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HIGHER EDUCATION

Divider Title: _____

Department of Education
HIGHER EDUCATION
Fiscal Year 2001 Budget Request

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HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, section 121 and titles II, III, IV, V, VI, VII, and VIII of the Higher Education Act of 1965, as amended, and the Mutual Educational and Cultural Exchange Act of 1961; [\$1,533,659,000] \$1,755,973,000, of which [\$12,000,000] \$10,000,000 for interest subsidies authorized by section 121 of the Higher Education Act of 1965, shall remain available until expended:¹ *Provided*, That [of the funds available for part A, subpart 2 of title VII of the Higher Education Act of 1965, \$10,000,000 shall be available to fund awards for academic year 2000-2001, and]² \$10,000,000 to remain available through September 30, [2001] 2002, shall be available to fund [awards for academic year 2001-2002, for] fellowships for academic year 2002-2003 under part A, subpart 1 of title VII of said Act, under the terms and conditions of part A, subpart 1:³ [*Provided further*, That section 852(b)(1) of the Higher Education Amendments of 1998 is amended--(1) in the matter preceding subparagraph (A), by striking "14" and inserting "16"; (2) in subparagraph (E), by striking "and" after the semicolon; (3) in subparagraph (F), by striking the period and inserting a semicolon; and (4) by adding at the end the following: "(G) one member shall be appointed by the Chairperson of the Committee on Health, Education, Labor, and Pensions of the Senate from among members of the Senate; and "(H) one member shall be appointed by the Chairperson of the Committee on Education and the Workforce of the House of Representatives from among members of the House of Representatives." :]⁴ [*Provided further*, That the matter preceding paragraph (1) of section 853(b) of the Higher Education Amendments of 1998 is amended by striking "6 months" and inserting "12 months":]⁵ [*Provided further*, That the amounts provided under this heading in division A, section 101(f) of Public Law 105-277 for the Web-Based Education Commission, authorized by part J of title VIII of the Higher Education Amendments of 1998, shall remain available through September 30, 2000:]⁶ *Provided further*, That \$3,000,000 is for data collection and evaluation activities for programs under the Higher Education Act of 1965, including such activities needed to comply with the Government Performance and Results

Act of 1993:⁷ *Provided further*, That of the funds available for title IV, part A, subpart 8 of the Higher Education Act of 1965 and notwithstanding any other provision of law, \$3,000,000 shall be awarded to the University of South Florida for a distance learning program, \$190,000 shall be awarded to the New York Global Communication Center in West Islip, New York for a distance learning program, \$2,000,000 shall be awarded to the Alliance for Technology, Learning and Society (ATLAS) at the University of Colorado for technology-enhanced learning, \$2,500,000 shall be awarded to the Illinois Community College Board to develop a systemwide, on-line virtual degree program for the community college system in Illinois, and \$1,250,000 shall be made available to the University of Idaho Interactive Learning Environments to develop and improve Internet-based delivery of education programs]⁸ *Provided further*, That section 404F(a) of the Higher Education Amendments of 1998 is amended by striking out “using funds appropriated under section 404H that do not exceed \$200,000” and inserting in lieu thereof “using not more than 0.2 percent of the funds appropriated pursuant to section 404H”.⁹

GENERAL PROVISIONS

[SEC. 309. Of the funds provided in title III of this Act, under the heading “Higher Education”, for title VII, part B of the Higher Education Act of 1965, \$250,000 shall be awarded to the Snelling Center for Government at the University of Vermont for a model school program, \$750,000 shall be awarded to Texas A&M University, Corpus Christi, for operation of the Early Childhood Development Center, \$1,000,000 shall be awarded to Southeast Missouri State University for equipment and curriculum development associated with the University’s Polytechnic Institute, \$800,000 shall be awarded to the Washington Virtual Classroom Consortium to develop, equip and implement an ecosystem curriculum, \$500,000 shall be provided to the Puget Sound Center for Technology for faculty development activities for the use of technology in the classroom, \$500,000 shall be awarded to the Center for the Advancement of Distance Education in Rural America, \$3,000,000, to be available until expended, shall be awarded to the University Center of Lake County, Illinois and \$1,000,000, to

be available until expended, shall be awarded to the Oregon University System for activities authorized under title III, part A, section 311(c)(2), of the Higher Education Act of 1965, as amended, \$500,000 shall be awarded to Columbia College Illinois for a freshman retention program, \$1,500,000 shall be awarded to the University of Hawaii at Manoa for a Globalization Research Center, \$2,000,000 shall be awarded to the University of Arkansas at Pine Bluff for technology infrastructure, \$1,000,000 shall be awarded to the I Have a Dream Foundation, \$1,000,000 shall be awarded to a demonstration program for activities authorized under part G of title VIII of the Higher Education Act of 1965, as amended, \$3,000,000 shall be awarded to the Daniel J. Evans School of Public Policy at the University of Washington, \$200,000 shall be awarded to North Dakota State University for the Career Program for Dislocated Farmers and Ranchers, \$350,000 shall be awarded to North Dakota State University for the Tech-based Industry Traineeship Program, \$3,000,000 shall be awarded to Washington State University for the Thomas S. Foley Institute to support programs in congressional studies, public policy, voter education, and to ensure community access and outreach, \$200,000 shall be awarded to Minot State University for the Rural Communications Disabilities Program, \$300,000 shall be awarded to Bryant College for the Linking International Trade Education Program (LITE), \$1,000,000 shall be awarded to Concord College, West Virginia for a technology center to further enhance the technical skills of West Virginia teachers and students, \$200,000 shall be awarded to Peirce College in Philadelphia, Pennsylvania for education and training programs, \$250,000 shall be awarded to the Philadelphia Zoo for educational programs, \$800,000 shall be awarded to Spelman College in Georgia for educational operations, \$1,000,000 shall be awarded to the Philadelphia University Education Center for technology education, \$725,000 shall be awarded to Lock Haven University for technology innovations, \$250,000 for Middle Georgia College for an advanced distributed learning center demonstration program, \$1,000,000 for the University of the Incarnate Word in San Antonio, Texas, to improve teacher capabilities in technology, \$1,000,000 for Elmira College in New York for a technology enhancement initiative, \$1,000,000

shall be awarded to the Southeastern Pennsylvania Consortium on Higher Education for education programs, \$400,000 shall be awarded to Lehigh University Iacocca Institute for educational training, \$250,000 shall be awarded to Lafayette College for arts education, \$1,000,000 shall be awarded to Lewis and Clark College for the Crime Victims Law Institute, \$1,650,000 for Rust College in Mississippi for technology infrastructure, \$500,000 for the University of Notre Dame for a teacher quality initiative, \$2,400,000 shall be awarded to the Western Governors University for a distance learning initiative, \$1,000,000 shall be awarded to the Alabama A&M University for the development of a research institute, \$1,000,000 shall be awarded to Tarleton State University in Stephenville, Texas for the Center for Astronomy Education and Research summer science programs for students and teachers, \$1,500,000 shall be awarded to the Great Plains Network at Kansas University, \$350,000 shall be awarded to the Science Education and Literacy Center at Rider University in New Jersey, \$1,500,000 shall be awarded to the Indiana State University DegreeLink Partnership for a distance learning program, \$1,000,000 shall be awarded to the Ivy Technical State College in Indiana for a machine tool training program, \$1,250,000 shall be awarded to the Connecticut State University System Center for Education Technology Assessment, \$400,000 shall be awarded to Monmouth University in New Jersey for the 21st Century Science Teachers Skills Project, \$58,000 shall be awarded to the Black Hawk College International Business Education Center in Moline, Illinois for training in international economics, \$325,000 shall be awarded to the World Learning School of International Training in Brattleboro, Vermont for the expansion of a language study program, \$500,000 shall be awarded to the Diablo Valley Community College at Contra-Costa Community College District for a model teacher program to foster interest in teaching careers among high school and community college students, \$1,000,000 shall be awarded to the Urban College of Boston, Massachusetts, for tutoring and mentoring services for educationally disadvantaged students, \$1,000,000 shall be awarded to the University of Rhode Island Center for Environmental Design, Planning, and Policy in Kingston, Rhode Island to

foster environmental education, \$800,000 shall be awarded to the Wisconsin Indianhead Technical College at Ashland and Superior to provide high technology education and training, \$400,000 shall be for an award to the University of Wisconsin at Superior for Project SPARKS to link faculty with schools in the Superior School District in Wisconsin, and \$100,000 shall be awarded to the University of Nevada at Las Vegas for the Nevada Institute for Children Children's literacy program.]¹⁰ (*Department of Education Appropriations Act, 2000, as enacted by section 1000(a)(4) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).*)

Note—Each language provision that is followed by a footnote reference is explained in the Analysis of Language Provisions and Changes document which follows the appropriation language.

HIGHER EDUCATION

Analysis of Language Provisions and Changes

Language Provision	Explanation
¹ ...of which [~~\$12,000,000~~] <u>\$10,000,000</u> for interest subsidies authorized by section 121 of the Higher Education Act of 1965, shall remain available until expended:	This language provides that funds for Interest Subsidy Grants shall remain available for obligation until expended.
² <i>Provided</i>, That [of the funds available for part A, subpart 2 of title VII of the Higher Education Act of 1965, \$10,000,000 shall be available to fund awards for academic year 2000-2001, and]...	This language is deleted because the request does not propose to continue funding Javits Fellowships through Graduate Assistance in Areas of National Need.
³ ...\$10,000,000 to remain available through September 30, [2001] <u>2002</u>, shall be available to fund [awards for academic year 2001-2002, for] fellowships <u>for academic year 2002-2003</u> under part A, subpart 1 of title VII of said Act, under the terms and conditions of part A, subpart 1:	This language extends the availability of funds provided for Javits Fellowships in order to provide fellowships for academic year 2002-2003.
⁴ [<i>Provided further</i>, That section 852(b)(1) of the Higher Education Amendments of 1998 is amended--(1) in the matter preceding subparagraph (A), by striking "14" and inserting "16"; (2) in subparagraph (E), by striking "and" after the semicolon; (3) in subparagraph (F), by striking the period and inserting a semicolon; and (4) by adding at the end the following: "(G) one member shall be appointed by the Chairperson of the Committee on Health, Education, Labor, and Pensions of the Senate from among members of the Senate; and "(H) one member shall be appointed by the Chairperson of the Committee on Education and the Workforce of the House of Representatives from among members of the House of Representatives.";]	This language expands the membership of the Web-Based Education Commission. The entire proviso is deleted because the Administration is not requesting any changes to the Commission's membership.

HIGHER EDUCATION

Analysis of Language Provisions and Changes

⁵ <i>[Provided further, That the matter preceding paragraph (1) of section 853(b) of the Higher Education Amendments of 1998 is amended by striking "6 months" and inserting "12 months":]</i>	This language extends the Commission's reporting period from 6 months to 12 months after the first meeting to issue its recommendations. The proviso is deleted because the Administration does not propose further changes to the reporting period.
⁶ <i>[Provided further, That the amounts provided under this heading in division A, section 101(f) of Public Law 105-277 for the Web-Based Education Commission, authorized by part J of title VIII of the Higher Education Amendments of 1998, shall remain available through September 30, 2000:]</i>	This language reappropriates unobligated balances and makes them available through September 30, 2000. The language is deleted because the Administration is not requesting funds for the Web-Based Education Commission.
⁷ <i>Provided further, That \$3,000,000 is for data collection and evaluation activities for programs under the Higher Education Act of 1965, including such activities needed to comply with the Government Performance and Results Act of 1993:</i>	This language authorizes and provides funds for GPRA Data/HEA Program Evaluation activities to support data collection requirements under the Government Performance and Results Act. The Administration proposes to continue funding this activity.
⁸ <i>[Provided further, That of the funds available for title IV, part A, subpart 8 of the Higher Education Act of 1965 and notwithstanding any other provision of law, \$3,000,000 shall be awarded to the University of South Florida for a distance learning program, \$190,000 shall be awarded to the New York Global Communication Center in West Islip, New York for a distance learning program, \$2,000,000 shall be awarded to the Alliance for Technology, Learning and Society (ATLAS) at the University of Colorado for technology-enhanced learning, \$2,500,000 shall be awarded to the Illinois Community College Board to develop a systemwide, on-line virtual degree program for the community college system in Illinois, and \$1,250,000 shall be made available to</i>	This language, which earmarks part of the Learning Anytime Anywhere Partnerships for distance learning activities, is deleted because the request does not propose to continue these earmarks.

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Analysis of Language Provisions and Changes

the University of Idaho Interactive Learning Environments to develop and improve Internet-based delivery of education programs]...	
⁹ <u>Provided further, That section 404F(a) of the Higher Education Amendments of 1998 is amended by striking out "using funds appropriated under section 404H that do not exceed \$200,000" and inserting in lieu thereof "using not more than 0.2 percent of the funds appropriated pursuant to section 404H".</u>	This language amends the Higher Education Amendments of 1998 for Gaining Early Awareness and Readiness for Undergraduate Programs to provide a sufficient level of funding for 21 st Century Scholar Certificates.
¹⁰ [SEC. 309. Of the funds provided in title III of this Act, under the heading "Higher Education", for title VII, part B of the Higher Education Act of 1965, \$250,000 shall be awarded to the Snelling Center for Government at the University of Vermont for a model school program,...and \$100,000 shall be awarded to the University of Nevada at Las Vegas for the Nevada Institute for Children Children's literacy program.]	This language, which earmarks part of the Fund for the Improvement of Postsecondary Education, is deleted because the request does not propose to continue these earmarks.

HIGHER EDUCATION

Amounts Available for Obligation (\$000s)

	1999	2000	2001
Discretionary authority:			
Annual appropriation	\$1,307,846	\$1,533,659	\$1,795,973
Enacted reappropriation	0	450	0
Enacted rescission	0	-4,080	0
Real transfer from <u>Education Research, Statistics, and Improvement</u> for: Strengthening HBCUs	<u>1,500</u>	<u>0</u>	<u>0</u>
Subtotal, budget authority	1,309,346	1,530,029	1,795,973
Comparative transfer to <u>Vocational and Adult Education</u> for: State grants for incarcerated youth offenders and Literacy programs for prisoners	<u>-16,723</u>	<u>0</u>	<u>0</u>
Subtotal, comparative budget authority	1,292,623	1,530,029	1,795,973
Recovery of prior-year obligations	14	0	0
Unobligated balance, start of year	5,380	11,524	6,801
Unobligated balance expiring	-534	0	0
Unobligated balance, end of year	-11,524	-6,801	-6,801
Comparative transfer of unobligated balance to <u>Vocational and Adult Education</u> for: Literacy programs for prisoners	<u>4,723</u>	<u>-4,723</u>	<u>0</u>
Total, direct obligations	1,290,682	1,530,029	1,795,973

HIGHER EDUCATION

Obligations by Object Classification (\$000s)

	1999	2000	2001
Contractual services and supplies:			
Travel and transportation of things	\$189	0	0
Printing and reproduction	178	0	0
Advisory and assistance services	3,022	\$6,200	\$7,235
Peer review	3,013	3,628	4,538
Other services	865	924	1,000
Training	15	0	0
Purchase of goods and services from			
Government accounts	968	1,000	2,000
Operation and maintenance of equipment	702	1,000	1,200
Supplies and materials	<u>50</u>	<u>0</u>	<u>0</u>
Subtotal	9,002	12,752	15,973
Equipment	137	0	0
Grants, subsidies, and contributions	<u>1,281,543</u>	<u>1,517,277</u>	<u>1,780,000</u>
Total, direct obligations	1,290,682	1,530,029	1,795,973

HIGHER EDUCATION

Summary of Changes (\$000s)

2000	\$1,530,029
2001	<u>1,795,973</u>
Net change	+265,944

	<u>2000 base</u>	<u>Change from base</u>
<u>Increases:</u>		
<u>Program:</u>		
Increase in Strengthening Institutions under Aid for Institutional Development to help institutions that enroll a large percentage of disadvantaged students improve their academic programs, facilities, and finances.	\$60,250	+\$2,750
Increase in Strengthening Tribally Controlled Colleges and Universities activities under Aid for Institutional Development to enable such institutions to improve and expand their capacity to serve Native American students.	6,000	+3,000
Increase in Strengthening HBCUs under Aid for Institutional Development to help HBCUs improve their academic programs, facilities, and finances.	148,750	+20,250
Increase in Strengthening Historically Black Graduate Institutions under Aid for Institutional Development to help HBGIs improve their academic programs, facilities, and finances.	31,000	+9,000
Increase in Minority Science and Engineering Improvement Program to fund additional projects that support the improvement of mathematics, science and engineering programs at postsecondary institutions enrolling large numbers of minorities.	7,500	+1,000

HIGHER EDUCATION

Summary of Changes (\$000s)

	<u>2000 base</u>	<u>Change from base</u>
<u>Increases:</u>		
<u>Program:</u>		
Increase to initiate Dual Degree Programs for Minority-Serving Institutions to enable students at HSIs, HBCUs, TCCUs, and Alaska Native and Native Hawaiian-serving institutions to earn dual degrees in five years.	0	+\$40,000
Increase in Developing Hispanic-serving Institutions program to enable more institutions to improve and expand their capacity to serve Hispanic students.	\$42,250	+20,250
Increase in International Education and Foreign Language Studies Overseas Programs to expand opportunities for students to gain international expertise, first-hand exposure to cultures and languages of other countries, and training as language and area specialists.	6,680	+3,320
Increase in Federal TRIO programs to help more disadvantaged students enter and complete college, including funds to support a new scholarship and intensive summer program initiative for college underclassmen and funds to address TRIO evaluation findings.	645,000	+80,000
Increase in GEAR UP to provide early college preparation and awareness activities to more low-income elementary and secondary students.	200,000	+125,000
Increase in Byrd Honors Scholarships program to support 7,310 new scholars.	39,859	+1,142
Increase in Child Care Access Means Parents in School program to enable more low-income parents to participate in postsecondary education through campus-based childcare services.	5,000	+10,000

HIGHER EDUCATION

Summary of Changes (\$000s)

	<u>2000 base</u>	<u>Change from base</u>
<u>Increases:</u>		
<u>Program:</u>		
Increase in Learning Anytime Anywhere Partnerships to support more projects using technology and other innovations to enhance the delivery of postsecondary education and lifelong learning for all citizens in all settings.	\$23,269	<u>+\$6,731</u>
Subtotal, increases		+322,443
<u>Decreases:</u>		
<u>Program:</u>		
Decrease in Fund for the Improvement of Postsecondary Education due to elimination of congressionally directed set-asides.	74,249	-43,049
Decrease in funding for Interest Subsidy Grants to reflect the current level of mandatory payments.	12,000	-2,000
Decrease in Javits Fellowships because it is not necessary to provide fellowships for two academic years with FY 2001 funds.	20,000	-10,000
Eliminate funding for the Web-Based Education Commission due to a lack of authorization for the program.	450	-450
Eliminate funding for the Community Scholarship Mobilization program due to a lack of authorization for the program.	1,000	<u>-1,000</u>
Subtotal, decreases		-56,499
Net change		+265,944

HIGHER EDUCATION

Authorizing Legislation
(\$000s)

Activity	2000 Authorized	2000 Estimate	2001 Authorized	2001 Request
Aid for institutional development:				
Strengthening institutions (<i>HEA-III-A-311</i>)	Indefinite	\$60,250	Indefinite	\$63,000
Strengthening tribally controlled colleges and universities (<i>HEA-III-A-316</i>)	Indefinite	6,000	Indefinite	9,000
Strengthening Alaska Native and Hawaiian-serving institutions (<i>HEA-III-A-317</i>)	Indefinite	5,000	Indefinite	5,000
Strengthening historically black colleges and universities (<i>HEA-III-B-323</i>)	Indefinite	148,750	Indefinite	169,000
Strengthening historically black graduate institutions (<i>HEA-III-B-326</i>)	Indefinite	31,000	Indefinite	40,000
Minority science improvement (<i>HEA-III-E-1</i>)	Indefinite	7,500	Indefinite	8,500
Other aid for institutions:				
Dual degree programs for minority-serving institutions (Proposed legislation)	0	0	To be determined	40,000
Hispanic-serving developing institutions (<i>HEA-V</i>)	Indefinite	42,250	Indefinite	62,500
International education and foreign language studies:				
Domestic programs (<i>HEA-VI-A and B</i>)	Indefinite	62,000	Indefinite	62,000
Overseas programs (<i>MECEA-102(b)(6)</i>)	Indefinite	6,680	Indefinite	10,000
Institute for international public policy (<i>HEA-VI-C</i>)	Indefinite	1,022	Indefinite	1,022
Fund for the improvement of postsecondary education (<i>HEA-VII-B</i>)	Indefinite	74,249 ¹	Indefinite	31,200
Demonstration projects to ensure quality higher education for students with disabilities (<i>HEA-VII-D</i>)	Indefinite	5,000	Indefinite	5,000
Interest subsidy grants (<i>HEA-I-121</i>)	Indefinite	12,000	Indefinite	10,000

HIGHER EDUCATION

Authorizing Legislation (\$000s)

Activity	2000 Authorized	2000 Estimate	2001 Authorized	2001 Request
Assistance for students:				
Federal TRIO programs (<i>HEA-IV-A-2, Chapter 1</i>)	Indefinite	\$645,000	Indefinite	\$725,000
Gaining early awareness and readiness for undergraduate programs (<i>HEA-IV-A-2, Chapter 2</i>)	Indefinite	200,000	Indefinite	325,000
Byrd honors scholarships (<i>HEA-IV-A-6</i>)	Indefinite	39,859	Indefinite	41,001
Javits fellowships (<i>HEA-VII-A-1</i>)	Indefinite	20,000 ²	Indefinite	10,000 ³
Graduate assistance in areas of national need (<i>HEA-VII-A-2</i>)	Indefinite	31,000	Indefinite	31,000
Child care access means parents in school (<i>HEA-IV-A-7</i>)	Indefinite	5,000	Indefinite	15,000
Learning anytime anywhere partnerships (<i>HEA-IV-A-8</i>)	Indefinite	23,269 ⁴	Indefinite	30,000
Teacher quality enhancement grants (<i>HEA-II</i>)	Indefinite	98,000	Indefinite	98,000
Underground railroad program (<i>Higher Education Amendments of 1998-VIII-H</i>)	\$6,000	1,750	\$6,000	1,750
Web-based education commission (<i>Higher Education Amendments of 1998-VIII-J</i>)	450 ⁵	450 ⁶	0	0
GPRA data/HEA program evaluation (<i>Department of Education Appropriations Act, 2000</i>)	3,000 ⁷	3,000	---	3,000
Community scholarship mobilization (<i>Higher Education Amendments of 1998-VIII-C</i>)	10,000	1,000	0	0

HIGHER EDUCATION

Authorizing Legislation (\$000s)

Activity	2000 Authorized	2000 Estimate	2001 Authorized	2001 Request
<u>Unfunded authorizations:</u>				
Endowment challenge grants (HEA-III-C-331)	Indefinite	0	Indefinite	0
Urban community service (HEA-VII-C)	Indefinite	0	Indefinite	0
Thurgood Marshall legal educational opportunity program (HEA-VII-A-3)	Indefinite	0	Indefinite	0
Grants to combat violent crimes against women on campuses (HEA-VIII-E)	Indefinite	0	Indefinite	0
Improving United States understanding of science, engineering, and technology in East Asia (HEA-VIII-F)	\$10,000	0	0	0
Olympic scholarships (HEA-VIII-G)	<u>Indefinite</u>	<u>0</u>	<u>Indefinite</u>	<u>0</u>
Total definite authorization	\$29,450		\$6,000	
Total appropriation		\$1,530,029		\$1,795,973

¹ Reflects a rescission of \$3.409 million in Congressionally earmarked projects.

