DEPARTMENT OF EDUCATION

FY 1996 BUDGET PLANNING MEETING

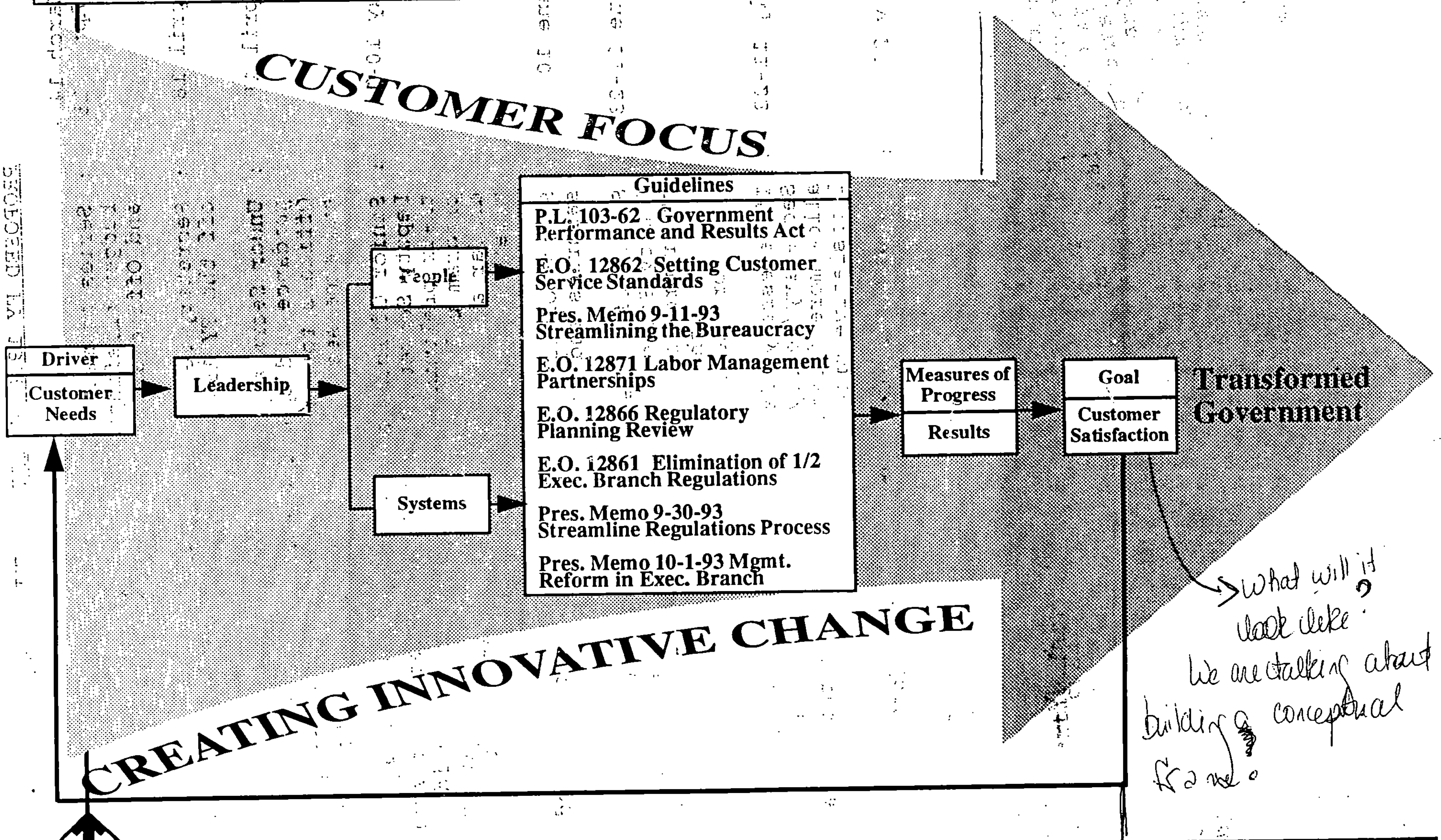
Background Information

March 29, 1994

FY 1996 BUDGET PLANNING MEETING
Background Information

HUMAN BEINGS AS CAPITAL - RESOURCES

Customer-Driven Government



What will it look like? We are talking about building a conceptual frame.

Federal Quality Institute

If we can develop a feedback system that gives the Secretary some idea of what is going on & we will be making some progress.

- memo for Billy
- Small note to Don W.
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PROPOSED FY 1996 BUDGET PLANNING CALENDAR

March 14 - April 15	:	Series of meetings of Senior Officers for budget briefings and finalization of Department and Office Strategic Plans and budget guidance
April 18	:	Secretary sends memo to Senior Officers to kick off the FY 1996 budget process
April 19	:	Under Secretary issues collaboratively developed guidance and specific instructions to Senior Officers for preparation of program and salaries and expenses budget proposals (separate packages)
May 10-11	:	Senior Officers meet at a retreat with Secretary, Deputy Secretary, and Under Secretary to share their preliminary substantive plans and ideas for program policies and priorities, new initiatives, dollar and FTE resource needs, and how these relate to their Strategic Plans
June 10	:	Senior Officers submit program proposals and salaries and expenses budget requests to US
June 22-23	:	Senior Officers meet at a retreat with Secretary, Deputy Secretary, and Under Secretary to discuss their proposed priorities and policies, to relate these to other offices, and to develop a cohesive plan for the Department
July 11-22	:	If necessary, Senior Officers meet as a group with Secretary/Deputy Secretary/Under Secretary to allow more detailed discussions of budgets and legislative priorities.
July 26	:	Secretary/Deputy Secretary make budget and legislative policy decisions
July 28 - August 12	:	OUS communicates Secretary/Deputy Secretary decisions to Senior Officers; appeals, if any, considered by the Secretary
August 17	:	Final decisions on unresolved issues
August 22 - Sept. 14	:	Budget Service prepares justification materials for OMB reflecting final decisions, as well as budget-related exhibits and special analyses required by OMB; program offices provide assistance as needed and review final products
Sept. 9	:	Secretary transmits budget and legislative proposals to OMB

March 28, 1994

FY 1996 BUDGET PLANNING MEETING

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Explanation of Budget Process

THE FEDERAL BUDGET PROCESS AND ITS IMPLEMENTATION IN THE DEPARTMENT OF EDUCATION

What the Budget Is

The Federal budget, as all budgets, sets forth priorities and levels of spending, ways of financing the spending, and a plan for managing the funds. In purely financial terms, the Federal budget that comes out each year includes a record of actual receipts and spending for the fiscal year that was just completed (in the FY 1996 President's Budget, this will be FY 1994); an estimate of current-year receipts and spending (FY 1995); and estimates of receipts and spending for the upcoming fiscal year and 4 years beyond (FYs 1996 and 1997-2000).

However, since formulating a budget involves choosing among alternatives, a budget is also a very significant statement of policy; i.e., the Department of Education's--and, of course, the President's--goals and priorities are reflected each year in the budget and supporting legislation that is formulated by the Administration and presented to the public and to Congress.

Overview of the Process

The Federal budget process is initiated in the Executive Branch with budget formulation. In the Department of Education this begins in the spring with a budget call to Senior Officers. Over the next several months, the Department and OMB work closely to develop the President's budget, which he submits to Congress no later than the first Monday in February. Congress reviews the President's plan and then adopts a budget resolution, setting forth its own guidelines for spending and revenues that it plans to follow when passing appropriations laws, tax laws, and authorizations. It is the appropriations laws and the laws affecting entitlement programs that provide the legal authority for agencies to obligate and spend funds. Each appropriations law creates specific, legally binding spending ceilings for the Federal programs it covers.

Budgeting for a fiscal year can be divided into three phases: (1) budget formulation, (2) budget presentation and the congressional process, and (3) budget execution. For any one fiscal year (beginning October 1 and ending the following September 30), these three phases take place over the course of 2-1/2 years (sometimes more, depending on how long funds are available for obligation at the Federal level). Because of this length of time, Federal agencies must deal concurrently with 3 fiscal years: (1) the current year (now FY 1994), whose budget they are executing, (2) the coming fiscal year (FY 1995), for which they are seeking funds, and (3) the following fiscal year (FY 1996), for which they are preparing information and requests that will be used within the Executive Branch for decisionmaking on the new President's budget.

Phases of the Budget Process

Phase 1: Budget Formulation

Preparation of the budget begins in the Department of Education during April or May, when the Secretary sends a letter to the Senior Officers kicking off the process.

It is important to note that an integral part of the formulation phase is legislative development. Where budget proposals are not in accord with basic laws, or new laws would be desirable, new statutes or changes to existing legislation must be proposed to accommodate the budget request, and should be proposed to OMB along with the budget.

After the Secretary's transmittal of the budget, due to OMB between September 1 and October 1, depending on OMB's needs, OMB examiners will schedule hearings or informal discussions to obtain a better understanding of the request and to allow the Department to defend it. By late November or December, OMB examiners have made their recommendations to the Director of OMB, and decisions on budget levels are made. OMB then transmits its preliminary decisions to each agency, usually on the same day.

If the Department is not satisfied with the budget levels, it has an opportunity to present its views to OMB. Any issues that cannot be resolved at the staff or agency level are taken to the President (or a group of his close advisors) for final resolution.

When final decisions are reached, the Department begins preparation of materials to be included in the printed President's budget and other documents and special analyses explaining and justifying the budget. These include such documents as legal appropriations language; technical financing schedules; narrative explanations of the President's requests and policies; and special exhibits for such items as research and development activities, Federal credit programs, civil rights activities, and tax expenditures that aid education.

Current law states that the President must transmit the budget to the Congress after the first Monday in January but not later than the first Monday in February. After transmittal of the budget, OMB in some years sends the Department a planning guidance letter to provide further information in such areas as necessary follow-up actions to carry out budget proposals; research and evaluation activities needed for upcoming reauthorizations; goals for management improvements; and other significant policy, program, and administrative matters. The planning guidance letter also includes the multiyear estimates that were in the President's budget. These are the planning estimates to be used as the starting point in formulating the President's next budget.

The Congressional Budget Act of 1974, as amended, requires the President to submit to the Congress on or before July 15 a supplementary budget summary, which provides updated data on which the budget can be evaluated. This summary, referred to as the Mid-Session Review, includes updated estimates of the cost of Presidential policy, summary updates of other information contained in the budget, the effect on the budget of congressional enactment or non-enactment of the President's proposals, and budget-year baseline estimates--also called current services estimates.

Phase 2: Budget Presentation and the Congressional Process

In the Executive Branch

Budget presentation begins when the President's budget is transmitted to the Congress. Once the budget is transmitted, the Department's Budget Service:

- Coordinates the Secretary's Press Conference by preparing a budget briefing document entitled "Summary and Background Information" and the Secretary's statement on the budget, briefing the Secretary, and participating with him in answering questions from the press and interest group representatives.

- Conducts briefing sessions for the congressional committees most concerned with the Department of Education and its budget: the two appropriations committees, the two authorizing committees, and the two budget committees.

- Provides to the Appropriations Committees detailed justifications of the budget request and special reports and analyses of a technical, a programmatic, and a policy nature.

The next step in the process is congressional appropriations hearings. In preparation, opening statements are developed and briefing sessions are conducted for witnesses who will testify. Following the hearings, budget staff and Assistant Secretaries are responsible for editing transcripts, supplying supplementary information promised during the hearings, and preparing written answers to questions for the record (which can be quite extensive, in past years numbering anywhere from about 700 to 2,000).

During the following weeks and months, the Budget Service staff continue to work with the Appropriations Committees, attending mark-up sessions, preparing statements of the effect of House and Senate actions on appropriations bills, developing letters from the Secretary, arranging (in conjunction with OLCA) appropriate visits of the Secretary and Senior Officers with Committee members, and working with Committee staff--all in support of the President's budget and the Administration's policies and priorities. When requested, the Budget Service also provides technical assistance to the Committees, such as drafting appropriations bill and report language.

In Congress

Presentation of the President's budget to Congress is only one step in the congressional budget process, but it is the step that most directly involves Executive Branch agencies. The Congress, however, does not have to adopt the President's budget and supporting legislative proposals, and it has a process that leads to, and implements, its own policies.

The Budget Resolution

Congress develops a budget resolution--its own plan for the appropriate levels of spending, revenue, and the debt, for the budget year and for four years hence. It is a concurrent resolution, agreed to by both Houses of Congress but, since it is designed solely to guide the Congress in its detailed deliberations on the budget, is not signed into law by the President.

The budget resolution is based on the "views and estimates" prepared by the authorization and appropriations committees of the House and Senate about the levels of funding they want to provide for programs under their jurisdiction, the new programs they want to enact, the entitlement changes they plan, and the tax changes they want to make. Using these "views and estimates," as well as the recommendations of the Joint Economic Committee concerning fiscal policy, the Budget Committees develop aggregate Federal budget totals, including (1) budget authority, (2) outlays, (3) the budget surplus or deficit, (4) Federal revenues, and (5) the increase in the debt, subject to statutory limit.

Both House and Senate must adopt a single compromise budget resolution by April 15, but no penalty exists for completing this process later. In practice, the Congress has generally passed its budget resolution by May or June. The conference report on the 1994 Concurrent Budget Resolution was agreed to unusually early--by April 1. It looks as though the same early schedule will apply to this year's resolution for FY 1995.

Reconciliation

Included in the conference report accompanying the Concurrent Budget Resolution are instructions to the appropriating, authorizing, and tax committees of Congress concerning the revenue changes, programmatic changes, and appropriation amounts that are assumed in the budget resolution ceilings. These directions to the committees are called "reconciliation instructions." The process of taking action on the legislation that would carry out the assumptions made in the Concurrent Budget Resolution is called "reconciliation."

Most often, a reconciliation bill makes changes in the laws governing taxes, mandatory and entitlement spending, and the debt ceiling. (In the Department of Education, mandatory spending would include primarily Student Loans and Rehabilitation Services programs.) Changing existing discretionary programs and enacting new ones is most often done in legislation that is separate from reconciliation; e.g., the Goals 2000 legislation.

While it is unusual, reconciliation legislation may take the form of one omnibus bill that covers most or all of the changes necessary, especially if there are sweeping changes proposed. Incorporating many different programmatic and economic proposals in a single reconciliation bill was the successful strategy used by Ronald Reagan, when he began his first year in office, to enact quickly and implement many of his programs.

Since that time, new congressional rules make it difficult--but not impossible--for material not "germane" to the purpose of a bill (in this case, legislation on discretionary programs in a reconciliation bill) to be considered by Congress. For the Department of Education, for example, legislation establishing the Federal Direct Student Loan program--an entitlement program--was included in the 1994 reconciliation bill. No discretionary program changes were included.

In any case, Congress is supposed to complete action on reconciliation legislation by June 15, but this schedule is not always adhered to.

Appropriations

While spending for entitlement programs is usually a function of the authorizing statutes creating the programs, and is not generally affected by appropriations laws, spending for discretionary programs is decided in the annual appropriations process. Most Department of Education programs are discretionary, and account for about 80 percent of its funds in 1994. These programs include, for example, Chapter 1, Impact Aid, Vocational Education, Special Education, Pell Grants, Research, and Statistics. (The split between mandatory and discretionary funds in the Department is quite different from funds Government-wide, where less than 40 percent of Federal spending is controlled by the Appropriations Committees.)

The Constitution requires that all revenue (tax) bills originate in the House, and, by custom, the House also originates appropriations measures. Therefore, generally starting in May, the House begins to mark up annual appropriations bills. The House Appropriations Committee is supposed to report its last annual appropriations bill by June 10, with House floor action completed by June 30. No such schedule exists for the Senate, but all congressional action is supposed to be completed by October 1, the beginning of the new fiscal year.

If a new appropriations bill is not enacted before the old one lapses, an agency must cease ongoing functions until a continuing resolution is passed by the Congress and signed by the President. A continuing resolution, or CR, generally continues existing programs at limited spending levels for a short period of time, until an annual appropriation is passed. If Congress does not pass an annual appropriations bill before the expiration of the CR, another CR will be passed, and so on, until Congress passes and the President signs an annual bill.

Accompanying any appropriations bill, as it goes through the process of becoming a law, are committee reports. These are the House and Senate Appropriations Committee reports and the Conference Committee report. These reports include explanations of the Committee's actions, as well as expectations and, most importantly, directives concerning the Department's actions relative to a specific program or programs.

Report language, unlike bill language, does not have the force of law and, at least technically, compliance is not required. However, unless compliance is legally or programmatically impossible, or incompatible with the Administration's priorities, the Department's policy is to carry out the Committees' wishes stated in the various reports. Members of Congress consider report language to be very important, and in the annual Congressional Budget Justifications, the Committees require that the Department report the status of action on any directives included in the previous year's reports.

Phase 3: Budget Execution

After the Congress and the President enact legislation to create budget authority each year, the President is responsible for executing it.

