....	36,878	33,709
4999 Total liabilities and net position .....	36,878	33,709

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY CONDUIT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 091-4459-0-3-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Contract collection costs:			
0003 Contract collection costs .....	28	27	21
Credit program obligations:			
0713 Payment of interest to Treasury .....	60	60	52
0900 Total new obligations .....	88	87	73

Identification code 091-4459-0-3-502	2015 actual	2016 est.	2017 est.
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	11	32	
1021 Recoveries of prior year unpaid obligations .....	26		
1023 Unobligated balances applied to repay debt .....	-37	-32	
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	229	359	275
1825 Spending authority from offsetting collections applied to repay debt .....	-109	-272	-202
1850 Spending auth from offsetting collections, mand (total) .....	120	87	73
1900 Budget authority (total) .....	120	87	73
1930 Total budgetary resources available .....	120	87	73
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	32		

Identification code 091-4459-0-3-502	2015 actual	2016 est.	2017 est.
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	41	15	15
3010 Obligations incurred, unexpired accounts .....	88	87	73
3020 Outlays (gross) .....	-88	-87	-73
3040 Recoveries of prior year unpaid obligations, unexpired .....	-26		
3050 Unpaid obligations, end of year .....	15	15	15
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	41	15	15
3200 Obligated balance, end of year .....	15	15	15

Identification code 091-4459-0-3-502	2015 actual	2016 est.	2017 est.
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	120	87	73
Financing disbursements:			
4110 Outlays, gross (total) .....	88	87	73
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds .....	-4		
4123 Direct Conduit Fees .....	-6		
4123 Principal repayments .....	-171	-304	-232
4123 Interest repayments .....	-48	-55	-43
4130 Offsets against gross budget authority and outlays (total) ....	-229	-359	-275
4160 Budget authority, net (mandatory) .....	-109	-272	-202
4170 Outlays, net (mandatory) .....	-141	-272	-202
4180 Budget authority, net (total) .....	-109	-272	-202



4190	Outlays, net (total)	-141	-272	-202
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**Status of Direct Loans** (in millions of dollars)

Identification code 091-4459-0-3-502	2015 actual	2016 est.	2017 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	2,036	1,887	1,578
1251	Repayments: Repayments and prepayments	-171	-304	-232
1264	Write-offs for default: Other adjustments, net (+ or -)	22	-5	-2
1290	Outstanding, end of year	1,887	1,578	1,344

As required by the Federal Credit Reform Act of 1990, this nonbudgetary account records all cash flows to and from the Government resulting from the asset-backed commercial paper conduit authorized under the Ensuring Continued Access to Student Loans Act of 2008. Amounts in this account are a means of financing and are not included in the budget totals.

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

Identification code 091-4459-0-3-502	2014 actual	2015 actual	
<b>ASSETS:</b>			
1101	Federal assets: Fund balances with Treasury	52	47
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	2,036	1,887
1402	Interest receivable	218	241
1405	Allowance for subsidy cost (-)	-332	-349
1499	Net present value of assets related to direct loans	1,922	1,779
1999	Total assets	1,974	1,826
<b>LIABILITIES:</b>			
2103	Federal liabilities: Debt	1,972	1,826
2201	Non-Federal liabilities: Accounts payable	2	
2999	Total liabilities	1,974	1,826
4999	Total liabilities and net position	1,974	1,826

FEDERAL FAMILY EDUCATION LOAN LIQUIDATING ACCOUNT

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

Identification code 091-0230-0-1-502	2015 actual	2016 est.	2017 est.	
<b>Obligations by program activity:</b>				
0101	Interest benefits, net of origination fees	2	2	2
0103	Default claims	37	31	25
0104	Death, disability, and bankruptcy claims	21	16	14
0105	Contract collection costs	17	15	14
0106	Rehab purchase fee		24	20
0191	Subtotal, Stafford loans	77	88	75
0201	Default claims	7	5	4
0202	Death, disability, and bankruptcy claims	4	6	6
0205	Contract collection costs	2	3	3
0206	Rehab purchase fee		4	3
0291	Subtotal, PLUS/SLS loans	13	18	16
0900	Total new obligations	90	106	91
<b>Budgetary resources:</b>				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	110	225	
1021	Recoveries of prior year unpaid obligations	28		
1022	Capital transfer of unobligated balances to general fund	-138	-225	
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected	444	397	351
1820	Capital transfer of spending authority from offsetting collections to general fund	-129	-291	-260
1850	Spending auth from offsetting collections, mand (total)	315	106	91
1930	Total budgetary resources available	315	106	91
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	225		
<b>Change in obligated balance:</b>				
Unpaid obligations:				
3000	Unpaid obligations, brought forward, Oct 1	38	11	
3010	Obligations incurred, unexpired accounts	90	106	91