² Includes \$10,000 thousand that remains available through fiscal year 2001 for academic year 2001-2002.

³ Funds would remain available through fiscal year 2002 for academic year 2002-2003.

⁴ Reflects a rescission of \$671 thousand in Congressionally earmarked projects.

⁵ The GEPA extension applies through September 30, 2000.

⁶ Reflects a reappropriation that extended the availability of funds appropriated in fiscal year 1999. The reappropriation is scored as new budget authority in fiscal year 2000.

⁷ The program was authorized and funded in FY 2000 through appropriations language. The Administration proposes to continue funding this activity through appropriations language in FY 2001.

HIGHER EDUCATION

Appropriations History (\$000s)

		Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1992		\$794,501	\$821,438	\$834,557	\$827,903
1993		853,481	831,408	851,245	837,759
1994		873,421	889,855	882,974	893,688
1995		889,489	954,686	946,703	962,842
1995	Rescission	-26,903	-102,246	-42,159	-43,472
1996		820,772	836,964	836,964	836,957
1997		972,771	829,497	852,269 ¹	879,048
1998		1,035,292	909,893	929,752	946,738
1999		1,288,405	944,198	1,138,944	1,307,846
2000		1,579,206	1,151,786 ²	1,396,631	1,533,659
2000	Reappropriation	---	---	---	450
2000	Rescission	---	---	---	-4,080
2001		1,795,973			

¹ Reflects Senate Committee action.

² Reflects House Committee action.

HIGHER EDUCATION

Significant Items in FY 2000 Appropriations Reports

LAAP - Projects Earmarked in Bill Language

- Conference: The conference bill provides \$8.269 million (after 7.5 percent rescission) for 5 specific projects.
- Response: The Department will disburse earmarked funds to the named projects.

FIPSE - Projects Earmarked in Bill Language and Report Language

- Conference: The conference bill provides \$42.049 million (after 7.5 percent rescission) for 50 specific projects.
- Response: The Department will disburse earmarked funds to the named projects.
- Conference: The conference bill provides \$1 million for the Olympic Scholarships program (HEA, Title VIII, Part G) authorized in the 1992 HEA Amendments.
- Response: The Department will spend funds in accordance with the legislation.
- Senate: The Committee has included a number of report language items and requests that the Department afford them [specified projects] the opportunity to compete through the regular peer review competitive process.
- Response: The Department will encourage all specified projects to apply for funding and will afford them equal opportunity in the competitive process.

GPRA Data/HEA Program Evaluation - Student Academic Achievement

- House: The Committee expects funds to be used to conduct evaluations of higher education programs, particularly new programs such as Teacher Quality Enhancement Grants. The Committee believes these evaluations should focus particularly on the impact the programs are making on student academic achievement.
- Response: The Department will use funds to evaluate programs, particularly Teacher Quality Enhancement Grants and other new programs. These evaluations will focus on student academic achievement.

HIGHER EDUCATION

Significant Items in FY 2000 Appropriations Reports

GPRA – Numerical Goals and Performance Indicators

House:

Program	Directive
Strengthening Institutions	The Committee encourages the Department to continue to develop specific numerical goals for this program.
Hispanic-serving Institutions	The Committee encourages the Department to continue to develop specific numerical goals for this program. Specifically, the Committee expects the Department to focus on performance indicators related to student persistence, academic skills, endowment building, technology, institutional stability and program quality.
Strengthening HBCUs	The Committee expects the Department to continue to develop specific numerical goals for this program. Specifically, the Committee expects the Department to focus on performance indicators related to student persistence, academic skills, endowment building, technology, institutional stability and program quality.
Strengthening HBGIs	The Committee expects the Department to continue to develop specific numerical goals for this program. Specifically, the Committee expects the Department to focus on performance indicators related to student persistence, academic skills, endowment building, technology, institutional stability and program quality.
Strengthening Alaska Native and Native Hawaiian-serving Institutions	The Committee encourages the Department to continue to develop specific numerical goals for this program.
Strengthening TCCUs	The Committee encourages the Department to continue to develop specific numerical goals for this program.
FIPSE	The Committee encourages the Department to develop specific numerical goals and baseline data for this program.
MSEIP	The Committee encourages the Department to develop specific numerical goals and baseline data for this program.
International Education and Foreign Language Studies	The Committee believes more work needs to be done in developing specific, numerical goals and baseline data for these programs.
TRIO	The budget request did not present any specific, numerical goals for the program. The Committee expects this information to be included in the fiscal year 2001 budget request.
Javits Fellowships/GAANN	Work still needs to be done in terms of developing baseline data and specific, numerical goals for the program. The Committee expects this information to be included in the fiscal year 2001 budget request.

HIGHER EDUCATION

Significant Items in FY 2000 Appropriations Reports

Program	Directive
Teacher Quality Enhancement Grants	The Committee encourages the Department to develop indicators that focus on program outcomes, such as decreased teacher attrition rates, increased percentages of teachers who are prepared to teach to high standards, decreased qualified-teacher shortages and increased student academic achievement in States participating in the program. The Committee expects this information, including baseline data and specific, numerical goals for the program, to be included in the fiscal year 2001 budget request.
Child Care Access Means Parents in School	The Committee encourages the Department to develop indicators that track how many low-income parents are attending school because of this program who would not otherwise be able to attend.
Demonstration Projects to Ensure Quality Higher Education for Students with Disabilities	The Committee urges the Department to focus on outcome oriented indicators that demonstrate how this program is improving access to higher education for students with disabilities above the levels that would be expected in the absence of the program. Indicators should also be developed to track how the models developed under this program are disseminated nationwide and how technical assistance in training faculty to meet the needs of students with disabilities improves.

Response: The Department has revised performance indicators and developed targets for each of the higher education programs where possible. The Department will continue to develop specific, numerical goals and baseline data for new and other programs where necessary.

DEPARTMENT OF . JN FISCAL YEAR 2001 BUDGET REQUEST

(in thousands of dollars)

Office, Account, Program and Activity

OFFICE OF POSTSECONDARY EDUCATION (OPE)

Higher Education

	Category Code	1999 Appropriation	2000 Appropriation	2001 President's Request	President's Request Compared to FY 2000 Appropriation	
					Amount	Percent
1. Aid for institutional development (HEA III):						
(a) Strengthening institutions (Part A, section 311)....	D	60,250	60,250	63,000	2,750	4.6%
(b) Strengthening tribally controlled colleges and universities (Part A, section 316).....	D	3,000	6,000	9,000	3,000	50.0%
(c) Strengthening Alaska Native and Native Hawaiian- serving institutions (Part A, section 317).....	D	3,000	5,000	5,000	0	0.0%
(d) Strengthening HBCUs (Part B section 323).....	D	136,000	148,750	169,000	20,250	13.6%
(e) Strengthening historically black graduate institutions (Part B, section 326).....	D	30,000	31,000	40,000	9,000	29.0%
(f) Minority science and engineering improvement (Part E-1).....	D	7,500	7,500	8,500	1,000	13.3%
Subtotal.....		239,750	258,500	294,500	36,000	13.9%
2. Other aid for institutions:						
(a) Dual degree (proposed legislation).....	D	0	0	40,000	40,000	---
(b) Developing Hispanic-serving institutions (HEA V)....	D	28,000	42,250	62,500	20,250	47.9%
(c) International education and foreign language studies:						
(1) Domestic programs (HEA VI-A and B).....	D	60,000	62,000	62,000	0	0.0%
(2) Overseas programs (Fulbright-Hays Act section 102(b)(6)).....	D	6,536	6,680	10,000	3,320	49.7%
(3) Institute for International Public Policy (HEA VI-C).....	D	1,000	1,022	1,022	0	0.0%
Subtotal.....		67,536	69,702	73,022	3,320	4.8%
(d) Fund for the Improvement of Postsecondary Education (HEA VII-B).....	D	50,000	74,249	31,200	(43,049)	-58.0%
(e) Urban community service (HEA VII-C).....	D	4,637	0	0	0	---
(f) Demonstration projects to ensure quality higher education for students with disabilities (HEA VII-D).....	D	5,000	5,000	5,000	0	0.0%
(g) Interest subsidy grants (HEA section 121).....	D	13,000	12,000	10,000	(2,000)	-16.7%

DEPARTMENT OF EDUCATION FISCAL YEAR 2001 BUDGET REQUEST

(in thousands of dollars)

(in thousands of dollars)						
Office, Account, Program and Activity	Category Code	1999	2000	2001	President's Request Compared	
		Appropriation	Appropriation	President's Request	to FY 2000 Appropriation	
					Amount	Percent
<u>Higher Education (continued)</u>						
3. Assistance for students:						
(a) Federal TRIO programs (HEA IV-A-2, Chapter 1).....	D	600,000	645,000	725,000	80,000	12.4%
(b) Gaining early awareness and readiness for undergraduate programs (GEAR UP) (HEA IV-A-2, Chapter 2).....	D	120,000	200,000	325,000	125,000	62.5%
(c) Scholarships and fellowships:						
(1) Byrd honors scholarships (HEA IV-A-6).....	D	39,288	39,859	41,001	1,142	2.9%
(2) Javits Fellowships (HEA VII-A-1).....	D	7,046 ¹	20,000 ^{1, 2}	10,000 ³	(10,000)	-50.0%
(3) Graduate assistance in areas of national need (HEA VII-A-2).....	D	23,954 ¹	31,000 ¹	31,000	0	0.0%
(d) Child care access means parents in school (HEA IV-A-7).....	D	5,000	5,000	15,000	10,000	200.0%
(e) Learning anytime anywhere partnerships (HEA IV-A-8)	D	10,000	23,269	30,000	6,731	28.9%
4. Teacher quality enhancement (HEA II).....	D	77,212	98,000	98,000	0	0.0%
5. Underground railroad program (HE Amendments of 1998 VIII-H).....	D	1,750	1,750	1,750	0	0.0%
6. Web-based Education Commission (HE Amendments of 1998 VIII-J).....	D	450	450 ⁴	0	(450)	-100.0%
7. GPRA data/HEA program evaluation (Department of Education Appropriations Act, 2000).....	D	0	3,000	3,000	0	0.0%
8. Community scholarship mobilization (HE Amendments of 1998 VIII-C).....	D	0	1,000	0	(1,000)	-100.0%
Total.....		1,292,623 ⁵	1,830,029	1,795,973	265,944	17.4%
Outlays.....		854,632	1,468,734	1,508,686	39,952	2.7%

¹ A total of \$31,000 thousand in fiscal year 1999 and \$51,000 thousand in fiscal year 2000 was provided under Graduate Assistance in Areas of National Need, which included funding for Javits Fellowships.

² Includes \$10,000 thousand that remains available through fiscal year 2001 for academic year 2001-2002.

³ Funds would remain available through fiscal year 2002 for academic year 2002-2003.

⁴ Reflects a reappropriation that extended the availability of funds appropriated in fiscal year 1999. The reappropriation is scored as new budget authority in fiscal year 2000.

⁵ Adjusted for comparability. Excludes \$16,723 thousand in 1999 for State Grants for Incarcerated Youth Offenders, which was appropriated in 2000 under the Vocational and Adult Education account.

HIGHER EDUCATION

Summary of Request

The Department recently released *A Back to School Special Report on the Baby Boom Echo: No End in Sight* which revealed that college enrollment rose to an all-time high of 14.9 million in 1999. This is the second year in a row that college enrollment has set a new record. College and university enrollment will jump 10 percent in the next decade. With the increasing number of Americans pursuing postsecondary education in the 21st Century, it is critical that we continue our efforts to ensure that everyone has access to the high-quality education and lifelong learning that is necessary for success in a global economy.

Despite a strong commitment to need-based student financial aid, minority, low-income and other disadvantaged students continue to lag behind their more affluent peers in successfully pursuing a postsecondary education. To overcome this divide, the Administration's fiscal year 2001 budget increases support for at-risk students through such programs as GEAR UP, TRIO, Child Care Access Means Parents in School, Aid for Institutional Development, Developing Hispanic-serving Institutions, and Dual Degree Programs for Minority-Serving Institutions.

Equally important, the Administration supports programs that add diversity and teacher training to the higher education landscape such as Preparing Tomorrow's Teachers to Use Technology (in the Education Reform account), LAAP, and International Education. In addition, the Administration supports those programs that maintain the quality of education including Teacher Quality Enhancement Grants, FIPSE, Demonstration Projects to Ensure Quality Higher Education for Students with Disabilities, Byrd Honors Scholarships, Javits Fellowships, and GAANN.

The Administration proposes \$325 million for **Gaining Early Awareness and Readiness for Undergraduate Programs** (GEAR UP), an increase of \$125 million or 62.5 percent. Through early college preparation and awareness activities including mentoring, tutoring, academic and career counseling, and parental involvement—in addition to scholarship assistance—GEAR UP will raise the educational expectations of 1.4 million low-income elementary and secondary school students and give them the skills and encouragement they need to successfully pursue postsecondary education. This request would provide funds for at least one State or partnership grant in every eligible State and Territory. It would support a total of 409 grants and leverage the resources of more than 2,400 community organizations and businesses as partners.

The Administration proposes \$725 million for the **Federal TRIO Programs**, an increase of \$80 million, to fund critical postsecondary education outreach and student support services for disadvantaged individuals to help them enter and complete postsecondary education programs. The request would provide \$35 million to strengthen the Student Support Services program by incorporating a new College Completion Challenge Grants initiative to provide scholarship assistance and intensive summer programs for students in their first and second year of college. The request would also respond to evaluation findings by providing funds for the Student Support Services program to increase its intensity of services and for the Upward Bound program to provide work-study opportunities, thereby improving the overall effectiveness of TRIO. The request would continue support for a technology initiative to bridge the digital divide and would maintain the current level of services in the remaining TRIO programs. The total number of students served by the TRIO programs would increase to more than 760,000 disadvantaged students.

HIGHER EDUCATION

Summary of Request

The Administration proposes a total of \$294.5 million for the **Aid for Institutional Development** (Title III) programs, an overall increase of almost \$36 million or 13.9 percent over fiscal year 2000. The request for Title III demonstrates the Administration's commitment to assisting institutions that enroll a large proportion of minority and disadvantaged students by providing funds to improve institutions' academic programs and administrative and fundraising capabilities. The Administration is proposing \$169 million, an increase of \$20.3 million or 13.6 percent for **Historically Black Colleges and Universities** (HBCUs) and \$40 million, an increase of \$9 million or 29 percent increase for **Historically Black Graduate Institutions** (HBGIs). The Administration is also proposing \$9 million or a 50 percent increase for the **Tribally Controlled Colleges and Universities** program to support institutions that serve Native Americans, and requesting a \$1 million or 13.3 percent increase for the **Minority Science and Engineering Improvement Program** (MSEIP) to help improve science and engineering programs at postsecondary institutions with predominantly minority enrollments.

The Administration proposes a new \$40 million **Dual Degree Programs for Minority-Serving Institutions** to that would help students at Hispanic-serving Institutions, Historically Black Colleges and Universities, Tribally Controlled Colleges and Universities, and Alaska Native and Native Hawaiian-serving institutions to earn dual degrees in five years. Participants would earn one degree from their home institution, and the other from a partner institution in a field in which the minority-serving institution does not offer a program and in which minorities are underrepresented.

The Administration proposes \$62.5 million for **Developing Hispanic-serving Institutions**, an increase of \$20.25 million or 47.9 percent over fiscal year 2000. This proposal demonstrates the Administration's commitment to ensuring that Hispanic students have access to high quality postsecondary education and to closing the gap between Hispanic and majority students in areas of academic achievement, high school graduation, postsecondary enrollment and life-long learning. The proposed funds will be used to expand and enhance the academic offerings, program quality, and stability of institutions of higher education that make significant contributions to promoting educational opportunities for Hispanic students.

The Administration proposes \$10 million for the **International Education and Foreign Languages Studies Overseas Programs**, a substantial increase of \$3.32 million over fiscal year 2000. There is an increasing need for international expertise and first-hand exposure to cultures and languages of other countries. Sending postsecondary students and faculty and K-12 teachers overseas gives them first-hand experience that they can bring back to the United States.

The Administration proposes \$30 million for **Learning Anytime Anywhere Partnerships (LAAP)**, a \$6.731 million increase over fiscal year 2000. The funds would continue to help postsecondary education institutions make the transition to a new generation of distance education that has been made possible by the explosive growth of the Internet and other new technologies. This program will enhance the delivery of postsecondary education and lifelong learning opportunities for all citizens, in all settings, at any time of the day. It especially would help underserved populations in underserved geographic areas.

HIGHER EDUCATION

Summary of Request

The Administration proposes \$15 million for the **Child Care Access Means Parents in School program**. This program supports the participation of low-income parents in postsecondary education by providing campus-based childcare services. The requested level of funding will allow the Department to award 150 new awards while maintaining support to 87 existing recipients.

Our nation faces a daunting shortage of skilled teachers over the next decade. Over 2.2 million teachers will be needed to meet the enrollment increases in the next 10 years. As such, the Administration proposes \$98 million for **Teacher Quality Enhancement Grants**. This program ensures the high quality of our Nation's teaching force by improving the ways we recruit, prepare, license, and support teachers. The requested level will help meet the need for a well qualified teaching force of sufficient size who are well prepared to teach a diverse student population to ensure that the Nation's children learn to high standards.

The Administration proposes \$31.2 million for the **Fund for the Improvement of Postsecondary Education** to support exemplary, locally developed projects that are models for innovative reform and improvement in postsecondary education. Priority for funding will be given to those projects making more productive use of resources to improve teaching and learning, and those disseminating innovative programs that have already been developed and evaluated.

The Administration proposes \$5 million for **Demonstration Projects to Ensure Quality Higher Education for Students with Disabilities**. Funds will support model projects that provide technical assistance and professional development to faculty in order to improve the quality of education for students with disabilities.

The Administration proposes \$41 million for **Byrd Honors Scholarships**, \$10 million for **Javits Fellowships**, and \$31 million for **Graduate Assistance in Areas of National Need (GAANN)** to provide merit-based scholarships and fellowships for undergraduate and graduate students. At these funding levels, the Byrd program would provide over 27,000 scholarships for undergraduate study in any field, the Javits program would provide 382 fellowships for doctoral study in the arts, humanities, and social sciences, and GAANN would provide 1,199 fellowships for graduate study in areas of national need. Together, these scholarships and fellowships recognize and reward a high level of achievement by providing scholars with the resources to successfully acquire a high-quality undergraduate and graduate education.

The Administration proposes level funding of \$3 million for the **GPRA Data/HEA Program Evaluation** to continue obtaining the data needed to comply with the Government Performance and Results Act and to support the ongoing evaluations of higher education programs.

HIGHER EDUCATION

Aid for institutional development

(Higher Education Act of 1965, Title III)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

	<u>2000</u>	<u>2001</u>	<u>Change</u>
Strengthening Institutions	\$60,250	\$63,000	+\$2,750
Strengthening Tribally Controlled Colleges and Universities	6,000	9,000	+3,000
Strengthening Alaska Native and Native Hawaiian-serving Institutions	5,000	5,000	0
Strengthening HBCUs	148,750	169,000	+20,250
Strengthening Historically Black Graduate Institutions	31,000	40,000	+9,000
Minority Science and Engineering Improvement Program	<u>7,500</u>	<u>8,500</u>	<u>+1,000</u>
Total	258,500	294,500	+36,000

PROGRAM DESCRIPTION

The Aid for Institutional Development programs, commonly referred to as the Title III programs, are designed to strengthen institutions of higher education that serve high percentages of minority students and students from low-income backgrounds. Federal assistance to these institutions help improve the academic quality, institutional management, and fiscal stability of the institutions. The programs provide financial assistance to help institutions solve problems that threaten their ability to survive, to improve their management and fiscal operations, to build endowments, and to make effective use of technology. Funding is targeted to minority-serving and other institutions that enroll large proportions of financially disadvantaged students and have low per-student expenditures.

From its inception in 1965, one of the primary missions of the Title III programs has been to strengthen the Nation's Historically Black Colleges and Universities (HBCUs). The Higher Education Amendments of 1998 extended that mission to also include programs to strengthen Tribally Controlled Colleges and Universities (TCCUs) and Alaska Native and Native Hawaiian-serving institutions.

HIGHER EDUCATION

Aid for institutional development

Strengthening Institutions (Part A, Section 311) supports competitions for 1-year planning grants and 5-year discretionary development grants. Special consideration is given to institutions that: have endowment funds with a market value per full-time equivalent student less than the market value of endowment funds per full-time equivalent student at similar institutions; and below average educational and general expenditures per full-time equivalent undergraduate student. Institutions receiving a 5-year grant under this part are not eligible to receive an additional grant under this part until 2 years after the 5-year grant has expired. Institutions may use their Part A funds to plan, develop, and implement activities that encourage: faculty and academic program development; improvement in fund and administrative management; joint use of libraries and laboratories; construction and maintenance of instructional facilities; and student services. To further facilitate the development of eligible institutions, funds can be used to support activities that strengthen an institution's technological capabilities. The Higher Education Amendments of 1998 also authorized institutions to use no more than 20 percent of the grant funds provided under this part to establish or increase an institution's endowment fund. These endowment funds must be matched at a rate of one non-Federal dollar for each Federal dollar.

To participate in the Strengthening Institutions program, an institution must: award bachelor degrees or be a junior or community college; provide an education program legally authorized by the State in which it is located; and be accredited or be making reasonable progress toward accreditation. An institution must also have below average educational and general expenditures per full-time equivalent undergraduate student and include in its enrollment a significant percentage of financially needy students. The enrollment of needy students criterion may be met if a substantial percentage of the institution's enrolled students are Pell Grant recipients, or if 50 percent of its enrolled students are Title IV need-based aid recipients. If a strengthening institution participant receives funding under this program, it cannot receive funding under other sections of Part A or Part B.

Strengthening Tribally Controlled Colleges and Universities (Part A, Section 316) authorizes 1-year planning grants and 5-year discretionary development grants that enable TCCUs to improve and expand their capacity to serve American Indian students. Institutions receiving a 5-year grant under this part are not eligible to receive an additional grant under this part until 2 years after the 5-year grant has expired. Institutions may use their funds to plan, develop, and implement activities that encourage: faculty and academic program development; improvement in fund and administrative management; construction and maintenance of instructional facilities, including purchase or rental of telecommunications technology equipment and services; student services; the establishment of a program of teacher education with a particular emphasis on qualifying students to teach Indian children; and the establishment of community outreach programs that encourage Indian elementary and secondary school students to develop the academic skills and interest to pursue postsecondary education. These institutions may use no more than 20 percent of the funds provided under this section to establish or increase an institution's endowment fund. These endowment funds must be matched at a rate of one dollar for each Federal dollar. If a TCCU receives funding under this program, it cannot receive funding under other sections of Part A or Part B.