Reprogrammings

From time to time, it becomes necessary for an agency to change the amount of funding provided for a program in an appropriation. It is possible to do this, in limited circumstances, through a reprogramming. A reprogramming requires approval by the Appropriations Committees, but does not require the enactment of bill language.

A reprogramming action is the reallocation of funds from one program or budget activity to another, or a use of the funds that is explicitly different from that for which the funds were appropriated. The reallocation of funds is limited to activities within the same appropriation account, and cannot violate the appropriations language, including any earmarks, for the fiscal year involved.

A reallocation of funds to a different account or a reallocation that would result in violation of an earmark in appropriations language within an account cannot be handled as a reprogramming. Such a reallocation would require new legislation.

A reprogramming must be requested if funds in excess of 10 percent or $250,000, whichever is less, would be reallocated from one program or budget authority to another; if the reallocated funds would initiate a new program or terminate an existing one; if the reallocation represents a significant departure from budget plans previously presented to the Congress; or if the reallocation changes allocations specifically denied, limited, or increased by the Congress in report language or in the appropriations table included in the report.

A reprogramming request to the Congress must be submitted in writing by the Secretary to the House and Senate Appropriations Subcommittee chairmen and ranking minority members. A reprogramming request must indicate where the funds would be used and from where they would be taken; and must include a thorough discussion of the reasons for the request and a statement regarding the impact on the activity from which the funds would be taken. All reprogramming requests must be prepared by the Department's Budget Service. The Congress will provide a written response indicating whether they approve the reprogramming.

Financial Control

OMB regulates the distribution of budget authority to the agencies through the apportionment process. The Director of OMB apportions budget authority to each agency either by time periods (usually quarters) or by activities over the duration of the appropriation to ensure the economical and effective use of funds, to preclude the need for additional appropriations, and especially, to avoid an overobligation of funds.

Once OMB apportions funds to an agency, it is the agency's responsibility to control the use of those funds, and it does so through the allotment process. In the Department of Education, Principal Offices are required to submit to the Budget Service an operating plan, detailing the approximate dates funds will be required. Allotments are issued in accordance with this plan.

After the end of a fiscal year, the financial transactions that have taken place during that fiscal year are certified, which must be completed by November 13, and the totals become the "actual year" column--the first column--that will appear in the new President's budget.

Changes in law or economic conditions during the fiscal year or urgent national needs may require the enactment of changes in budget authority. Additional funding is provided in supplemental appropriations bills, and reduced funding is accomplished in rescission bills.

Key Technical Aspects of the Budget

Mandatory vs. Discretionary Funding

Under the Budget Enforcement Act, funding is classified as either mandatory or discretionary to distinguish the control the President and Congress have over their costs.

Spending for mandatory programs, which include primarily entitlement programs, is usually a function of the authorizing statutes creating the programs and cannot be affected without changing the authorizing laws. For example, the Federal Government is mandated by law to make interest payments for Federal Family Education Loans, which are made by 10,000 lenders throughout the United States; thus, the variable costs of the loan program are largely beyond control, and the costs fluctuate based on the number of students who borrow or default and the prevailing interest rates. Other than student loan programs, the only significant mandatory funding in the Department of Education is for Rehabilitation Act programs. The Rehabilitation Act mandates that the appropriation for State grants must increase each year at the rate of inflation.

Spending and Deficit Limits

The Budget Enforcement Act was passed in the fall of 1990 as a result of the Budget Summit Agreement. It set up a process designed to reduce or limit the growth of the Federal budget deficit each fiscal year through 1995 by establishing yearly "discretionary spending limits," certain requirements for mandatory spending, and "maximum deficit amounts." The original Act contained no specific spending limits (or "caps") for the years after 1995. However, the 1994 Reconciliation Act amended the Budget Enforcement Act, adopting specific spending limits for 1996, 1997, and 1998. The spending limits established in the Budget Enforcement Act are the maximum totals for the Government. The total of all appropriations must be within the caps; if they are not, all discretionary programs are reduced on an across-the-board basis by a sequester.

Sequester

The sequester process was originally established in the Gramm-Rudman-Hollings law (the Balanced Budget and Emergency Deficit Control Act) in 1985. If OMB determines that legislation each year will not meet the deficit target or discretionary spending limits, the President must issue an order to sequester (reduce or cancel) budget authority. A sequester reduces budget authority equally across the board for all discretionary programs. Mandatory programs are reduced by certain "special rules" included in the Gramm-Rudman-Hollings law.

Rescissions

The Administration may propose, and Congress may enact, rescissions for specific programs to reduce funding during the course of the year, after an appropriations bill has been enacted. Rescissions reduce or eliminate enacted budget authority; however, a rescission is not a mandatory action specified by statute, as is a sequester. A rescission is a type of appropriations action accomplished through enactment of an appropriations bill.

Glossary of Budget Terms

TERMS AND DEFINITIONS

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TERMS AND DEFINITIONS

Account

A separate financial reporting unit for budget, management, and/or accounting purposes. The Budget Enforcement Act defines "account" as an item for which appropriations are made in any appropriation act; for items not provided for in appropriations acts, "account" means an items for which there is a designated budget account identification code number in the President's budget.

Advance Funding

Budget authority provided in an appropriation act to obligate and disburse (outlay) in the current fiscal year funds from a succeeding year's appropriation. The funds so obligated increase the budget authority for the fiscal year during which they are obligated and decrease it for the succeeding fiscal year. Advance funding is a means to avoid making supplemental requests late in the fiscal year for certain entitlement programs in cases where the appropriations for the current year prove to be insufficient.

Allotment

An authorization by either the agency head or another authorized employee to his/her subordinates to incur obligations within a specified amount. The amount allotted by an agency cannot exceed the amount apportioned by the Office of Management and Budget.

Antideficiency Act/Violation Penalties

The Antideficiency Act is enacted legislation which:

- prohibits the making of expenditures or the incurring of obligations prior to appropriations;

- prohibits the incurring of obligations or the making of expenditures (outlays) in excess of amounts available in appropriation or fund accounts, unless specifically authorized in law, or in excess of an apportionment; and

- requires agencies to apportion appropriated funds and other budgetary resource.

Antideficiency Act Violation/Penalties

An Antideficiency Act violation occurs when one or more of the following occurs:

- overobligation or overexpenditure of an appropriation or fund account;

- entering into a contract or making an obligation in advance of an appropriation, unless specifically authorized by law;

- o acceptance of voluntary service, unless authorized by law; or
- o overobligation or overexpenditure of (1) an apportionment or reapportionment or (2) amounts permitted by the administrative control of funds regulations.

Penalties for Antideficiency Act Violations include administrative discipline, such as suspension from duty without pay or removal from office. In addition, an office or employee convicted of willfully and knowingly violating the law shall be fined not more than $5,000, imprisoned for not more than 2 years, or both.

Apportionment/Reapportionment

An apportionment is the action by which OMB distributes amounts available for obligation, including budgetary reserves established pursuant to law, in an appropriation or fund account. An apportionment divides amounts available for obligation by specific time periods (usually quarters), activities, projects, objects, or a combination thereof. The amounts so apportioned limit the amount of obligations that may be incurred.

A reapportionment is a revision of a previous apportionment of budgetary resources for an appropriation or fund account due to changes in amounts available, program requirements, or cost factors. The reapportionment requires approved by OMB and would ordinarily cover the same period, project, or activity covered in the original apportionment.

Appropriation Act

A statute, under the jurisdiction of the House and Senate Committees on Appropriations, that generally provides legal authority for Federal agencies to incur obligations and to make payments out of Treasury for specified purposes. The three major types of appropriation acts are regular; supplemental; and continuing, when action on regular appropriation bills is not completed before the beginning of the fiscal year.

Authorizing Legislation

Substantive legislation that sets up or continues the operation of a Federal program or agency either indefinitely or for a period of time or that sanctions a particular type of obligation or expenditure within a program.

Authorizing legislation is normally a prerequisite for appropriations. It may place a limit on the amount of budget authority to be included in appropriation acts or it may authorize the appropriation of "such sums as may be necessary."

Baseline Estimate

An estimate of spending, revenue, the deficit or surplus, and the public debt expected during a fiscal year under current laws and current policy. For the purposes of the Budget Enforcement Act, the baseline is defined as the projection of current-year levels of new budget authority, outlays, revenues, and the surplus or deficit into the budget year and outyears based on laws enacted through the applicable date.

Budget Amendment

A revision to a pending budget request which the President submits to the Congress before the Congress completes appropriations action.

Budget Authority

Authority provided by law to enter into financial obligations that will result in immediate or future outlays involving Federal government funds. Budget authority includes the credit subsidy cost for direct loan and loan guarantee programs, but does not include authority to insure or guarantee the repayment of indebtedness incurred by another person or government. The basic forms of budget authority include (1) appropriations, (2) borrowing authority, (3) contract authority, and (4) authority to obligate and expend offsetting receipts and collections. Budget authority may be classified by its duration, by the timing of the legislation providing the authority, by the manner of determining the amount available, or by its availability for new obligations.

Forms of Budget Authority:

<u>Appropriations</u>. Authority given to Federal agencies to incur obligations and to make payments from Treasury for specified purposes. An appropriation act, the most common means of providing budget authority, usually follows the enactment of authorizing legislation. In some cases, however, the authorizing legislation itself provides the budget authority, which is treated as permanent authority and does not require enactment of appropriations legislation.

Appropriations do not represent cash actually set aside in Treasury for purposes specified in the appropriation act; they represent amounts that agencies may obligate during the period of time specified in the respective appropriation acts.

<u>Borrowing Authority</u>. Authority that permits agencies to incur obligations and make payments to liquidate the obligations out of borrowed moneys. Usually the funds are borrowed from Treasury, but in a few cases agencies borrow directly from the public.

<u>Contract Authority</u>. Authority that permits obligations to be incurred in advance of appropriations or receipts. Contract authority is, therefore, funded and a subsequent appropriation or offsetting collection is needed to liquidate the obligations.

<u>Offsetting Receipts and Collections</u>. Authority to obligate and expend the proceeds of offsetting receipts and collections.

Determination of Budget Authority Amount:

__Definite Authority__. Budget authority that is stated as a specific sum at the time the authority is granted. This type of authority, whether in an appropriation act or other law, includes authority stated as "not to exceed" a specified figure.

__Indefinite Authority__. Budget authority of an unspecified amount of money. Indefinite budget authority may be appropriated as "such sums as may be necessary" for a given purpose, or it may be appropriated as the receipts from specified sources--the exact amount of which is determinable only at some future date--the amount necessary to cover obligations associated with payments, or part of the amount of proceeds from the sale of financial assets.

Duration of Budget Authority:

__One-Year (Annual) Authority__. Budget authority that is available for obligation only during a specific fiscal year and which expires, if not obligated, at the end of that time. Budget authority made available in regular appropriation acts is considered annual unless otherwise specified in the act.

__Multiple-Year Authority.__ Budget authority that is available for a specified period of time in excess of 1 fiscal year. This authority generally takes the form of 2-year, 3-year, etc., availability but may cover period that do not coincide with the start or end of a fiscal year. For example, the authority may be available from July 1 of one year through September 30 of the following fiscal year, a period of 15 months. This type of multiple-year authority is sometimes referred to as "forward funding."

__No-Year Authority__. Budget authority that remains available for obligation for an indefinite period of time, usually until the objectives for which the authority was made available are attained.

Extensions of Budget Authority:

__Reappropriation__. Statutory action to continue the available, whether for the same or different purposes, of all or part of the unobligated portion of budget authority that has expired or would otherwise expire. Reappropriations are counted as budget authority in the first year for which the availability is extended.

__Continuing Appropriation/Continuing Resolution__. Legislation that may be enacted to provide budget authority for Federal agencies and/or specific activities to continue in operation when the Congress and the President have not completed action on appropriations by the beginning of the fiscal year. Until regular appropriations are enacted, continuing appropriations may take their place. Continuing appropriations usually are passed in the legislative form of joint resolutions. A continuing resolution may be enacted for the full year, up to a specified date, or until regular appropriations are enacted. A continuing resolution usually specifies a maximum rate at which the obligations may be incurred based on levels specified in the resolution. The resolution may state that obligations may not exceed the current rate or must be the lower of the amounts provided in the appropriations bills passed in the House or Senate. If enacted to cover the entire fiscal year, the resolution will usually specify amounts provided for each appropriation account.

Timing of legislative action:

Current Authority. Budget authority made available by the Congress in, or immediately prior to, the fiscal year or years during which the funds are available for obligation.

Permanent Authority. Budget authority that is available as the result of previously enacted legislation and which does not require new legislation for the current year. Such budget authority can be the result of substantive legislation or appropriation acts.

Availability of Budget Authority for New Obligations:

Expired Budget Authority. Budget authority that is no longer available to incur new obligations. Such authority is still available for 5 years after the account expires for the payment of those valid obligations which were incurred before the authority expired. Unobligated balances of expired budget authority remain available for 5 years after the account expires to cover adjustments to prior obligations or obligations that should have been but may not have been recorded at the time.

Unexpired Budget Authority. Budget authority that is available for incurring new obligations.

Budget Enforcement Act

Title XIII of the Omnibus Budget Reconciliation Act of 1990. These statutory provisions amended the Balanced Budget and Emergency Deficit Control Act of 1985 and related amendments (Gramm-Rudman-Hollings) and the Congressional Budget and Impoundment Control Act of 1974. The Budget Enforcement Act modified procedures and definitions for sequestration and deficit reduction, reformed budgetary credit accounting, maintained the off-budget status of the Old Age Survivor's and Disability Insurance Trust Funds, and removed Social Security trust fund receipts and outlays from deficit and sequestration calculations.

Commitment

A commitment is an administrative reservation of an allotment or of other funds in anticipation of their obligation.

Concurrent Resolution on the Budget

A resolution passed by both houses of the Congress, but not requiring the signature of the President, setting forth or revising the congressional budget for the United States government for a fiscal year.

The concurrent resolution on the budget as provided in section 301 of the Congressional Budget Act, as amended, is scheduled to be adopted annually by the Congress on or before April 15. For fiscal years 1992-1995, the resolution must contain budget levels for the fiscal year beginning on October 1 of the calendar year in which it is reported and for each of the four succeeding fiscal years. The budget resolution may also contain "reconciliation directives" to specified committees. The Congress may also pass additional concurrent resolutions which revise the previously established budget levels.

Credit Reform

The revised method of controlling and accounting for credit programs in the Federal budget. The Federal Credit Reform Act of 1990 added Title V to the Congressional Budget Act of 1974. It requires that the net present value of the estimated long-term cost to the government of new direct loans and loan guarantees (the credit subsidy cost) be financed from new budget authority and be recorded as budget outlays at the time the direct or guaranteed loans are disbursed. In turn, it authorizes the creation of nonbudgetary financing accounts to receive this subsidy cost payment.

Current Services Estimates

Estimates submitted by the President of the levels of budget authority and outlays for the ensuing fiscal year based on the continuation of existing levels of service. (The Congressional Budget Office also prepares similar estimates.) These estimates reflect the anticipated costs of continuing federal programs and activities at present levels without policy changes. Such estimates ignore all new presidential or congressional initiatives, including reductions, that are not yet law.

With his proposed budget each year, the President must transmit current services estimates and the economic assumptions upon which they are based. Current services estimates are also included in the "Mid-Session Review of the Budget," but are not identified by that title, and are confined to those programs that are essentially automatic (that is, they exclude programs controlled through annual appropriations). The current services data in the Mid-Session Review are identified as being for "mandatory and related programs under current law."

Deferral of Budget Authority

Temporary withholding or delaying the obligation or expenditure of budget authority or any other type of executive action which effectively precludes the obligation or expenditure of budget authority. Budget authority may be deferred to provide for contingencies, to achieve savings or greater efficiency in the operations of the government, or as otherwise specifically provided by law. Budget authority may not be deferred in order to effect a policy in lieu of one established by law or for any other reason.

Deferrals may be proposed by agencies but must be communicated to the Congress by the President in a special message. Deferred budget authority may not be withheld from obligation unless an act is passed to approve the deferral and the act is presented to the President. Additionally, unless the Congress has approved a deferral, budget authority whose availability expires at the end of the fiscal year must be made available with sufficient time remaining in the fiscal year to obligate that budget authority before the end of the fiscal year.

Direct Spending Authority

Entitlement authority and budget authority provided by law other than appropriations acts. Direct spending authority is under the control of the authorizing committees as contrasted with discretionary spending under the control of the appropriations committees that is controlled year-to-year in the appropriations process. From the perspective of the appropriations process, direct spending is mandatory (not controllable through appropriations). New direct spending is subject to pay-as-you-go requirements.

Discretionary

A term that usually modifies either "spending," "appropriation," or "amount." "Discretionary spending" refers to outlays controllable through the congressional appropriation process. The Budget Enforcement Act uses the term "discretionary appropriations" to refer to budgetary resources (except to fund direct-spending programs) provided in appropriations acts.