3020	Outlays (gross)	-89	-117	-91
3040	Recoveries of prior year unpaid obligations, unexpired	-28		
3050	Unpaid obligations, end of year	11		
Memorandum (non-add) entries:				
3100	Obligated balance, start of year	38	11	
3200	Obligated balance, end of year	11		

**Budget authority and outlays, net:**

Identification code	2015 actual	2016 est.	2017 est.	
<b>Mandatory:</b>				
4090	Budget authority, gross	315	106	91
Outlays, gross:				
4100	Outlays from new mandatory authority	89	106	91
4101	Outlays from mandatory balances		11	
4110	Outlays, gross (total)	89	117	91
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Fed collections on defaulted loans, Stafford	-115	-109	-97
4123	Fed collections on bankruptcies, Stafford		-4	-3
4123	Offsets against Federal tax refunds, Stafford	-117		-104
4123	Reimbursements from guaranty agencies, Stafford	-253	-83	-73
4123	Other collections, Stafford	-19	-24	-21
4123	Federal collections on defaulted loans, PLUS/SLS	-18	-33	-29
4123	Federal collections on bankruptcies, PLUS/SLS		-1	-1
4123	Offsets against Federal tax refunds, PLUS/SLS		-9	-8
4123	Reimbursements from guaranty agencies, PLUS/SLS	-39	-17	-15
4130	Offsets against gross budget authority and outlays (total)	-444	-397	-351
4160	Budget authority, net (mandatory)	-129	-291	-260
4170	Outlays, net (mandatory)	-355	-280	-260
4180	Budget authority, net (total)	-129	-291	-260
4190	Outlays, net (total)	-355	-280	-260

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

Identification code 091-0230-0-1-502	2015 actual	2016 est.	2017 est.	
<b>STAFFORD LOANS</b>				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	494	467	427
2251	Repayments and prepayments	-9	-8	-8
Adjustments:				
2261	Terminations for default that result in loans receivable	-53	-16	-13
2263	Terminations for default that result in claim payments	-21	-16	-14
2264	Other adjustments, net	56		
2290	Outstanding, end of year	467	427	392
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	444	406	373
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	4,063	3,786	3,599
2331	Disbursements for guaranteed loan claims	53	16	13
2351	Repayments of loans receivable	-266	-162	-144
2361	Write-offs of loans receivable	-21	-20	-19
2364	Other adjustments, net	-43	-21	-17
2390	Outstanding, end of year	3,786	3,599	3,432
<b>PLUS/SLS LOANS</b>				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	59	56	47
2251	Repayments and prepayments	-1	-1	-1
Adjustments:				
2261	Terminations for default that result in loans receivable	-10	-2	-1
2263	Terminations for default that result in claim payments	-4	-6	-6
2264	Other adjustments, net	12		
2290	Outstanding, end of year	56	47	39
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	53	44	37
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	644	602	570
2331	Disbursements for guaranteed loan claims	10	2	1
2351	Repayments of loans receivable	-41	-27	-24
2361	Write-offs of loans receivable	-4	-4	-3
2364	Other adjustments, net	-7	-3	-3

FEDERAL FAMILY EDUCATION LOAN LIQUIDATING ACCOUNT—Continued  
Status of Guaranteed Loans—Continued

Identification code 091-0230-0-1-502	2015 actual	2016 est.	2017 est.
2390 Outstanding, end of year .....	602	570	541

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

Balance Sheet (in millions of dollars)

Identification code 091-0230-0-1-502	2014 actual	2015 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	148	237
1701 Defaulted guaranteed loans, gross .....	4,707	4,388
1702 Interest receivable .....	5,809	6,149
1703 Allowance for estimated uncollectible loans and interest (-) .....	-8,586	-8,162
1799 Value of assets related to loan guarantees .....	1,930	2,375
1999 Total assets .....	2,078	2,612
<b>LIABILITIES:</b>		
2104 Federal liabilities: Resources payable to Treasury .....	2,050	2,603
Non-Federal liabilities:		
2201 Accounts payable .....	1	.....
2204 Liabilities for loan guarantees .....	27	9
2999 Total liabilities .....	2,078	2,612
4999 Total liabilities and net position .....	2,078	2,612

Object Classification (in millions of dollars)