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Aid for institutional development

Strengthening Alaska Native and Native Hawaiian-serving Institutions (Part A, Section 317) authorizes 1-year planning grants and 5-year discretionary development grants that enable these institutions to improve and expand their capacity to serve Alaska Native and Native Hawaiian students. Institutions receiving a 5-year grant under this part are not eligible to receive an additional grant under this part until 2 years after the 5-year grant has expired. Institutions may use their funds to plan, develop, and implement activities that encourage: faculty and curriculum development; improvement in fund and administrative management; construction, maintenance, renovation and improvement for library, laboratory and other instructional facilities; student services; and the purchase of library books and other educational materials.

The term "Alaska Native-serving institution" is defined as an institution that, at the time of application, has an undergraduate enrollment that is at least 20 percent Alaska Native (as defined in section 9308 of the Elementary and Secondary Education Act of 1965) students. The term "Native Hawaiian-serving institution" is defined as an institution that, at the time of application, has an undergraduate enrollment that is at least 10 percent Native Hawaiian (as defined in section 9212 of the Elementary and Secondary Education Act of 1965) students. If an Alaska Native or Native Hawaiian-serving institution receives funding under this program, it cannot receive funding under other sections of Part A or Part B.

Strengthening HBCUs (Part B, Section 323) is a formula grant program targeted to help HBCUs strengthen their infrastructure and achieve greater financial stability. HBCUs may use their funds to plan, develop, and implement activities that encourage: faculty and academic program development; better fund and administrative management; construction and maintenance and renovation of instructional facilities; student services; the establishment of a program of teacher education designed to qualify students to teach in public schools; and the establishment of community outreach programs that will encourage elementary and secondary school students to develop the academic skills and the interest to pursue postsecondary education. The Higher Education Amendments of 1998 also authorized HBCUs to use no more than 20 percent of the grant funds provided under this part— which must be matched at a rate of one institutional dollar for each Federal dollar— to establish or increase an institution's endowment fund.

A Part B eligible institution is defined as any accredited, legally authorized HBCU that was established prior to 1964 and whose principal mission was, and is, the education of African Americans. Part B appropriations are allocated among HBCUs based on the number of Pell Grant recipients enrolled, the number of graduates, and the percentage of graduates who are attending graduate or professional school in degree programs in which African Americans are under-represented. The statute provides for a \$500,000 minimum grant for each eligible institution. If an HBCU receives funding under this program, it cannot receive funding under Part A.

HIGHER EDUCATION

Aid for institutional development

Strengthening Historically Black Graduate Institutions (HBGIs) (Part B, Section 326) authorizes 5-year grants to the following 18 postgraduate institutions: Morehouse School of Medicine, Meharry Medical School, Charles R. Drew Postgraduate Medical School, Clark-Atlanta University, Tuskegee University School of Veterinary Medicine, Xavier University School of Pharmacy, Southern University School of Law, Texas Southern University School of Law and School of Pharmacy, Florida A&M School of Pharmaceutical Sciences, North Carolina Central University School of Law, Morgan State University, Hampton University, Alabama A&M, North Carolina A&T State University, University of Maryland Eastern Shore, Jackson University, Norfolk State University, and Tennessee State University. A grant under this section can be used for: scholarships and fellowships for needy graduate and professional students; construction and maintenance of instructional facilities; the establishment or maintenance of an endowment fund; establishment or improvement of a development office to strengthen and increase contributions from alumni and private sector; improvement of fund and administrative management; purchases, rental and lease of scientific and laboratory equipment for educational purposes; and purchase of library books, periodicals, technical and scientific journals, microfilms microfiches and other educational materials including telecommunication program materials.

Section 326 grants are limited to \$1 million unless the HBGI agrees to match 50 percent of the grant funding in excess of \$1 million with non-Federal resources. Institutions are not required to match any portion of the first \$1 million of the their award.

An HBGI that received a grant under this section in fiscal year 1998 (and that is eligible to receive a grant after fiscal year 1998) shall not receive a grant in subsequent fiscal years that is less than the grant amount received in fiscal year 1998. No institution or university system may receive more than one grant under Section 326 in any fiscal year. If an HBGI receives funding under this program, it cannot receive funding under the Part A, Strengthening Institutions program.

Of the amount appropriated: the first \$26.6 million (or any lesser amount appropriated) shall be used to make grants to the first 16 HBGIs listed above; any amount appropriated in excess of \$26.6 million but less than \$28.6 million shall be used to make grants to Norfolk State University and Tennessee State University; and any amount in excess of \$28.6 million shall be made available to each of the 18 HBGIs pursuant to a formula developed by the Secretary using: 1) an institution's ability to match funds; 2) the number of students enrolled in the postgraduate program; 3) the average cost of education per student enrolled in the postgraduate program; 4) the number of students who received a degree from the postgraduate program in the previous year; and 5) and the contribution of the institution as calculated by the ratio of programs for which the institution is eligible to receive funds to the number of African Americans receiving graduate or professional degrees in those programs.

The Higher Education Amendments of 1998 authorized the Minority Science and Engineering Improvement Program (MSEIP) under Title III to better align programs that are targeted to minority-serving institutions. MSEIP awards discretionary grants to institutions of higher education that are designed to effect long-range improvement in science and engineering education at predominantly minority institutions and to increase the participation of underrepresented ethnic and racial minorities in scientific and technological careers.

HIGHER EDUCATION

Aid for institutional development

Colleges and universities with minority enrollments greater than 50 percent are eligible to receive assistance under MSEIP. MSEIP allows grantee institutions the latitude to promote a variety of innovative and customized projects. Typically, MSEIP projects are designed to implement one, or a combination of, educational projects, such as curriculum development, purchase of scientific equipment, or development of research capabilities.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	\$189,301 ¹
1997	189,301 ¹
1998	204,200 ¹
1999	239,750
2000	258,500

¹Prior to FY 1999, Title III appropriations did not include the MSEIP program.

FY 2001 BUDGET REQUEST

The Administration proposes \$294.5 million for the Aid for Institutional Development programs, an increase of \$36 million or 13.9 percent over FY 2000. A significant number of postsecondary education institutions serving high percentages of minority students and students from low-income backgrounds face problems that threaten their ability to survive. This proposal for Title III supports the Administration's commitment to assisting institutions enrolling a large proportion of disadvantaged students by providing funds to improve the institution's academic programs and administrative and fundraising capabilities. The FY 2001 proposal also reflects the Administration's goal of ensuring equal access to quality postsecondary education and lifelong learning to students who in the past have been denied access to postsecondary education because of race or national origin.

The Administration is proposing \$63 million for the Part A, Strengthening Institutions program, a \$2.75 million or 4.6 percent increase over FY 2000. This funding level will maintain current levels of services for existing grantees that provide educational opportunities for a diverse student population as well as make 9 additional awards.

The proposal also includes an increase of \$3 million for the Part A section 316 Strengthening Tribally Controlled Colleges and Universities (TCCUs) program. Over 20 percent of American Indian/Alaska Natives enrolled in higher education are enrolled at the 30 TCCUs located in the United States. These institutions are located primarily in remote areas not served by other postsecondary education institutions. They offer a broad range of degree and vocational certificate programs to students for whom these educational opportunities would otherwise be geographically and culturally inaccessible. Between 1976 and 1996, American Indian/Alaska Natives enrollment at institutions of higher education increased by 76.1 percent, to a total of 134,000 students. At undergraduate institutions, their enrollment increased by 76.3 percent to

HIGHER EDUCATION

Aid for institutional development

122,900 students. The Administration's total request of \$9 million for the TCCU program would allow 24 of the 30 TCCUs to receive an award.

The proposal also includes level funding of \$5 million for Strengthening Alaska Native and Native Hawaiian –serving institutions to provide continued support for 13 Alaska Native and Native Hawaiian-serving Institutions. These institutions are also typically located in remote areas not served by other postsecondary educational institutions.

The Administration proposes \$169 million for HBCUs under Part B, an increase of \$20.25 million or 13.6 percent over 2000. This increase would support the Administration's efforts to provide equal opportunity for post secondary education to African Americans, including, in areas of study in which they are under represented. In addition, the Administration proposes \$40 million for HBGIs under Part B, Section 326, an increase of \$9 million or 29 percent over 2000. The fiscal year 2001 request demonstrates the Administration's commitment to strengthening these historically and academically important institutions of higher education that have made significant contributions to promoting educational opportunities for African Americans and the disadvantaged.

The Administration is also proposing \$8.5 million for the Minority Science and Engineering Improvement Programs, an increase of \$1 million or 13.3 percent over FY 2000. This proposal would increase support for the improvement of mathematics, science, and engineering programs at institutions of higher education enrolling large numbers of minority students and would further the Department's efforts to increase access to a quality higher education for individuals from underrepresented minority groups. At present, minorities still account for less than 5 percent of all U.S. scientists and engineers in the workforce. These minority-serving institutions represent a principal conduit for minority graduates, particularly in the fields of science and engineering. This increased funding would support about 92 minority-serving institutions.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance goal (Title III): To assist institutions that have limited resources and that have traditionally served large numbers of low-income and minority students to continue to serve these students, and to improve the capacity of these institutions to provide on-going, up-to-date quality education in all areas of higher education.

HIGHER EDUCATION

Aid for institutional development

Objective: Improve access of low-income and minority students to Title III funded institutions.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Specialized Accreditation. The percentage of Title III institutions having specialized accreditation, a measure of academic program quality, will be maintained or increase. <i>1998 baseline: 66% of Title III institutions had specialized accreditation.</i>	66% or incr.	66% or incr.	66% or incr.	66% or incr.
Graduation rates. The percentage of full-time, degree-seeking students at Title III institutions completing a four-year degree within six years and a two-year degree, certificate, or transferring to a four year school within three years will increase over time. <i>1997 baseline: Four year institutions: 34%, two-year institutions: 22%.</i>	Incr.	Incr.	Incr.	Incr.
Fiscal Balance. Over 90 percent of Title III institutions will maintain a positive fiscal balance. <i>1996 Baseline: 92 %.</i>	90%	90%	90%	90%

The Department will assist Title III institutions in serving low-income and minority students by disseminating information to institutions on effective practices and strategies in a variety of areas in higher education, such as persistence, academic skills development, endowment building, technology, expansion, graduate education, and opportunities for networking.

The Department will establish a formal mechanism for exchange of information with Title III related organizations and higher education agencies and associations. The Department will also conduct consistent, thorough reviews of performance reports with feedback to grantees.

HIGHER EDUCATION

Aid for institutional development

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Strengthening Institutions:			
Number of planning grants	14	14	10
Average planning grant	\$33	\$33	\$33
Total planning grant funding	\$468	\$462	330
Number of new awards	57	42	9
Average new award	\$343	\$350	\$350
Total new award funding	\$19,570	\$14,700	\$3,150
Number of NCC awards	108	128	170
Average NCC award	\$324	\$350	\$349
Total NCC award funding	\$35,041	\$44,800	\$59,381
Salem State College ¹	\$4,800	0	0
Peer review of new award applications	\$371 ²	\$288	\$139
Total award funding	\$60,250	\$60,250	\$63,000
Total number of awards	179	184	189
Strengthening TCCUs:			
Number of new awards	8	8	8
Average new award	\$375	\$372	\$372
Total new award funding	\$3,000	\$2,976	2,976
Number of NCC awards	0	8	16
Average NCC award	0	\$375	\$375
Total NCC funding	0	\$3,000	\$6,000
Peer review of new award applications	\$0 ²	\$24	\$24
Total award funding	\$3,000	\$6,000	\$9,000
Total number of awards	8	16	24

¹ Congressional mandate. Since this award was mandated by Congress, the \$4.8 million award is not included in the FY 1999 total award funding. However, it is included in the total number of awards.

² Strengthening institutions peer review includes that for TCCUs and Alaska Native And Native Hawaiian-Serving Institutions.

HIGHER EDUCATION

Aid for institutional development

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Strengthening Alaska Native and Native Hawaiian-Serving Institutions:			
Number of new awards	9	4	0
Average new award	\$333	\$383	0
Total new award funding	\$3,000	\$1,531	0
Number of NCC awards	0	9	13
Average NCC award	0	\$383	\$385
Total NCC funding	0	\$3,444	\$5,000
Peer review of new award applications	0 ²	\$25	0
Total award funding	\$3,000	\$5,000	\$5,000
Total number of awards	9	13	13
Strengthening HBCUs:			
Number of new awards	1	0	0
Average new award	\$1,497	0	0
Total new award funding	1,497	0	0
Number of NCC awards	97	98	98
Average NCC award	\$1,387	\$1,518	\$1,724
Total NCC award funding	\$134,503	\$148,750	\$169,000
Total award funding	\$136,000	\$148,750	\$169,000
Total number of awards	98	98	98
Strengthening HBGLs:			
Number of new awards	13	0	0
Average new award	\$1,058	0	0
Total new award funding	\$13,754	0	0
Number of NCC awards	5	18	18
Average NCC award	\$3,249	\$1,722	\$2,222
Total NCC award funding	\$16,246	\$31,000	\$40,000
Total award funding	\$30,000	\$31,000	\$40,000
Total number of awards	18	18	18

HIGHER EDUCATION

Aid for institutional development

Minority Science and Engineering

Improvement Program:

Number of new awards	41	37	45
Average new award	\$117	\$99	\$113
Total new award funding	\$4,788	\$3,680	\$5,078

Number of NCC awards	43	54	47
Average NCC award	\$61	\$69	\$71
Total NCC funding	\$2,637	\$3,745	\$3,337

Peer review of new award applications	\$75	\$75	\$85
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Total award funding	\$7,500	\$7,500	\$8,500
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Total number of awards	84	91	92
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HIGHER EDUCATION

Dual degree programs for minority-serving institutions

(Proposed legislation)

FY 2001 Authorization (\$000s): To be determined

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
0	\$40,000	+\$40,000

PROGRAM DESCRIPTION

The newly proposed Dual Degree Programs for Minority-Serving Institutions initiative would provide competitive grants to consortia of minority-serving institutions and research universities to enable students at Hispanic-serving Institutions (HSIs), Historically Black Colleges and Universities (HBCUs), Tribally Controlled Colleges and Universities (TCCUs), and Alaska Native and Native Hawaiian-serving institutions to earn dual degrees. Typically, participants would spend three years as undergraduates at the HSI, HBCU, TCCU, or Alaska Native and Native Hawaiian-serving institution earning a bachelor's degree and two years at a partner institution, such as a major research university, earning a bachelor's or master's degree in a field in which (1) the student's racial or ethnic group is underrepresented and (2) the minority-serving institution does not offer a program.

Funds would: (1) establish dual-degree program articulation agreements, (2) provide scholarships to students to bridge tuition and cost of attendance differences between the minority-serving institution and the partner institution, including differences in institutional scholarships; and (3) compensate the minority-serving institutions for tuition revenue losses associated with the participants' accelerated matriculation. This program is intended to increase academic opportunities for students at minority-serving institutions, improve their postgraduate access and persistence, and promote their workforce participation in fields in which minorities are underrepresented.

Grants would be made to consortia of eligible minority-serving institutions and partner institutions that have or intend to establish five-year dual-degree programs in fields such as pharmacy, architecture, and engineering. Students participating in dual-degree programs in these fields will not spend more time total earning their degree than they otherwise would. Grants would aid institutions of higher education that have traditionally served students who have been denied access to postsecondary education because of race or national origin and whose participation in the American system of higher education is in the Nation's interest. This enhances equality of access and quality of postsecondary education opportunities for all students.

HIGHER EDUCATION

Dual degree programs for minority-serving institutions

Funding levels for the past 5 fiscal years were:

(\$000s)

1996	0 ¹
1997	0 ¹
1998	0 ¹
1999	0 ¹
2000	0 ¹

¹The program was not proposed prior to FY 2001.

FY 2001 BUDGET REQUEST

For FY 2001, the Administration proposes \$40 million for the Dual Degree Programs for Minority-Serving Institutions initiative. The Administration recognizes that minority-serving institutions play an important role in the American system of education and serve critical roles in providing minorities access to postsecondary education. Dual degree programs increase the number of minority students earning degrees in fields in which they are underrepresented, helping to ensure that the Nation's workforce is as competitive and diverse as possible.

Dual degree programs at minority-serving institutions also help attract better students by offering both the culturally supportive environment of a minority-serving institution at the most critical stages of intellectual and social development and access to a degree from a nationally-recognized university. The requirement to raise the quality of education, at all levels, has become more imperative as Americans feel increasing competitive pressure from the global marketplace.

Some participating institutions would use funding to develop the program with partner institutions and some funds would be used to provide support services to participating students. The primary use of funds would be to provide scholarships to participating students when they move to the partner institution, so the students would continue to pay only the tuition and fees associated with the home institution while the Federal Government provides the balance to the partner institution. The cost differential is significant, and bridging this gap would allow many more students to take advantage of this program. The average tuition and fees at private HBCUs for 1999-2000 is \$6,600, about one-half of the average tuition and fees at all private institutions and lower than the cost of attending most research universities. Finally, the funds would be used to reimburse the home institution for the tuition revenue it loses when the participating student leaves for the partner institution. This use of funds would prevent schools from being negatively affected and would encourage their participation in the program.

The Dual Degree Programs for Minority-Serving Institutions supports Goal 3 of the Department's Strategic Plan, which is to ensure access to postsecondary education and lifelong learning. Numerous studies have found that postsecondary enrollment and completion rates for minority students are below average.

HIGHER EDUCATION

Dual degree programs for minority-serving institutions

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance Goal: To enable students in minority-serving institutions to earn dual degrees.

Objective: To increase postgraduate access and persistence for students at minority-serving institutions.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Postgraduate Opportunities. Rate at which students at grantee institutions enter and complete graduate study will increase by 20% within 6 years. <i>Baseline to be determined.</i>	No Data	No data	No data	No data

No 1999 or 2000 data exists, as this is a newly proposed program. The indicator listed above is a long-run expectation for the program. In the interim, enrollment in Dual Degree Programs for Minority-Serving Institutions is expected to increase each year at grantee institutions. Data for this indicator will be collected through grantee progress reports and should be available 12-15 months after grants are disbursed.

PROGRAM OUTPUT MEASURES

<u>(\$000s)</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Number of planning grants	0	0	20
Average planning grant	0	0	\$120
Total planning grant	0	0	\$2,400
Number of institutional awards	0	0	60
Average institutional award	0	0	\$620
Total institutional award funding	0	0	\$37,200
Peer review of new award applications	0	0	\$400
Total award funding	0	0	\$40,000
Total number of awards	0	0	80
Total number of students	0	0	3,098

HIGHER EDUCATION

Developing Hispanic-serving institutions

(Higher Education Act of 1965, Title V)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$42,250	\$62,500	+\$20,250

PROGRAM DESCRIPTION

The Higher Education Amendments of 1998 created a new Title for the Developing Hispanic-serving Institutions program (which previously had been authorized under Title III of the HEA) to expand and enhance the academic offerings, program quality, and institutional stability of the colleges and universities that are educating a large percentage of Hispanic college students.

Discretionary grants of up to 5 years in duration are awarded competitively to Hispanic-serving Institutions (HSIs) to enable such institutions to improve and expand their capacity to serve Hispanic and low-income students. The term "Hispanic-serving institution" is defined as an institution that, at the time of application, has an enrollment of undergraduate full-time equivalent students that is at least 25 percent Hispanic, of which not less than 50 percent are low-income individuals.

When making awards, the Secretary gives priority to HSIs that work with, or have a cooperative agreement to work with, local educational agencies in reducing Hispanic dropout rates, improving rates of Hispanic academic achievement, and increasing the rates at which Hispanic high school graduates enroll in higher education. Institutions receiving a 5-year grant under this part are not eligible to receive a subsequent 5-year grant until 2 years after the 5-year grant has expired. If an HSI receives funding under this program, it cannot receive funding under Part A or Part B of Title III.

HSIs may use their funds to plan, develop, and implement activities that encourage: faculty and academic program development; better fund and administrative management; construction and maintenance of instructional facilities; student services; the establishment of a program of teacher education designed to qualify students to teach in public schools; establishment of community outreach programs that encourage elementary and secondary school students to develop the academic skills and the interest to pursue postsecondary education; and creating or improving facilities for Internet or other distance learning academic instruction capabilities, including purchase or rental of telecommunications technology equipment and services. Also, HSIs may use no more than 20 percent of the grant funds to establish or increase an institution's endowment fund. The endowment funds must be matched at a rate of one non-Federal dollar for each Federal dollar.

HIGHER EDUCATION

Developing Hispanic-serving institutions

Funding levels for the past 5 fiscal years were:

(\$000s)

1996	\$10,800 ¹
1997	10,800 ¹
1998	12,000 ¹
1999	28,000
2000	42,250

¹Prior to FY 1999, this program was funded under Title III.

FY 2001 BUDGET REQUEST

The Administration proposes \$62.5 million for the Developing Hispanic-serving Institutions program, an increase of \$20.25 million or 47.9 percent over 2000. This program is part of the Department's overall Hispanic Action Plan to increase high school graduation, post-secondary participation, and life-long learning of Hispanics and to close the gap between Hispanic and majority students in these areas. At this funding level, the Department would be able to continue support to 107 current grantees as well as make 53 new awards and 6 planning grants.

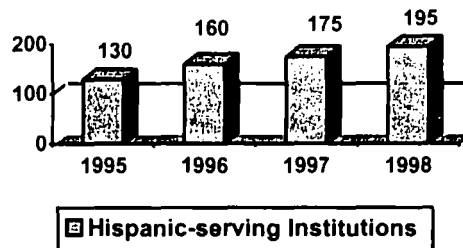
Between 1992 and 1996, Hispanic American enrollment increased by 160 percent from about 500,000 in 1992 to about 1.3 million in 1996. Today, there are about 14.5 million students in postsecondary education, of which, just over 9 percent are Hispanic. Of these, 40 percent attend HSIs. However, only 20 percent of HSIs offer Masters degrees and only 11 percent offer doctoral degrees as their highest degrees. HSIs are under-equipped and understaffed and are unable to do competitive hiring. Most HSIs also are unable to develop baccalaureate or graduate programs, maintain modern research facilities, or offer high-tech learning and working environments.

In the next century Hispanic Americans will become the largest ethnic group in the United States. Between the years 1995 and 1998, the number of HSIs has risen from 130 to 195. The following graph shows the growth trend of HSIs in recent years.

HIGHER EDUCATION

Developing Hispanic-serving institutions

Growth in number of Hispanic-serving Institutions



In spite of the academic gains made by Hispanics in recent years, the 1996 report of the President's Advisory on Educational Excellence for Hispanic Americans stated that: "According to every educational indicator, Hispanic Americans are making progress at alarmingly low rates – from preschool through grade school, from junior high through high school, and on into higher education. The cumulative effect of such neglect is obviously detrimental not only to Hispanics, but to the nation". In 1997, only 11 percent of Hispanics ages 25 to 29 had completed 4 or more years of college and only 61.8 percent had completed high school compared to 87.4 percent of all students. The *Survey of Earned Doctorates* noted that in 1996 Hispanics earned only 3.8 percent of the 42,705 doctorates awarded. Clearly the participation and completion rates of Hispanics Americans in postsecondary education has not kept pace with their presence in the general population.