Discretionary Spending Limits/Spending Caps

Under the Budget Enforcement Act (BEA), maximum amounts of new budget authority and outlays for specific categories of discretionary appropriations. For fiscal years 1991, 1992, and 1993, BEA limits new budget authority and outlays in three separate categories of discretionary appropriations--defense, international, and domestic. Discretionary appropriations included within each category are so designated in the joint explanatory statements of managers accompanying the conference report on the Omnibus Budget Reconciliation Act of 1990. For fiscal year 1994 and 1995, BEA limits new budget authority and outlays for a single category--total discretionary appropriations. If appropriations are enacted that cause discretionary spending to exceed the limits within a particular category, a sequestration will occur--within the applicable category--to eliminate the amount of the excess.

BEA requires the President to adjust the discretionary spending limits for specific reasons. These reasons are: (1) changes in concepts and definitions, (2) changes in inflation, (3) reestimates of the costs of credit programs, (4) increased funding for the IRS compliance initiative, (5) debt forgiveness for Poland and Egypt, (6) additional funding for the International Monetary Fund, (7) designated emergency appropriations, (8) special allowances for certain excess amounts of new budget authority, and (9) special allowances for certain excess amounts of outlays.

Earmarking (Appropriations)

Dedicating appropriations for a particular purpose. Legislative language may designate any portion of a lump-sum amount for particular purposes.

Emergency Appropriation

For fiscal years 1991 through 1995, an appropriation designated as an emergency requirement by both the President and the Congress. Under BEA, the discretionary spending limits are adjusted by the total amount of such appropriations for the fiscal year in which the appropriation was enacted and each succeeding year through 1995 and will not cause a sequestration.

Entitlement Authority

Authority to make payments (including loans and grants) for which budget authority is not provided in advance by appropriation acts to any person or government if, under the provisions of the law containing such authority, the U.S. Government is obligated to make the payments to persons or governments who meet the requirements established by law (2 U.S.C. 622(9), 651(c)(2)(C)).

Under the Budget Enforcement Act, new entitlement authority is considered direct spending and subject to the pay-as-you-go provisions.

Fiscal Year

Any yearly accounting period, regardless of its relationship to a calendar year. The fiscal year for the Federal Government begins on October 1 of each year and ends on September 30 of the following year; it is designated by the calendar year in which it ends. For example, fiscal year 1992 began October 1, 1991, and ended September 30, 1992.

Forward Funding

A type of multi-year budget authority that is made available beginning in the last quarter of the fiscal year for the financing of ongoing grant programs of grantees during the next succeeding fiscal year. The period of availability, however, must be specified in an appropriation act. For the Department of Education, forward funding is provided for most State formula grant programs so that grants can be made prior to the start of the school year. Funds become available for obligation on July 1 of one year and generally remain available through September 30 of the following fiscal year--a period of 15 months.

Gramm-Rudman-Hollings (GRH)

The names of the Senate sponsors (Senators Phil Gramm, Warren Rudman, and Ernest F. Hollings) of the original legislation and the common name for the Balanced Budget and Emergency Deficit Control Act of 1985, as amended most recently by the Budget Enforcement Act of 1990 (2 U.S.C. 900-922). The original GRH set declining deficit targets and specified automatic deficit reduction procedures. These procedures were substantially revised by the Budget Enforcement Act.

Impoundment

Any action or inaction by an officer or employee of the Federal Government that precludes obligation or expenditure of budget authority.

Incremental Funding

The provision or recording of budgetary resources for a program or project based on obligations estimated to be incurred within a fiscal year when such budgetary resources will not cover all the program's or project's obligations. Contracts that cannot be separated for performance by fiscal year may not be funded on an incremental basis without statutory authority.

Limitation

A restriction on the amount of budgetary resources that can be obligated or committed for a specific purpose. While limitations are most often established through appropriations acts, they can also be established through authorizing legislation. Limitations may be placed on the availability of funds for program levels, administrative expenses, direct loan obligations, guaranteed loan commitments, or other purposes. For the purposes of the Budget Enforcement Act, obligation limitations are one type of budgetary resource because they establish the amount that can be obligated.

Line Item

In executive budgeting, a particular expenditure, such as program, subprogram, or travel costs and equipment. In congressional budgeting, it usually refers to assumptions about particular programs or accounts implicit but not explicit in the budget resolution. In appropriations acts, it usually refers to an individual account or part of an account for which a specific amount is available.

Mandatory

A term that usually modifies either "spending," "amount," or "appropriation." "Mandatory spending" refers to outlays for entitlement programs such as food stamps, Medicare, veterans' pensions, payment of interest on the public debt, and nonentitlements such as payments to States from Forest Service receipts. By defining eligibility and setting the benefit or payment rules, the Congress controls spending for these programs indirectly rather than directly through the appropriations process. "Mandatory amount" is used in the Congressional Budget Act, as modified by Gramm-Rudman-Hollings, as a synonym for "relatively uncontrollable." Relatively uncontrollable" generally means budget authority or budget outlays that the Congress and the President cannot increase or decrease in a given year without changing existing substantive law.

Midsession Review of the Budget

A supplemental summary of the budget the President submits to the Congress in January or February of that year. The midsession review contains revised estimates of budget receipts, outlays, and budget authority and other summary information. OMB is required to issue it by July 15 of each year.

Object Classification

A uniform classification identifying the obligations of the Federal Government by the types of goods or services purchased (such as personnel compensation, supplies and materials, and equipment) without regard to the agency involved or the purpose of the programs for which they are used. If the obligations are in a single object classification category, the classification is identified in the Program and Financing Schedule in the Budget of the United States Government. For the activities distributed among two or more object classification categories, the budget has a separate object classification schedule to show the distribution of the obligations by object classification.

Obligational Authority

The sum of (1) budget authority provided for a given fiscal year, (2) unobligated balances of amounts brought forward from prior years, (3) amounts of offsetting collections to be credited to specific funds or accounts during that year, and (4) transfers between funds or accounts. The balance of obligational authority is an amount carried over from one year to the next because not all obligational authority that becomes available in a fiscal year is obligated and paid out in that same year. Balances are described as (1) obligated, (2) unobligated, or (3) unexpended.

Outlay/Expenditure

The issuance of checks, disbursement of cash, or electronic transfer of funds made to liquidate a Federal obligation. Outlays also occur when interest on the Treasury debt held by the public accrues and when the government issues bonds, notes, debentures, monetary credits, or other cash-equivalent instruments in order to liquidate obligations. Also, under credit reform, the credit subsidy cost is recorded as an outlay when a direct or guaranteed loan is disbursed.

Outlays during a fiscal year may be a payment of obligations incurred in prior years (prior-year obligations) or in the same year. Outlays, therefore, flow in part for unexpended balances of prior-year budgetary resources and in part from budgetary resources provided for the year in which the money is spent.

Outlays are stated both gross and net of offsetting collections.

Outyear Estimates

Any year (or years) beyond the budget year for which projections are made. For Budget Enforcement Act purposes, the term outyear means, with respect to a budget year, any of the fiscal years that follow the budget year through fiscal year 1995.

Pay-As-You-Go (PAYGO)

Under the Budget Enforcement Act, the principle that all direct spending and tax legislation enacted after BEA for a fiscal year must be deficit-neutral in the aggregate. If Congress enacts direct spending or receipts legislation that causes a net increase in the deficit, it must offset that increase by either increasing revenues or decreasing another direct spending program in the same fiscal year. This requirement is enforced by sequestration.

Point of Order

An objection raised on the House or Senate floor or in committees to a motion or procedure that violates the body's rules. Gramm-Rudman-Hollings and the Budget Enforcement Act authorize points of order against legislation that would violate various budget resolutions or spending limits. Usually, a point of order may be waived by a simple majority vote. However, in the Senate, waiver of some points of order requires a three-fifths vote.

Program, Project, or Activity

An element within a budget account. For annually appropriated accounts, the PPAs are defined by the appropriations acts and accompanying reports and documentation; for accounts not funded by annual appropriations, they are defined by the program and financing schedules provided in the "Detailed Budget Estimates" in the Budget of the United States Government for the relevant fiscal year. Under sequestration procedures, except as specifically provided, PPAs are reduced by a uniform percentage.

Reconciliation

A process the Congress uses to reconcile amounts determined by tax, spending, credit, and debt legislation for a given fiscal year with levels set in the concurrent resolution on the budget for the year. The Congressional Budget and Impoundment Control Act of 1974 provides that the resolution may direct committees to determine and recommend changes to laws, bills, and resolutions as required to conform to totals for budget authority, revenues, and the public debt. Such changes are incorporated into either a reconciliation resolution or reconciliation bill.

Reimbursement

A sum (1) that is received by the Federal Government as a repayment for commodities sold or services furnished either to the public or to another government account and (2) that is authorized by law to be credited directly to specific appropriation and fund accounts. These amounts are deducted from the total obligations incurred (and outlays) in determining net obligations (and outlays) for such accounts. Reimbursements between two accounts for goods or services are an expenditure transaction/transfer.

Reprogramming

Shifting funds within an appropriation or fund account to use them or different purposes than those contemplated at the time of appropriation (for example, obligating budgetary resources for a different object class from the one originally planned). While a transfer of funds involves shifting funds from one account to another, reprogramming involves shifting funds within an account.

Reprogramming is generally preceded by consultation between Federal agencies and the appropriate congressional committees. For the Department of Education, reprogrammings involve formal notification and opportunity for the appropriation committees to state their approval or disapproval. As a rule, a reprogramming must be requested if funds in excess of 10 percent or $250,000, whichever is less, would be reallocated from one program or budget activity to another.

Rescission

Legislation enacted by Congress that cancels the availability of budgetary resources previously provided by law before the authority would otherwise lapse.

The Impoundment Control Act of 1974 provides for the President to propose rescissions whenever the President determines that all or part of any budget authority will not be needed to carry out the full objectives or scope of programs for which the authority was provided. Likewise, a rescission will be proposed if all or part of any budget authority limited to a fiscal year--that is, annual appropriations or budget authority of a multiple-year appropriation in the last year of availability--is to be reserved from obligation for the entire fiscal year. Rescission of budget authority may also be proposed for fiscal policy or other reasons. Generally, amounts proposed for rescission are withheld for up to 45 calendar days of continuous session while the Congress considers the proposals.

All funds proposed for rescission, including those withheld, must be reported to the Congress in a special message. If both houses have not completed action on a rescission proposed by the President within 45 calendar days of continuous session, any funds being withheld must be made available for obligation. Congress may also initiate rescissions through its own appropriations process. Such congressional action occurs for various reasons, including changing priorities, program terminations, excessive unobligated balances, and program slippage.

Sequestration

Budgetary resources subject to reduction or cancellation under a presidential sequester order. Sequestrable budgetary resources are new budget authority, unobligated balances, direct spending authority, and obligation limitations. Certain programs are exempt from sequestration under the Budget Enforcement Act.

Spending Authority

As defined by section 401(c) of the Congressional Act of 1974, as amended, a collective designation for authority provided in laws other than appropriation acts to obligate the government to make payments. It includes contract authority, authority to borrow, and entitlement authority for which the budget authority is not provided in advance by appropriation acts. It also includes authority to forgo the collection of proprietary offsetting receipts and to make any other payments for which the budget authority is not provided in advance by appropriation acts.

Transfer

Shifting of all or part of the budget authority in one appropriation or fund account to another, as specifically authorized by law. The nature of the transfer determines whether the transaction is treated as an expenditure or nonexpenditure transfer.

EXCERPT OF TESTIMONY BY
ACTING ASSISTANT SECRETARY FOR MANAGEMENT AND BUDGET

before the
House Appropriations Committee

February 16, 1993

ROLE OF THE FEDERAL GOVERNMENT IN EDUCATION

Mr. Chairman and members of the committee, I will turn now to the role of the Federal Government within the total picture of the American education enterprise, focusing on the history of education programs in the Department, and I will summarize my statement in order to give you a very brief overview.

This hearing is timely, not just because we have a new Administration and a new Congress, but also because it coincides with the initial stages of a Department-wide effort--based on quality management principles--to improve management by more closely tying Department activities to a clear mission.

Our Department team, which I chaired, did what you are doing here today: We examined the Federal role in education, both in its historical context and in light of present-day needs. To do this, we had to ask ourselves a very basic question: Why is the Federal Government involved in education at all? And, of course, there are two very basic reasons, and this is how we defined our mission: To ensure equal access to education and to promote educational excellence throughout the Nation.

HISTORICAL PERSPECTIVE

I think a snapshot of this emerging Federal role in education over the past 125 years will provide a helpful perspective for our discussion today of appropriations history since 1980.

The original Department of Education was created in 1867 to collect information on schools and teaching that would help the States establish effective school systems. While the agency's name and location within the executive branch have changed over the past 125 years, this early emphasis on promoting educational excellence is as timely today as it was in 1867.

The passage of the Second Morrill Act in 1890 set a precedent for future activities by giving the then-named Office of Education responsibility for administering the original system of land-grant colleges and universities. Vocational education became the next major area of Federal aid to schools with the enactment in 1917 of the Smith-Hughes Act and in 1946 of the George Barden Act, and their emphasis on agricultural education and home economics training for high school students.

World War II led to a significant expansion of Federal support for education. The Lanham Act in 1941 and the Impact Aid laws of 1950 eased the burden on communities affected by the presence of military and other Federal installations by making payments to school districts. And in 1944, the GI bill authorized financial aid for 8 million veterans to pursue college education after they returned from the war.

The Federal role in education expanded again in 1958 when Congress passed the National Defense Education Act. This was really the first comprehensive example of Federal aid to education legislation, and it was in response to the Soviet launch of Sputnik. The NDEA emphasized the need for highly trained individuals to help America compete with the Soviet Union in scientific and technical fields, and included support for loans to college students, the improvement of science, mathematics, and foreign language instruction in elementary and secondary schools, and a variety of other programs, such as graduate fellowships and vocational-technical training.

The anti-poverty and civil rights laws of the 1960s and 1970s brought about a dramatic emergence of the Department's equal access mission. The passage of laws such as Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, and section 504 of the Rehabilitation Act, which prohibited discrimination based on race, sex, and disabilities, respectively, made civil rights enforcement a fundamental and long-lasting focus of the Department of Education. And in 1965, the Elementary and Secondary Education Act launched the Chapter 1 program of Federal aid to disadvantaged children, while the Higher Education Act focused on assistance to needy college students.

THE PRESENT-DAY DEPARTMENT OF EDUCATION

In 1980, the Congress established the Department of Education as a cabinet level agency. The stated purpose of the Department remained the same, however--to ensure access to education and to promote improvements in the quality and usefulness of education.

Today, our $30 billion budget and 230 programs serve more than 62 million students, 111,000 elementary and secondary schools in 15,000 school districts, and 10,000 postsecondary institutions.

Despite the scope of its activities, it is important to remember that the Federal role in education is a limited one, both constitutionally and budgetarily. Under our Constitution, education is primarily the responsibility of State and local governments, which are best able to determine their educational needs in accordance with local values and conditions. This is reflected in the Federal share, from all departments and agencies, of total education spending, which is only about eight percent. States, localities, and private organizations provide the other 92 percent.

The Department carries out its mission in two major ways: The first is through the administration of its 230 programs. In fact, about 90 percent of its $30 billion annual appropriation is targeted on access for at-risk populations, and 10 percent of its appropriation is directed toward promoting excellence in our schools and colleges.

The second way that we carry out our mission is through our leadership role, and this is just as important in its own way as our Federal education programs are, because it can leverage the 92 percent funding from States and communities to encourage them to improve American education.

This leadership function supports such activities as providing technical assistance for effectively implementing Federal programs, supporting the development of academic standards and measuring student performance, disseminating the latest discoveries on what works in teaching and learning, pursuing enforcement and voluntary compliance of civil rights statutes, and carrying on a dialogue with States and communities to raise a national awareness and debate of education issues.

APPROPRIATIONS SINCE 1980

With this as background, let me turn to appropriations history for the Department since 1980. From 1980 to 1993, our appropriations increased from $14.2 billion to nearly $30.5 billion, or about a 115 percent increase. Even after adjusting for inflation, the Department's budget grew by 22 percent during that time.

In only two years, 1982 and 1986, did our budget fail to exceed the previous year's appropriation. The largest annual increase occurred in 1985 when ED funding jumped $3.6 billion, or 24 percent. Mandatory spending grew faster than discretionary spending primarily due to the entitlement nature of our guaranteed student loan program, rising 183 percent since 1980 compared with a 100 percent increase for discretionary programs.

It is also interesting to note that throughout this period, approximately 45 percent of our appropriation was devoted to elementary and secondary education, 45 percent to postsecondary education, and 10 percent to other programs, such as vocational rehabilitation, public libraries, and education research.