Identification code 091-0230-0-1-502	2015 actual	2016 est.	2017 est.
Direct obligations:			
33.0 Investments and loans .....	63	54	46
41.0 Grants, subsidies, and contributions .....	2	30	25
42.0 Insurance claims and indemnities .....	25	22	20
99.0 Direct obligations .....	90	106	91
99.9 Total new obligations .....	90	106	91

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	2015 actual	2016 est.	2017 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Federal Perkins Loans .....	.....	.....	4,684
Direct loan subsidy (in percent):			
132001 Federal Perkins Loans .....	.....	.....	-13.67
Direct loan subsidy budget authority:			
133001 Federal Perkins Loans .....	.....	.....	-640
Direct loan subsidy outlays:			
134001 Federal Perkins Loans .....	.....	.....	-305

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

Program and Financing (in millions of dollars)

Identification code 091-4574-4-3-502	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0710 Direct loan obligations .....	.....	.....	4,684
0713 Payment of interest to Treasury .....	.....	.....	43

0740 Negative subsidy obligations .....	.....	.....	640
0900 Total new obligations .....	.....	.....	5,367

Budgetary resources:

Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority .....	.....	.....	5,343
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	.....	.....	24
1900 Budget authority (total) .....	.....	.....	5,367
1930 Total budgetary resources available .....	.....	.....	5,367

Change in obligated balance:

Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	.....	.....	5,367
3020 Outlays (gross) .....	.....	.....	-2,579
3050 Unpaid obligations, end of year .....	.....	.....	2,788
Memorandum (non-add) entries:			
3200 Obligated balance, end of year .....	.....	.....	2,788

Financing authority and disbursements, net:

Mandatory:			
4090 Budget authority, gross .....	.....	.....	5,367
Financing disbursements:			
4110 Outlays, gross (total) .....	.....	.....	2,579
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123 Payment of principal .....	.....	.....	-1
4123 Origination fees .....	.....	.....	-23
4130 Offsets against gross budget authority and outlays (total) ....	.....	.....	-24
4160 Budget authority, net (mandatory) .....	.....	.....	5,343
4170 Outlays, net (mandatory) .....	.....	.....	2,555
4180 Budget authority, net (total) .....	.....	.....	5,343
4190 Outlays, net (total) .....	.....	.....	2,555

Status of Direct Loans (in millions of dollars)

Identification code 091-4574-4-3-502	2015 actual	2016 est.	2017 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:			
1231 Disbursements: Direct loan disbursements .....	.....	.....	2,231
1251 Repayments: Repayments and prepayments .....	.....	.....	-1
1290 Outstanding, end of year .....	.....	.....	2,230

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	2015 actual	2016 est.	2017 est.
Guaranteed loan reestimates:			
235001 HEAL Loan Guarantee .....	-19	-21	.....

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 FY 2014. The Department of Education assumed responsibility for the program and the authority to administer, service, collect, and enforce the program.

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	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0711 Default claim payments on principal .....	7	7	7
0715 Default Collection Costs .....	1	2	2
0742 Downward reestimate paid to receipt account .....	8	9	.....
0743 Interest on downward reestimates .....	10	12	.....
0900 Total new obligations .....	26	30	9
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	68	52	33
1050 Unobligated balance (total) .....	68	52	33
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	10	11	11
1900 Budget authority (total) .....	10	11	11
1930 Total budgetary resources available .....	78	63	44
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year .....	52	33	35
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3000 Unpaid obligations, brought forward, Oct 1 .....	.....	1	22
3010 Obligations incurred, unexpired accounts .....	26	30	9
3020 Outlays (gross) .....	-25	-9	-9
3050 Unpaid obligations, end of year .....	1	22	22
Memorandum (non-add) entries:			
3100 Obligated balance, start of year .....	.....	1	22
3200 Obligated balance, end of year .....	1	22	22
<b>Financing authority and disbursements, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	10	11	11
Financing disbursements:			
4110 Outlays, gross (total) .....	25	9	9
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds .....	-3	-2	-2
4123 Non-Federal sources .....	-7	-9	-9
4130 Offsets against gross budget authority and outlays (total) ....	-10	-11	-11
4170 Outlays, net (mandatory) .....	15	-2	-2
4180 Budget authority, net (total) .....	.....	.....	.....
4190 Outlays, net (total) .....	15	-2	-2

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

Identification code 091-4300-0-3-552	2015 actual	2016 est.	2017 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 .....	290	232	204
2251 Repayments and prepayments .....	-51	-16	-16
Adjustments:			
2261 Terminations for default that result in loans receivable .....	-7	-9	-9
2263 Terminations for default that result in claim payments .....	.....	-3	-3
2264 Other adjustments, net .....	.....	.....	.....
2290 Outstanding, end of year .....	232	204	176
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	232	204	176
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	192	155	155
2331 Disbursements for guaranteed loan claims .....	7	7	7
2351 Repayments and prepayments .....	-10	-7	-7
2361 Write-offs of loans receivable .....	.....	.....	.....
2364 Other adjustments, net .....	-34	.....	.....