The FY 2001 proposal for the Developing Hispanic-serving Institutions program reflects the Administration's commitment to improving opportunities for Hispanics and strengthening these academically significant institutions of higher education. The White House Initiative on Educational Excellence for Hispanic Americans has made a firm commitment to support and promote HSIs for the important role they play in offering high-quality educational opportunity to Hispanic students. Our FY 2001 request would continue to increase the educational opportunities of the Nation's fastest growing minority population by providing funding to 166 of the 195 HSIs. The FY 2001 funds will expand and enhance the academic offerings, program quality, and institutional stability of HSIs. This program supports the Department's strategic goal of ensuring equal access to postsecondary education for all students.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

HIGHER EDUCATION

Developing Hispanic-serving institutions

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance goal (Title V): To assist Hispanic institutions that have limited resources and that have traditionally served large numbers of low-income and Hispanic students to continue to serve these students, and to improve the capacity of these institutions to provide on-going, up-to-date quality education in all areas of higher education.

Objective: Improve access of low-income and Hispanic students to Title V funded institutions.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Specialized Accreditation. The percentage of Title V institutions having specialized accreditation, a measure of academic program quality, will be maintained or increase. <i>Baseline to be determined.</i>	Maint. or incr.	Maint. or incr.	Maint. or incr.	Maint. or incr.
Graduation rates. The percentage of full-time, degree-seeking students at Title V institutions completing a four-year degree within six years and a two-year degree, certificate, or transferring to a four year school within three years will increase over time. <i>Baseline to be determined.</i>	Incr.	Incr.	Incr.	Incr.
Fiscal Balance. Title V institutions will maintain a positive fiscal balance. <i>Baseline to be determined.</i>	90%	90%	90%	90%

Data will be obtained from the Annual Performance reports, comprehensive development plans and the Department's databases. The Department will assist Title V institutions in serving low-income and minority students by disseminating information to institutions on effective practices and strategies in a variety of areas in higher education, such as persistence, academic skills development, endowment building, technology, expansion, graduate education, and opportunities for networking.

The Department will establish a formal mechanism for exchange of information with Title V related organizations and higher education agencies and associations. The Department will also conduct consistent, thorough reviews of performance reports with feedback to grantees.

HIGHER EDUCATION

Developing Hispanic-serving institutions

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Strengthening HSIs:			
Planning grants	0	13	6
Average Planning grants	0	\$33	\$33
Total Planning grants	0	\$423	\$195
Number of new awards	39	68	53
Average new award	\$408	\$375	\$375
Total new award funding	\$15,914	\$25,500	\$19,875
Number of NCC awards	37	39	107
Average NCC award	\$319	\$416	\$396
Total NCC funding	\$11,805	\$16,234	\$42,332
Peer review of new award applications	\$281	\$93	\$98
Total award funding	\$28,000	\$42,250	62,500
Total number of awards	76	120	166

HIGHER EDUCATION

International education and foreign language studies: Domestic programs (Higher Education Act of 1965, Title VI)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$62,000	\$62,000	0

PROGRAM DESCRIPTION

The International Education and Foreign Language Studies (IEFLS) Domestic Programs are designed to strengthen the capability and performance of American education in foreign languages and in area and international studies. The IEFLS programs have their origin in the National Defense Education Act of 1958 as a response to the need to strengthen instruction in foreign languages insufficiently taught in the United States as well as area and international studies.

Nine major IEFLS Domestic Programs are currently funded under Title VI of the Higher Education Act:

National Resource Centers support institutions of higher education (IHEs) or consortia of such institutions in: establishing, operating, and strengthening advanced centers to train students, specialists, and other scholars; maintaining important library collections and related training and research facilities; conducting advanced research and development activities; establishing linkages between IHEs and other academic, governmental, and media entities; operating summer institutes; and providing outreach and consultative services at the national, regional, and local levels. National Resource Centers are funded for up to 3 years, with funds allocated on an annual basis pending satisfactory performance by the Centers and availability of funds.

Foreign Language and Area Studies Fellowships Program supports academic year and summer fellowships for graduate-level training at IHEs having nationally recognized programs of excellence. Institutions are funded for up to 3 years and, in turn, award fellowships annually to individual graduate students on a competitive basis.

HIGHER EDUCATION

International education and foreign language studies: Domestic programs

Undergraduate International Studies and Foreign Language Program supports IHEs or consortia of IHEs in establishing, operating, and strengthening instructional programs in international studies and foreign language at the undergraduate level. Grantees must provide matching funds in either of the following ways: (1) cash contributions from the private sector equal to one-third of the total project costs; or (2) a combination of institutional and non-institutional cash or in-kind contributions equal to one-half of the total project costs. The Secretary may waive or reduce the required matching share for institutions that are eligible to receive assistance under Part A or Part B of Title III or under Title V of the Higher Education Amendments of 1998. The Amendments expand authorized activities to include the use of innovative technology to increase access to international education programs. The Amendments also authorize partnerships with the private sector and elementary and secondary schools to enhance international education. Grant awards are normally made for 2 years. However, organizations, associations, and institutional consortia are eligible for up to 3 years of support.

International Research and Studies Projects support IHEs, public and private nonprofit organizations, and individuals in projects designed: to determine the need for improved or increased instruction in modern foreign language and area and international studies; to develop more effective teaching methods and standardized measures of competency; to develop specialized curriculum materials; to evaluate the extent to which programs that address national needs would not otherwise be offered; to study and survey the uses of technology in foreign language and area and international studies programs; and to determine through studies and evaluations effective practices in the dissemination of information throughout the education community, including elementary and secondary schools. The Secretary funds participants through grants and contracts for up to 3 years. A Small Business Innovative Research (SBIR) project is also funded under this program. Most Federal agencies participate in the SBIR Program, under which 2.5 percent of their research obligations must be competitively awarded to small businesses.

Business and International Education Projects support IHEs in designing 2-year projects both to enhance the international academic programs and to promote linkages between the IHEs and the international business community engaged in international economic activity. The Federal share of the projects cannot exceed 50 percent of the total cost.

International Business Education Centers support IHEs by paying the Federal share of the cost of planning, establishing, and operating centers that provide a comprehensive university approach to improving international business education by bringing together faculty from numerous disciplines. The Centers serve as national and regional business resources for teaching improved business strategies to students and business professionals; provide instruction in critical foreign language and international fields; and support research and training in the international aspects of trade and other fields of study. Grants are made for a minimum of 3 years. The Federal share of the cost of planning, establishing, and operating the Centers cannot exceed 90 percent, 70 percent, or 50 percent in the first, second, third and following years, respectively.

HIGHER EDUCATION

International education and foreign language studies: Domestic programs

Language Resource Centers support IHEs or consortia of IHEs designed to improve the teaching and learning of foreign languages. The activities carried out by the Centers include: the development and dissemination of new teaching methods and the training of teachers in their use; the development, application, and dissemination of performance testing; the training of teachers in the administration and evaluation of the tests; a focus on the teaching and learning needs of the less commonly taught languages and the publication and dissemination of instructional materials in those languages; the conduct and dissemination of research on new and improved teaching methods (including the use of advanced educational technology) to the education community; the development and dissemination of materials designed to serve as a resource for foreign language teachers at the elementary and secondary school levels; and the operation of intensive summer language institutes. Language Resource Centers are eligible for up to 3 years of support.

American Overseas Research Centers Program makes grants to consortia of IHEs to promote postgraduate research, faculty and student exchanges, and area studies. Funds may be used for stipends, staff salaries, operation and maintenance of overseas facilities, teaching and research materials, maintenance of library collections, conferences, publications, and dissemination of materials. The Federal share of the projects cannot exceed 50 percent of the total cost.

Technological Innovation and Cooperation for Foreign Information Access supports IHEs or public or nonprofit private libraries to develop innovative techniques or programs using new electronic technologies to collect, organize, preserve, and widely disseminate information on world regions that address our Nation's teaching and research needs in international education and foreign languages. The Federal share of the projects cannot exceed two-thirds of the total cost.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	\$50,481
1997	53,481
1998	53,581
1999	60,000
2000	62,000

FY 2001 BUDGET REQUEST

For FY 2001, the Administration proposes \$62 million for the Domestic Programs, the same as the FY 2000 appropriation. In general, the Domestic Programs would be used to develop and maintain American expertise in world cultures and economies, and foreign languages. More than ever, our Nation needs a readily available pool of international area and language experts for economic, foreign affairs, and defense purposes. Given the increased complexity of the post-Cold War world, this expertise is of growing importance.

HIGHER EDUCATION

International education and foreign language studies: Domestic programs

The Domestic Programs focus their resources on those areas of the world neglected in the curricula of institutions of higher education and the foreign languages that are spoken in those world areas. Among these languages are: Amharic, Swahili, Zulu, Korean, Indonesian, Vietnamese, Serbo-Croatian, Azeri, Turkish, and Persian. Current and former participants of the Domestic Programs are important sources of expertise in currently critical geographic areas including China, Cuba, Bosnia, South Africa, Indonesia, the Persian Gulf, the Caspian Sea, and Russia.

The request also reflects a recognition that a strong Federal commitment to leadership in international education is essential for American success in an increasingly internationalized economy. Through the IEFLS business programs, institutions of higher education are linked with businesses in a mutually beneficial relationship that fosters our Nation's economic strength.

The IEFLS programs have an impact that far outweighs the relatively small Federal investment in them. The IEFLS programs provide "seed money" that is matched by institutions, associations, and private sector firms. The evidence shows that the Federal funding provided by the IEFLS programs leverage a large amount of non-Federal funding. Thus, the Department is able to have a substantial impact on the field of international education for a small investment of taxpayer dollars. As an example, Federal funding for the 28 Centers for International Business Education (CIBEs) in FY 1999 was \$8 million. A recent survey of CIBEs revealed that these Federal funds leverage institutional and private sector funds that are more than three times the Federal investment.

Since some of the IEFLS programs focus on training teachers, they create a significant educational "ripple effect." Each teacher or faculty member trained under an IEFLS program takes the experience back to the classroom.

Three studies were conducted recently to measure the effectiveness of the Domestic Programs:

- 1) The National Foreign Language Center (NFLC) at Johns Hopkins University received a grant under the Domestic Programs to conduct a study of the role of Title VI National Resource Centers in developing national capacity in foreign languages in response to national needs. The study entitled "Language and National Security for the 21st Century: The Federal Role in Supporting National Language Capacity" was completed in 1999. Specifically, the study gathered data to gauge the current status of Title VI language instruction, such as the enrollment characteristics of students in language courses, and sought to obtain a measure of national language needs by examining higher education, business, and government sectors.

Data from the study revealed that Title VI-supported institutions account for 21 percent of undergraduate and 55 percent of graduate enrollments in the Less Commonly Taught Languages (LCTLs). Title VI schools constitute less than 3 percent of all colleges and universities offering language instruction in the U.S. Among the *Least Commonly Taught Languages*, Title VI-supported institutions account for 55 percent of undergraduate and 66 percent of graduate enrollments. The study also revealed that "...many languages, including most of the LCTLs, would not or could not be taught in this country were it not for

HIGHER EDUCATION

International education and foreign language studies: Domestic programs

Title VI/F-H [Fulbright-Hays programs]." This assertion is supported by interviews with language specialists and university administrators and from a comparison of the enrollment data for languages in Title VI/F-H and non-Title VI/F-H institutions.

- 2) Pennsylvania State University received a grant in 1996 under the Domestic Programs to study the Foreign Language and Area Studies Fellowships (FLAS) program by developing a database of approximately 2,000 FLAS fellows who received their doctorates between 1984-1994.

The study compared data of FLAS recipients with that of non-FLAS recipients. The final report has yet to be completed. However, data from the draft progress report suggest that:

- A greater percentage of FLAS recipients majoring in languages and literature chose the more difficult, rarer languages as compared with non-FLAS recipients.
 - FLAS recipients were substantially more likely than non-FLAS recipients to receive fellowships from university, national, and Federal sources (other than FLAS awards) in all major fields.
- 3) The University of Massachusetts at Amherst received a grant under the Domestic Programs to conduct an evaluation of the Undergraduate International Studies and Foreign Languages Program. The evaluation, completed in 1999, found that the program's impact has been strong and long lasting. Over 90 percent of the survey's respondents indicated that their institutions are currently supporting programs that had received Title VI funding five or more years previously.

Respondents to the survey also pointed out that "the role of the national government is important as a stimulus to international education, saying that 'we wouldn't have international education in the country without Title VI.' Because of the 'national interest,' and the increasing importance of international competence in the training of the future workforce, the Federal role is considered to be crucial."

In addition, a project to evaluate area studies and foreign language programs is currently underway:

- The National Foreign Language Center (NFLC) at Johns Hopkins University received a grant in 1998 under the International Research and Studies program for a five-year project to develop and implement an evaluation system for a broad range of area studies and foreign language programs. The Evaluation of Exchange, Language, International, and Area Studies project (EELIAS) will establish a web-based, independent, free-standing system for the evaluation of Title VI and the Fulbright-Hays programs. It will assess the performance of each program and will provide data in support of Government Performance Results Act indicators.

HIGHER EDUCATION

International education and foreign language studies: Domestic programs

At the end of each year, annual reports on each program will be generated. In year one, National Resource Centers, the Foreign Language and Area Studies Fellowships program, the Undergraduate International Studies and Foreign Language program, and the Institute for International Public Policy were reviewed. Programs to be reviewed in year two include the American Overseas Research Centers, the International Business Education Centers, and the Business and International Education Projects. In each year thereafter, three more programs will be brought on-line, while reporting and assessment will continue for programs already on-line. Data from all five years of the project will be presented in a final report on the effectiveness of Title VI and Fulbright-Hays in meeting America's need for international expertise.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance goal: To meet the nation's security and economic needs through the development of a national capacity in foreign languages and area and international studies.

Objective: A U.S. higher education system able to respond to changing national needs, now and into the future, for: experts in the LCTL's, international/area studies, and international business; practitioners capable of operating globally; a globally-aware citizenry; and knowledge and information about peoples and areas of the world outside of the U.S.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Percentage of less and least commonly taught language (CTL) instruction at Title VI-supported institutions. <i>FY 1997 baseline: Title VI-supported institutions constitute 2.79% of all higher education institutions offering language instruction in the U.S. This percentage accounts for:</i>				
55% of Graduate enrollment in less CTL	55%	55%	55%	55%
66% of Graduate enrollment in least CTL	66%	66%	66%	66%
21% of Undergrad enrollment in less CTL	21%	21%	21%	21%
55% of Undergrad enrollment in least CTL	55%	55%	55%	55%

The target for this program is to maintain the percentage of less and least CTLs taught at Title VI institutions. The National Resource Centers, comprising only a small number of degree-

HIGHER EDUCATION

International education and foreign language studies: Domestic programs

granting institutions of higher education, bear the major load at the postsecondary level of providing instruction in critical languages. As shown by graduate enrollments in both the less and least CTLs, the NRC's train the majority of the nation's future international experts and professionals with proficiency in critical foreign languages.

This indicator includes data from projects supported by the International Research and Studies Program, data from performance reports, the Foreign Language Enrollments in United States Institutions of Higher Education (Report of the 1995 Modern Language Association Survey of Foreign Language Registrations), and the 1994-1997 NRC Grantee List. The Department will set program priorities where relevant, and consult with the international education constituency to encourage expanded coverage for underrepresented areas and fields.

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
National Resource Centers:			
Number of new awards	0	110	0
Average new award	0	\$194	0
Total new award funding	0	\$21,340	0
Number of NCC awards	109	0	110
Average NCC award	\$193	0	\$194
Total NCC award funding	\$21,000	0	\$21,340
Total award funding	\$21,000	\$21,340	\$21,340
Total number of awards	109	110	110
Foreign Language and Area Studies Fellowships:			
Academic year fellowships	619	600	600
Summer fellowships	420	415	415
Number of new awards	0	130	0
Average new award	0	\$116	0
Total new award funding	0	\$15,090	0
Number of NCC awards	129	0	130
Average NCC award	\$116	0	\$116
Total NCC award funding	\$14,900	0	\$15,090
Average academic year fellowship	\$20	\$21	\$21
Average summer year fellowships	\$6	\$6	\$6
Total award funding	\$14,900	\$15,090	\$15,090
Total number of awards	129	130	130

HIGHER EDUCATION

International education and foreign language studies: Domestic programs

PROGRAM OUTPUT MEASURES

((\$000s))	<u>1999</u>	<u>2000</u>	<u>2001</u>
Undergraduate International Studies and Foreign Language Programs:			
Number of new awards	31	28	31
Average new award	\$73	\$71	\$76
Total new award funding	\$2,264	\$1,991	\$2,359
Number of NCC awards	28	31	28
Average NCC award	\$66	\$76	\$71
Total NCC award funding	\$1,849	\$2,359	\$1,991
Total award funding	\$4,113	\$4,350	\$4,350
Total number of awards	59	59	59
International Research and Studies Projects:			
Number of new awards	13	16	15
Average new award	\$119	\$120	\$130
Total new award funding	\$1,548	\$1,924	\$1,951
Number of NCC awards	15	15	16
Average NCC award	\$112	\$130	\$120
Total NCC award funding	\$1,683	\$1,951	\$1,924
SBIR Project	1	1	1
SBIR Average Award	\$125	\$100	\$100
Total award funding	\$3,356	\$3,975	\$3,975
Total number of awards	29	32	32
Business and International Education Projects:			
Number of new awards	26	26	24
Average new award	\$75	\$88	\$77
Total new award funding	\$1,950	\$2,282	\$1,843
Number of NCC awards	27	24	26
Average NCC award	\$76	\$77	\$88
Total NCC award funding	\$2,056	\$1,843	\$2,282
Total award funding	\$4,006	\$4,125	\$4,125
Total number of awards	53	50	50

HIGHER EDUCATION

International education and foreign language studies: Domestic programs

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
International Business Education Centers:			
Number of new awards	15	0	0
Average new award	\$282	0	0
Total new award funding	\$4,229	0	0
Number of NCC awards	13	28	28
Average NCC award	\$284	\$289	\$289
Total NCC award funding	\$3,688	\$8,100	\$8,100
Total award funding	\$7,917	\$8,100	\$8,100
Total number of awards	28	28	28
Language Resource Centers:			
Number of new awards	9	0	0
Average new award	\$321	0	0
Total new award funding	\$2,885	0	0
Number of NCC awards	0	9	9
Average NCC award	0	\$332	\$332
Total NCC award funding	0	\$2,984	\$2,984
Total award funding	\$2,885	\$2,984	\$2,984
Total number of awards	9	9	9
American Overseas Research Centers:			
Number of new awards	0	11	0
Average new award	0	\$64	0
Total new award funding	0	\$700	0
Number of NCC awards	11	0	11
Average NCC award	\$59	0	\$64
Total NCC award funding	\$650	0	\$700
Total award funding	\$650	\$700	\$700
Total number of awards	11	11	11

HIGHER EDUCATION

International education and foreign language studies: Domestic programs

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Technological Innovation and Cooperation for Foreign Information Access:			
Number of new awards	8	0	0
Average new award	\$129	0	0
Total new award funding	\$1,035	0	0
Number of NCC awards	0	8	8
Average NCC award	0	\$136	\$136
Total NCC award funding	0	\$1,086	\$1,086
Total award funding	\$1,035	\$1,086	\$1,086
Total number of awards	8	8	8
Peer review of new award applications	\$138	\$250	\$250
Total Domestic funding	\$60,000	\$62,000	\$62,000
Total Domestic awards	435	437	437

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International education and foreign language studies: Overseas programs (Mutual Educational and Cultural Exchange Act of 1961, Section 102(b)(6))

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$6,680	\$10,000	+\$3,320

PROGRAM DESCRIPTION

The International Education and Foreign Language Studies (IEFLS) Overseas Programs provide participants with first-hand experience overseas that is designed to improve elementary, secondary, and postsecondary teaching and research concerning other cultures and languages, the training of language and area studies specialists, and the American public's general understanding of current international issues and problems.

Four major Overseas Programs in foreign languages and in area and international studies are authorized under the Mutual Educational and Cultural Exchange Act of 1961 (commonly known as the Fulbright-Hays Act). Under these programs, grants are provided on an annual basis to eligible institutions that in turn support projects of varying duration. The individual Overseas Programs are:

Group Projects Abroad Program supports group training, research, and curriculum development in modern foreign languages and area studies for teachers, college students, and faculty for periods from 1 to 12 months. Projects focus on all major world areas with the exception of Western Europe.

Faculty Research Abroad Program supports opportunities for faculty members of IHEs to study and conduct advanced research overseas. Fellowships are generally reserved for scholars whose academic specializations focus on the less commonly taught languages and all major world areas with the exception of Western Europe. The fellowships are from 3 to 12 months in length.

Doctoral Dissertation Research Abroad Program supports opportunities for doctoral candidates to engage in full-time dissertation research overseas. Fellowships are generally reserved for junior scholars whose academic specializations focus on the less commonly taught languages and all major world areas with the exception of Western Europe. The fellowships are from 6 to 12 months in length.

Special Bilateral Projects with foreign countries support training and curriculum development opportunities for American teachers and faculty through short-term overseas seminars conducted in all major world areas with the exception of Western Europe.

HIGHER EDUCATION

International education and foreign language studies: Overseas programs

IEFLS programs are administered through discretionary grants and interagency agreements. Federal program staff, panels of non-Federal academic specialists, bi-national commissions, U.S. embassies, and the J. William Fulbright Foreign Scholarship Board are involved in the merit-based selection of the Overseas Programs grantees and/or project participants.

The Overseas Programs specifically improve the supply of specialists in area, international, and language studies, and improve public access to knowledge of other countries and languages by providing to individuals and institutions of higher education measurable opportunities in the field of international education for:

- Research;
- Area studies, language and international studies training;
- Professional growth including faculty development and teacher-training;
- Networking with counterparts in the U.S. and abroad;
- Curriculum and instructional materials development; and
- Overseas experience.

The Overseas Programs also fund instruction in less commonly taught foreign languages, such as Hindi and Arabic. In addition, current participants and graduates of the Overseas Programs are an important source of expertise in currently critical geographic areas such as China, Cuba, Bosnia, the Persian Gulf, and South and Southeast Asia.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	\$4,750
1997	5,270
1998	5,770
1999	6,536
2000	6,680

FY 2001 BUDGET REQUEST

For FY 2001, the Administration's proposal for the Overseas Programs is \$10 million, an increase of \$3.32 million over the FY 2000 appropriation. This substantial increase of 49.7 percent would support the increasing need for international expertise and first-hand exposure to the cultures and languages of other countries. In addition, the FY 2001 request would enable the Department to increase the number of fellowships, the length of overseas study, and the financial support to fellows.

The Overseas Programs support American international expertise in world areas and foreign languages that can be tapped into directly as needed for economic, foreign affairs, and defense purposes. More than ever, our country must be aware of other countries and their cultures. Sending postsecondary students and faculty and K-12 teachers overseas gives them first-hand experience that they can bring back to the U.S.

HIGHER EDUCATION

International education and foreign language studies: Overseas programs

The IEFLS Overseas programs have an impact that far outweighs the relatively small Federal investment in them. First, the programs provide "seed money" that is matched by institutions, associations, and private sector firms. The evidence shows that the Federal funding provided by the IEFLS programs leverage a large amount of non-Federal funding. This is particularly true for the Group Projects Abroad program and Special Bilateral Projects. Thus, the Department is able to make an important impact on the field of international education for a small investment of taxpayer dollars. Secondly, because some of these programs focus on training teachers, they create a significant educational "ripple effect." Each teacher or faculty member trained under an IEFLS Overseas program takes the experience back to the classroom. This is particularly true of K-12 teachers, who participate in the Group Projects Abroad and Special Bilateral Projects programs. The Overseas Programs support the Department's Strategic Plan, specifically Objective 1.4 of Goal 1, which is to have a talented and dedicated teacher in every classroom in the Nation.