Within this general pattern of fairly steady growth in Department appropriations, there were significant shifts in emphases and the number of programs. In 1981, for example, the consolidation of about 30 funded programs into the Chapter 2 block grant was intended to simplify administration and provide flexibility to States and localities. This reduced the number of programs administered from 150 in 1981 to 120 in 1982. By 1993, however, the number of programs had grown to 230.

It is even more interesting to note that these 110 programs that were added during the last 12 years reflected our dual mission of access and excellence; and that they continued the Department's history of responding either to particular social needs or to the economic or political climate of the time.

For instance, at mid-decade, growing concern about the potential impact of declining math and science skills on our economic competitiveness led to new programs and funding for math and science education, and in 1987 the Drug-Free Schools and Communities program was launched as a crucial part of the Nation's war on drugs.

At the same time, despite this growth in the number, size, visibility, and complexity of our programs, the Department's full-time equivalent employees were cut more than 40 percent, from 7,400 in 1980, to a low of 4,413 in 1987, before rising to the current level of 4,960. I would point out that even this 4,960 is a 33 percent reduction from the former 1980 level.

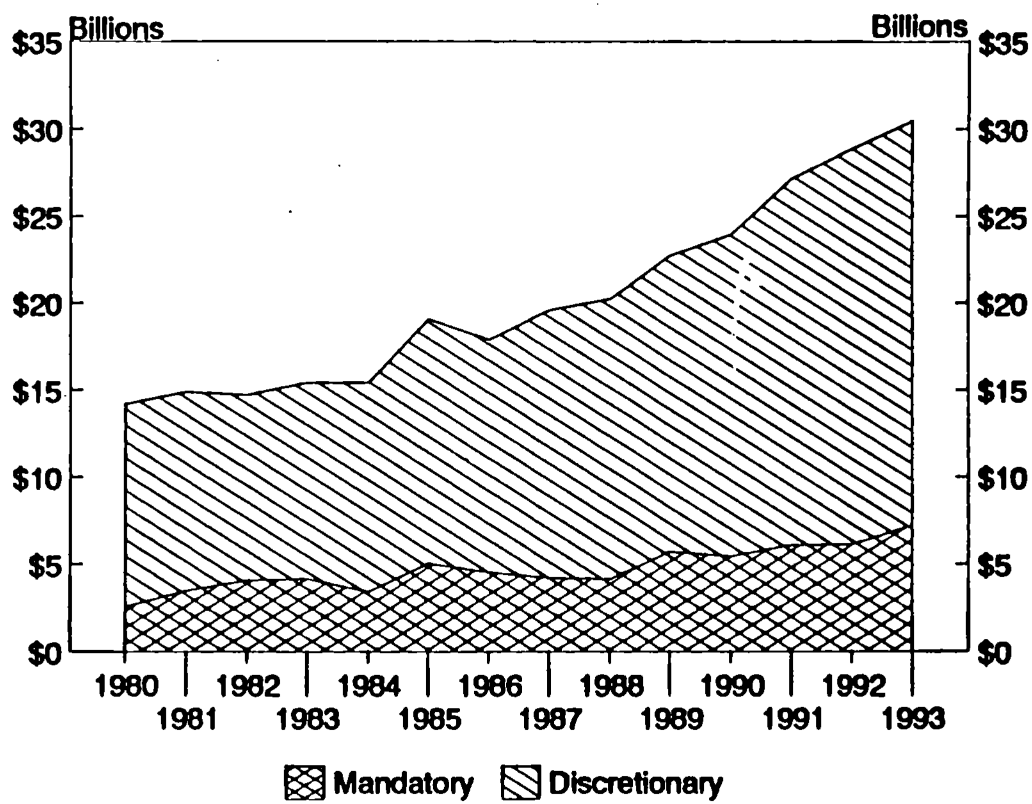
In summary, today, as a result of the increased appropriations provided by your committee, our programs are serving more American children and adults than ever before. For instance, and I will name just a few, Chapter 1, our largest elementary and secondary education program, provides supplementary education for 6 million disadvantaged children. The special education State grant program helps States educate over 5 million children with disabilities. The vocational rehabilitation program helps 1 million disabled adults each year to lead more independent and meaningful lives. The student financial aid programs provide grants, loans, and work study opportunities to over 7 million college students, or about one out of every two regular full-time college students in our country.

The TRIO programs this year will encourage and help 650,000 disadvantaged students to enter and complete college, and the Bilingual Education Act provides special instruction for 350,000 limited education proficient students each year.

These are just a few examples. Attached to my more complete statement are various tables showing how each of the Department's major programs has grown since 1980.

EDUCATION DEPARTMENT BUDGET

Mandatory and Discretionary Appropriations



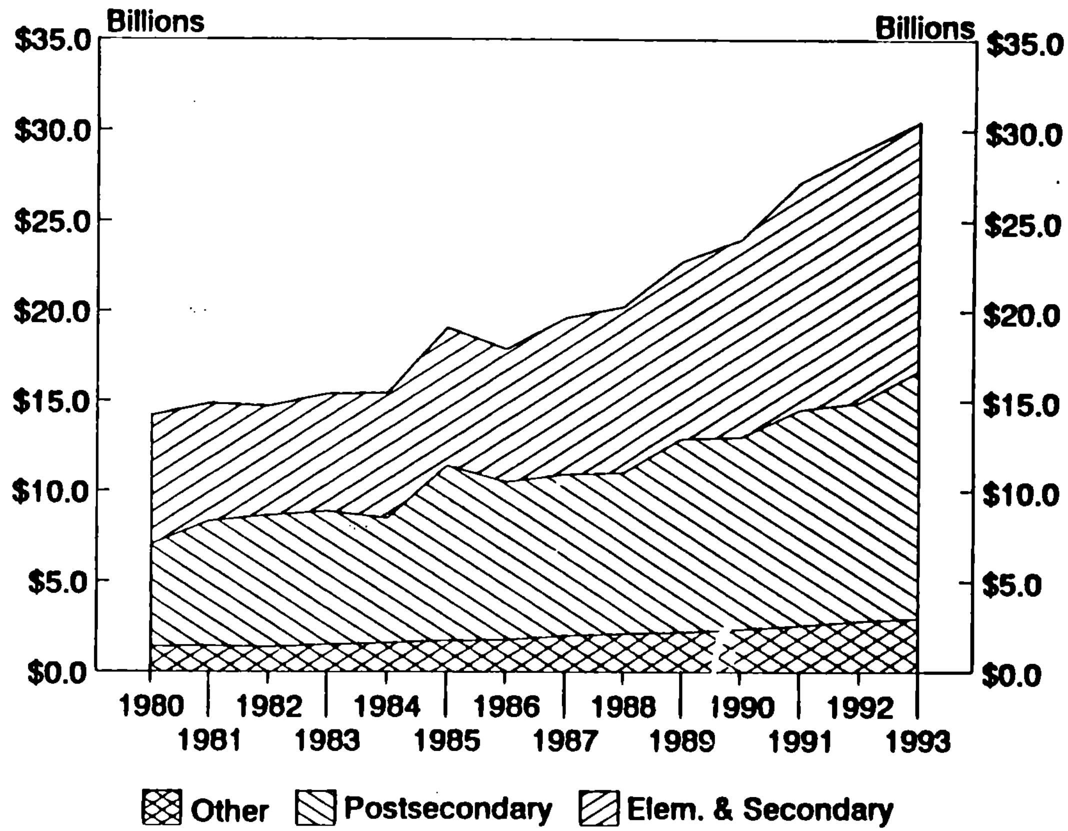
EDUCATION DEPARTMENT BUDGET, MANDATORY AND DISCRETIONARY PROGRAMS, 1980-1993

Year	Mandatory	Discretionary	Total
1980	$2,541,223	$11,629,527	$14,170,750
1981	3,488,832	11,383,347	14,872,179
1982	4,054,148	10,663,166	14,717,314
1983	4,145,448	11,261,400	15,406,848
1984	3,415,723	12,002,875	15,418,598
1985	5,036,201	14,020,944	19,057,145
1986	4,533,638	13,336,084	17,869,722
1987	4,207,843	15,400,259	19,608,102
1988	4,144,120	16,089,404	20,233,524
1989	5,715,706	17,022,851	22,738,557
1990	5,425,772	18,532,425	23,958,197
1991	6,091,543	21,040,912	27,132,455
1992	6,112,387	22,740,502	28,852,889
1993	7,211,152	23,239,833	30,450,985

NOTE: The designation of programs as discretionary or mandatory is set forth in the Budget Enforcement Act of 1990.

Mandatory programs in the Department of Education include the Rehabilitation Services and Disability Research account, the Smith-Hughes appropriation in the Vocational and Adult Education account, the Guaranteed Student Loans account, the Higher Education Facilities Loans account, the College Housing and Academic Facilities Loans (Liquidating) account, the College Housing Loans account, Contributions and Receipts. All other programs in the Department of Education are considered discretionary.

EDUCATION DEPARTMENT BUDGET BY LEVEL, 1980–1993



EDUCATION DEPARTMENT BUDGET BY LEVEL, 1980-1993

(dollars in thousands)	1980	1981	1982	1983	1984
Elementary and Secondary	7,133,726	6,532,818	6,060,833	6,512,928	6,934,752
Postsecondary	5,659,192	6,938,852	7,286,789	7,374,342	6,895,031
Other	1,377,832	1,400,509	1,369,692	1,519,578	1,588,815
Total	14,170,750	14,872,179	14,717,314	15,406,848	15,418,598

	1985	1986	1987	1988	1989
Elementary and Secondary	7,650,822	7,381,469	8,684,091	9,225,140	9,840,189
Postsecondary	9,685,943	8,725,564	8,949,105	8,916,251	10,699,029
Other	1,720,380	1,762,689	1,974,906	2,092,133	2,199,339
Total	19,057,145	17,869,722	19,608,102	20,233,524	22,738,557

	1990	1991	1992	1993
Elementary and Secondary	10,965,482	12,594,913	13,946,475	13,781,663
Postsecondary	10,639,631	11,992,429	12,117,458	13,726,943
Other	2,353,084	2,545,113	2,788,956	2,942,379
Total	23,958,197	27,132,455	28,852,889	30,450,985

Budget Trend	Change, 1980-1993	
	Amount	Percent
Elementary and Secondary	6,647,937	93.2%
Postsecondary	8,067,751	142.6%
Other	1,564,547	113.6%
Total	16,280,235	114.9%

FUNDING FOR EDUCATION DEPARTMENT MAJOR ELEMENTARY AND SECONDARY PROGRAMS, 1980-1993

(dollars in thousands)	1980	1981	1982	1983	1984
Elementary and Secondary:					
Chapter 1	$3,070,343	$2,951,692	$2,887,449	$3,053,874	$3,333,480
Impact Aid	825,000	756,750	456,200	540,200	600,300
Chapter 2 Block Grants	0	0	442,176	450,655	450,655
Drug-Free Schools	0	0	0	0	0
Eisenhower Mathematics and Science State Grants	0	0	0	0	0
Bilingual and Immigrant Education	166,963	157,467	134,372	134,371	165,679
Special Education	1,194,025	1,177,856	1,215,100	1,305,922	1,387,165
Vocational Education	784,041	685,599	659,472	732,347	742,731
Adult Education	122,600	100,000	86,400	95,000	100,000
Other	970,754	703,454	179,664	200,559	154,742
Total, Elementary and Secondary	7,133,726	6,532,818	6,060,833	6,512,928	6,934,752

(dollars in thousands)	1985	1986	1987	1988	1989
Elementary and Secondary:					
Chapter 1	$3,537,993	$3,385,859	$3,793,993	$4,176,658	$4,422,046
Impact Aid	695,000	682,722	717,500	708,476	733,096
Chapter 2 Block Grants	500,000	478,403	500,000	478,700	462,977
Drug-Free Schools	0	0	200,000	229,776	354,500
Eisenhower Mathematics and Science State Grants	90,100	39,182	72,800	108,904	128,440
Bilingual and Immigrant Education	169,265	161,994	173,095	176,542	181,586
Special Education	1,471,440	1,494,049	1,892,070	2,020,288	2,109,488
Vocational Education	842,148	813,113	881,967	888,243	918,404
Adult Education	101,963	97,579	112,881	134,036	162,210
Other	242,913	228,568	339,785	303,517	367,442
Total, Elementary and Secondary	7,650,822	7,381,469	8,684,091	9,225,140	9,840,189

(dollars in thousands)	1990	1991	1992	1993
Elementary and Secondary:				
Chapter 1	$5,212,394	$6,065,818	$6,695,679	$6,698,601
Impact Aid	732,352	780,710	854,198	750,154
Chapter 2 Block Grants	477,218	448,908	450,000	435,488
Drug-Free Schools	539,238	606,341	623,963	598,227
Eisenhower Mathematics and Science State Grants	126,837	202,008	240,000	246,016
Bilingual and Immigrant Education	188,674	198,012	225,407	225,745
Special Education	2,201,644	2,616,274	2,854,895	2,965,602
Vocational Education	936,723	1,010,928	1,155,348	1,176,673
Adult Education	192,795	238,825	284,760	304,718
Other	357,607	427,089	562,225	380,439
Total, Elementary and Secondary	10,965,482	12,594,913	13,946,475	13,781,663

FUNDING FOR EDUCATION DEPARTMENT MAJOR POSTSECONDARY PROGRAMS, 1980-1993

(dollars in thousands)	1980	1981	1982	1983	1984
Postsecondary:					
Pell Grants	2,157,328	2,604,000	2,419,040	2,419,040	2,800,000
Supplemental Educational Opportunity Grants	370,000	370,000	355,400	355,400	375,000
Work-Study	550,000	550,000	528,000	590,000	555,000
Perkins Loans	300,800	200,800	193,360	193,360	180,860
Guaranteed Student Loans	1,609,344	2,535,470	3,073,846	3,100,500	2,256,500
HEA III	110,000	120,000	142,483	144,016	134,416
TRIO Programs	147,500	156,500	150,240	154,740	164,740
Scholarships and Fellowships	17,350	12,000	10,560	11,920	13,500
Howard University	121,893	133,983	145,200	145,200	156,200
Other	274,977	256,099	268,660	260,166	258,815
Total, Postsecondary	5,659,192	6,938,852	7,286,789	7,374,342	6,895,031

(dollars in thousands)	1985	1986	1987	1988	1989
Postsecondary:					
Pell Grants	3,862,000	3,579,716	4,187,000	4,260,430	4,483,915
Supplemental Educational Opportunity Grants	412,500	394,762	412,500	408,415	437,972
Work-Study	592,500	567,023	592,500	588,249	610,097
Perkins Loans	217,482	208,626	210,000	210,628	205,507
Guaranteed Student Loans	3,799,823	3,265,941	2,717,000	2,565,000	4,066,828
HEA III	141,208	135,136	147,208	152,370	174,577
TRIO Programs	174,940	168,786	176,370	205,841	219,257
Scholarships and Fellowships	14,250	23,208	42,450	58,736	66,690
Howard University	158,230	157,168	170,230	172,203	178,973
Other	313,010	225,198	293,847	294,379	255,213
Total, Postsecondary	9,685,943	8,725,564	8,949,105	8,916,251	10,699,029

(dollars in thousands)	1990	1991	1992	1993
Postsecondary:				
Pell Grants	4,804,478	5,375,502	5,502,855	6,090,970
Supplemental Educational Opportunity Grants	458,650	520,148	577,000	585,280
Work-Study	601,765	594,681	615,000	616,949
Perkins Loans	150,829	156,142	156,000	183,520
Guaranteed Student Loans	3,680,262	4,209,818	4,085,575	5,171,872
HEA III	196,170	204,833	207,042	203,332
TRIO Programs	241,822	333,754	385,149	388,048
Scholarships and Fellowships	70,096	84,295	104,895	105,221
Howard University	182,446	195,213	212,360	194,005
Other	253,113	318,043	271,582	187,746
Total, Postsecondary	10,639,631	11,992,429	12,117,458	13,726,943