2390	Outstanding, end of year .....	155	155	155
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As required by the Federal Credit Reform Act of 1990, this nonbudgetary account records all cash flows to and from the Government resulting from the Health Education Assistance Loan (HEAL) program. Amounts in this account are a means of financing and are not included in the budget totals.

HEALTH EDUCATION ASSISTANCE LOANS LIQUIDATING ACCOUNT

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

Identification code 091-4299-0-3-552	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
Credit program obligations:			
0715 Default Collections Costs .....	2	2	2
0900 Total new obligations .....	2	2	2
<b>Budgetary resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	8	7	.....
1022 Capital transfer of unobligated balances to general fund .....	-8	-7	.....
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation .....	.....	1	1
Spending authority from offsetting collections, mandatory:			
1800 Collected .....	9	10	10
1820 Capital transfer of spending authority from offsetting collections to general fund .....	.....	-9	-9
1850 Spending auth from offsetting collections, mand (total) .....	9	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 .....	7	.....	.....
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred, unexpired accounts .....	2	2	2
3020 Outlays (gross) .....	-2	-2	-2
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross .....	9	2	2
Outlays, gross:			
4100 Outlays from new mandatory authority .....	2	2	2
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources .....	-9	-10	-10
4180 Budget authority, net (total) .....	.....	-8	-8
4190 Outlays, net (total) .....	-7	-8	-8

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

Identification code 091-4299-0-3-552	2015 actual	2016 est.	2017 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year .....	37	28	21
2251 Repayments and prepayments .....	-9	-7	-7
Adjustments:			
2261 Terminations for default that result in loans receivable .....	.....	.....	.....
2264 Other adjustments, net .....	.....	.....	.....
2290 Outstanding, end of year .....	28	21	14
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year .....	28	21	14
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year .....	329	260	256
2331 Disbursements for guaranteed loan claims .....	.....	3	3
2351 Repayments of loans receivable .....	-9	-7	-7
2361 Write-offs of loans receivable .....	.....	.....	.....
2364 Other adjustments, net .....	-60	.....	.....
2390 Outstanding, end of year .....	260	256	252

As required by the Federal Credit Reform Act of 1990, this liquidating account records, for this program, all cash flows to and from the Govern-

HEALTH EDUCATION ASSISTANCE LOANS LIQUIDATING ACCOUNT—Continued  
ment resulting from guaranteed Health Education Assistance Loans (HEAL) loans committed prior to 1992. This account is shown on a cash basis. All loan activity in this program for 1992 and beyond is recorded in corresponding program and financing accounts.

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

Identification code 091-4299-0-3-552	2014 actual	2015 actual
<b>ASSETS:</b>		
1101 Federal assets: Fund balances with Treasury .....	8	7
1701 Defaulted guaranteed loans, gross .....	329	260
1999 Total assets .....	337	267
<b>LIABILITIES:</b>		
2207 Non-Federal liabilities: Other .....	337	267
4999 Total liabilities and net position .....	337	267

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

Identification code 091-4299-0-3-552	2015 actual	2016 est.	2017 est.
25.2 Direct obligations: Other services from non-Federal sources .....	1	2	2
99.0 Direct obligations .....	1	2	2
99.5 Adjustment for rounding .....	1		
99.9 Total new obligations .....	2	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, **[\$618,015,000] \$693,818,000**, which shall remain available through September 30, **[2017] 2018: 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] \$18,000,000** 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 \$157,235,000 shall be for carrying out activities authorized by the National Assessment of Educational Progress Authorization Act. (*Department of Education Appropriations Act, 2016.*)

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

Identification code 091-1100-0-1-503	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Research, development, and dissemination .....	184	195	210
0002 Statistics .....	115	112	125
0003 Regional educational laboratories .....	48	54	54
0004 National Assessment .....	136	149	149
0005 National Assessment Governing Board .....	6	8	8
0006 Research in special education .....	54	54	54
0007 Statewide longitudinal data systems .....	34	35	81
0008 Special education studies and evaluations .....	16	11	13
0100 Total direct program .....	593	618	694
0900 Total new obligations .....	593	618	694
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	45	27	29
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	574	618	694
<b>Spending authority from offsetting collections, discretionary:</b>			
<b>Collected</b>			
1700 Collected .....	1	2	2
1900 Budget authority (total) .....	575	620	696
1930 Total budgetary resources available .....	620	647	725