A grant was awarded in 1996 to the Council of American Overseas Research Centers to conduct a survey and develop a database on the Doctoral Dissertation Research Abroad (DDRA) program. The study, "Three Decades of Excellence: 1965-1994, The Fulbright-Hays Doctoral Dissertation Research Abroad Fellowship Program and Its Impact on the American Academy," accumulated data that was used to track the career paths of DDRA recipients and was completed in December 1998.

The study shows that during the first 33 years of this program more than 3,200 DDRA fellowships were awarded for study in nearly 100 different countries or geographic regions. Nearly all of the grantees completed the Ph.D. degree. More than 87 percent spent their professional careers teaching in colleges and universities with 78 percent teaching in the area of their specialization and slightly more than 90 percent adding new courses to the curriculum. In terms of outreach, 41 percent of the fellows have consulted with the media in their area of expertise, 24 percent have made that expertise available to the business community, 65 percent to the general public, and at least 57 percent performed outreach service to K-12.

In 1995, DDRA fellows were teaching in nearly 400 academic institutions in 48 states and the District of Columbia. More than 53 percent of those surveyed reported teaching in more than one institution.

Research from the study also shows that more than 99 percent of those responding to the survey indicated that the Fulbright-Hays DDRA program was a critical element in their success as professional area-studies and foreign language specialists. More than 90 percent indicated that they could not have achieved that level of expertise without this support. It is clear that the program has been successful and productive in achieving its stated goals.

HIGHER EDUCATION

International education and foreign language studies: Overseas programs

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

The Department's Annual Performance Plan and Annual Program Performance Report may include a slightly different version of this indicator. EELIAS, the project with the National Foreign Language Center at Johns Hopkins University, is designed to help develop performance indicators and an on-line performance reporting system for the Title VI programs. The initial cohort of programs included: (1) National Resource Centers/Foreign Language and Areas Studies Fellowships; (2) Undergraduate International Studies and Foreign Language; and (3) Institute for International Public Policy (IIPP). Over the course of the next three years the balance of the 14 international programs, including the overseas activities, will have indicators and performance reports developed through this project. The instruments being developed will allow the Department to establish benchmarks and other databases that will enable the Department to produce justifiable outcome data for these programs.

Performance goal: To meet the nation's security and economic needs through the development of a national capacity in foreign languages and area and international studies.

Objective: Develop specialists and an educated citizenry who can communicate in foreign languages, particularly in the less commonly taught languages, and who are knowledgeable about the countries in which those languages are spoken.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Number of Ph.D.'s teaching non-Western languages. The number of persons receiving the Ph.D. under the Title VI/Fulbright-Hays funding who are teaching non-Western languages and area studies at U.S. colleges and universities. <i>FY 1995 baseline: 357 institutions employed fellows</i>	No data	No data	No data	No data

The Council of American Overseas Research Centers conducted an evaluation study of the career paths of Doctoral Dissertation Research Abroad (DDRA) recipients. In 1995, DDRA fellows were teaching in at least 357 academic institutions in 48 states and the District of Columbia. During the first 33 years of the Fulbright-Hays DDRA Program, more than 3,200 fellowships were awarded to study in nearly one hundred different countries or geographic regions; nearly all fellows completed the Ph.D. More than 87 percent spent their professional careers teaching in colleges and universities. Over 50 percent of the DDRA fellows had been supported by Title VI fellowships for the initial (domestic) part of their graduate study.

HIGHER EDUCATION

International education and foreign language studies: Overseas programs

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Group Projects Abroad:			
Number of new projects	39	25	36
Average new project	\$60	\$62	\$69
Total new project funding	\$2,326	\$1,551	\$2,499
Number of NCC projects	0	12	12
Average NCC project	0	\$68	\$80
Total NCC project funding	0	\$810	\$960
Total project funding	\$2,326	\$2,361	\$3,459
Total number of projects	39	37	48
Total number of participants	464	680	720
Faculty Research Abroad:			
Number of new fellows	19	20	30
Average new fellowship	\$47	\$47	\$47
Number of new awards	18	20	28
Average new award	\$50	\$47	\$50
Total new award funding	\$891	\$930	\$1,400
Doctoral Dissertation Research Abroad:			
Number of new fellows	95	87	115
Average new fellowship	\$22	\$24	\$27
Number of new awards	30	30	29
Average new award	\$70	\$70	\$108
Total new award funding	\$2,095	\$2,087	\$3,141
Special Bilateral Projects:			
Number of new projects	6	6	10
Average new project	\$185	\$189	\$180
Total new project funding	\$1,112	\$1,135	\$1,800
Total number of participants	96	108	160
Program administration by United States Information Agency:	\$50	\$100	\$100
Peer review of new award applications	\$62	\$67	\$100
Total Overseas funding	\$6,536	\$6,680	\$10,000
Total Overseas participants	674	895	1,025

HIGHER EDUCATION

International education and foreign language studies: Institute for International Public Policy

(Higher Education Act of 1965, Title VI, Part C)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$1,022	\$1,022	0

PROGRAM DESCRIPTION

The Institute for International Public Policy (IIPP) program is intended to increase the number of African-American and other minorities in international service, including private international voluntary organizations and the foreign service of the United States. Consortia consisting of one or more Historically Black Colleges and Universities (HBCUs), Hispanic-serving Institutions (HSIs), Tribally Controlled Colleges and Universities (TCCUs), minority-serving institutions, and institutions with programs to train foreign service professionals are eligible to apply for a grant of up to 5 years duration to establish an Institute for International Public Policy. An institutional match equal to 50 percent of the Federal grant is required.

The Institute for International Public Policy also has subgranted to HBCUs, HSIs, TCCUs, and other institutions serving minority students on a competitive basis to support their international service programs.

The Institute supports a variety of activities, including:

- Sophomore and Junior Year Summer Policy Institutes that provide academic preparation for minority students;
- A Study Abroad program for students entering their third year of study from institutions of higher education serving significant numbers of minority students. The institution enters into an agreement with the Institute whereby the institution agrees to pay one-third of the cost of each student it nominates for participation in the Study Abroad program;
- A Senior Year Language Institute for students that consists of an intensive summer language course of study;
- A program leading to a master's degree in international relations. The Institute may also offer fellowships at the same level of support as those offered by the National Science Foundation. Fellows must agree to enter into international service upon graduation;
- Agreements with HBCUs, other minority-serving institutions, and institutions with programs in training foreign service professionals, to offer academic year, summer, and postbaccalaureate internships in government agencies or other international organizations.

HIGHER EDUCATION

International education and foreign language studies: Institute for International Public Policy

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	\$920
1997	1,000
1998	1,000
1999	1,000
2000	1,022

FY 2001 BUDGET REQUEST

For FY 2001, the Administration proposes \$1.022 million for the Institute for International Public Policy, the same as the FY 2000 appropriation. The request would support the sequence of pipeline activities provided for in the authorizing statute for participating students. The request also would enable the Institute to continue to subgrant to HBCUs, HSIs, TCCUs, and other institutions serving minority students.

Funding for the Institute addresses the need to increase the number of minorities in foreign policy positions in the U.S. Government. The Administration believes that America's face to the world should not be one race, and, as such, an American foreign policy apparatus that is diverse in terms of its members is needed.

The graduates of the Nation's HBCUs, HSIs, TCCUs, and other institutions serving significant numbers of minority students are important to the well-being of America—both from economic and national security perspectives. The Administration is committed to equal access to education for all Americans and to full participation in Government, and foreign affairs positions being available to all Americans. The Institute for International Public Policy assists members of underrepresented minority groups to enter the international and foreign service pipeline—resulting in a Federal Government that is more truly representative of its people.

Funding for the Institute, which in turn competitively awards grants to HBCUs, HSIs, TCCUs, and other institutions serving minority students, also supports the Administration's long-standing commitment to these institutions. Funding for the Institute also supports the President's Race Initiative.

The Institute for International Public Policy supports Goal 3 of the Department's Strategic Plan, which is to ensure access to postsecondary education and lifelong learning. Numerous studies have found that postsecondary enrollment and completion rates for minority students are below average. This program assists minority students by providing them with specific academic and training skills in order to obtain postsecondary degrees and find jobs in foreign affairs fields.

HIGHER EDUCATION

International education and foreign language studies: Institute for International Public Policy

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance Goal: To increase the number of underrepresented minorities in the international service, including private international voluntary organizations and the foreign service of the United States.

Objective: To establish an Institute for International Public Policy to conduct a program to significantly increase the numbers of underrepresented minorities in the international service.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
The number of IIPP graduates employed in the international service. <i>FY 1999 baseline: No graduates</i>	0	5	7	

Program is on target. The first cohort of IIPP fellows will complete the 5-year comprehensive course of study in June 2000. The Department will begin collecting job placement data as early as fall 2000. The benchmark for this program will be established based on this data. Future data source will be EELIAS, which will provide annual and final reports data.

PROGRAM OUTPUT MEASURES

<u>(\$000s)</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Number of new awards	1	0	0
Average new award	\$998	0	0
Total new award funding	\$998	0	0
Number of NCC awards	0	1	1
Average NCC award	0	\$1,022	\$1,022
Total NCC award funding	0	\$1,022	\$1,022
Peer review of new award applications	\$2	0	0
Total award funding	\$1,000	\$1,022	\$1,022
Total number of awards	1	1	1

HIGHER EDUCATION

Fund for the improvement of postsecondary education

(Higher Education Act of 1965, Title VII, Part B)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$74,249	\$31,200	-\$43,049

PROGRAM DESCRIPTION

For the past 28 years, the Fund for the Improvement of Postsecondary Education (FIPSE) has supported exemplary, locally developed projects that are models for innovative reform and improvement in postsecondary education. Small discretionary grants or contracts of up to 4 years in duration are awarded to institutions of higher education and other public and private nonprofit institutions and agencies.

FIPSE supports the following discretionary grant programs:

Comprehensive Program—This program is the centerpiece of FIPSE, providing funds for projects to foster improvement in broad aspects of postsecondary education. These projects are generally action-oriented, focusing on improvements in practice rather than support for basic research. Each year, the program places a priority on those areas for reform and improvement that the educational community and FIPSE staff highlight as most critical.

In FY 2000, FIPSE is incorporating the Cost Containment Special Focus Competition and the Dissemination Program into the Comprehensive Program. The reason for doing so is to increase the application pool for these competitions and to streamline administrative program costs. In addition to making special efforts to solicit proposals in these areas, including highlighting their importance in workshops and information materials, these two funding areas will receive invitational priority under the Comprehensive Program competition to ensure that grants are made to projects making more productive use of resources to improve teaching and learning, and to projects disseminating innovative postsecondary educational programs of broad application that have already been developed and evaluated.

Special Focus Competitions—These competitions fund a variety of projects that address a given problem area or “special focus” in postsecondary education. Current competitions include a U.S./European student exchange program and a U.S./Canadian/Mexican student exchange program. The purpose of these programs is to promote mutual understanding between countries, improve the quality of human resource development, increase student mobility, and encourage the exchange of expertise in new developments in higher education. Their format is highly innovative, paving the way for increased study abroad by aligning curricula, negotiating credit transfer, and ensuring reciprocity in exchanges. Consortia that receive funding also work to develop new aspects of internationalism in the professional curricula.

HIGHER EDUCATION

Fund for the improvement of postsecondary education

FIPSE is an effective program that helps institutions of higher education apply their own talents and resources to solving problems and improving the quality of postsecondary education throughout the United States. Each of the FIPSE programs ensures the success of funded projects through a highly competitive, rigorous screening. FIPSE requires that all grantees follow well designed, integrated evaluation plans to ensure that the program is implemented soundly and that model projects can be adapted more broadly over time.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	\$15,000
1997	18,000 ¹
1998	25,200 ²
1999	50,000 ³
2000	74,249 ⁴

¹Includes \$2 million in Congressional earmarks for specific institutions.

²Includes \$4 million in Congressional earmarks for specific institutions.

³Includes \$28.3 million in Congressional earmarks for specific institutions.

⁴Includes \$43.049 million in Congressional earmarks for specific institutions.

FY 2001 BUDGET REQUEST

For FY 2001, the Administration proposes \$31.2 million for FIPSE, a decrease of \$43.049 million overall but level funding for the competitive grant programs under FIPSE when earmarks are excluded—no earmarks are requested at this funding level. This request is based upon FIPSE's proven ability to promote successful, long-lasting postsecondary education reforms that address issues of national concern including student access and persistence, curriculum quality, and cost containment.

The Administration's budget would provide \$28.1 million for the Comprehensive Program, FIPSE's core program. At this funding level, 240 new and continuing awards would be made in the following priority areas:

- Allocating resources more effectively to improve teaching and learning productivity;
- Disseminating innovative programs that have been locally developed and proven;
- Improving educational access, retention and completion, especially for minorities;
- Creating campus environments that are safe and conducive to academic growth;
- Reforming undergraduate and graduate curriculum to improve learning;
- Providing high quality professional development for faculty and graduate students;
- Enhancing student preparation for college through school-college partnerships.

HIGHER EDUCATION

Fund for the improvement of postsecondary education

FIPSE's Comprehensive Program would continue support for containing the cost of postsecondary institutions. In response to the increasing cost of higher education, FIPSE remains committed to encouraging institutions of higher education to become more cost-effective and to increase learning productivity through innovative approaches to using and sharing resources, redesigning and streamlining curriculum, and integrating technology. In FY 2000, it is estimated that \$2 million in new awards will support cost-containment activities. The FY 2001 budget request would continue support for this priority area.

Similarly, the Comprehensive Program would continue support for dissemination activities, encouraging an even broader range of model projects to be disseminated to other institutions. Many of the postsecondary institutions that are in need of reform lack the resources to address issues on their own and have much to benefit from institutions with proven reform models. In FY 2000, it is estimated that \$9 million in new awards will support this priority area, and the FY 2001 budget would continue this support.

The FY 2001 budget request also would continue support for the student exchange programs, providing grants to American universities to encourage international cooperation between U.S. institutions of higher education and those in Canada, Mexico, and the European Community. FIPSE's New Exchange Program would extend this international cooperation to include possible exchanges with South American, Asian, and African nations. A key element of these programs is the alignment of curricular areas that facilitate resource sharing and make it more feasible for students to study abroad without losing time toward degree completion.

FIPSE elicits high-quality applications from over two-thirds of U.S. colleges and universities each year. On average, only 1 in 30 applications receives funding, making FIPSE one of the most competitive Federal grant programs. The quality of FIPSE is evident in the many projects and project directors that have received acclaim. In 1996 alone, three former FIPSE projects received Hesburg Awards because of their significance to higher education. Awards from the Dana Foundation, Merk Foundation, MacArthur Foundation, Annie E. Casey Foundation, Templeton Foundation, Readers Digest, Small Business Administration, and Accreditation Board for Engineering and Technology indicate the success of FIPSE.

FIPSE supports the Department's Strategic Plan by funding projects that focus on improving access to higher education, and by emphasizing programs that support broader access to professional programs where women and minorities are not well represented. Furthermore, FIPSE's Comprehensive Program encourages innovative uses of technology that increase access to higher education and improve teaching and learning.

HIGHER EDUCATION

Fund for the improvement of postsecondary education

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance goal: To improve postsecondary education by making grants to institutions in support of reform and innovation.

Objective: Promote reforms that improve the quality of teaching and learning at postsecondary institutions.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Replication of projects. The number of projects that are adapted in full or in part, or whose materials are used by other institutions, will increase over the number in previous years. <i>FY 1998 baseline: 92% replication</i>	100%	100%	100%	100%

On FIPSE's 1999 Final Report and Performance Report Score Cards, 92% of grantees reported full or partial project dissemination to other institutions. FIPSE considers itself successful if 9 of every 10 projects result in adaptation or replication on other campuses. By continuing to support the development and testing of new models for project dissemination, FIPSE hopes to further increase the replication of successful programs. Data for this indicator will continue to be collected through the annual e-mail survey and performance reports.

Objective: Institutionalization of FIPSE programs.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Projects sustained. The number of projects sustained at least two years beyond Federal funding will be maintained or increased beyond current level. <i>FY 1997 baseline: 93% sustained</i>	96%	100%	100%	100%

The 1999 e-mail survey showed that, of responding projects, 96% had been sustained beyond Federal funding, having become fully or partially institutionalized on their home campus. In addition to the annual Final Report Score Card and e-mail survey, another source of data for this indicator is FIPSE's "Lessons Learned," written in collaboration with former grantees to disseminate their projects.

HIGHER EDUCATION

Fund for the improvement of postsecondary education

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Comprehensive Program: ¹			
Number of new awards	0	150	130
Average new award	0	\$145	\$140
Total new award funding	0	\$21,737	\$18,200
Number of NCC awards	144	82	110
Average NCC award	\$74	\$83	\$90
Total NCC award funding	\$10,634	\$6,813	\$9,900
Total award funding	\$10,634	\$28,550	\$28,100
Total number of awards	144	232	240
Special Focus Competitions:			
U.S./European Exchanges:			
Number of new awards	10	12	12
Average new award	\$20	\$50	\$50
Total new award funding	\$200	\$600	\$600
Number of NCC awards	18	20	22
Average NCC award	\$56	\$73	\$46
Total NCC award funding	\$1,006	\$1,450	\$1,006
Total award funding	\$1,206	\$2,050	\$1,606
Total number of awards	28	32	34
U.S./Mexican/Canadian Exchanges:			
Number of new awards	0	10	10
Average new award	0	\$30	\$30
Total new award funding	0	\$300	\$300
Number of NCC awards	10	0	10
Average NCC award	\$38	0	\$60
Total NCC award funding	\$380	0	\$600
Total award funding	\$380	\$300	\$900
Total number of awards	10	10	20

¹The Cost Containment and Dissemination initiatives are funded under the Comprehensive Program for approximately \$2 million and \$9 million, respectively, in FY 2000 and FY 2001.

HIGHER EDUCATION

Fund for the improvement of postsecondary education

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Special Focus Competitions:			
New Exchange Program:			
Number of new awards	0	0	10
Average new award	0	0	\$30
Total new award funding	0	0	\$300
Congressional Priorities Competition: ¹			
Number of new awards	28	0	0
Average new award	\$336	0	0
Total new award funding	\$9,406	0	0
Congressional Earmarks:			
Number of awards	16	51	0
Average award	\$1,769	\$844	0
Total award funding	\$28,299 ²	\$43,049	0
Peer review of new award applications	\$75	\$300	\$294
Total FIPSE funding	\$50,000	\$74,249	\$31,200
Total FIPSE awards	226	325	304

¹Program funding includes outyear continuation costs.

²One institution did not request the full amount that was set aside.

HIGHER EDUCATION

Demonstration projects to ensure quality higher education for students with disabilities (Higher Education Act of 1965, Title VII, Part D)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$5,000	\$5,000	0

PROGRAM DESCRIPTION

The Demonstration Projects to Ensure Quality Higher Education for Students with Disabilities program provides discretionary grants of up to 3 years in duration to support model demonstration projects. These projects provide technical assistance and professional development for faculty and administrators in institutions of higher education to enhance the quality of education for students with disabilities. This program was newly authorized by the Higher Education Amendments of 1998 and was funded for the first time in FY 1999.

Universities may use the funding to support the following activities: development of innovative, effective, and efficient teaching methods and strategies; synthesizing research and information; and conducting professional development and training sessions for faculty and administrators from other institutions of higher education. The activities assisted under this program are expected to be developed for a range of types and sizes of institutions of higher education and grants are expected to be distributed equitably across geographic regions.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	0 ¹
1997	0 ¹
1998	0 ¹
1999	\$5,000
2000	5,000

¹The program was not authorized prior to FY 1999.

HIGHER EDUCATION

Demonstration projects to ensure quality higher education for students with disabilities

FY 2001 BUDGET REQUEST

For FY 2001, the Administration proposes level funding of \$5 million for Demonstration Projects to Ensure Quality Higher Education for Students with Disabilities. The Administration believes that improving the quality of higher education for students with disabilities is critical to provide them with the same opportunities for success that other students have. This funding level would help to ensure that disabled students receive the high quality education that is necessary to compete in a highly competitive job market.

Currently, the college enrollment and completion rates of disabled students are far lower than the general population. The National Center for Education Statistics' report *Students With Disabilities in Postsecondary Education: A Profile of Preparation, Participation, and Outcomes* (June 1999), revealed that of those students with disabilities who enrolled in college in 1989, only 53 percent obtained a degree or remained enrolled within 5 years, with only 16 percent obtaining a bachelor's degree. In comparison, of students without disabilities who enrolled in college in 1989, 64 percent obtained a degree or remained enrolled within 5 years, with 27 percent obtaining a bachelor's degree. While students with disabilities are less likely to persist, those who do obtain a bachelor's degree appear to have similar early labor market outcomes, indicating that the investment made in students with disabilities enables them to be economically self-sufficient.

This evidence suggests that we need model programs to demonstrate how new methods and strategies for educating these students can be more effective. Given the limited financial resources of many colleges, the existing technical assistance and professional training for faculty and administrators rarely addresses the specialized needs of students with disabilities. This program will help to meet this need and will complement current OSERS projects by supporting the development and implementation of more effective teaching and training practices.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

HIGHER EDUCATION

Demonstration projects to ensure quality higher education for students with disabilities

Performance goal: To improve the quality of higher education for students with disabilities.

Objective: Ensure that faculty and administrators in institutions of higher education increase their capacity to provide a high-quality education to students with disabilities.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Increased degree attainment. The number of students with disabilities completing coursework leading to a degree or attainment of a degree at an institution benefiting from grants will increase each year beginning in 2001. <i>Baseline to be determined in June 2000.</i>	No data	No data	No data	No data

Data for this indicator will be collected annually through program performance reports and should be available beginning in June of 2000. The program will disseminate information on methods, curriculum development, successful professional development approaches, and other project outcomes, helping to ensure that as faculty and administrators improve the quality of education through the creation and adoption of model demonstration projects, the number of disabled students pursuing and receiving degrees will increase.

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Number of new awards	22	0	0
Average new award	\$227	0	0
Total new award funding	\$5,000	0	0
Number of NCC awards	0	22	22
Average NCC award	0	\$227	\$227
Total NCC award funding	0	\$5,000	\$5,000
Peer review of new award applications	0	0	0
Total award funding	\$5,000	\$5,000	\$5,000
Total number of awards	22	22	22

HIGHER EDUCATION

Interest subsidy grants

(Higher Education Act of 1965, Title I, Part B, Section 121)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$12,000	\$10,000	-\$2,000

PROGRAM DESCRIPTION

The Interest Subsidy Grants program has helped finance the construction, reconstruction, and renovation of higher education academic facilities and the acquisition and maintenance of special research and instructional instrumentation and equipment. This financing has helped States, local communities, and individual higher education institutions do the following: accommodate enrollment increases, maintain and expand research facilities, support energy conservation rehabilitation of existing facilities, and upgrade existing facilities to meet various Federal, State, and local structural requirements relating to health, safety, and access for the disabled.

Under this program, institutions of higher education and higher education building agencies receive Federal interest subsidies on 711 privately secured loans totaling \$1.43 billion negotiated between fiscal years 1970-73. After each loan was arranged commercially, the Department of Education entered into an agreement with the borrowing institution or agency to pay a mandatory annual subsidy throughout the life of the loan. This subsidy reflects the difference between the interest costs incurred at the negotiated, commercial lending rate and the 3 percent interest rate that the institution is assessed.