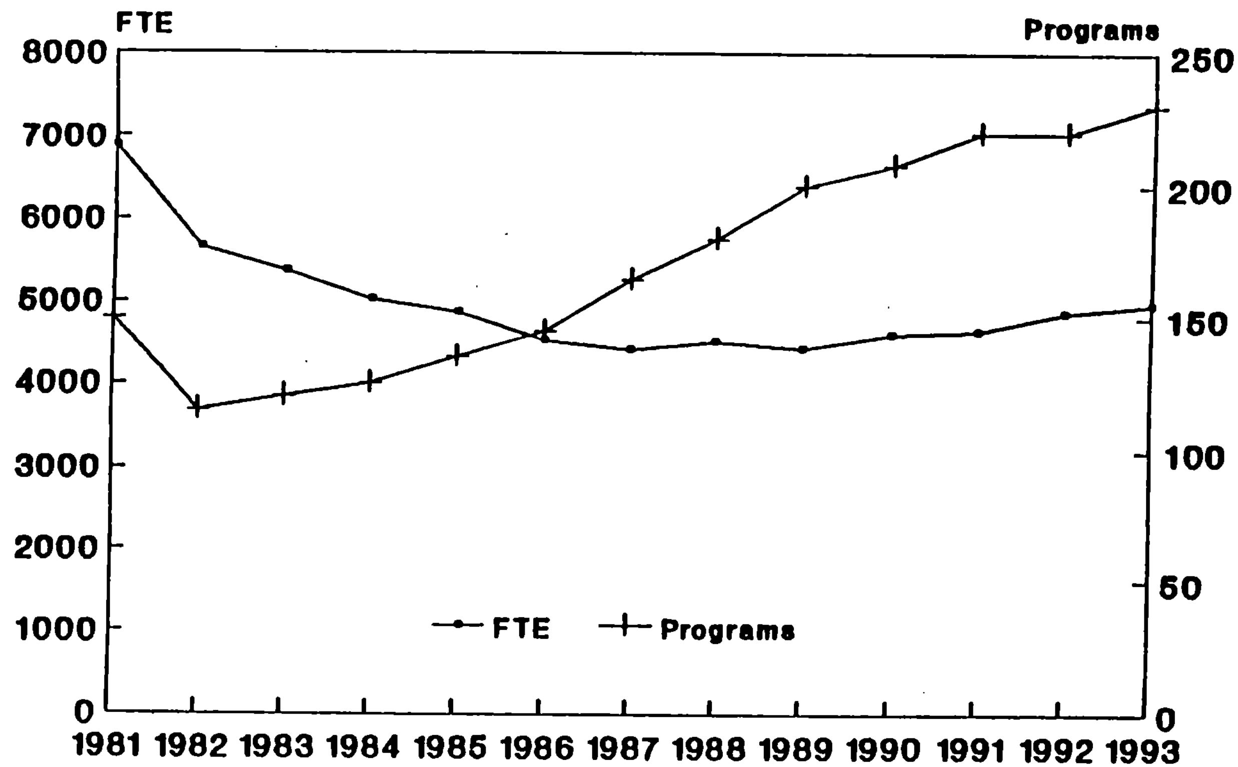
FUNDING FOR EDUCATION DEPARTMENT OTHER MAJOR PROGRAMS, 1980-1993

(dollars in thousands)	1980	1981	1982	1983	1984
Other:					
Rehabilitation Services..........................	932,620	953,749	952,171	1,045,347	1,155,600
Research...	70,234	61,734	49,510	51,734	44,082
Statistics.......................................	9,947	8,947	8,589	8,589	8,747
Assessment.......................................	3,880	3,880	3,880	3,880	4,149
Public Library Services..........................	62,500	62,500	60,000	60,000	65,000
Other Library Programs...........................	16,988	21,905	20,080	70,320	21,880
Program Administration and Admin of Credit Progs	225,035	229,415	218,430	222,000	230,000
Office for Civil Rights..........................	45,847	46,915	45,038	44,868	44,396
Office of the Inspector General..................	10,781	11,464	11,994	12,840	14,961
Total, Other.....................................	1,377,832	1,400,509	1,369,692	1,519,578	1,588,815
Total, Department of Education...................	14,170,750	14,872,179	14,717,314	15,406,848	15,418,598

(dollars in thousands)	1985	1986	1987	1988	1989
Other:					
Rehabilitation Services..........................	1,234,015	1,309,761	1,484,758	1,590,400	1,673,220
Research...	45,841	45,095	49,423	46,573	47,079
Statistics.......................................	8,747	8,361	9,074	13,390	21,736
Assessment.......................................	5,390	3,943	5,081	7,563	9,386
Public Library Services..........................	75,000	71,774	80,000	78,986	81,009
Other Library Programs...........................	50,000	50,243	52,500	56,103	56,191
Program Administration and Admin of Credit Progs	241,075	216,154	234,692	241,028	250,464
Office for Civil Rights..........................	45,000	42,704	43,000	40,530	41,635
Office of the Inspector General..................	15,312	14,654	16,378	17,560	18,619
Total, Other.....................................	1,720,380	1,762,689	1,974,906	2,092,133	2,199,339
Total, Department of Education...................	19,057,145	17,869,722	19,608,102	20,233,524	22,738,557

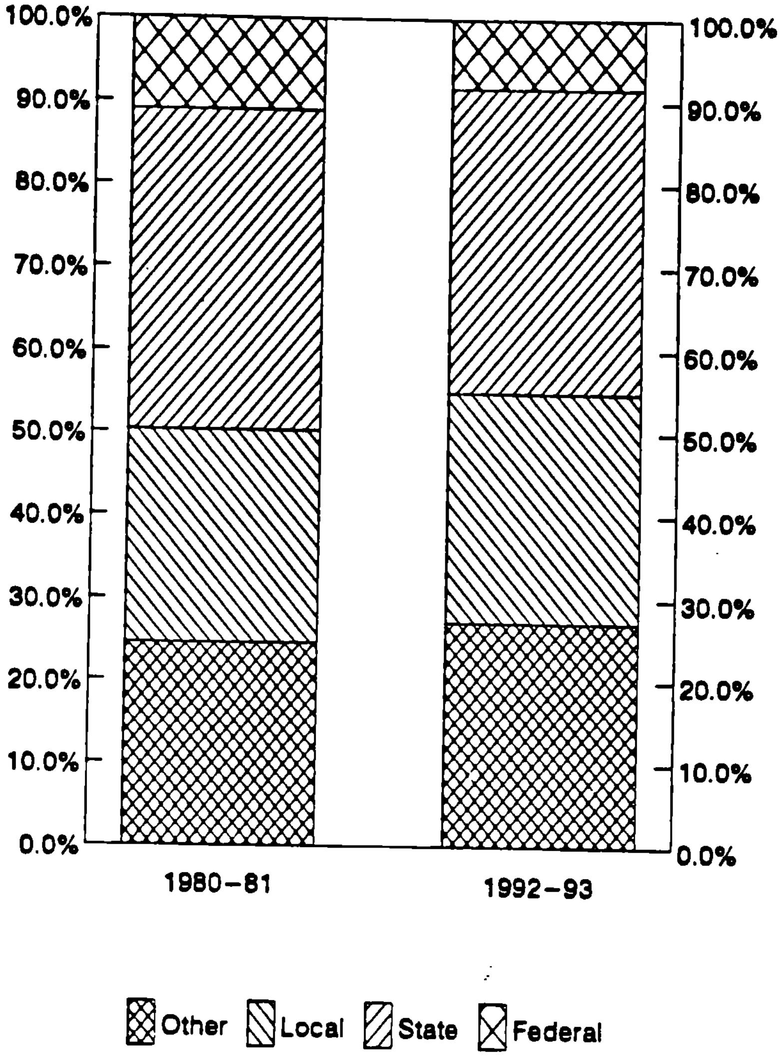
(dollars in thousands)	1990	1991	1992	1993
Other:				
Rehabilitation Services..........................	1,780,212	1,889,288	2,077,158	2,182,699
Research...	55,502	60,805	71,000	73,984
Statistics.......................................	22,655	41,212	47,313	48,588
Assessment.......................................	17,084	18,411	29,900	29,262
Public Library Services..........................	82,505	83,897	83,898	83,226
Other Library Programs...........................	54,141	58,999	63,849	62,843
Program Administration and Admin of Credit Progs	273,303	319,261	335,953	376,113
Office for Civil Rights..........................	44,572	48,404	53,625	56,402
Office of the Inspector General..................	23,110	24,836	26,260	29,262
Total, Other.....................................	2,353,084	2,545,113	2,788,956	2,942,379
Total, Department of Education...................	23,958,197	27,132,455	28,852,889	30,450,985

Department of Education
FTE Usage/Number of Programs



FTE:	6883	5660	5369	5026	4877	4527	4413	4516	4426	4596	4630	4859	4960
Programs:	150	115	120	125	135	145	165	180	200	208	220	220	230

SOURCES OF TOTAL U.S. EDUCATION EXPENDITURES



Note. The Federal share includes expenditures from all Federal agencies, but does not include Federally supported student aid that goes to postsecondary institutions through tuition payments. These payments are shown under "Other" rather than "Federal," and would add several percentage points to the Federal share. Figures for 1992-93 are projected.

Total Estimated Direct Expenditures for Education in the U.S. at All Levels

(dollars in billions)

	Federal		State		Local		Other		Total
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	
1980–81	$20.0	11.0	$70.8	38.7	$47.0	25.7	$44.9	24.6	$182.2
1981–82	$18.5	9.4	$76.3	38.6	$51.9	26.2	$51.1	25.9	$197.8
1982–83	$18.7	8.8	$81.3	38.4	$55.4	26.1	$56.6	26.7	$212.1
1983–84	$19.7	8.6	$87.0	38.1	$60.1	26.3	$61.8	27.0	$228.6
1984–85	$21.3	8.6	$96.1	38.8	$63.3	25.6	$66.9	27.0	$247.7
1985–86	$23.5	8.7	$105.3	39.1	$67.9	25.2	$72.8	27.0	$269.5
1986–87	$25.2	8.6	$113.4	38.9	$73.4	25.2	$79.8	27.3	$291.8
1987–88	$26.6	8.5	$121.1	38.7	$79.2	25.3	$86.1	27.5	$313.1
1988–89	$28.6	8.4	$128.5	37.6	$90.9	26.6	$94.1	27.5	$342.1
1989–90	$31.1	8.3	$140.5	37.2	$102.3	27.1	$103.5	27.4	$377.5
1990–91	$32.5	8.1	$148.9	37.0	$111.2	27.6	$109.7	27.3	$402.3
1991–92	$34.8	8.2	$157.0	36.9	$117.8	27.7	$115.5	27.2	$425.2
1992–93	$36.7	8.2	$164.0	36.8	$123.5	27.7	$121.1	27.2	$445.3

Notes: Data shown are revised from previously published figures. Federal figures include expenditures from all Federal agencies, but do not include Federally supported student aid that goes to postsecondary institutions through tuition payments. These payments are shown under "Other" rather than "Federal," and would add several percentage points to the Federal share. Figures for 1990–91 through 1992–93 are projected.

Estimated Direct Expenditures for U.S. Elementary and Secondary Education
(dollars in billions)

	Federal		State		Local		Other		Total
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	
1980–81	$9.6	8.5	$49.1	43.8	$45.1	40.1	$8.5	7.6	$112.3
1981–82	$8.2	6.8	$52.8	43.8	$49.8	41.3	$9.6	8.0	$120.5
1982–83	$8.4	6.5	$56.5	43.9	$53.2	41.3	$10.7	8.3	$128.7
1983–84	$8.7	6.2	$60.7	43.6	$57.8	41.6	$11.9	8.5	$139.0
1984–85	$9.1	6.1	$66.8	44.7	$60.8	40.7	$12.8	8.6	$149.4
1985–86	$9.9	6.1	$73.1	45.2	$65.2	40.3	$13.6	8.4	$161.8
1986–87	$10.3	5.9	$79.7	45.5	$70.4	40.2	$14.8	8.4	$175.2
1987–88	$10.9	5.8	$85.1	45.3	$75.9	40.4	$15.8	8.4	$187.7
1988–89	$11.8	5.7	$90.1	43.8	$87.3	42.4	$16.7	8.1	$206.0
1989–90	$12.9	5.6	$99.7	43.4	$98.5	42.9	$18.6	8.1	$229.7
1990–91	$13.5	5.5	$106.3	43.1	$107.0	43.4	$19.9	8.1	$246.8
1991–92	$14.7	5.6	$112.2	43.0	$113.5	43.5	$20.9	8.0	$261.1
1992–93	$15.4	5.6	$117.4	42.9	$119.0	43.5	$22.0	8.0	$273.8

Notes: Data shown are revised from previously published figures. Federal figures include expenditures from all Federal agencies. Figures for 1990–91 through 1992–93 are projected.

Major Congressional Committees
that Deal with ED

APPROPRIATIONS COMMITTEES

U.S. HOUSE OF REPRESENTATIVES

Full Committee:

Acting Chairman: David R. Obey (D-WI)
Chairman: William H. Natcher (D-KY)
Ranking Member: Joseph M. McDade (R-PA)

Labor, Health and Human Services, and Education Subcommittee

Chairman: William H. Natcher (D-KY)
Ranking Member: John Porter (R-IL)

Interior Subcommittee (Indian Education Accounts only)

Chairman: Sidney R. Yates (D-IL)
Ranking Member: Ralph Regula (R-OH)

U.S. SENATE

Full Committee:

Chairman: Robert C. Byrd (D-WV)
Ranking Member: Mark O. Hatfield (R-OR)

Labor, Health and Human Services, and Education Subcommittee

Chairman: Tom Harkin (D-IA)
Ranking Member: Arlen Specter (R-PA)

Interior Subcommittee (Indian Education Accounts only)

Chairman: Robert C. Byrd (D-WV)
Ranking Member: Don Nickles (R-OK)

AUTHORIZING COMMITTEES

U.S. HOUSE OF REPRESENTATIVES

Education and Labor Committee
Chairman: William D. Ford (D-MI)
Ranking Member: William F. Goodling (R-PA)

Elementary, Secondary and Vocational Education Subcommittee
Chairman: Dale E. Kildee (D-MI)
Ranking Member: William F. Goodling (R-PA)

Postsecondary Education Subcommittee
Chairman: William D. Ford (D-MI)
Ranking Member: Tom Petri (R-WI)

Select Education Subcommittee
Chairman: Major R. Owens (D-NY)
Ranking Member: T. Cass Ballenger (R-NC)

U.S. SENATE

Labor and Human Resources Committee
Chairman: Edward M. Kennedy (D-MA)
Ranking Member: Nancy L. Kassebaum (R-KS)

Education, Arts, and Humanities Subcommittee
Chairman: Clairborne Pell (D-RI)
Ranking Member: James Jeffords (R-VT)

BUDGET COMMITTEES

U.S HOUSE OF REPRESENTATIVES

Chairman: Martin Sabo (D-MN)
Ranking Member: John Kasich (R-OH)

U.S. SENATE

Chairman: Jim Sasser (D-TN)
Ranking Member: Pete V. Domenici (R-NM)

OMB Staff Who Deal with ED

OFFICE OF MANAGEMENT AND BUDGET

Leon E. Panetta, Director

HUMAN RESOURCES DIVISION

Program Associate Director: Belle Sawhill (395-4844)
Deputy Associate Director: Bernard H. Martin (395-6150)

Education Branch

Chief: Barry White (395-4532)
Cynthia Brown
Lisa Fairhall
Judy Grew
Pat Smith
Bayla White

LEGISLATIVE REFERENCE DIVISION

Assistant Director: James C. Murr (395-4864)

Labor, Welfare, and Personnel Branch

Chief: Janet Forsgren (395-7362)
Constance Bowers
Melissa Cook
Christopher Mustain
Robert J. Pelicci

BUDGET REVIEW AND CONCEPTS DIVISION

Assistant Director: Barry Anderson (395-4630)

Budget Review and Concepts Division

Deputy Assistant Director: Richard Emery (395-4632)

Budget Analysis and Systems Division

Deputy Assistant Director: Phil Dame (394-4712)

Budget Table

March 25, 1994

DEPARTMENT OF EDUCATION

Education Department's Fiscal Year 1995 Budget Request

(In thousands of dollars)

	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
Education Reform............................	0	$155,000	$900,000	$745,000	480.6%
Office of Elementary and Secondary Education..	$9,192,954	9,210,170	10,133,829	923,659	10.0%
Educational Excellence.......................	(90,115)	0	0	0	---
Office of Bilingual Education and Minority Languages Affairs..........................	213,097	227,431	253,992	26,561	11.7%
Office of Special Education and Rehabilitative Services..................................	5,272,901	5,532,372	5,786,628	254,256	4.6%
Office of Vocational and Adult Education......	1,481,391	1,488,331	1,454,562	(33,769)	-2.3%
Office of Postsecondary Education............	14,786,116	11,506,081	12,314,669	808,588	7.0%
Office of Educational Research and Improvement	411,596	424,319	423,120	(1,199)	-0.3%
Program Administration.......................	304,899	352,008	367,800	15,792	4.5%
Office for Civil Rights......................	56,402	56,570	61,700	5,130	9.1%
Office of the Inspector General..............	29,262	28,840	31,800	2,960	10.3%
Contributions................................	4	35	0	(35)	-100.0%
Receipts.....................................	(187,967)	(141,856)	(43,975)	97,881	-69.0%
TOTAL, DEPARTMENT OF EDUCATION...............	31,470,540	28,839,301	31,684,125	2,844,824	9.9%

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
Education Reform						
1. Goals 2000: Educate America (proposed legislation)......	D	0	105,000 [1]	700,000	595,000	566.7%
2. School-to-work opportunities (Carl D. Perkins VATEA Title IV Parts A and B)............................	D	0	50,000	150,000	100,000	200.0%
3. Educational technology (proposed legislation)...........	D	0	0	50,000	50,000	---
Total.....................................		0	155,000	900,000	745,000	480.6%
Outlays....................		*0*	*18,927*	*212,316*	*193,389*	*1021.8%*

[1] *Funds are contingent upon enactment of authorizing legislation by April 1, 1994. If not authorized by that date, the funds must be transferred to the Student Financial Assistance account to be used to alleviate the Federal Pell Grants shortfall.*

NOTE: Category Codes are as follows: D = discretionary program; M = mandatory program. The designation of programs as discretionary or mandatory is set forth in the Budget Enforcement Act of 1990.