<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	27	29	31
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	713	677	818
3010 Obligations incurred, unexpired accounts .....	593	618	694
3020 Outlays (gross) .....	-623	-477	-557
3041 Recoveries of prior year unpaid obligations, expired .....	-6		
3050 Unpaid obligations, end of year .....	677	818	955
<b>Uncollected payments:</b>			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1	-1	-1
3090 Uncollected pymts, Fed sources, end of year .....	-1	-1	-1
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	712	676	817
3200 Obligated balance, end of year .....	676	817	954
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross .....	575	620	696
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	109	102	114
4011 Outlays from discretionary balances .....	514	375	443
4020 Outlays, gross (total) .....	623	477	557
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4030 Federal sources .....	-1	-2	-2
4180 Budget authority, net (total) .....	574	618	694
4190 Outlays, net (total) .....	622	475	555

*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 2017 would be used to sustain and expand research and evaluation efforts across all dimensions of education, including increased support for dissemination activities to improve the Department's program performance data and reporting.

*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 2017 request would allow NCES to support a wide range of activities, including initiating a new round of the Early Childhood Longitudinal Study Birth Cohort, developing a study on college loan performance, collecting additional data through the Teaching and Learning International Survey, supporting the My Brother's Keeper initiative, and creating P-12 and postsecondary information hubs.

*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.

*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 2017, 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	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
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 .....	26	27	30
25.2 Other services from non-Federal sources .....	232	254	274
25.3 Other goods and services from Federal sources .....	2	2	4
25.5 Research and development contracts .....	93	83	85
31.0 Equipment .....	1	1	1
41.0 Grants, subsidies, and contributions .....	235	248	298
99.0 Direct obligations .....	590	617	693
99.0 Reimbursable obligations .....	1	1	1
99.5 Adjustment for rounding .....	2	.....	.....
99.9 Total new obligations .....	593	618	694

**Employment Summary**

Identification code 091-1100-0-1-503	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	14	14	14

**DEPARTMENTAL MANAGEMENT**

*Federal Funds*

**PROGRAM ADMINISTRATION**

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, **[\$432,000,000]** \$474,827,000, of which up to **[\$1,000,000]** \$24,485,000, to remain available until expended, may be for relocation of, and renovation of buildings occupied by, Department staff. (*Department of Education Appropriations Act, 2016.*)

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

Identification code 091-0800-0-1-503	2015 actual	2016 est.	2017 est.
0100 Balance, start of year .....	.....	.....	1
<b>Receipts:</b>			
<b>Current law:</b>			
1130 Contributions .....	2	1	1
2000 Total: Balances and receipts .....	2	1	2
<b>Appropriations:</b>			
<b>Current law:</b>			
2101 Program Administration .....	-2	.....	.....
5099 Balance, end of year .....	.....	1	2

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

Identification code 091-0800-0-1-503	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Program administration .....	425	432	475
0801 Program Administration (Reimbursable) .....	3	.....	.....
0900 Total new obligations .....	428	432	475
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....	12	8	11
1001 Discretionary unobligated balance brought fwd, Oct 1 .....	12	1	.....
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	411	432	475
1120 Appropriations transferred to other acct [075-0142] .....	-5	.....	.....
1121 Appropriations transferred from other acct [091-0200] .....	8	.....	.....

1121 Appropriations transferred from other acct [091-0202] .....	4	.....	.....
1160 Appropriation, discretionary (total) .....	418	432	475
<b>Appropriations, mandatory:</b>			
1201 Appropriation (special or trust fund) .....	2	.....	.....
<b>Spending authority from offsetting collections, discretionary:</b>			
1700 Collected .....	3	3	3
1701 Change in uncollected payments, Federal sources .....	1	.....	.....
1750 Spending auth from offsetting collections, disc (total) .....	4	3	3
1900 Budget authority (total) .....	424	435	478
1930 Total budgetary resources available .....	436	443	489
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year .....	8	11	14

**Change in obligated balance:**

<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	121	118	113
3010 Obligations incurred, unexpired accounts .....	428	432	475
3011 Obligations incurred, expired accounts .....	3	.....	.....
3020 Outlays (gross) .....	-426	-437	-445
3041 Recoveries of prior year unpaid obligations, expired .....	-8	.....	.....
3050 Unpaid obligations, end of year .....	118	113	143
<b>Uncollected payments:</b>			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	-1	-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
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	120	117	112
3200 Obligated balance, end of year .....	117	112	142