No new Interest Subsidy Grant commitments have been made since 1973. The authority to make new subsidy commitments was repealed by the Higher Education Amendments of 1992. However, authority to make mandatory annual subsidy payments on the outstanding loan portfolio was retained. Because some of the approved loans have repayment terms of up to 40 years, interest subsidy payments on outstanding loans are expected to continue until the year 2013.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	\$16,712
1997	15,673
1998	13,700
1999	13,000
2000	12,000

HIGHER EDUCATION

Interest subsidy grants

FY 2001 BUDGET REQUEST

The Administration is proposing \$10 million for Interest Subsidy Grants for FY 2001. This funding level is needed to meet the mandatory interest subsidy costs of the existing portfolio of higher education facilities loans guaranteed under agreement with the participating institutions. The requested amount would be sufficient to support interest subsidies on 160 loans still expected to be in repayment status at the beginning of FY 2001. As in the past, this request makes the appropriated funds available until expended.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance goal: To continue to help finance construction, reconstruction, or renovation of higher education facilities.

Objective: Continue to provide strong fiscal management of the program.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Positive audit results. There will be no material internal control weaknesses identified in the program portion of ED's financial statement audit. <i>1998 baseline: No material internal control weaknesses were identified in the program portion of ED's financial statement audits.</i>	No weak- nesses	No weak- nesses	No weak- nesses	No weak- nesses

No 1999 data currently available, although when the 1999 audit is completed, it is expected to result in another finding of no material control weaknesses. Since the Interest Subsidy Grants program no longer provides new loan subsidies, strong fiscal management is more important than service delivery or program outcomes. ED has made changes and tightened internal controls that will significantly improve the overall fiscal reliability of the operating system. These include verifying the status and terms of all underlying loans every two years (one-half of the grants will be verified each year) and sending a yearly information letter to each grantee to remind them of their obligation to notify ED of refinancing agreements or redemptions.

HIGHER EDUCATION

Interest subsidy grants

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Number of original loans	711	711	711
Number of loans paid off (cumulative, start of year)	484	509	551
Number of loans outstanding (start of year)	227	202	160
Number of loans paid off, withdrawn, or terminated (current year)	25	42	36
Number of loans paid off (cumulative, end of year)	509	551	587
Outstanding loan volume under subsidy	\$284,695	\$256,225	\$230,602

HIGHER EDUCATION

Federal TRIO programs

(Higher Education Act of 1965, Title IV, Part A, Subpart 2, Chapter 1)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$645,000	\$725,000	+\$80,000

PROGRAM DESCRIPTION

The Federal TRIO Programs fund postsecondary education outreach and student support services designed to encourage individuals from disadvantaged backgrounds to enter and complete college, to motivate and prepare these students for doctoral studies, to train individuals serving or preparing for service in TRIO programs, and to disseminate best practices of TRIO projects to other institutions and agencies. Discretionary grants of 4 or 5 years in duration are awarded competitively to institutions of higher education and other public and private nonprofit institutions and agencies.

At least two-thirds of the eligible participants in TRIO must be low-income, first-generation college students. For the Student Support Services program, participants must be low-income and first-generation college students, or individuals with disabilities. This ensures that services are provided to disadvantaged students who can most benefit from the programs.

The TRIO programs consist of the following:

Student Support Services—Offers a broad range of support services to college students to increase their retention and graduation rates and to increase their transfer rates from 2-year to 4-year institutions. Services include remediation, academic counseling and guidance, tutorial services, personal and career counseling, admission and financial aid counseling for graduate and professional studies, and activities for students of limited English proficiency.

Upward Bound—Provides intensive academic instruction to high school students and veterans to generate the skills and motivation needed to pursue and complete a program of education beyond high school. Additional services include tutorial and counseling sessions, cultural enrichment activities, a 6-week on-campus residential summer component, and work-study positions that provide exposure to careers requiring a postsecondary degree. The Upward Bound Math/Science initiative establishes mathematics and science centers that encourage students to pursue postsecondary degrees in these fields specifically.

HIGHER EDUCATION

Federal TRIO programs

Talent Search—Encourages disadvantaged youth who are between 11 and 27 years of age—and who have the potential for postsecondary education—to graduate from secondary school, or return to school for those who have dropped out, and to enroll in programs of postsecondary education. A Talent Search special initiative provides activities that focus on academic enrichment for sixth and seventh graders. Services include information and assistance on admission and financial aid; academic, personal and career counseling; aptitude assessment; mentoring; and guidance on re-entry into high school or college as well as entry into general educational development programs.

Educational Opportunity Centers—Assists adults who are 19 years old or above and who are seeking a postsecondary education degree. Program services include disseminating information on higher education opportunities in the community; counseling sessions; assistance in completing college applications, admission and financial aid forms; and assistance with re-entry into high school or college.

McNair Postbaccalaureate Achievement—Prepares disadvantaged undergraduate students for doctoral study to help them succeed in obtaining doctoral degrees. Services include opportunities for research and other scholarly activities at the recipient institution or graduate center, summer internships, tutorial sessions, seminars, and assistance in obtaining financial aid and securing admission to graduate programs.

Staff Training—Offers staff development activities and opportunities to improve the competency of the TRIO project staff. Training is offered annually for new directors of projects as well as annually on such topics as: legislative and regulatory requirements for operating funded projects; assisting students in receiving adequate financial aid; the design and operation of model programs; and the use of appropriate educational technology in the operations of funded projects.

Dissemination Partnership Grants—Provides grants to TRIO projects that were funded prior to the Higher Education Amendments of 1998 to expand and leverage the success of these projects. Funds are used to support partnerships with other institutions of higher education or community-based organizations that are not receiving TRIO funds but that are serving low-income and first-generation college students. Services include disseminating and replicating best practices and providing technical assistance to other non-TRIO programs and projects.

Evaluation—Supports evaluation activities to improve the effectiveness of TRIO programs and projects. These activities include identifying effective practices, documenting student preparation for college, documenting student success in college, and identifying the effectiveness of alternative and innovative methods within TRIO programs.

Up to 0.5 percent of the funds appropriated for TRIO may be used by the Department to support administrative activities that include: obtaining additional qualified readers and additional staff to review applications; increasing the level of oversight monitoring; supporting impact studies, program assessments and reviews; and providing technical assistance to potential applicants and grantees.

HIGHER EDUCATION

Federal TRIO programs

Funding levels for the past 5 fiscal years were:

(\$000s)

1996	\$462,993
1997	499,994
1998	529,667
1999	600,000
2000	645,000

FY 2001 BUDGET REQUEST

The Administration proposes \$725 million for TRIO in FY 2001, an increase of \$80 million or 12.4 percent. This funding level would strengthen TRIO's ability to provide education outreach and support services to low-income and first-generation college students. Despite recent efforts to increase student financial assistance and offer a substantial number of resources to help low-income students get into college, research continues to show that low-income students attend and graduate from college at lower rates than their high-income peers. Beginning as early as middle school and continuing through graduate school, the TRIO programs are a proven model for successfully helping these disadvantaged students enter and complete college. The goal of TRIO, to increase the participation and completion rates of these students, directly supports the Department's goal of ensuring access to postsecondary education for all students.

In FY 2001, \$35 million would support a new College Completion Challenge Grants initiative under the Student Support Services program. This initiative is being proposed through separate legislation to provide scholarship assistance and intensive summer programs to college students in their first and second years. Coupled with the tutoring, counseling, and other support services already provided by the program, this additional funding would ensure that low-income underclassmen receive a comprehensive set of services, including additional financial support, during the time when they are most at risk of dropping out of college. Funding for College Completion Challenge Grants would not exceed 20 percent of the total Student Support Services budget in any year and would be competitively awarded—without regard to prior experience—to postsecondary institutions that provide a Student Support Services or similar program. A new matching component would require grantees to provide one-third of the total program costs. Approximately 70 new awards would be made under the College Completion Challenge Grants initiative, providing scholarships and summer programs to 17,500 students.

In addition to this initiative, approximately \$36 million would be used to further strengthen the Student Support Services program by funding additional projects and by allowing projects to increase their intensity of services. The national evaluation found that participation in the program has a "positive and statistically significant effect" on student outcomes including increased grade point averages, credits earned, and retention. However, the evaluation also found that the size of the impact depends on the amount of services a student receives. This additional funding would allow the program to build on these findings to further increase student performance and persistence. The FY 2001 budget for Student Support Services would fund a total of 924 awards, including 128 more awards than FY 2000, providing services to an additional 19,200 disadvantaged students.

HIGHER EDUCATION

Federal TRIO programs

Approximately \$9 million would allow the Upward Bound program to maintain its current level of services and improve its effectiveness by beginning to fund the work-study activities authorized by the Higher Education Amendments of 1998. The national evaluation of Upward Bound found that it has substantial impacts on some groups of students, though not on others. Specifically, the program benefits "students with lower initial educational expectations, students with poorer academic performance as high school freshmen, and those who remain in the program for at least two years." In FY 2000, \$13.5 million is being awarded through a funding priority to serve a greater percentage of these higher-risk students. However, this does not address the many students who leave Upward Bound early, citing the need to work. Therefore, the FY 2001 budget would provide \$4.5 million for work-study opportunities for an estimated 6,250 students, helping to increase overall student retention and program effectiveness.

In FY 2000, \$10 million is being used to infuse new educational technologies into the delivery of TRIO services through the acquisition of equipment and technology-based instruction. Approximately \$6 million would be used in FY 2001 to continue this initiative to improve program efficiency and effectiveness. Additionally, \$4 million would be used to maintain the current levels of services in the Upward Bound Math/Science, Talent Search, Educational Opportunity Centers, and McNair programs. TRIO Administration would be increased by \$.2 million.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance goal: Provide increased educational opportunities for low-income, first-generation students.

Objective: Increase participation and completion rates of low-income, first generation individuals in the academic pipeline.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Persistence in and completion of educational programs. TRIO students will persist in and complete their educational programs.				
<u>Upward Bound</u>	19	19	19	19
<i>FY 1996 baseline: 19 months project persistence</i>	mos.	mos.	mos.	mos.
<u>Student Support Services</u>				
<i>FY 1994 baseline: 67% persistence; FY 1998 baseline: 23% completion</i>	67%; 23%	67%; 23%	67%; 23%	67%; 23%

HIGHER EDUCATION

Federal TRIO programs

Findings from the national evaluation of Upward Bound show that students who remain in the program for longer than 2 years show a significantly larger benefit, although the average length of time in the program is 19 months. Therefore, performance reports are being redesigned to better measure the success of projects in retaining students and to allow the Department to improve the quality and effectiveness of projects through better feedback. Data from the evaluation will be collected again for 2000, and data from the performance reports will be available beginning in 2002.

The national evaluation of Student Support Services showed that 67 percent of students returned to the same school for the second year and that 23 percent of students earned an associate's, bachelor's, or higher degree within 6 years of starting their postsecondary education at the same college. Reliable data is only available for students who remain at the same college. Therefore, this data under-represents the total percentages of Student Support Services students who persist and complete their education. Data for this program will be collected annually through performance reports.

By incorporating new educational technology and effective strategies for using technology, the Department plans to help bridge the "digital divide" for low-income students and to improve the operations and effectiveness of the TRIO programs. The Department plans to further leverage the impact of TRIO by continuing to disseminate information on effective practices and strategies obtained through data collection and program evaluations.

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Student Support Services:			
Number of new awards	0	0	777
Average new award	0	0	\$234
Total new award funding	0	0	\$181,651
Number of NCC awards	796	796	147
Average NCC award	\$225	\$229	\$250
Total NCC award funding	\$178,916	\$182,494	\$36,781
College Completion Challenge Grants:			
Number of new awards	0	0	70
Average new award	0	0	\$500
Total new award funding	0	0	\$35,000
Total number of students	0	0	17,500
Cost per student (whole \$)	0	0	\$2,000
Total award funding	\$178,916	\$182,494	\$253,432
Total number of awards	796	796	994
Total number of students	178,099	178,099	214,799
Cost per student (whole \$)	\$1,005	\$1,025	\$1,180

HIGHER EDUCATION

Federal TRIO programs

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Upward Bound:			
Number of new awards	702	70	0
Average new award	\$283	\$321	0
Total new award funding	\$198,591	\$22,502	0
Number of NCC awards	70	702	772
Average NCC award	\$313	\$291	\$305
Total NCC award funding	\$21,910	\$203,953	\$235,484
Other ¹	0	\$13,500	\$13,500
Total award funding	\$220,501	\$239,955	\$248,984
Total number of awards	772	772	772
Total number of students	52,960	55,328	55,328
Cost per student (whole \$)	\$4,164	\$4,337	\$4,500
Upward Bound Math/Science:			
Number of new awards	115	9	0
Average new award	\$235	\$257	0
Total new award funding	\$27,033	\$2,310	0
Number of NCC awards	9	115	124
Average NCC award	\$249	\$242	\$248
Total NCC award funding	\$2,243	\$27,844	\$30,757
Total award funding	\$29,276	\$30,154	\$30,757
Total number of awards	124	124	124
Total number of students	6,200	6,200	6,200
Cost per student (whole \$)	\$4,722	\$4,864	\$4,961

¹Funds for priority to increase the percentage of higher risk students in Upward Bound projects. Funds will support 2,368 new Upward Bound students.

HIGHER EDUCATION

Federal TRIO programs

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Talent Search:			
Number of new awards	35	0	0
Average new award	\$282	0	0
Total new award funding	\$9,882	0	0
Number of NCC awards	326	361	361
Average NCC award	\$272	\$278	\$284
Total NCC award funding	\$88,569	\$100,420	\$102,428
Total award funding	\$98,451	\$100,420	\$102,428
Total number of awards	361	361	361
Total number of students	323,541	323,541	323,541
Cost per student (whole \$)	\$304	\$310	\$317
Educational Opportunity Centers:			
Number of new awards	17	0	0
Average new award	\$318	0	0
Total new award funding	\$5,398	0	0
Number of NCC awards	65	82	82
Average NCC award	\$375	\$371	\$378
Total NCC award funding	\$24,396	\$30,390	\$30,998
Total award funding	\$29,794	\$30,390	\$30,998
Total number of awards	82	82	82
Total number of students	158,036	158,036	158,036
Cost per student (whole \$)	\$189	\$192	\$196

HIGHER EDUCATION

Federal TRIO programs

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
McNair Postbaccalaureate			
Achievement:			
Number of new awards	147	9	0
Average new award	\$205	\$222	0
Total new award funding	\$30,176	\$1,996	0
Number of NCC awards	9	147	156
Average NCC award	\$215	\$211	\$226
Total NCC award funding	\$1,938	\$31,082	\$35,224
Other ¹	0	\$1,456	0
Total award funding	\$32,114	\$34,534	\$35,244
Total number of awards	156	156	156
Total number of students	3,641	3,641	3,641
Cost per student (whole \$)	\$8,820	\$9,484	\$9,680
Staff Training:			
Number of new awards	0	25	0
Average new award	0	\$231	0
Total new award funding	0	\$5,787	0
Number of NCC awards	19	0	25
Average NCC award	\$234	0	\$231
Total NCC award funding	\$4,448	0	\$5,787
Other ²	\$339	0	0
Total award funding	\$4,787	\$5,787	\$5,787
Total number of awards	19	25	25
Total number of trainees	3,395	4,000	4,000
Cost per trainee (whole \$) ³	\$1,212	\$1,364	\$1,364

¹Funds to increase McNair stipends by \$400 per student in accordance with Higher Education Amendments of 1998.

²Funds to support the first year of training for 240 additional staff members.

³For comparative purposes, the cost per trainee has been adjusted down to reflect the actual average cost. This is due to the "Other" funding, supporting 240 trainees that are not included in the total, and a grant to the TRIO Clearinghouse which provides services other than direct training.

HIGHER EDUCATION

Federal TRIO programs

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Dissemination Partnership Grants:			
Number of new awards	11	25	0
Average new award	\$174	\$200	0
Total new award funding	\$1,909	\$5,000	0
Number of NCC awards	0	11	36
Average NCC award	0	\$179	\$194
Total NCC award funding	0	\$1,970	\$6,970
Total award funding	\$1,909	\$6,970	\$6,970
Total number of awards	11	36	36
Technology Supplements ¹	0	\$10,000	\$5,920
Evaluation	\$1,500	\$1,500	\$1,500
Administrative expenses:			
Peer review of new award applications	\$951	\$280	\$1,000
Other expenses	<u>\$1,801</u>	<u>\$2,516</u>	<u>\$2,000</u>
Total administrative funding	\$2,752	\$2,796	\$3,000
Total TRIO funding	\$600,000	\$645,000	\$725,000
Total TRIO awards	2,321	2,352	2,550
Total TRIO students	722,477	724,845	761,545

¹Funds to enhance the use of educational technologies to improve project efficiency and effectiveness.

HIGHER EDUCATION

Gaining early awareness and readiness for undergraduate programs

(Higher Education Act of 1965, Title IV, Part A, Subpart 2, Chapter 2)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$200,000	\$325,000	+\$125,000

PROGRAM DESCRIPTION

Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) was first authorized under the Higher Education Amendments of 1998. Incorporating many of the provisions of the previously authorized National Early Intervention Scholarship and Partnership (NEISP) program, GEAR UP provides discretionary grants for up to 5 years to States and Partnerships to support early college preparation and awareness activities at the State and local levels to ensure that low-income elementary and secondary school students are prepared for and pursue postsecondary education.

GEAR UP has two major service components. First, it has an early intervention component that provides comprehensive mentoring, tutoring, academic and career counseling, parental involvement, and college preparation including exposure to college campuses and financial aid information and assistance. Second, it has a scholarship component that provides college scholarships to participating students. These students receive at least 75 percent of the average cost of attendance at a 4-year public institution in their State or the maximum Pell Grant for the fiscal year, whichever is less. Also under GEAR UP, a personalized 21st Century Scholar Certificate is provided to GEAR UP and other low-income students that indicates the amount of Federal financial aid that they may be eligible to receive for college.

GEAR UP provides the following two types of grants:

State Grants—States receiving funds are required to provide both an early intervention and a scholarship component, targeted to low-income students in grades K-12. At least 50 percent but not more than 75 percent of the grant funds must be used to provide scholarships to participating students. Conversely, at least 25 percent, but not more than 50 percent of the funds must be used for early intervention services. As a matching requirement, States must provide at least 50 percent of the project costs each year with cash or in-kind contributions from non-Federal sources.

Partnership Grants—Eligible Partnerships include those with at least one local educational agency acting on behalf of one or more eligible low-income middle schools, the high schools that students from those schools would normally attend, one institution of higher education, and at least two community entities such as businesses, community-based organizations, professional associations, or State and local agencies. Partnerships receiving funds are not

HIGHER EDUCATION

Gaining early awareness and readiness for undergraduate programs

required to provide a scholarship component. However, they are required to provide an early intervention component to at least one cohort or grade level of students beginning no later than the 7th grade, in a school that has a 7th grade and in which at least 50 percent of the students enrolled are eligible for free or reduced-price lunch—or to an entire grade level of students, not later than the 7th grade, who reside in public housing. Partnerships must ensure that services will continue to be provided through the 12th grade. As a matching requirement, Partnerships must provide at least 50 percent of the total project costs over the total project period with cash or in-kind contributions from non-Federal sources.

Of the amount appropriated for GEAR UP: 1) not less than 33 percent shall fund State Grants and not less than 33 percent shall fund Partnership Grants; 2) up to \$200,000 shall be used to provide 21st Century Scholar Certificates (the administration proposes to increase the amount available to 0.2 percent to provide certificates to students not in the GEAR UP program); and 3) up to 0.75 percent shall be used to conduct a national evaluation of the GEAR UP program.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	0 ¹
1997	0 ¹
1998	0 ¹
1999	\$120,000
2000	200,000

¹The program was not authorized prior to FY 1999.

FY 2001 BUDGET REQUEST

In FY 2001, the Administration proposes \$325 million for GEAR UP, an increase of \$125 million or 62.5 percent. At this funding level, GEAR UP would raise the educational expectations of approximately 1.4 million high-poverty elementary and secondary school students through early college preparation and awareness activities, giving them the skills and encouragement to successfully pursue postsecondary education. This proposal demonstrates the Administration's strong commitment to ensuring access to postsecondary education for all students.

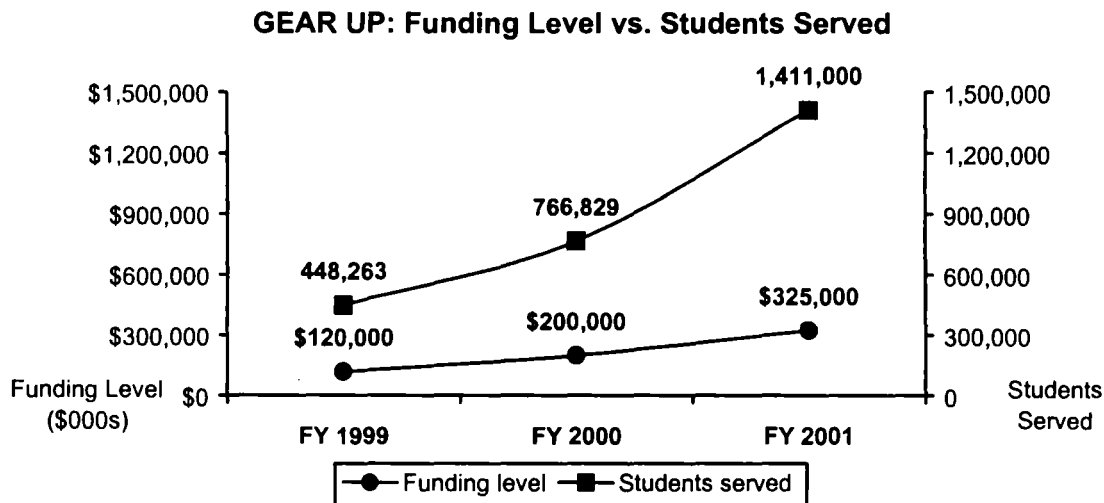
GEAR UP complements the TRIO programs by targeting students in the earlier grades and using different strategies to help them prepare for college, including working with entire grades or cohorts of students, partnering colleges with low-income elementary and secondary schools, providing scholarships for college, and leveraging State and local resources through matching funds. The FY 2001 budget would make a strong impact at the national level, providing funds for at least one State or Partnership grant in every eligible State and Territory. The request would support a total of 409 grants and leverage the resources of more than 2,400 community organizations and businesses as partners.

HIGHER EDUCATION

Gaining early awareness and readiness for undergraduate programs

The Administration's proposal reflects the high level of interest in the GEAR UP program and the extremely competitive nature of the first competition held in 1999. More than 670 applications were received for State and Partnership grants, covering all 50 States, Puerto Rico, Guam and Micronesia. More than 4,500 organizations and an estimated 1 out of 5 colleges in the nation were included as partners in these requests. Unfortunately, the Department was only able to fund approximately 1 out of 4 Partnerships.