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION (OESE)						
Education for the Disadvantaged						
1. Grants to local educational agencies (ESEA I-A):						
(a) Basic grants (section 1005)	D	5,449,925	5,642,000	3,500,000	(2,142,000)	-38.0%
(b) Concentration grants (section 1006)	D	675,998	694,000	3,500,000	2,806,000	404.3%
Subtotal		6,125,923	6,336,000	7,000,000	664,000	10.5%
2. Capital expenses for private school children (ESEA I, section 1017d)	D	39,734	41,434	41,434	0	0.0%
3. Even start (ESEA I-B)	D	89,123	91,373	118,000	26,627	29.1%
4. State agency programs (ESEA I-D):						
(a) Migrant (subpart 1)	D	300,038 [1]	302,458 [1]	310,000	7,542	2.5%
(b) Neglected and delinquent (subpart 3)	D	35,407	35,407	40,000	4,593	13.0%
Subtotal		335,445	337,865	350,000	12,135	3.6%
5. State administration (ESEA I, section 1404)	D	60,712	60,712	0	(60,712)	-100.0%
6. State program improvement grants (ESEA I, section 1405)	D	25,933	25,933	30,000	4,067	15.7%
7. Demonstrations of innovative practices (proposed legislation)	D	0	0	20,000	20,000	---
8. Evaluation (ESEA I, sections 1435 and 1462)	D	8,923 [1]	7,987 [1]	9,000	1,013	12.7%
Subtotal, ESEA I		6,685,793 [1]	6,901,304 [1]	7,568,434	667,130	9.7%
9. Migrant education (HEA IV-A-5):						
(a) High school equivalency program	D	8,161	8,161	8,161	0	0.0%
(b) College assistance migrant program	D	2,224	2,224	2,224	0	0.0%
Subtotal		10,385	10,385	10,385	0	0.0%
Total		6,696,178 [1]	6,911,689 [1]	7,578,819	667,130	9.7%
Outlays		*6,615,047*	*6,900,113*	*6,927,368*	*27,255*	*0.4%*

[1] *Adjusted for comparability. Excludes a total of $12,808 thousand in 1993 and 1994 for Chapter 1 technical assistance activities, which are consolidated in 1995 with other ESEA technical assistance activities and proposed under the School Improvement Programs account. Funds were provided as follows: in 1993, $5,113 thousand for Technical Assistance Centers, $4,960 thousand for Rural Technical Assistance Centers, and $2,735 thousand for Migrant Program Coordination Centers; in 1994, $5,113 thousand for Technical Assistance Centers, $4,960 thousand for Rural Technical Assistance Centers, and $2,735 thousand for Migrant Program Coordination Centers.*

NOTE: All fiscal year 1995 amounts for programs authorized under the Elementary and Secondary Education Act are requested under proposed legislation.

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
Impact Aid						
1. Maintenance and operations (Pub.L. 81-874):						
(a) Payments for "a" children (section 3a)..............	D	567,080	613,445	0	(613,445)	-100.0%
(b) Payments for "b" children (section 3b)..............	D	123,629	123,129	0	(123,129)	-100.0%
(c) Payments for Federal property (section 2)...........	D	16,293	16,293	0	(16,293)	-100.0%
(d) Payments for section 3(d)(2)(B).....................	D	29,462	33,437	0	(33,437)	-100.0%
(e) Payments for decreases in Federal activities (section 3(e))................................	D	1,786	0	0	0	---
Subtotal......................		738,250	786,304	0	(786,304)	-100.0%
2. Disaster assistance (section 7)........................	D	90,000 [1]	0 [2]	0	0	---
3. Construction (Pub.L. 81-815):						
(a) Facilities for unhoused children (sec. 5 and 14c)...	D	3,571	3,571	0	(3,571)	-100.0%
(b) Facilities for children residing on Federal property (section 10)................................	D	4,563	4,563	0	(4,563)	-100.0%
(c) Facilities for children residing on Indian lands (sections 14a and 14b).........................	D	3,770	3,770	0	(3,770)	-100.0%
Subtotal......................		11,904	11,904	0	(11,904)	-100.0%
Total............................		840,154	798,208	0	(798,208)	-100.0%
Reauthorization:						
4. Basic support payments................................	D	0	0	694,000	694,000	---
5. Supplemental payments for children with disabilities....	D	0	0	45,000	45,000	---
6. Special payments for increases in military dependents...	D	0	0	2,000	2,000	---
7. Capital fund payments.................................	D	0	0	5,000	5,000	---
8. Facilities maintained by the Department of Education....	D	0	0	2,000	2,000	---
9. Base closure assistance...............................	D	0	0	2,000	2,000	---
Total............................		840,154	798,208	750,000	(48,208)	-6.0%
Outlays....................		*432,153*	*982,705*	*863,048*	*(119,657)*	*-12.2%*

[1] *Funds were provided in two separate supplemental appropriations as follows: $20,000 thousand in the fiscal year 1992 Dire Emergency Supplemental Appropriations, which became available on March 31, 1993, pursuant to the President's request of that date; and $70,000 thousand in the fiscal year 1993 Emergency Supplemental Appropriations for Relief from Major, Widespread Flooding in the Midwest.*

[2] *Excludes a supplemental of $165,000 thousand to assist victims of the California earthquake of January 17, 1994.*

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
School Improvement Programs						
1. Eisenhower professional development State grants:						
(a) Eisenhower professional development State grants (proposed legislation)........................	D	0	0	752,000	752,000	---
(b) State and local programs (ESEA I Chapter 2, Part A)	D	435,488	369,500	0	(369,500)	-100.0%
(c) Eisenhower mathematics and science education State grants (ESEA II-A)............................	D	246,016	250,998	0	(250,998)	-100.0%
Subtotal.....................		681,504	620,498	752,000	131,502	21.2%
2. Safe and drug-free schools and communities (ESEA V):						
(a) State grants (Part B)..............................	D	504,185 [1]	374,937 [1]	480,000	105,063	28.0%
(b) Postsecondary education programs (Part C)..........	D	16,173 [2]	15,859 [2]	16,000	141	0.9%
(c) National programs (Part D).........................	D	61,750 [3,4]	60,771 [3,4]	64,000	3,229	5.3%
(d) Safe schools (proposed legislation)................	D	0	20,000 [5]	100,000	80,000	400.0%
Subtotal.....................		582,108	471,567	660,000	188,433	40.0%
3. Inexpensive book distribution (ESEA I Chapter 2, section 1563)....................................	D	10,029	10,300	10,300	0	0.0%
4. Arts in education (ESEA I Chapter 2, section 1564).....	D	6,944	8,944	11,000	2,056	23.0%
5. Law-related education (ESEA I Chapter 2, section 1565).	D	5,952	5,952	0	(5,952)	-100.0%
6. Christa McAuliffe fellowships (HEA V-C-2).............	D	1,964	1,964	2,104	140	7.1%
7. Magnet schools assistance (ESEA III)..................	D	107,985	107,985	120,000	12,015	11.1%
8. Education for homeless children and youth (SBMHAA Title VII-B).............................	D	24,800	25,470	30,000	4,530	17.8%
9. Women's educational equity (ESEA IV-A)................	D	1,984	1,984	5,000	3,016	152.0%
10. Training and advisory services (CRA IV)................	D	21,606	21,606	21,606	0	0.0%
11. Dropout prevention demonstrations (ESEA VI-A)..........	D	37,530	37,730	0	(37,730)	-100.0%

[1] *Adjusted for comparability. Includes $5,620 thousand in 1993 and $5,437 thousand in 1994 for Programs for Indian Youth, which was funded under National Programs.*

[2] *Adjusted for comparability. This amount is for programs serving students enrolled in institutions of higher education, which were included under National Programs in 1993 and 1994.*

[3] *Adjusted for comparability. Includes a total of $38,166 thousand in 1993 and 1994 as follows: $13,614 thousand for School Personnel Training and $24,552 thousand for Emergency Grants, which were shown separately in 1993 and 1994 and are consolidated in 1995 under National Programs.*

[4] *Adjusted for comparability. Excludes a total of $37,912 thousand in 1993 and $36,891 thousand in 1994 as follows: in 1993, $16,173 thousand for programs serving students enrolled in institutions of higher education, which are proposed in 1995 under Postsecondary Education Programs, $16,119 thousand for Drug-Free Schools Regional Centers, which are consolidated in 1995 with other ESEA technical assistance activities and proposed under the School Improvement Programs account, and $5,620 thousand for Programs for Indian Youth, which is proposed under State Grants in 1995; in 1994, $15,859 thousand for programs serving students enrolled in institutions of higher education, $15,595 thousand for Drug-Free Schools Regional Centers, and $5,437 thousand for Programs for Indian Youth.*

[5] *If Safe Schools authorizing legislation is not enacted by April 1, 1994, funds are to be transferred to the Student Financial Assistance account to be used to alleviate the funding shortfall in the Pell Grants program.*

NOTE: All fiscal year 1995 amounts for programs authorized under the Elementary and Secondary Education Act are requested under proposed legislation.

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
School Improvement Programs (continued)						
12. General assistance to the Virgin Islands (ESEA IV-E section 4501)...........................	D	2,455	1,227	0	(1,227)	-100.0%
13. Ellender fellowships (ESEA IV-C).......................	D	4,223	4,223	0	(4,223)	-100.0%
14. Follow through (Follow Through Act)....................	D	8,478	8,478	0	(8,478)	-100.0%
15. Education for Native Hawaiians (P.L. 100-297 Title IV).	D	6,448	8,224	0	(8,224)	-100.0%
16. Foreign languages assistance (ESEA II-B)...............	D	10,912	10,912	0	(10,912)	-100.0%
17. Training in early childhood education and violence counseling (HEA V-F, section 596)..................	D	4,960 [1]	14,000	14,000	0	0.0%
18. Charter schools (proposed legislation).................	D	0	0	15,000	15,000	---
19. Technical assistance for improving ESEA programs:						
(a) ESEA technical assistance consolidation (proposed legislation).................................	D	0	0	70,000	70,000	---
(b) Chapter 1 technical assistance centers (ESEA I Chapter 1, section 1436(d))...................	D	5,113 [2]	5,113 [2]	0	(5,113)	-100.0%
(c) Chapter 1 rural technical assistance centers (ESEA I Chapter 1 Part F subpart 3)............	D	4,960 [2]	4,960 [2]	0	(4,960)	-100.0%
(d) Chapter 1 migrant program coordination centers (ESEA I Chapter 1 Part D subpart 1)............	D	2,735 [2]	2,735 [2]	0	(2,735)	-100.0%
(e) Drug-free schools regional centers (ESEA V-D)......	D	16,119 [3]	15,595 [3]	0	(15,595)	-100.0%
(f) Indian education technical assistance centers (IEA, subpart 2)..............................	D	2,349 [4]	3,815 [4]	0	(3,815)	-100.0%
(g) Bilingual education multifunctional resource centers (ESEA VII-B)..........................	D	11,024 [5]	11,024 [5]	0	(11,024)	-100.0%
(h) Bilingual education evaluation assistance centers (ESEA VII-C)................................	D	1,624 [5]	1,700 [5]	0	(1,700)	-100.0%
(i) National Diffusion Network (ESEA section 1562).....	D	14,582 [6]	14,582 [6]	0	(14,582)	-100.0%
Subtotal............		58,506	59,524	70,000	10,476	17.6%
20. School finance equalization assistance (proposed legislation)......................................	D	0	0	8,000	8,000	---
Total..............................		1,578,388	1,420,588	1,719,010	298,422	21.0%
Outlays...................		*2,017,427*	*1,645,443*	*1,464,395*	*(181,048)*	*-11.0%*

[1] *Adjusted for comparability. Funds were provided in the Higher Education account under the Fund for the Improvement of Postsecondary Education.*
[2] *Adjusted for comparability. Funds were provided in the Compensatory Education for the Disadvantaged account.*
[3] *Adjusted for comparability. Funds were provided under Safe and Drug-Free Schools in the School Improvement Programs account.*
[4] *Adjusted for comparability. Funds were provided in the Indian Education account.*
[5] *Adjusted for comparability. Funds were provided in the Bilingual and Immigrant Education account.*
[6] *Adjusted for comparability. Funds were provided in the Education Research, Statistics and Improvement account.*

NOTE: All fiscal year 1995 amounts for programs authorized under the Elementary and Secondary Education Act are requested under proposed legislation.

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
Indian Education (IEA)						
1. Grants to local educational agencies....................	D	56,330 [1]	57,210 [1]	61,300	4,090	7.1%
2. Special programs for Indian children....................	D	8,465 [2]	8,780 [2]	9,000	220	2.5%
3. Professional development and adult education...........	D	8,855 [3]	9,660 [3]	10,800	1,140	11.8%
4. National activities.....................................	D	1,190 [4]	200 [4]	125	(75)	-37.5%
5. Grants to State educational agencies....................	D	0	0	1,000	1,000	---
Subtotal......................		74,840	75,850	82,225	6,375	8.4%
6. Federal administration:						
(a) Office of Indian Education..........................	D	2,937	3,360	3,278	(82)	-2.4%
(b) National advisory council...........................	D	457	475	497	22	4.6%
Subtotal......................		3,394	3,835	3,775	(60)	-1.6%
Total................................		78,234	79,685	86,000	6,315	7.9%
Outlays....................		*99,925*	*82,170*	*83,736*	*1,566*	*1.9%*
TOTAL, OESE...		9,192,954	9,210,170	10,133,829	923,659	10.0%

[1] *Adjusted for comparability. Excludes $2,974 thousand in 1993 and $3,094 thousand in 1994 for Indian-Controlled Schools, which is proposed in 1995 under Special Programs for Indian Children.*

[2] *Adjusted for comparability. Includes $2,974 thousand in 1993 and $3,094 thousand in 1994 for Indian-Controlled Schools, which was provided under Grants to Local Educational Agencies. Excludes $6,437 thousand in 1993 and $8,614 thousand in 1994 as follows: $4,088 thousand in 1993 and $4,799 thousand in 1994 for activities proposed in 1995 under Professional Development and Adult Education; and $2,349 thousand in 1993 and $3,815 thousand in 1994 for technical assistance centers, which are consolidated in 1995 with other ESEA technical assistance activities proposed under the School Improvement Programs account.*

[3] *Adjusted for comparability. Includes $4,088 thousand in 1993 and $4,799 thousand in 1994 for activities that were provided under Special Programs for Indian Children.*

[4] *Adjusted for comparability. This amount is for the Statistics and Assessment activity, which was shown separately in this account.*

NOTE: All fiscal year 1995 amounts are requested under proposed legislation.

NOTE: Funds for Indian Education are provided in the Department of the Interior and Related Agencies Appropriations Acts.

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
Educational Excellence						
1. Educational improvement activities	D	(90,115)[1]	0	0	0	---
Outlays		*0*	*0*	*0*	*0*	---
OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS (OBEMLA)						
Bilingual Education						
1. Instructional services (ESEA Title VII Part A)	D	145,981[2]	148,572[2]	165,000	16,428	11.1%
2. Support services (ESEA Title VII Part B)	D	12,970[3]	14,460[3]	17,500	3,040	21.0%
3. Training grants (ESEA Title VII Part C)	D	24,684[4]	25,407[4]	32,500	7,093	27.9%
4. Immigrant education (ESEA IV-D)	D	29,462	38,992	38,992	0	0.0%
Total		213,097	227,431	253,992	26,561	11.7%
Outlays		*124,778*	*257,449*	*248,858*	*(8,591)*	*-3.3%*
TOTAL, OBEMLA		213,097	227,431	253,992	26,561	11.7%

[1] *This amount was transferred in 1993 to the Student Financial Assistance account to be applied to the Federal Pell Grants shortfall.*

[2] *Adjusted for comparability. Excludes $4,156 thousand in 1993 and 1994 for the Academic Excellence program which is proposed in 1995 under Support Services.*

[3] *Adjusted for comparability. Includes $4,156 thousand in 1993 and 1994 for the Academic Excellence program which was provided under Instructional Services; excludes $1,624 thousand in 1993 and $1,700 thousand in 1994 for Evaluation and Assistance Centers, which are consolidated in 1995 with other ESEA technical assistance activities and proposed under the School Improvement Programs account.*

[4] *Adjusted for comparability. Excludes $11,024 thousand in 1993 and 1994 for Multifunctional Resource Centers, which are consolidated in 1995 with other ESEA technical assistance activities and proposed under the School Improvement Programs account.*

NOTE: All fiscal year 1995 amounts for programs authorized under the Elementary and Secondary Education Act are requested under proposed legislation.