**Budget authority and outlays, net:**

<b>Discretionary:</b>			
4000 Budget authority, gross .....	422	435	478
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	346	346	359
4011 Outlays from discretionary balances .....	78	91	86
4020 Outlays, gross (total) .....	424	437	445
<b>Offsets against gross budget authority and outlays:</b>			
<b>Offsetting collections (collected) from:</b>			
4030 Federal sources .....	-4	-3	-3
<b>Additional offsets against gross budget authority only:</b>			
4050 Change in uncollected pymts, Fed sources, unexpired .....	-1	.....	.....
4052 Offsetting collections credited to expired accounts .....	1	.....	.....
4070 Budget authority, net (discretionary) .....	418	432	475
4080 Outlays, net (discretionary) .....	420	434	442
<b>Mandatory:</b>			
4090 Budget authority, gross .....	2	.....	.....
<b>Outlays, gross:</b>			
4100 Outlays from new mandatory authority .....	1	.....	.....
4101 Outlays from mandatory balances .....	1	.....	.....
4110 Outlays, gross (total) .....	2	.....	.....
4180 Budget authority, net (total) .....	420	432	475
4190 Outlays, net (total) .....	422	434	442

The Program Administration account includes the direct Federal costs of providing grants and administering early, 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 to reduce the Department's real estate footprint and generate rent savings.

Also included in this account are contributions from the public. Activities supported include receptions for Blue Ribbon Schools and Historically

PROGRAM ADMINISTRATION—Continued

Black Colleges and Universities. Contributions not designated for a specific purpose are in the account's Gifts and Bequests Miscellaneous Fund.

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

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

Identification code 091-0800-0-1-503	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	186	206	210
11.3 Other than full-time permanent .....	26	8	8
11.5 Other personnel compensation .....	2	2	2
11.9 Total personnel compensation .....	214	216	220
12.1 Civilian personnel benefits .....	65	66	67
21.0 Travel and transportation of persons .....	3	4	4
23.1 Rental payments to GSA .....	41	42	37
23.3 Communications, utilities, and miscellaneous charges .....	1	1	1
24.0 Printing and reproduction .....	1	1	1
25.1 Advisory and assistance services .....	1	2	2
25.2 Other services from non-Federal sources .....	18	17	21
25.3 Other goods and services from Federal sources .....	16	17	17
25.7 Operation and maintenance of equipment .....	58	62	84
26.0 Supplies and materials .....	1	1	1
31.0 Equipment .....	1	1	4
32.0 Land and structures .....	3	2	16
99.0 Direct obligations .....	422	432	475
99.0 Reimbursable obligations .....	2		
99.5 Adjustment for rounding .....	4		
99.9 Total new obligations .....	428	432	475

**Employment Summary**

Identification code 091-0800-0-1-503	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	1,912	1,880	1,901

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, **[\$107,000,000]** \$137,708,000. (*Department of Education Appropriations Act, 2016.*)

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

Identification code 091-0700-0-1-751	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Civil rights .....	100	107	138
<b>Budgetary resources:</b>			
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	100	107	138
1930 Total budgetary resources available .....	100	107	138
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	15	16	18
3010 Obligations incurred, unexpired accounts .....	100	107	138
3011 Obligations incurred, expired accounts .....	1		
3020 Outlays (gross) .....	-98	-105	-130
3041 Recoveries of prior year unpaid obligations, expired .....	-2		
3050 Unpaid obligations, end of year .....	16	18	26
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	15	16	18
3200 Obligated balance, end of year .....	16	18	26
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000 Budget authority, gross .....	100	107	138
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority .....	89	92	116
4011 Outlays from discretionary balances .....	9	13	14
4020 Outlays, gross (total) .....	98	105	130

4180 Budget authority, net (total) .....	100	107	138
4190 Outlays, net (total) .....	98	105	130

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	2015 actual	2016 est.	2017 est.
<b>Direct obligations:</b>			
<b>Personnel compensation:</b>			
11.1 Full-time permanent .....	56	62	76
11.3 Other than full-time permanent .....	2	2	3
11.5 Other personnel compensation .....	1	1	1
11.9 Total personnel compensation .....	59	65	80
12.1 Civilian personnel benefits .....	18	20	25
21.0 Travel and transportation of persons .....	1	1	1
23.1 Rental payments to GSA .....	8	8	10
25.2 Other services from non-Federal sources .....	1	1	1
25.3 Other goods and services from Federal sources .....	2	2	3
25.7 Operation and maintenance of equipment .....	11	10	18
99.9 Total new obligations .....	100	107	138