The FY 2001 budget would provide approximately \$108.4 million for 43 State grants, depending on the number, quality, and promise of all applications. This funding would provide \$75.0 million for 27 continuation grants, allowing them to add students, and \$33.4 million for 16 new grants. These grants would leverage a significant amount in State resources as matching funds, in many cases substantially exceeding the 50 percent requirement. The request also would provide approximately \$212.7 million for 366 Partnership grants. Based on the requirement that Partnerships serve entire cohorts of students, \$154.2 million would be used for 239 continuing Partnerships to add cohorts of high-poverty middle school students and \$58.5 million would support 127 new Partnerships. At this funding level, State and Partnership grants, through the use of matching funds and the cohort approach, would provide services to approximately 1.4 million students—an 84 percent increase over FY 2000.



The proposed budget also would increase the amount of funds available for 21st Century Scholar Certificates to 0.2 percent of the total GEAR UP budget, providing \$650,000 for this purpose in FY 2001. This would allow certificates to be given to approximately 2 million students, including all GEAR UP participants and all 7th grade students in high-poverty schools throughout the Nation. \$1.8 million would continue support for the National Evaluation of the GEAR UP program, including the implementation of a grantee performance reporting system, a longitudinal survey of student participants and comparable non-participants, and in-depth case studies of GEAR UP State programs and local Partnerships. These activities are necessary to assess the impact of program participation on short- and long-term student outcomes including college preparatory course-taking, student and parent expectations, attendance and retention, high school graduation, and enrollment in postsecondary education.

HIGHER EDUCATION

Gaining early awareness and readiness for undergraduate programs

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance goal: To ensure that disadvantaged middle school and secondary school students are prepared for, pursue, and succeed in postsecondary education.

Objective: Increase the academic performance and preparation for postsecondary education of participating students.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Completion of academically challenging curricula. Program participants will successfully complete college preparatory courses such as algebra, geometry, chemistry, and physics at increasing rates. <i>Baseline to be determined.</i>	No data	No data	No data	No data

Data for this indicator will be collected through annual performance reports and the national evaluation of the GEAR UP program and will be available beginning in 2001. Until data on these specific college preparatory classes can be collected, as an interim measure of progress, the Department will collect data on the percentage of 7th graders who pass math, science, and reading each year.

Objective: Increase the rate of high school graduation and participation in postsecondary education of participating students.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Attendance, high school completion, and postsecondary enrollment. Program participants will have high rates of attendance in school, be promoted to the next grade level on-time, and successfully complete high school and enroll in postsecondary education programs at increasing rates. <i>Baseline to be determined.</i>	No data	No data	No data	No data

HIGHER EDUCATION

Gaining early awareness and readiness for undergraduate programs

Data for this indicator also will be collected through annual performance reports and the national evaluation of the GEAR UP program and will be available beginning in 2001. The Department will provide assistance to projects and will support Partnerships among colleges, high-poverty middle and secondary schools, national and community-based organizations, and businesses to promote curricular and pedagogical improvements, and to provide opportunities for professional development related to college awareness and preparation for partner school faculty and staff. The Department will work with national organizations like the Ford Foundation to widely disseminate information to prospective applicants, collect and report information on best practices, and support high-quality projects.

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
State Grants:			
Number of new awards	21	6	16
Average new award	\$1,997	\$2,100	\$2,088
Total new award funding	\$41,937	\$12,600	\$33,400
Number of NCC awards	0	21	27
Average NCC award	0	\$2,578	\$2,776
Total NCC award funding	0	\$54,128	\$74,957
Total award funding	\$41,937	\$66,728	\$108,357
Total number of awards	21	27	43
Total number of students	302,568	506,443	967,000
Federal cost per student (whole \$) ¹	\$206	\$218	\$171
Partnership Grants:			
Number of new awards	164	75	127
Average new award	\$460	\$457	\$460
Total new award funding	\$75,453	\$34,309	\$58,457
Number of NCC awards	0	164	239
Average NCC award	0	\$588	\$645
Total NCC award funding	0	\$96,463	\$154,236
Total award funding	\$75,453	\$130,772	\$212,693
Total number of awards	164	239	366
Total number of students	145,695	260,386	444,000
Federal cost per student (whole \$)	\$518	\$502	\$479

¹The Federal cost per student is an average of all States except New York. New York's unique use of technology-delivered services greatly reduces its cost per student. The Federal cost per student including New York is \$139 in FY 1999, \$132 in FY 2000, and \$112 in FY 2001.

HIGHER EDUCATION

Gaining early awareness and readiness for undergraduate programs

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
NEISP: ¹			
Number of NCC awards	3	0	0
Average NCC award	\$341	0	0
Total NCC award funding	\$1,022	0	0
21 st Century Scholar Certificates	\$200	\$200	\$650 ²
Evaluation	\$900	\$1,500	\$1,800
Peer review of new award applications	\$488	\$800	\$1,500
Total GEAR UP funding	\$120,000	\$200,000	\$325,000
Total GEAR UP awards	185	266	409
Total GEAR UP students	448,263	766,829	1,411,000

¹The Higher Education Amendments of 1998 did not reauthorize the NEISP program but authorized the Department to fund the last year of NEISP continuation awards with the funds appropriated for GEAR UP.

²The Higher Education Amendments of 1998 allow up to \$200,000 to be used for 21st Century Scholar Certificates. The Department proposes to increase this amount to 0.2 percent of the program appropriation.

HIGHER EDUCATION

Byrd honors scholarships

(Higher Education Act of 1965, Title IV, Part A, Subpart 6)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$39,859	\$41,001	+\$1,142

PROGRAM DESCRIPTION

The Byrd Honors Scholarships program promotes academic excellence and achievement by awarding merit-based scholarships of \$1,500 per year for study at an institution of higher education to students who have demonstrated outstanding academic achievement and who show promise of continued academic excellence. Scholarships are awarded for a period of up to 4 years.

Program funds are allocated to States, including the District of Columbia, the Commonwealth of Puerto Rico, and the insular areas based on the ratio of the State's school-aged population to the total school-aged population in all participating States. Under the Higher Education Amendments of 1998, no State may receive less than \$15,000 for new scholarships except the Freely Associated States, which receive \$15,000 in the aggregate. The program is administered by State education agencies and the Pacific Regional Educational Laboratory, which establish specific scholar-selection criteria in consultation with school boards, teachers, counselors and parents.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	\$29,117
1997	29,117
1998	39,288
1999	39,288
2000	39,859

HIGHER EDUCATION

Byrd honors scholarships

FY 2001 BUDGET REQUEST

The Administration proposes \$41.001 million for Byrd Honors Scholarships in FY 2001. This funding level would continue support for the 1998, 1999, and 2000 cohorts of students in their fourth, third, and second years of study, respectively, and it would fund a larger cohort of new, first-year students in 2001—all at a scholarship level of \$1,500, the amount prescribed by current law. The Administration's budget request for Byrd Honors Scholarships reflects its policy of building toward the program's authorization level of \$45 million.

The Byrd Honors Scholarships program promotes academic excellence in secondary schools by providing incentives to high school students who excel in their studies. It recognizes and rewards high school achievement by providing scholars with immediate, tangible resources to enter college and complete an undergraduate education. The enhanced educational achievement of the Byrd Scholars will ensure that these students are prepared for further learning, responsible citizenship, and productive employment in our Nation's economy.

The Byrd Honors Scholarships program supports the Department's Strategic Plan, ensuring access to postsecondary education and lifelong learning. By providing four years of scholarship support, the program encourages students to enroll in postsecondary education and to continue and complete their studies at the undergraduate level. Increasing funding for the Byrd Honors Scholarships program will support and encourage an even greater number of students to do so.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

HIGHER EDUCATION

Byrd honors scholarships

Performance goal: To promote student excellence and achievement and to recognize exceptionally able students who show promise of continued excellence.

Objective: Byrd Scholars will successfully complete postsecondary education programs at high rates.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Completion of postsecondary education programs. 90% or more of Byrd scholars will successfully complete postsecondary programs within four years. <i>FY 1997 baseline: 85.0% completion;</i> <i>FY 1998: 90.3% completion</i>	96.0%	90% or higher	90% or higher	90% or higher

According to the 1999 annual performance reports, approximately 96 percent of FY 1995 Byrd scholars graduated within 4 years of entering college. However, this data is weak because the reports did not take into account those scholars that may not have received 4 years of funding for reasons other than failing to complete an academic program like having no unmet financial need. Furthermore, the reports did not identify those scholars who received 4 years of funding but who failed to graduate. The performance reports have since been revised so that future data on the number of graduating Byrd scholars will be collected, even though it is likely that many States will not be able to provide this data given limited tracking resources.

PROGRAM OUTPUT MEASURES

<u>(\$000s)</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Number of new scholars	6,548	6,928	7,310
Total new scholarship funding	\$9,822	\$10,393	\$10,965
Number of NCC scholars	19,644	19,644	20,024
Total NCC scholarship funding	\$29,466	\$29,466	\$30,036
Scholarship amount (whole \$)	\$1,500	\$1,500	\$1,500
Total scholarship funding	\$39,288	\$39,859	\$41,001
Total number of scholars	26,192	26,572	27,334

HIGHER EDUCATION

Javits fellowships

(Higher Education Act of 1965, Title VII, Part A, Subpart 1)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$20,000 ^{1,2}	\$10,000	-\$10,000

PROGRAM DESCRIPTION

The Javits Fellowships program, previously funded under the Graduate Assistance in Areas of National Need program (GAANN), provides fellowships of up to 4 years to students of superior ability who are pursuing doctoral degrees in the arts, humanities, and social sciences at any institution of their choice. Students pursuing a master's degree in the arts, humanities, and social sciences in fields for which a master's degree is commonly accepted as the highest terminal degree are also eligible. The Javits Fellowships Board establishes program policies, oversees program operations, selects fields of study in which fellowships are to be awarded, determines the criteria for distributing fellowships, and appoints panels to select fellows. Fellows are selected through a national competition on the basis of demonstrated achievement and exceptional promise.

Each fellowship consists of a student stipend to cover living costs, and an institutional payment to cover each fellow's tuition and other expenses. The stipend is the lesser of demonstrated need or the level of support provided by National Science Foundation graduate fellowships. The institutional payment is adjusted annually based on the Consumer Price Index.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	\$5,931
1997	5,931 ¹
1998	6,075 ¹
1999	7,046 ¹
2000	20,000 ^{1,2}

¹The program was funded under GAANN in FYs 1997-2000.

²Provides \$10 million for fellowships for academic year 2000-2001 and \$10 million for fellowships for academic year 2001-2002.

HIGHER EDUCATION

Javits fellowships

FY 2001 BUDGET REQUEST

The proposed FY 2001 budget for the Javits Fellowships program is \$10 million for fellowships for academic year 2002-2003, the same level of funding provided in the FY 2000 budget for academic year 2001-2002. Since FY 1997, Javits Fellowships have been funded under GAANN. However, FY 2000 was the first year that funding for Javits Fellowships was specifically dictated in appropriations language to provide funds a year in advance of the academic year in which the fellowships would be used. This was done to ensure that fellowships would be awarded in time for students to make more prudent decisions about which school they want to attend. In FY 2001, the Administration proposes to continue funding the Javits Fellowships program a year in advance. The budget request would provide separate funding for Javits Fellowships to support 95 new and 287 continuing fellows in academic year 2002-2003.

The Javits program is the primary means of Federal government support for graduate education in the arts, humanities, and social sciences. The Administration's proposed budget for Javits Fellowships reflects a commitment to supporting outstanding achievement, an effort that is critical to maintaining the highest quality of postsecondary education. The Javits Fellowships program is highly competitive—in FY 1999 only 66 out of 1,276 applicants, or 5 percent were awarded fellowships—and Javits fellows continue to enroll in nationally acclaimed programs at institutions across the United States.

The Javits Fellowships program supports Objective 3.2 of the Department's Strategic Plan, which states that postsecondary students will receive the financial aid they need to complete their educational goals. The Administration's budget for Javits Fellowships would ensure that high achieving students continue to receive the financial support necessary to successfully complete graduate programs.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

HIGHER EDUCATION

Javits fellowships

Performance goal: To increase the number of persons trained at the highest level in occupational areas.

Objective: Increase the completion rate of doctoral students.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Graduate school completion. The percentage of Javits fellows who complete a terminal degree within 7 years will increase over time. <i>FY 1998 baseline: 30% completion</i>	Cont. incr.	Cont. incr.	Cont. incr.	Cont. incr.

Data for this indicator was collected through the Survey of Earned Doctorates. Future data for this indicator will be collected through a new program performance report that is being developed. The report will also collect data on those fellows completing Master of Fine Arts degrees that are considered terminal degrees. The Department will continue to obtain this and other information regarding the progress of students toward degree completion.

PROGRAM OUTPUT MEASURES

<u>(\$000s)</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Javits Fellowships:			
Number of new fellows	66	221 ¹	95
Average new fellowships	\$25.4	\$25.6	\$25.9
Total new fellowship funding	\$1,675	\$5,661	\$2,460
Number of NCC fellows	231	552 ²	287
Average NCC fellowship	\$22.7	\$25.6	\$25.9
Total NCC fellowship funding	\$5,243	\$14,139	\$7,440
Average institution payment	\$10.4	\$10.6	\$10.9
Average stipend	<u>\$12.9</u>	<u>\$15.0</u>	<u>\$15.0</u>
Total average fellowship	\$23.3	\$25.6	\$25.9
Peer review of new award applications	\$128	\$200	\$100
Total fellowship funding	\$7,046	\$20,000	\$10,000
Total number of fellows	297	773	382

¹The FY 2000 appropriation will support 138 new fellows in academic year 2000-2001 and 83 new fellows in academic year 2001-2002.

²The FY 2000 appropriation will support 250 continuing fellows in academic year 2000-2001 and 302 continuing fellows in academic year 2001-2002.

HIGHER EDUCATION

Graduate assistance in areas of national need

(Higher Education Act of 1965, Title VII, Part A, Subpart 2)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$31,000 ¹	\$31,000	0

¹The total GAANN appropriation in FY 2000 was \$51 million, of which \$20 million was for Javits Fellowships.

PROGRAM DESCRIPTION

Graduate Assistance in Areas of National Need (GAANN) provides fellowships, through grants to postsecondary institutions, to graduate students of superior ability studying in areas of national need. Graduate degree-granting academic programs of institutions of higher education, and such programs in consortium with non-degree-granting institutions that support doctoral dissertation research, are eligible to compete for awards. Applicants must set forth policies and procedures to ensure that they will seek talented students from traditionally under-represented backgrounds. Like Javits Fellowships, recipients must have excellent academic records and plan to pursue the highest degree available in their fields. However, GAANN recipients must also have financial need.

After consultation with appropriate agencies and organizations, the Secretary of Education designates those fields of study that are considered "areas of national need" by taking into account the extent to which those areas have a compelling interest, the extent to which other Federal programs support postbaccalaureate studies in those areas, and the most significant impact that can be made with available resources. The designated areas of national need for the FY 2000 competition are: biology, chemistry, computer and information sciences, engineering, geological and related sciences, mathematics, and physics.

Fellowships may be received for up to 5 years of study. Each fellowship consists of a student stipend to cover living costs, and an institutional payment to cover each fellow's tuition and other expenses. The stipend is the lesser of demonstrated need or the level of support provided by National Science Foundation graduate fellowships. The institutional payment is adjusted annually based on the Consumer Price Index.

Institutions must match 25 percent of the Federal grant amount. The institutional match may be used for the following: to provide additional fellowships to graduate students not already receiving institutional or GAANN fellowships; to meet the cost of tuition, fees and other instructional costs that are not covered by the institutional payment; and to supplement the stipend received by a fellow in an amount not to exceed the fellow's financial need. Institutions must also provide fellows with at least 1 year of supervised training in instruction.

HIGHER EDUCATION

Graduate assistance in areas of national need

Funding levels for the past 5 fiscal years were:

(\$000s)

1996	\$27,252
1997	24,069 ^{1,2}
1998	23,925 ²
1999	23,954 ²
2000	31,000 ²

¹Includes \$3.933 million for Harris Fellowships.

²Funding for Javits Fellowships was included under GAANN in FYs 1997-2000. The total GAANN appropriation was \$30 million in FY 1997, \$30 million in FY 1998, \$31 million in FY 1999, and \$51 million in FY 2000.

FY 2001 BUDGET REQUEST

The Administration proposes level funding of \$31 million for GAANN in FY 2001. This funding level would maintain support for a program that rewards excellence and encourages continued learning by providing fellowships to outstanding students, including those from underrepresented groups. At this funding level, GAANN would be able to award 219 new and continuing grants to institutions of higher education to fund a total of 1,199 fellowships.

GAANN, through its support of study in key disciplines, helps address the problem of insufficient numbers of students pursuing education in critical scientific and technical fields. In addition, GAANN maximizes the effectiveness of the Federal investment in these students by requiring institutions to provide matching funds. Therefore, continuing funding for GAANN helps to maintain its important contribution to our national economic competitiveness.

GAANN supports Objective 3.2 of the Department's Strategic Plan, which states that postsecondary students will receive the financial aid they need to complete their educational goals. The Administration's proposed budget for GAANN would ensure that high achieving students continue to receive the financial support necessary to successfully complete graduate programs.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

HIGHER EDUCATION

Graduate assistance in areas of national need

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance goal: To increase the number of persons trained at the highest level in occupational areas.

Objective: Increase the number of graduate students in areas of national need, including those of underrepresented groups.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Enrollment of targeted populations. The percentage of GAANN fellows from underrepresented groups will increase over time.				
	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1997</u>	
<i>Alaskan./Nat. American:</i>	1%	1%	2%	
<i>Asian/Pacific. Islander:</i>	6%	9%	10%	Cont. incr.
<i>Black, non-Hispanic:</i>	0%	7%	7%	Cont. incr.
<i>Hispanic:</i>	4%	3%	10%	Cont. incr.
<i>Female:</i>	38%	36%	39%	Cont. incr.

Data for this indicator is collected annually through performance reports to reveal the ability of the program to serve students from underrepresented groups. Unfortunately, the Department has no direct control over the number of these fellows because the statute merely recommends that grantees seek individuals from these groups; it provides no mandate for doing so and the Department cannot provide a competitive advantage to those grantees that do award fellowships to underrepresented students. However, in addressing selection criteria, grantees pledge to include students from underrepresented groups. Furthermore, the Department will continue to sponsor graduate education conferences that focus on diversity and will continue to emphasize the importance of this criterion in technical assistance workshops and national conferences.

HIGHER EDUCATION

Graduate assistance in areas of national need

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
GAANN:			
Number of new fellows	0	636	563
Number of new awards	0	116	103
Average new award	0	\$140	\$141
Total new award funding	0	\$16,218	\$14,498
Number of NCC fellows	944	573	636
Number of NCC awards	173	106	116
Average NCC award	\$138	\$138	\$141
Total NCC award funding	\$23,954	\$14,612	\$16,352
Average institution payment	\$10.4	\$10.5	\$10.7
Average stipend	<u>\$15.0</u>	<u>\$15.0</u>	<u>\$15.0</u>
Total average fellowship	\$25.4	\$25.5	\$25.7
Peer review of new award applications	0	\$170	\$150
Total award funding	\$23,954	\$31,000	\$31,000
Total number of awards	173	222	219
Total number of fellows	944	1,209	1,199

HIGHER EDUCATION

Child care access means parents in school

(Higher Education Act of 1965, Title IV, Part A, Subpart 7)

FY 2001 Authorization (000s): Indefinite

Budget Authority (000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$5,000	\$15,000	+\$10,000

PROGRAM DESCRIPTION

The Child Care Access Means Parents in School Program is designed to support the participation of low-income parents in postsecondary education through campus-based childcare services. This program was authorized for the first time under the Higher Education Amendments of 1998. Under this program, discretionary grants of up to 4 years in duration are awarded competitively to institutions of higher education. Priority is given to childcare programs that (1) leverage significant local or institutional resources, and (2) utilize a sliding fee scale.

Institutions may use the funding to support or establish a campus-based childcare program primarily serving the needs of low-income students enrolled at the institution. Grants may also be used to provide before and after school services. The authorizing statute defines a "low income student" as a student eligible to receive a Pell Grant during the year of enrollment at the institution. Grants are only to be used to supplement childcare services or start a new program. The Secretary of Education will not award grants that supplant funds for current childcare services.

An institution is eligible to receive a grant for a fiscal year if the total amount of Pell Grant funds awarded to students at the institution for the preceding fiscal year equals or exceeds \$350,000. The maximum grant award cannot exceed 1 percent of the total amount of all Pell Grant funds awarded to students enrolled at the institution during the preceding fiscal year. The minimum grant amount is \$10,000. The authorizing statute requires institutions to submit reports at 18 and 36 months after receiving the first grant payment. An institution receives the third annual grant payment only if the Secretary of Education determines, on the basis of the 18-month report, that the institution is making a good faith effort to ensure that low-income students have access to affordable, quality childcare services.

HIGHER EDUCATION

Child care access means parents in school

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	0 ¹
1997	0 ¹
1998	0 ¹
1999	\$5,000
2000	5,000

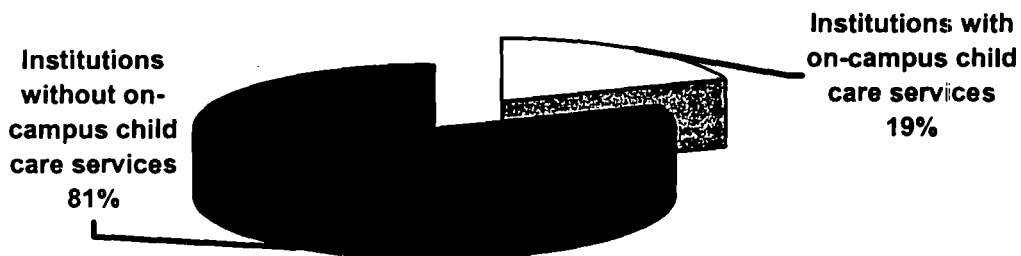
¹ The program was not authorized prior to FY 1999.

FY 2001 BUDGET REQUEST

For fiscal year 2001, the Administration proposes \$15 million for the Child Care Access Means Parents in School program, a three-fold increase over fiscal year 2000. At this increased funding level the Department would be able to maintain the current level of support to 87 current grantees, while providing new awards to 150 additional institutions. Funding this program addresses the need to support the participation of low-income parents in postsecondary education through campus-based childcare services.

Vice President Al Gore said, "No parent should have to choose between taking care of their children and furthering their education". Obtaining postsecondary education is critical to meeting the needs of an increasingly technical workplace in the new millennium. However, lack of convenient and affordable quality childcare services is a significant barrier preventing low-income parents from pursuing postsecondary education. According to estimates by colleges and universities, currently only 10-25 percent of the students who need this benefit are being served. As shown in the chart below, data from NCES institutional surveys reveal that only 1,365 of the 7,160 institutions, or 19 percent, had on-campus child care available in award year 1996-1997.

On-campus child care services available in 1996-1997



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Child care access means parents in school

Full-day childcare easily costs \$4,000 to \$10,000 per year—at least as much as college tuition at a public university and one out of three families with young children earns less than \$25,000 a year.

The Child Care Access Means Parents in School program grants help meet the need for convenient and affordable childcare services. Grants under this program are used for supporting low-income parents who want to work hard and get the education and training they need to improve their skills and their chance to build a better future for themselves and their family. The increased funding would increase access to postsecondary education for approximately 3,555 low-income students who are parents. Approximately 5,333 infants, toddlers and children will receive quality childcare and before and after school services through this program.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance goal: To support the participation of low-income parents in the postsecondary education system through the provision of campus-based child care services.