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES (OSERS)						
Special Education						
1. State grants:						
(a) Grants to States (IDEA-B-611):						
(1) Base...	D	2,052,728	2,149,686	2,270,154	120,468	5.6%
(2) Chapter 1 handicapped offset....................	D	0	0	82,878	82,878	---
Subtotal.....................		2,052,728	2,149,686	2,353,032	203,346	9.5%
(b) Chapter 1 handicapped program (ESEA I Chapter 1, Part D, subpart 2)..............................	D	126,394	116,878	0	(116,878)	-100.0%
(c) Preschool grants (IDEA-B-619)......................	D	325,773	339,257	367,268	28,011	8.3%
(d) Grants for infants and families (IDEA-H-686):						
(1) Base...	D	213,280	253,152	291,125	37,973	15.0%
(2) Chapter 1 handicapped offset....................	D	0	0	34,000	34,000	---
Subtotal.....................		213,280	253,152	325,125 [1]	71,973	28.4%
Subtotal.....................		2,718,175	2,858,973	3,045,425	186,452	6.5%
2. Special purpose funds:						
(a) Deaf-blindness (IDEA-C-622)........................	D	12,832	12,832	12,832	0	0.0%
(b) Serious emotional disturbance (IDEA-C-627)..........	D	4,147	4,147	4,147	0	0.0%
(c) Severe disabilities (IDEA-C-624)....................	D	9,330	9,330	10,030	700	7.5%
(d) Early childhood education (IDEA-C-623).............	D	25,167	25,167	25,167	0	0.0%
(e) Secondary and transitional services (IDEA-C-626)....	D	21,966	21,966	23,966	2,000	9.1%
(f) Postsecondary education (IDEA-C-625)...............	D	8,839	8,839	8,839	0	0.0%
(g) Innovation and development (IDEA-E)................	D	20,635	20,635	19,885	(750)	-3.6%
(h) Media and captioning services (IDEA-F).............	D	17,892	18,642	17,642	(1,000)	-5.4%
(i) Technology applications(IDEA-G)....................	D	10,862	10,862	10,362	(500)	-4.6%
(j) Special studies (IDEA-B-618).......................	D	3,855	3,855	4,355	500	13.0%
(k) Personnel development (IDEA-D-631(a)(b)(c) and 632).	D	90,122	91,339	89,589	(1,750)	-1.9%
(l) Parent training (IDEA-D-631(d)).....................	D	12,400	12,735	13,535	800	6.3%
(m) Clearinghouses (IDEA-D-633)........................	D	2,162	2,162	2,162	0	0.0%
(n) Regional resource centers (IDEA-C-621).............	D	7,218	7,218	7,218	0	0.0%
Subtotal.....................		247,427	249,729	249,729	0	0.0%
Total...............................		2,965,602	3,108,702	3,295,154	186,452	6.0%
Outlays....................		*2,564,070*	*3,603,794*	*3,273,854*	*(329,940)*	*-9.2%*

[1] *Obligation of funds would be delayed until September 30, 1995.*

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
Rehabilitation Services and Disability Research						
1. Vocational rehabilitation State grants:						
(a) Grants to States (RA I-A and B, sections 110 and 111)	M	1,873,476	1,967,630	2,020,999	53,369	2.7%
(b) Grants for Indians (RA I-D)	M	6,203	6,515	8,422	1,907	29.3%
Subtotal		1,879,679	1,974,145	2,029,421	55,276	2.8%
2. Client assistance State grants (RA I section 112)	M	9,296	9,547	9,824	277	2.9%
3. Training (RA III section 302 and RA VIII section 803)	M	39,629	39,629	39,629	0	0.0%
4. Special demonstration programs (RA III section 311 (a), (b), (e) and RA VIII section 802)	M	19,942	19,942	21,942	2,000	10.0%
5. Supported employment projects (RA III section 311(c))	M	10,616	10,616	10,616	0	0.0%
6. Migratory workers (RA III section 312)	M	1,171	1,171	1,421	250	21.3%
7. Recreational programs (RA III section 316)	M	2,596	2,596	2,596	0	0.0%
8. Protection and advocacy of individual rights (RA V, section 509)	M	2,480	5,500	5,500	0	0.0%
9. Projects with industry (RA VI-B)	M	21,571	22,071	22,071	0	0.0%
10. Supported employment State grants (RA VI, Part C)	M	32,273	34,536	37,403	2,867	8.3%
11. Independent living (RA VII):						
(a) State grants (Chapter 1, Part B)	M	15,376	18,003	18,525	522	2.9%
(b) Centers (Chapter 1, Part C)	M	31,446	36,818	39,068	2,250	6.1%
(c) Services for older blind individuals (Chapter 2)	M	6,944	8,131	8,131	0	0.0%
12. Evaluation (RA section 14)	M	1,810	1,600	1,600	0	0.0%
13. Helen Keller National Center for Deaf-Blind Youths and Adults (Pub.L. 98-221)	M	6,564	6,741	6,936	195	2.9%
14. National Institute on Disability and Rehabilitation Research (RA II)	M	67,238	68,146	66,146	(2,000)	-2.9%
15. Technology assistance (Pub.L. 100-407)	M	34,068	37,744	40,744	3,000	7.9%
Total		2,182,699	2,296,936	2,361,573	64,637	2.8%
Total, discretionary	D	0	0	0	0	---
Total, mandatory baseline	M	2,182,699	2,296,936	2,361,573	64,637	2.8%
Outlays, discretionary		*0*	*0*	*0*	*0*	---
Outlays, mandatory baseline		*1,983,848*	*2,396,903*	*2,476,033*	*79,130*	*3.3%*

NOTE: Funds in this account are classified primarily as Mandatory under the rules specified in the Budget Enforcement Act of 1990. The excess over the total baseline estimate for each year is classified as discretionary.

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	 Percent
American Printing House for the Blind						
(20 U.S.C. 101 et seq.)	D	6,298	6,463	6,680	217	3.4%
Outlays		*7,774*	*6,414*	*6,667*	*253*	*3.9%*
National Technical Institute for the Deaf						
1. Operations (EDA-I-B)	D	40,026	41,307	42,705	1,398	3.4%
2. Endowment grant (EDA-II-207)	D	336	336	336	0	0.0%
3. Construction (EDA-I-112)	D	351	193	150	(43)	-22.3%
Total		40,713	41,836	43,191	1,355	3.2%
Outlays		*53,849*	*42,279*	*43,024*	*745*	*1.8%*
Gallaudet University						
1. University programs (EDA-I-A)	D	51,056	52,715	54,244	1,529	2.9%
2. Precollege programs (EDA-I-A)	D	23,096	23,720	24,786	1,066	4.5%
3. Endowment grant (EDA-II-207)	D	982	1,000	1,000	0	0.0%
4. Construction (EDA-I-103)	D	2,455	1,000	0	(1,000)	-100.0%
Total		77,589	78,435	80,030	1,595	2.0%
Outlays		*89,036*	*78,319*	*80,479*	*2,160*	*2.8%*
TOTAL, OSERS		5,272,901	5,532,372	5,786,628	254,256	4.6%
Total, discretionary	D	3,090,202	3,235,436	3,425,055	189,619	5.9%
Total, mandatory	M	2,182,699	2,296,936	2,361,573	64,637	2.8%

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
OFFICE OF VOCATIONAL AND ADULT EDUCATION (OVAE)						
Vocational and Adult Education						
1. Vocational education (Carl D. Perkins VATEA):						
(a) Basic grants:						
(1) Basic State grants (Title II)...................	D	955,676	955,566	955,771	205	0.0%
(2) Territorial set-aside (section 101A)............	D	2,009	2,022	1,998	(24)	-1.2%
(3) Indian and Hawaiian natives set-aside (sec. 103)	D	15,065	15,162	14,981	(181)	-1.2%
Subtotal......................		972,750	972,750	972,750	0	0.0%
(b) Community-based organizations (Title III-A).........	D	11,785	11,785	0	(11,785)	-100.0%
(c) Consumer and homemaking education (Title III-B).....	D	34,720	34,720	0	(34,720)	-100.0%
(d) Tech-prep education (Title III-E)..................	D	104,123	104,123	114,123	10,000	9.6%
(e) Tribally controlled postsecondary vocational institutions (Title III-H).....................	D	2,946	2,946	3,000	54	1.8%
(f) State councils (section 112).......................	D	8,928	8,928	9,000	72	0.8%
(g) National programs:						
(1) Research (Title IV-A)..........................	D	9,662	9,662	8,000	(1,662)	-17.2%
(2) Demonstrations (Title IV-B)....................	D	16,705	23,455	13,000	(10,455)	-44.6%
(3) Data systems (Title IV-C, section 422)..........	D	4,960	4,960	5,000	40	0.8%
Subtotal......................		31,327	38,077	26,000	(12,077)	-31.7%
(h) Bilingual vocational training (Title IV-E)..........	D	2,946	2,946	0	(2,946)	-100.0%
Subtotal, annual...............		1,169,525	1,176,275	1,124,873	(51,402)	-4.4%
(i) Permanent appropriation (Smith-Hughes Act):						
(1) Basic grants..................................	M	6,848	6,848	6,848	0	0.0%
(2) Territorial set-aside..........................	M	14	14	14	0	0.0%
(3) Indian and Hawaiian natives set-aside...........	M	107	107	107	0	0.0%
(4) Research.......................................	M	179	179	179	0	0.0%
Subtotal, permanent...........		7,148	7,148	7,148	0	0.0%
Subtotal, vocational education.		1,176,673	1,183,423	1,132,021	(51,402)	-4.3%

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
Vocational and Adult Education (continued)						
2. Adult education:						
(a) State programs (AEA-B)............................	D	254,624	254,624	267,000	12,376	4.9%
(b) National programs:						
(1) Evaluation and technical assistance (sections 383 and 384(a) and (b))...........	D	3,928	3,928	4,000	72	1.8%
(2) National Institute for Literacy (section 384(c))	D	4,909	4,909	5,000	91	1.9%
Subtotal......................		8,837	8,837	9,000	163	1.8%
(c) State literacy resource centers (AEA-B-7)...........	D	7,857	7,857	7,857	0	0.0%
(d) Workplace literacy partnerships (AEA-C section 371).	D	18,906	18,906	24,000	5,094	26.9%
(e) Literacy training for homeless adults (SBMHAA VII-A)	D	9,584	9,584	9,584	0	0.0%
(f) Literacy programs for prisoners (National Literacy Act Title VI, section 601).....................	D	4,910	5,100	5,100	0	0.0%
Subtotal......................		304,718	304,908	322,541	17,633	5.8%
Subtotal, annual..............		1,474,243	1,481,183	1,447,414	(33,769)	-2.3%
Subtotal, permanent...........		7,148	7,148	7,148	0	0.0%
Total............................		1,481,391	1,488,331	1,454,562	(33,769)	-2.3%
TOTAL, OVAE..		1,481,391	1,488,331	1,454,562	(33,769)	-2.3%
Total, discretionary..................................	D	1,474,243	1,481,183	1,447,414	(33,769)	-2.3%
Total, mandatory......................................	M	7,148	7,148	7,148	0	0.0%
Outlays, mandatory.........		*5,443*	*6,261*	*6,605*	*344*	*5.5%*
Outlays, discretionary.....		*1,185,006*	*1,310,981*	*1,366,672*	*55,691*	*4.2%*

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
OFFICE OF POSTSECONDARY EDUCATION (OPE)						
Student Financial Assistance						
1. Federal Pell grants (HEA IV-A-1):						
(a) Regular program..................................	D	5,787,568 [1]	6,303,566 [2]	6,393,020	89,454	1.4%
(b) Funding for shortfall............................	D	671,237 [3]	250,000	118,000	(132,000)	-52.8%
Subtotal.....................		6,458,805	6,553,566	6,511,020	(42,546)	-0.6%
(c) Benefits for participants in Operation Desert Shield/Storm (Pub.L. 102-25 section 372).......	D	3,165 [4]	3,165 [4]	3,165 [4]	0	0.0%
Subtotal.....................		6,461,970	6,556,731	6,514,185	(42,546)	-0.6%
2. Campus-based grants:						
(a) Federal supplemental educational opportunity grants (HEA IV-A-3)..................................	D	583,407 [5]	583,407	583,407	0	0.0%
(b) Federal work-study (HEA IV-C).....................	D	616,508 [5]	616,508	716,508	100,000	16.2%
Subtotal.....................		1,199,915	1,199,915	1,299,915	100,000	8.3%
3. Federal Perkins loans (HEA IV-E):						
(a) Capital contributions............................	D	165,780 [5]	158,000	0	(158,000)	-100.0%
(b) Loan cancellations...............................	D	14,880	15,000	18,000	3,000	20.0%
Subtotal.....................		180,660	173,000	18,000	(155,000)	-89.6%
4. State student incentive grants (HEA IV-A-4)............	D	72,429 [5]	72,429	0	(72,429)	-100.0%
5. State postsecondary review program (HEA IV-H-1)........	D	5,300 [5]	21,250	35,000	13,750	64.7%
Total...........................		7,920,274	8,023,325	7,867,100	(156,225)	-1.9%
Outlays....................		*7,678,293*	*7,420,623*	*7,438,506*	*17,883*	*0.2%*

[1] *Includes $30,000 thousand provided in the fiscal year 1993 Emergency Supplemental Appropriations for Relief from Major, Widespread Flooding in the Midwest.*

[2] *Excludes a supplemental of $80,000 thousand to assist victims of the California earthquake of January 17, 1994.*

[3] *Includes $90,115 thousand transferred in fiscal year 1993 from funds appropriated in fiscal year 1992 in the Educational Excellence account and a 1993 supplemental of $341,000 thousand.*

[4] *Appropriated by transfer from the Department of Defense pursuant to Public Law 102-27, the Dire Emergency Supplemental Appropriations Act of 1991.*

[5] *Reflects a reprogramming of $5,300 thousand to the State Postsecondary Review Program as follows: $1,873 thousand from Federal Supplemental Educational Opportunity Grants, $441 thousand from Federal Work-Study, $2,860 thousand from Federal Perkins Loans Capital Contributions, and $128 thousand from State Student Incentive Grants.*

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Percent
Federal Family Education Loans (Liquidating)						
1. Family education loans (HEA IV-B):						
(a) Program costs (permanent authority)................	M	3,085,101	1,586,807	786,106	(800,701)	-50.5%
(b) Sallie Mae debt retirement.........................	M	(30,000)	(2,030,000)	(30,000)	2,000,000	-98.5%
(c) Benefits for participants in Operation Desert Shield/Storm (Pub.L. 102-25 section 372) (Appropriation--non-add).......................	M	2,262 [1]	506 [1]	506 [1]	0	0.0%
Total, FFEL (Liquidating) (permanent authority).........		3,055,101	(443,193)	756,106	1,199,299	-270.6%
(Appropriation--non-add)..........		2,262	506	506	0	0.0%
Outlays....................		*3,202,901*	*(552,129)*	*881,989*	*1,434,118*	*-259.7%*
Federal Family Education Loan Program						
1. Family education loans (HEA IV-B):						
(a) Loan subsidies (permanent authority)................	M	2,656,596	2,461,865	1,843,925	(617,940)	-25.1%
(b) Mandatory administrative expenses for pre-1992 and 1992 loans (permanent authority)................	M	53,154	0	0	0	---
Subtotal, Family education loans..		2,709,750	2,461,865	1,843,925	(617,940)	-25.1%
2. Federal administration (FCRA section 505(e))............	D	60,487	72,466 [2]	64,588 [3]	(7,878)	-10.9%
Total, FFEL Program..............		2,770,237	2,534,331	1,908,513	(625,818)	-24.7%
Outlays, discretionary.....		*60,487*	*48,063*	*65,339*	*17,276*	*35.9%*
Outlays, mandatory.........		*2,291,532*	*2,415,591*	*1,840,687*	*(574,904)*	*-23.8%*
Total, FFEL......................		5,825,338	2,091,138	2,664,619	573,481	27.4%
Total, discretionary..........	D	60,487	72,466	64,588	(7,878)	-10.9%
Total, mandatory..............	M	5,764,851	2,018,672	2,600,031	581,359	28.8%

[1] *Appropriated by transfer from the Department of Defense pursuant to Public Law 102-27, the Dire Emergency Supplemental Appropriations Act of 1991.*

[2] *Does not reflect a reduction of $2,500 thousand for the Federal Family Education Loan Program's share of an $8,500 thousand rescission in salaries and expenses and administrative costs.*

[3] *Administrative costs related to collections on defaulted loans received from guarantee agencies will be funded as transition expenses under the Federal Direct Student Loan Program account.*

Notes: Mandatory administrative expenses for loans made after 1992 are included in the subsidy costs.
Mandatory amounts for fiscal year 1993 reflect end-of-year amounts reported to Treasury.