**Employment Summary**

Identification code 091-0700-0-1-751	2015 actual	2016 est.	2017 est.
1001 Direct civilian full-time equivalent employment .....	540	589	753

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, **[\$59,256,000]** \$61,941,000. (*Department of Education Appropriations Act, 2016.*)

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

Identification code 091-1400-0-1-751	2015 actual	2016 est.	2017 est.
<b>Obligations by program activity:</b>			
0001 Inspector General .....	56	59	62
<b>Budgetary resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1 .....		1	1
<b>Budget authority:</b>			
<b>Appropriations, discretionary:</b>			
1100 Appropriation .....	58	59	62
1930 Total budgetary resources available .....	58	60	63
<b>Memorandum (non-add) entries:</b>			
1940 Unobligated balance expiring .....	-1		
1941 Unexpired unobligated balance, end of year .....	1	1	1
<b>Change in obligated balance:</b>			
<b>Unpaid obligations:</b>			
3000 Unpaid obligations, brought forward, Oct 1 .....	11	11	14
3010 Obligations incurred, unexpired accounts .....	56	59	62
3020 Outlays (gross) .....	-55	-56	-59
3041 Recoveries of prior year unpaid obligations, expired .....	-1		
3050 Unpaid obligations, end of year .....	11	14	17
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year .....	11	11	14
3200 Obligated balance, end of year .....	11	14	17

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross .....	58	59	62
Outlays, gross:				
4010	Outlays from new discretionary authority .....	48	48	49
4011	Outlays from discretionary balances .....	7	8	10
4020	Outlays, gross (total) .....	55	56	59
4180	Budget authority, net (total) .....	58	59	62
4190	Outlays, net (total) .....	55	56	59

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	2015 actual	2016 est.	2017 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent .....	26	28	28
11.5	Other personnel compensation .....	2	2	2
11.9	Total personnel compensation .....	28	30	30
12.1	Civilian personnel benefits .....	10	11	11
21.0	Travel and transportation of persons .....	1	1	1
23.1	Rental payments to GSA .....	6	6	7
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 .....	1	1	1
25.7	Operation and maintenance of equipment .....	6	5	6
31.0	Equipment .....	1	1	1
99.0	Direct obligations .....	55	58	60
99.5	Adjustment for rounding .....	1	1	2
99.9	Total new obligations .....	56	59	62

**Employment Summary**

Identification code 091-1400-0-1-751	2015 actual	2016 est.	2017 est.	
1001	Direct civilian full-time equivalent employment .....	236	244	244

**GENERAL FUND RECEIPT ACCOUNTS**

(in millions of dollars)

	2015 actual	2016 est.	2017 est.	
Offsetting receipts from the public:				
091-279430	TEACH Grant Program, Downward Reestimates of Subsidies .....	31	5	.....
091-274130	College Housing and Academic Facilities Loan, Downward Reestimates of Subsidies .....	83	18	.....
091-279830	Health Education Assistance Loans, Downward Reestimates of Subsidies .....	19	21	.....
091-278130	Federal Direct Student Loan Program, Downward Reestimates of Subsidies .....	2,025	2,185	.....
091-271830	Federal Family Education Loan Program, Downward Reestimates of Subsidies .....	4,656	2,521	.....
091-143500	General Fund Proprietary Interest Receipts, not Otherwise Classified .....	2	2	2
091-322000	All Other General Fund Proprietary Receipts Including Budget Clearing Accounts .....	37	47	47
091-291500	Repayment of Loans, Capital Contributions, Higher Education Activities .....	31	.....	.....
091-278110	Federal Direct Student Loan Program, Negative Subsidies .....	6,186	5,347	5,570
091-278310	Federal Perkins Loan, Negative Subsidies .....	.....	.....	305
091-278110	Federal Direct Student Loan Program, Negative Subsidies .....	.....	.....	1,151
General Fund Offsetting receipts from the public .....	13,070	10,146	7,075	
Intragovernmental payments:				
091-388500	Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts .....	24	.....	.....

General Fund Intragovernmental payments .....	24	.....	.....
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**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 "2016" for "2017" for "2009" for "2016".

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 (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 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, 2016 through September 30, 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. *Funds consolidated for evaluation purposes under section 8601(c) of the ESEA shall be available from July 1, 2017, through September 30, 2018.*

SEC. 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 2016 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. 309. Section 114(f) of the HEA (20 U.S.C. 1011c(f)) is amended by striking "2015" and inserting "2016" and inserting "2016" for "2017".

SEC. 310. Section 458(a) of the HEA (20 U.S.C. 1087h(a)) is amended in paragraph (4) by striking "2014" and inserting "2016" and inserting "2016" for "2017".

SEC. 311. Section 428(c)(1) of the HEA (20 U.S.C. 1078(c)(1)) is amended by striking "95 percent" and inserting "100 percent".

【SEC. 312. Notwithstanding section 5(b) of the Every Student Succeeds Act, funds provided in this Act for non-competitive formula grant programs authorized by the ESEA for use during academic year 2016–2017 shall be administered in accordance with the ESEA as in effect on the day before the date of enactment of the Every Student Succeeds Act.】

【SEC. 313. Career pathways programs.—

(1) Subsection (d) of section 484 of the HEA is amended by replacing (d)(2) with the following:

"(2) **ELIGIBLE CAREER PATHWAY PROGRAM.**—In this subsection, the term "eligible career pathway program" means a program that combines rigorous and high-quality education, training, and other services that—

"(A) aligns with the skill needs of industries in the economy of the State or regional economy involved;

"(B) prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the Act of August 16, 1937 (commonly known as the "National Apprenticeship Act"; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.) (referred to individually in this Act as an "apprenticeship", except in section 171);

"(C) includes counseling to support an individual in achieving the individual's education and career goals;

"(D) includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster;

"(E) organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable;

"(F) enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential; and

"(G) helps an individual enter or advance within a specific occupation or occupational cluster.".

(2) Subsection (b) of section 401 of the HEA is amended by striking the addition to (b)(2)(A)(ii) made by subsection 309(b) of division G of Public Law 113–235.】

Sec. 310. (a) Section 1 of the Department of Education Organization Act is amended by striking out the entry for section 204 and inserting "Sec. 204. Office of Early, Elementary, and Secondary Education.";

(b) Section 202(b)(1)(A) of the Department of Education Organization Act (20 U.S.C. 3412 (b)(1)(A)) is amended by striking out "Assistant Secretary for Elementary and Secondary" and inserting "Assistant Secretary for Early, Elementary, and Secondary Education";

(c) Section 204 of the Department of Education Organization Act (20 U.S.C. 3414) is amended —

(1) by striking out the heading and inserting "Office of Early, Elementary, and Secondary Education";

(2) by striking out "Office of Elementary and Secondary Education" each place it appears and inserting "Office of Early, Elementary, and Secondary Education";

(3) by striking out "Assistant Secretary for Elementary and Secondary Education" each place it appears and inserting "Assistant Secretary for Early, Elementary, and Secondary Education"; and

(4) by striking out "elementary and secondary education" and inserting "early, elementary, and secondary education"; and

(d) Section 215 of the Department of Education Organization Act (20 U.S.C. 3423c) is amended —

(1) in subsection (b)(1), by striking out "Assistant Secretary for Elementary and Secondary" and inserting "Assistant Secretary for Early, Elementary, and Secondary Education"; and

(2) in subsection (b)(2)(B), by striking out "Office of Elementary and Secondary Education" and inserting "Office of Early, Elementary, and Secondary Education".

Sec. 311. Section 487(a)(24) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(24)) is amended —

(1) by striking "ten percent" and inserting "fifteen percent";

(2) by striking "In the" and inserting "(A) In the";

(3) 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

(4) 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. 312. 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) \$0 for fiscal year 2016;

"(VII) \$1,574,000,000 for fiscal year 2017;

"(VIII) \$1,397,000,000 for fiscal year 2018;

"(IX) \$1,424,000,000 for fiscal year 2019;

"(X) \$1,445,800,000 for fiscal year 2020; and

"(XI) \$1,161,100,000 for fiscal year 2021 and each succeeding fiscal year."

Sec. 313. Section 420R(f) of the HEA (20 U.S.C. 1070h(f)) is amended to strike ", and there are appropriated,".

Sec. 314. 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."

Sec. 315. Subsection 401(b) of the HEA (20 U.S.C. 1070a) is amended by inserting after paragraph (7), the following new paragraph:

"(8) **Eligible Veteran's Dependent.** Notwithstanding paragraphs (2)(a)(iii) and (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."

Sec. 316. Section 1003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6303) is amended by striking subsection (h). (Department of Education Appropriations Act, 2016.)