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	 Percent
Federal Direct Student Loan Program (HEA IV-D)						
1. New loan subsidies (section 451) (permanent authority)..	M	0	38,429	348,630	310,201	807.2%
2. Federal administration (section 458) (permanent authority)......................................	M	10,000	260,000	345,000	85,000	32.7%
Total.........................		10,000	298,429	693,630	395,201	132.4%
Outlays....................		*10,000*	*153,905*	*474,255*	*320,350*	*208.1%*

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
Higher Education						
1. Aid for institutional development (HEA III):						
(a) Strengthening institutions (Part A).................	D	86,257	88,586	88,586	0	0.0%
(b) Strengthening HBCUs (Part B section 323)...........	D	98,208	100,860	106,295	5,435	5.4%
(c) Strengthening historically black graduate institutions (Part B section 326)...............	D	11,501	15,859	15,859	0	0.0%
(d) Endowment challenge grants (Part C section 331):						
(1) Endowment grants..............................	D	5,525	5,674	5,674	0	0.0%
(2) HBCU set-aside................................	D	1,841	1,891	1,891	0	0.0%
Subtotal.....................		7,366	7,565	7,565	0	0.0%
(e) Evaluation..	D	0	0	1,500	1,500	---
Subtotal, Title III..........		203,332	212,870	219,805	6,935	3.3%
2. Program development:						
(a) Fund for the Improvement of Postsecondary Education (HEA X-A).....................................	D	15,872 [1]	16,872 [2,3]	20,326 [4]	3,454	20.5%
(b) Eisenhower leadership program (HEA X-D).............	D	3,472 [5]	4,000	0	(4,000)	-100.0%
(c) Minority teacher recruitment (HEA V-E-2)............	D	2,480 [5]	2,480	2,480	0	0.0%
(d) Minority science improvement (HEA X-B-1)............	D	5,892	5,892	5,892	0	0.0%
(e) Innovative projects for community service (HEA XI-B-1)..................................	D	1,436	1,436	2,436	1,000	69.6%
(f) Student literacy and mentoring corps (HEA XI-B-2)...	D	5,270	0	0	0	---
(g) International education and foreign language studies:						
(1) Domestic programs (HEA VI-A and B)..............	D	49,283 [6]	52,283	52,283	0	0.0%
(2) Overseas programs (Fulbright-Hays Act section 102(b)(6))...........................	D	5,843	5,843	5,843	0	0.0%
(3) Institute for International Public Policy (HEA VI-C)................................	D	0	1,000	1,000	0	0.0%
Subtotal.....................		55,126	59,126	59,126	0	0.0%

[1] *Adjusted for comparability. Excludes $4,960 thousand for Training in Early Childhood Education and Violence Counseling, which is shown in the School Improvement Programs account.*

[2] *Adjusted for comparability. Excludes $500 thousand for the Student Financial Aid Database and Information Line, which is proposed in 1995 as a separate activity in the Higher Education account.*

[3] *Includes $700 thousand for a study of civil aviation training programs, authorized under title XIV, section 1410, and $1,000 thousand for demonstration grants for critical language and area studies, authorized under title V, section 586.*

[4] *Includes $1,000 thousand for demonstration grants for critical language and area studies, authorized under title V, section 586.*

[5] *This amount was included in the total funds provided for the Fund for the Improvement of Postsecondary Education.*

[6] *Adjusted for comparability. Includes $13,749 thousand: $12,767 thousand for the Foreign Language and Area Studies Fellowships program, which was provided in 1993 with other graduate fellowship programs in this account; and $982 thousand for Foreign Periodicals, which was appropriated separately in 1993.*

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Percent
Higher Education (continued)						
(h) Cooperative education (HEA VIII)	D	13,749	13,749	0	(13,749)	-100.0%
(i) Law school clinical experience (HEA IX-G)	D	9,920	14,920	0	(14,920)	-100.0%
(j) Urban community service (HEA XI-A)	D	9,424	10,606	10,606	0	0.0%
(k) Student financial aid database and information line (HEA IV-A-Chapter 5)	D	0	500 [1]	500	0	0.0%
3. Interest subsidy grants (HEA VII section 702)	D	18,689	18,029	17,512	(517)	-2.9%
4. Special grants:						
(a) Assistance to Guam (HEA XII section 1204c)	D	397	397	0	(397)	-100.0%
(b) Robert A. Taft Institute of Government, New York City (Pub.L. 96-374 XIII-H-1 section 1371)	D	319	0	0	0	---
5. Aid to students:						
(a) Federal TRIO programs (HEA IV-A-2, Chapter 1)	D	388,048	418,525	436,371	17,846	4.3%
(b) National early intervention scholarships and partnerships (HEA IV-A-2, Chapter 2)	D	0	1,875	0	(1,875)	-100.0%
(c) Scholarships:						
(1) Byrd honors scholarships (HEA IV-A-6)	D	9,470	19,294	29,117	9,823	50.9%
(2) National science scholars (EMSEEA VI-A)	D	4,464	4,464	4,464	0	0.0%
(3) National Academy of Science, Space, and Technology (EMSEEA VI-C)	D	2,161	0	0	0	---
(4) Douglas teacher scholarships (HEA V-C-1)	D	14,731	14,731	14,731	0	0.0%
(5) Teacher corps (HEA V-C-3)	D	0	1,875	0	(1,875)	-100.0%
Subtotal		30,826	40,364	48,312	7,948	19.7%
(d) Graduate fellowships:						
(1) Women and minority participation in graduate education (HEA IX-A)	D	5,846	5,846	0	(5,846)	-100.0%
(2) Harris fellowships (HEA IX-B)	D	20,427	20,427	20,427	0	0.0%
(3) Javits fellowships (HEA IX-C)	D	7,857	7,857	7,857	0	0.0%
(4) Graduate assistance in areas of national need (HEA IX-D)	D	27,498	27,498	27,498	0	0.0%
(5) Faculty development fellowships (Title IX-E)	D	0	3,500	3,500	0	0.0%
Subtotal		61,628	65,128	59,282	(5,846)	-9.0%
(e) School, college and university partnerships (HEA I-A)	D	3,928	3,928	3,928	0	0.0%
(f) Legal training for the disadvantaged (HEA IX-F)	D	2,991	2,991	2,991	0	0.0%
Total		832,799	893,688	889,567	(4,121)	-0.5%
Outlays		*1,041,582*	*880,673*	*851,638*	*(29,035)*	*-3.3%*

[1] *Adjusted for comparability. Funds were provided under the Fund for the Improvement of Postsecondary Education in this account.*

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
Howard University						
1. Academic program (20 U.S.C. 123)	D	150,764	154,835	154,835	0	0.0%
2. Endowment program (Pub.L. 98-480)	D	3,351	3,441	3,530	89	2.6%
3. Research (20 U.S.C. 123)	D	4,533	4,655	4,776	121	2.6%
4. Howard University Hospital (20 U.S.C. 128)	D	28,973	29,755	29,755	0	0.0%
Subtotal		187,621	192,686	192,896	210	0.1%
5. Construction (20 U.S.C. 123)	D	6,384	0	0	0	---
Total		194,005	192,686	192,896	210	0.1%
Outlays		*264,354*	*208,149*	*196,402*	*(11,747)*	*-5.6%*
Higher Education Facilities Loans (HEA VII-C)	M	0[1]	0[1]	0[1]	0	---
Outlays		*(2,976)*	*(5,720)*	*(4,784)*	*936*	*-16.4%*
College Housing and Academic Facilities Loans (Liquidating)						
1. Interest subsidy payments (HEA VII-C) (permanent authority)	M	0	5,885	5,484	(401)	-6.8%
Total, CHAFL (Liquidating)		0	5,885	5,484	(401)	-6.8%
Outlays		*12,524*	*33,559*	*11,982*	*(21,577)*	*-64.3%*
College Housing and Academic Facilities Loans Program						
1. Loan subsidies (HEA VII-C)	D	2,973	0	0	0	---
(Loan limitation--non-add)	D	29,465	0	0	0	---
2. Federal administration (FCRA section 505(e))	D	727	730	1,023	293	40.1%
Total, CHAFL program		3,700	730	1,023	293	40.1%
Total, CHAFL		3,700	6,615	6,507	(108)	-1.6%
Outlays		*727*	*1,113*	*3,988*	*2,875*	*258.3%*

[1] *No loan authority. All operating costs paid from offsetting collections.*

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
College Housing Loans (HEA VII-C)	M	0[1]	0[1]	0[1]	0	---
Outlays		*(41,607)*	*(25,645)*	*(31,950)*	*(6,305)*	*24.6%*
Historically Black College and University Capital Financing Program (HEA VII-B)						
1. Federal administration (FCRA section 505(e))	D	0	200	350	150	75.0%
Total		0	200	350	150	75.0%
Outlays		*0*	*151*	*267*	*116*	*76.8%*
TOTAL, OPE		14,786,116	11,506,081	12,314,669	808,588	7.0%
Total, discretionary	D	9,011,265	9,183,095	9,015,524	(167,571)	-1.8%
Total, mandatory	M	5,774,851	2,322,986	3,299,145	976,159	42.0%

[1] *No loan authority. All operating costs paid from offsetting collections.*

NOTE: In the Historically Black College and University Capital Financing Program account, the total amount of bonds insured is limited to $357 million. Proceeds from the bonds (minus certain expenses) will be used to make loans.

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT (OERI)						
Education Research, Statistics, and Improvement						
1. Research (GEPA 405)	D	73,984	78,000	88,000	10,000	12.8%
2. Statistics (GEPA 406)	D	48,588	48,588	64,000	15,412	31.7%
3. Assessment (GEPA 406)	D	29,262	29,262	39,200	9,938	34.0%
4. Fund for the Improvement of Education (proposed legislation)	D	28,008	36,963	35,000	(1,963)	-5.3%
5. Fund for the Improvement and Reform of Schools and Teaching (Pub.L. 100-297):						
(a) Grants for schools and teachers (section 3211)	D	5,396	5,396	0	(5,396)	-100.0%
(b) Family-school partnerships (section 3221)	D	3,687	3,687	0	(3,687)	-100.0%
Subtotal		9,083	9,083	0	(9,083)	-100.0%
6. Eisenhower professional development Federal activities:						
(a) Eisenhower professional development Federal activities (proposed legislation)	D	0	0	48,000	48,000	---
(b) Eisenhower mathematics and science education:						
(1) National programs (ESEA II-A-1 section 2012)	D	15,872	16,072	0	(16,072)	-100.0%
(2) Regional consortia (ESEA II-A-2)	D	13,590	13,871	0	(13,871)	-100.0%
(c) National Board for Professional Teaching Standards (HEA V-D-1)	D	4,792	4,792	0	(4,792)	-100.0%
Subtotal		34,254	34,735	0	(34,735)	-100.0%
Subtotal		34,254	34,735	48,000	13,265	38.2%
7. Blue ribbon schools (ESEA section 1566)	D	879	879	0 [1]	(879)	-100.0%
8. Javits gifted and talented education (ESEA IV-B)	D	9,607	9,607	10,000	393	4.1%
9. Star schools (EESA IX)	D	22,777	25,944	25,944	0	0.0%
10. Educational partnerships (Pub.L. 100-418 section 6041)	D	4,136	0	0	0	---
11. Territorial teacher training (ESEA IV-E section 4502)	D	1,737	1,737	0	(1,737)	-100.0%
12. National writing project (Pub.L. 102-62 Title II)	D	3,212	3,212	0	(3,212)	-100.0%
13. Ready to learn television (ESEA IV-G)	D	0	0	10,000	10,000	---
Total		265,527 [2]	278,010 [2]	320,144	42,134	15.2%
Outlays		*232,165*	*316,417*	*308,291*	*(8,126)*	*-2.6%*

[1] *Recognition activities will be authorized under the proposed Fund for the Improvement of Education which will replace the Fund for Innovation in Education.*

[2] *Adjusted for comparability. Excludes $14,582 thousand in 1993 and 1994 for the National Diffusion Network, which is consolidated in 1995 with other ESEA technical assistance activities and proposed under the School Improvement Programs account.*

NOTE: All fiscal year 1995 amounts for programs authorized under the Elementary and Secondary Education Act are requested under proposed legislation.

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
Libraries						
1. Public library services (LSCA I):						
(a) State grants	D	81,562	81,562	81,562	0	0.0%
(b) Indian and native Hawaiian set-aside	D	1,665	1,665	1,665	0	0.0%
Subtotal		83,227	83,227	83,227	0	0.0%
2. Public library construction (LSCA II):						
(a) State grants	D	16,253	17,436	0	(17,436)	-100.0%
(b) Indian and native Hawaiian set-aside	D	331	356	0	(356)	-100.0%
Subtotal		16,584	17,792	0	(17,792)	-100.0%
3. Interlibrary cooperation (LSCA III):						
(a) State grants	D	19,354	19,354	19,354	0	0.0%
(b) Indian and native Hawaiian set-aside	D	395	395	395	0	0.0%
Subtotal		19,749	19,749	19,749	0	0.0%
4. Foreign language materials (LSCA V)	D	968	0	0	0	---
5. Library literacy programs (LSCA VI)	D	8,098	8,098	0	(8,098)	-100.0%
6. College library technology (HEA II-A)	D	3,873	3,873	0	(3,873)	-100.0%
7. Library education and training (HEA II-B section 222)	D	4,960	4,960	0	(4,960)	-100.0%
8. Research and demonstrations (HEA II-B section 223)	D	2,802	2,802	0	(2,802)	-100.0%
9. Research libraries (HEA II-C)	D	5,808	5,808	0	(5,808)	-100.0%
Total		146,069	146,309	102,976	(43,333)	-29.6%
Outlays		*181,219*	*166,104*	*142,716*	*(23,388)*	*-14.1%*
TOTAL, OERI		411,596	424,319	423,120	(1,199)	-0.3%

(in thousands of dollars) Office, Account, Program and Activity	Category Code	1993 Appropriation	1994 Estimate	1995 Estimate	Change from 1994 Estimate Amount	Change from 1994 Estimate Percent
DEPARTMENTAL MANAGEMENT						
Program Administration (DEOA, section 202)....................	D	304,899	352,008[1]	367,800	15,792	4.5%
Outlays....................		*271,120*	*364,853*	*370,681*	*5,828*	*1.6%*
Office for Civil Rights (DEOA, section 203)....................	D	56,402	56,570	61,700	5,130	9.1%
Outlays....................		*52,184*	*73,923*	*58,998*	*(14,925)*	*-20.2%*
Office of the Inspector General (DEOA, section 212)........	D	29,262	28,840	31,800	2,960	10.3%
Outlays....................		*30,186*	*30,381*	*30,829*	*448*	*1.5%*
TOTAL, DEPARTMENTAL MANAGEMENT..............................		390,563	437,418	461,300	23,882	5.5%
Contributions..	M	4	35	0	(35)	-100.0%
Outlays....................		*(14)*	*1*	*23*	*22*	*2200.0%*
Receipts:						
1. Proprietary receipts....................................	M	(64,281)	(48,424)	(43,975)	4,449	-9.2%
2. FFEL Program account downward reestimate (includes interest)..............................	M	(123,686)	(93,432)	0	93,432	-100.0%
Total............................		(187,967)	(141,856)	(43,975)	97,881	-69.0%
Outlays....................		*(187,967)*	*(141,856)*	*(43,975)*	*97,881*	*-69.0%*
Chicago litigation outlays....................................		*15,125*	*17,971*	*7,672*	*(10,299)*	*-57.3%*
BUDGET AUTHORITY TOTAL, EDUCATION DEPARTMENT................		31,470,540	28,839,301	31,684,125[2]	2,844,824	9.9%
Budget Authority, Discretionary........................	D	23,693,805	24,354,052	26,060,234[2]	1,706,182	7.0%
Budget Authority, Mandatory............................	M	7,776,735	4,485,249	5,623,891	1,138,642	25.4%
OUTLAYS TOTAL, EDUCATION DEPARTMENT.....................		*30,290,191*	*28,737,885*	*29,656,609*	*918,724*	*3.2%*
Outlays, Discretionary..................................	*D*	*23,016,507*	*24,457,015*	*24,045,744*	*(411,271)*	*-1.7%*
Outlays, Mandatory......................................	*M*	*7,273,684*	*4,280,870*	*5,610,865*	*1,329,995*	*31.1%*

[1] *Does not reflect a reduction of $6,000 thousand for Program Administration's share of an $8,500 thousand rescission in salaries and expenses and administrative costs.*

[2] *Does not reflect a total reduction of $7,927 thousand for the Department's share of government-wide savings proposed in budget amendments transmitted on March 15 and 16, 1994, as follows: $6,227 thousand in procurement and procurement-related expenses that would otherwise be available among the Department's accounts authorized to incur such expenses, and $1,700 thousand in rental payments paid to the General Services Administration.*

NOTE: Amounts for receipts reflect current estimate.