Objective: To increase access for low-income parents to postsecondary institutions.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Persistence/Completion rate. The percentage of students receiving child-care services that persist in and complete postsecondary education will increase. <i>Baseline to be determined.</i>	No data	No data	No data	No data

The Department will meet with higher education associations and childcare advocacy organizations, provide technical assistance workshops in strategic sites across the country, and create a web page to provide information about the grant program and help disseminate grant applications. The Department's program staff is forming a network of grantees to share information about program experiences and best practices and is conducting site visits to assure that the Department's partnership agreement is maintained.

HIGHER EDUCATION

Child care access means parents in school

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Number of new awards	87	0	150
Average new award	\$57	0	\$66
Total new award funding	\$4,950	0	\$9,900
Number of NCC awards	0	87	87
Average NCC award	0	\$57	\$57
Total NCC award funding	0	\$5,000	\$4,950
Peer review of applications for new awards	\$50	0	\$150
Total award funding	\$5,000	\$5,000	\$15,000
Total number of awards	87	87	237

HIGHER EDUCATION

Learning anytime anywhere partnerships

(Higher Education Act of 1965, Title IV, Part A, Subpart 8)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$23,269	\$30,000	+\$6,731

PROGRAM DESCRIPTION

The Learning Anytime Anywhere Partnerships (LAAP) program is intended to help postsecondary education institutions make the transition to a new generation of distance education that has been made possible by the explosive growth of the Internet and other new technologies. The program supports grants of up to 5 years for regional or national partnerships among colleges or universities, private industry employers, State and local governments, community agencies, software and other technology developers, learning assessment specialists, and others. These partnerships are aimed at widening the availability of new forms of distance education, as well as improving instructional and program quality. LAAP especially aims to help underserved populations in underserved geographic areas and adults needing more flexible education and training to keep pace with changes in the job market.

Instead of relying upon closed networks—such as broadcast satellites—to deliver courses on fixed schedules to students within limited geographic boundaries, postsecondary institutions now have the capacity to reach students regardless of where they are located, at any time of day. These technologies create the potential for students to access learning that is interactive, customized, and self-paced; to more easily merge lifelong learning with the demands of careers and families; and to expand their choice of institutions and programs.

In order to create these possibilities for students, postsecondary institutions need to make significant changes in structure and practice, and to do more than simply put more courses online. To deliver programs that are self-paced, for example, they need to find alternatives to traditional semester scheduling and to create new ways to measure student progress, such as monitoring students' attainment of skills competencies. Broader partnerships are needed among education providers, employers, technology companies and others to promote resource sharing and collaboration, reduce duplication of effort, improve the quality of instruction, and improve cost-efficiency. Additionally, new methods of assessment and accountability are needed so that the public will be confident in the value of these new forms of distance education.

New forms of distance education have the potential to improve access to education and training for:

- adults seeking their first postsecondary experience;
- disabled individuals who face barriers in traditional education settings;

HIGHER EDUCATION

Learning anytime anywhere partnerships

- individuals who want to gain basic academic and technical skills;
- dislocated workers who need to acquire new skills;
- those individuals making the transition from welfare to work; and
- individuals who are interested in investing in their own futures by upgrading their academic or job skills, but are limited in their options because of family obligations, or by other time and place constraints.

Funds awarded through LAAP grants may be used to develop and assess model distance learning programs or innovative educational software; develop methodologies for the identification and measurement of skills competencies; and develop and assess innovative student support services. Federal funds provide no more than 50 percent of the cost of LAAP projects.

Funding levels for past 5 fiscal years were:

	(\$000s)
1996	0 ¹
1997	0 ¹
1998	0 ¹
1999	\$10,000
2000	23,269 ²

¹ The program was not authorized prior to FY 1999.

² Includes \$8.269 million in Congressional earmarks for specific projects in FY 2000.

FY 2001 BUDGET REQUEST

For FY 2001, the Administration proposes \$30 million for LAAP activities, a 28.9 percent increase over the FY 2000 appropriation. Of this amount, \$14 million would support continuation costs for the previous two cohorts and \$16 million would support a third round of projects. Current LAAP awards support a variety of exemplary projects and continued support for this program is essential. LAAP competitions will promote educational quality, resource sharing and coordination, innovations in teaching and student support, and other important goals that are essential if all Americans are going to have access to postsecondary education and lifelong learning. The Department of Labor's America's Learning Exchange initiative is a direct complement to LAAPs emphasis on providing comprehensive student support services. Labor's Exchange initiative is an interactive marketplace of information where individuals and companies can readily find appropriate, already developed education and training courses.

Distance learning, which relies on the Internet, has grown rapidly in recent years. But this growth has been in a random, uncoordinated fashion with little attention given to the changes needed in institutional practice. Many current programs are not cost-effective because they require large capital investments, they cannot be scaled to sufficiently large numbers of enrollments, and because they compete directly with other distance education programs for the same students. Some other problems that exist pertain to insufficient mechanisms to assure

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Learning anytime anywhere partnerships

the quality of distance education; insufficient attention to the provision of comprehensive online student support services; and web-based courses that do not use the full interactive potential of current technology.

The overwhelming response to LAAPs first round of competition in FY 1999 reflects intense nationwide interest in overcoming the problems inherent in current distance learning. In FY 1999, LAAP received 653 applicants, 122 of which were invited to submit final proposals to the LAAP competition. Partners in funded projects are from every U.S. State plus the District of Columbia, Puerto Rico, and Guam.

LAAP is the Department's only technology program which aims to change how postsecondary students gain access to education/training, how students learn, how their learning is assessed, and how institutions develop and deliver programs. LAAP is unique in promoting quality and innovation in postsecondary distance learning. The budget request for LAAP would further the Department of Education's mission of ensuring equal access to education and promoting educational excellence throughout the Nation.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance goal: To expand access to postsecondary education and lifelong learning through the use of technology to all citizens who are unable to take advantage of on-campus programs.

Objective: Increase access to asynchronous distance education for diverse groups of learners, especially to prepare them for work in technical and other areas of critical shortage or for the changing requirements of fields.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Number of "underserved" students. The number of underserved students enrolled each year in LAAP projects will increase—i.e., individuals with disabilities, in remote areas, welfare recipients or displaced workers, underrepresented populations, and other adults not otherwise able to participate in postsecondary education. <i>Baseline to be determined in FY 2000.</i>	No data	No data	20% incr.	Cont. incr.

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Learning anytime anywhere partnerships

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Course completion rate. The number of students in LAAP projects who enroll in and complete courses or training programs will increase. <i>Baseline to be determined in FY 2000.</i>	No data	No data	Cont. incr.	Cont. incr.

No 1999 data exists, as projects are in start-up mode. Source of information will include program data, data supplied by grantees, and independent evaluators. Key strategies include: encouraging coordination and interaction among all of the partnership entities to expand students' options beyond the level of what individual providers currently offer; requesting course and program design that is accessible to those learners with disabilities; encouraging other underserved populations; and helping to coordinate the needs of employers and the requirement of further education with the services of educational providers to ensure that the Federal investment in this program is worthwhile.

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Number of new awards	29	12	45
Average new award	\$343	\$360	\$353
Total new award funding	\$9,952	\$4,318	\$15,878
Number of NCC awards	0	29	41
Average NCC award	0	\$366	\$343
Total NCC award funding	0	\$10,607	\$14,047
Congressional Earmarks			
Number of awards	0	5	0
Average award	0	\$1,654	0
Total award funding	0	\$8,269	0
Peer review of new award applications	\$48	\$75	\$75
Total award funding	\$10,000	\$23,269	\$30,000
Total number of awards	29	46	86

HIGHER EDUCATION

Teacher quality enhancement grants (Higher Education Act of 1965, Title II)

2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$98,000	\$98,000	0

PROGRAM DESCRIPTION

Teacher Quality Enhancement Grants are designed to improve the ways our Nation recruits, prepares, licenses, and supports teachers. There are three components to Teacher Quality Enhancement Grants: a State grant program, a Partnership grant program, and a Recruitment grant program.

The State grant program is designed to help States improve the quality of their teaching force through promoting reforms for such activities as teacher licensing and certification, accountability for high quality teacher preparation and professional development, and recruiting teachers for high-need schools. States apply to receive up to three years of funding under this competitive grant program. States cannot receive more than one three-year grant. States that receive grants must provide a matching amount of 50 percent of the Federal grant award.

According to the authorizing statute, State grant recipients are required to submit annually an accountability report to Congress and to the Department that describes the degree to which the State, in using program funds, has made substantial progress in meeting goals of: improving elementary and secondary student achievement; raising teaching standards; improving initial teacher certification and licensure, as well as professional development; decreasing teaching shortages; and improving teacher technology education.

The Partnership grant program supports comprehensive reform of teacher preparation programs through partnerships involving schools of education and schools of arts and sciences working in close collaboration with high need local school districts. Partnerships cannot receive more than one five-year grant. Grant recipients must contribute, from non-Federal sources, an amount that is at least 25 percent of the Federal award for the first year, 35 percent for the second year, and 50 percent for each succeeding year of the grant.

HIGHER EDUCATION

Teacher quality enhancement grants

The Recruitment grant program supports efforts to reduce shortages of qualified teachers in high-need school districts. The program supports high-quality teacher preparation and induction programs tailored to meet locally-identified needs, identifies pools of potential teachers who address the shortages, and recruits individuals from these pools. Under this program, States and partnerships as defined in sections 202 (b) and 203 (b) are eligible to receive the grants. These grant recipients may provide: scholarships to help students pay the costs of tuition, room, board, and other expenses of completing a teacher preparation program; support services that scholarship recipients need to complete postsecondary education programs; and follow-up services to former scholarship recipients during their first three years of teaching, among other activities. States or partnerships may apply to receive recruitment grants.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	0 ¹
1997	0 ¹
1998	0 ¹
1999	\$77,212
2000	98,000

¹The program was not authorized prior to FY 1999.

FY 2001 BUDGET REQUEST

For FY 2001, the Administration proposes \$98 million, the same as in FY 2000, for Teacher Quality Enhancement Grants. The proposed level would maintain the Administration's investment in teacher recruitment, preparation and support that is essential if our schools are to have the high quality teaching force they will need in the 21st century. In addition, the Administration proposes that up to .75 percent of this amount be available to conduct a national evaluation of the program and to disseminate the results of the program.

Preparing good teachers has never been more important or challenging than it is today. Our nation still faces a daunting shortage of teachers. Since over the next decade our nation will need to prepare more teachers than ever before, and, for increasingly challenging classrooms, a Federal investment targeted to teacher recruitment, preparation, and induction can have a significant impact. A teaching force of sufficient size, and composed of individuals who are well prepared to teach a diverse student population, is necessary to ensure that the Nation's children learn to high standards.

The recent publication, *The Baby Boom Echo: No End in Sight* states that the increase in the numbers of young people going to school will accelerate the demand for well-trained teachers. A total of 2.2 million teachers will be needed to meet enrollment increases in the next 10 years and to offset the large number of teachers who are about to retire. Urban and rural schools that enroll concentrations of poor children will likely experience the most severe teacher shortages;

HIGHER EDUCATION

Teacher quality enhancement grants

at the same time, students in those schools often need the most qualified teachers. While the effort of many urban school districts to recruit new teachers often makes headline news, one untold story is the increasing difficulty that many poor, rural communities continue to face in recruiting teachers they need. They are often forced to hire less qualified applicants. The shortage of teachers is already particularly pronounced in science, math, special education, bilingual education and foreign languages.

Teacher shortages are made worse by poor support for new teachers. Attrition rates for new teachers can often reach 30 to 50 percent in the first five years of teaching because of inadequate preparation (particularly for those entering teaching on emergency permits or waivers), difficult assignments, and the scarcity of high-quality mentoring and induction programs available for novice teachers.

The National Commission on Teaching and America's Future amply documented the long-standing problems with teacher education programs in America, including inadequate time to learn subject matter in depth; fragmented coursework that is disconnected from practice teaching; uninspired teaching methods; and superficial curriculum. Many new teachers fill vacancies in resource-strapped schools in high-poverty settings. According to the National Association of State Boards of Education's report entitled *The Numbers Game – Ensuring Quantity and Quality in the Teaching Work Force*, "States have traditionally made policies concerning teacher development and supply according to immediate needs rather than long-term plans. Without developing clear, challenging teacher standards and devising valid ways to measure teacher effectiveness according to those standards, States are likely to find it impossible to provide a pool of teachers possessing the skills and knowledge districts say they need."

The Administration's FY 2001 proposal seeks to make a dent in these problems. This proposal will support 30 continuing State grants, 30 continuing Partnership grants and 28 continuing Recruitment grants.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

Performance goal: To improve the quality of teacher education and initial certification standards, and to improve the knowledge and skills of all teachers, particularly new teachers and teachers who work in high-need areas.

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Teacher quality enhancement grants

Objective: Improve the skills and knowledge of new teachers by funding the development of State policies that strengthen initial licensing standards and the development of State or local policies/programs that reduce the number of uncertified teachers.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Teacher certification standards. State Grantees. States that use their teacher enhancement grants to strengthen standards for initial teacher certification will have implemented higher standards within three years of grant award. Within 1 ½ years of grant award, these states will have demonstrated progress towards implementation of higher standards. <i>Baseline to be determined.</i>	Cont. imprv.	100%	100%	100%

Sources for data will include the State Grant Accountability Report which is mandated by statute, as well as the Department evaluation of Title II, both scheduled to provide data for 2000.

Objective: Increase the availability of well-prepared teachers for low-income, urban, and rural school districts.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Placement and retention: Partnership and Recruitment Grantees. The percentage of graduates from teacher preparation programs, who serve for at least three years in high-need schools, particularly high-poverty schools, will increase. <i>Baseline to be determined.</i>	Cont. incr.	Cont. incr.	Cont. incr.	Cont. incr.

Sources for the data will include grantee reports, as well as the Department evaluation of Title II, both scheduled to provide data in 2001. The Department will disseminate information to grantees and prospective grantees, coordinate efforts with other programs and organizations like the National Science Foundation teacher preparation programs, provide technical assistance and facilitate communication among grantees.

HIGHER EDUCATION

Teacher quality enhancement grants

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
State Grants:			
Number of new awards	24	6	0
Average new award	\$1,392	\$1,317	0
Total new award funding	\$33,400	\$7,899	0
Number of NCC awards	0	24	30
Average NCC award	0	\$1,490	\$1,459
Total award funding	0	\$35,760	\$43,770
Total award funding	\$33,400	\$43,659	\$43,770
Total number of awards	24	30	30
Partnership Grants:			
Number of new awards	25	5	0
Average new award	\$1,336	\$1,264	0
Total new award funding	\$33,412	\$6,319	0
Number of NCC awards	0	25	30
Average NCC award	0	\$1,494	\$1,459
Total NCC award funding	0	\$37,340	\$43,770
Total award funding	\$33,412	\$43,659	\$43,770
Total number of awards	25	30	30
Recruitment Grants:			
Number of new awards	28	0	0
Average new award	\$344	0	0
Total new award funding	\$9,637	0	0
Number of NCC awards	0	28	28
Average NCC award	0	\$347	\$347
Total NCC award funding	0	\$9,702	\$9,725
Total award funding	\$9,637	\$9,702	\$9,725
Total number of awards	28	28	28
Peer review of new award applications	\$763	\$980	0
Evaluation	0	0	\$735
Total award funding	\$77,212	\$98,000	\$98,000
Total number of awards	77	88	88

HIGHER EDUCATION

Underground railroad program

(Higher Education Amendments of 1998, Title VIII, Part H)

FY 2001 Authorization (\$000s): \$6,000

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$1,750	\$1,750	0

PROGRAM DESCRIPTION

The Underground Railroad Program provides discretionary grants to one or more non-profit educational organizations that are established to research, display, interpret, and collect artifacts relating to the history of the Underground Railroad. These grants are used to establish facilities that house, display, and interpret the artifacts, and to make the interpretive efforts available to institutions of higher education.

This program is authorized by the Higher Education Amendments of 1998 and funded for the first time in FY 1999. Organizations receiving funds must demonstrate substantial private support through a public-private partnership, create an endowment fund that provides for the ongoing operations of the facility, and establish a network of satellite centers throughout the United States to help disseminate information regarding the Underground Railroad. Also, organizations must submit, for each fiscal year for which the organization receives funding, a report to the Secretary containing a description, plan, and evaluation of the programs and activities supported by the funding and the audited financial statement of the organization for the preceding year.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	0 ¹
1997	0 ¹
1998	0 ¹
1999	\$1,750
2000	1,750

¹The program was not authorized prior to FY 1999.

HIGHER EDUCATION

Underground railroad program

FY 2001 BUDGET REQUEST

For FY 2001, the Administration proposes level funding of \$1.75 million for the Underground Railroad Program. The Administration believes that the Underground Railroad is an important part of American history. It recognizes the sacrifices made by those who used the Underground Railroad in search of freedom from tyranny and oppression and the sacrifices made by the people who helped them.

The story and significance of the Underground Railroad can best engage the American people through a program that establishes museums to research, display, interpret, and collect artifacts relating to this part of our history. Making these efforts available to institutions of higher education will enhance the quality of education that students receive. The Underground Railroad Program helps to improve the quality of life for all citizens by recognizing the Underground Railroad's significance as a crucial element in the evolution of the national civil rights movement and its relevance in fostering the spirit of racial harmony and national reconciliation.

Federal funds are necessary to help offset substantial start-up costs associated with establishing museum facilities, and would assist nonprofit educational organizations in building public-private partnerships and creating endowment funds to support ongoing museum operations.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

HIGHER EDUCATION

Underground railroad program

Performance goal: To promote the research, display, interpretation, and collection of artifacts relating to the history of the Underground Railroad and to make the interpretive efforts available to institutions of higher education.

Objective: Assist nonprofit educational associations in building public-private partnerships and creating endowment funds to support museum operations.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Increased awareness. By fall 2001, ten Underground Railroad websites will be linked within the U.S. <i>Baseline to be determined.</i>	No data	No data	10	

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Fundraising initiatives. By fall 2001, private sector support will increase by 20%. <i>Baseline to be determined.</i>	No data	No data	20% incr.	

No 1999 data exists as this is a new program. It is too early to determine if the target will be met and to judge progress towards target. However, early meetings of focus groups indicate interest in broadening understanding and increasing collaboration via the Web. Source of information will be annual program data. Federal funds are necessary to assist nonprofit educational associations in building public-private partnerships and creating endowment funds to support Underground Railroad museums.

The previous year's Annual Plan included an indicator cited as Program Funding. This indicator has been eliminated as it was not an adequate performance measure.

PROGRAM OUTPUT MEASURES

<u>(\$000s)</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Number of new awards	2	0	0
Average new award	\$875	0	0
Total new award funding	\$1,749	0	0
Number of NCC awards	0	2	2
Average NCC award	0	\$875	\$875
Total NCC award funding	0	\$1,750	\$1,750
Peer review of new award applications (whole \$)	\$500	0	0
Total award funding	\$1,750	\$1,750	\$1,750
Total number of awards	2	2	2

HIGHER EDUCATION

Web-based education commission

(Higher Education Amendments of 1998, Title VIII, Part J)

FY 2001 Authorization (\$000s): \$0¹

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$450	0	-\$450

PROGRAM DESCRIPTION

The Web-Based Education Commission program provides funding for a commission to conduct a thorough study to assess the educational software available in retail markets for secondary and postsecondary students who choose to use such software. The authorizing statute requires the Commission to submit to the President and Congress a detailed report of the findings and conclusions of the Commission.

The Commission shall make recommendations concerning appropriate legislative and administrative actions and the appropriate Federal role in determining quality educational software products. In carrying out the study, the Commission shall, to the extent practicable, facilitate the exchange of information concerning educational software to officials and educators in Federal, State and local governments and institutions of education.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	0 ²
1997	0 ²
1998	0 ²
1999	\$450
2000	450 ³

¹The GEPA extension expires September 30, 2000. No new authorizing legislation is proposed.

²The program was not authorized prior to FY 1999.

³Reflects a reappropriation that extended the availability of funds appropriated in FY 1999. The reappropriation is scored as new budget authority in FY 2000.

HIGHER EDUCATION

Web-based education commission

FY 2001 BUDGET REQUEST

For FY 2001, the Administration is not proposing funds for the Web-Based Education Commission. The authorizing statute does not authorize funds to be appropriated in FY 2001. Funds were appropriated in FY 1999 at the authorized level and the Department of Education Appropriations Act, 2000 as enacted by section 1000(a)(4) of the Consolidated Appropriations Act, 2000 (P.L. 106-113) extended the availability of those funds through FY 2000. In addition, the Act increased the number of members on the Commission from 14 to 16 members and required that the Commission submit their report to the President and Congress within 12 months after their first meeting rather than 6 months.

SELECTED PROGRAM PERFORMANCE INFORMATION

No performance goals or objectives for measuring the progress made toward achieving program results have been identified for the Web-Based Education Commission. Since funds expire September 30, 2000 and program results will be included in the Commission's report, there is not need to measure progress toward such program results.

HIGHER EDUCATION

GPRA data/HEA program evaluation

(Department of Education Appropriations Act, 2000, as enacted by section 1000(a)(4) of the Consolidated Appropriations Act, 2000 (P.L. 106-113))

FY 2001 Authorization (\$000s): ---¹

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$3,000	\$3,000	0

PROGRAM DESCRIPTION

The GPRA Data/HEA Program Evaluation, first funded in FY 2000, enables the Department to obtain the data that is needed to measure progress on many Higher Education Act (HEA) program indicators, pursuant to the requirements of the Government Performance and Results Act (GPRA). It also allows the Department to carry out comprehensive evaluations and reports for programs that do not have funds designated for such activities. This activity allows the Department to assess the performance of grantees as well as the short- and long-term effects and cost efficiencies of postsecondary education policies.

There are a number of performance indicators in the Strategic Plan, Annual Plan, and individual program performance plans for which more accurate and timely data are needed. Funds for this activity allow the Department to conduct these necessary data collections and analyses. Each year, the Department makes a determination about the specific kinds of data that are needed to evaluate individual programs and gives priority to those that are most critical and feasible.

Funding levels for the past 5 fiscal years were:

	(\$000s)
1996	0 ²
1997	0 ²
1998	0 ²
1999	0 ²
2000	3,000

¹The program was authorized and funded in FY 2000 through appropriations language. The Administration proposes to continue funding this activity through appropriations language in FY 2001.

²The program was not authorized prior to FY 2000.

HIGHER EDUCATION

GPRA data/HEA program evaluation

FY 2001 BUDGET REQUEST

For FY 2001, the Administration is proposing level funding of \$3 million for GPRA Data/HEA Program Evaluation activities. In FY 2000, funds are being used to evaluate the Teacher Quality Enhancement Grants program and to collect data on a number of important program indicators, including those for student financial assistance programs. The Administration's FY 2001 budget request for this program is necessary for the Department to be able to continue these activities and comply with the requirements of GPRA. This extremely worthwhile investment is a small amount of funds compared to the total amount of funds the Department administers for postsecondary education on an annual basis.

The proposed budget for this program recognizes the difficulty of establishing and maintaining reliable performance measures for HEA programs because most of these programs lack funds designated for such purposes. Unlike the Elementary and Secondary Education Act, which has a general provision that allows up to 0.5 percent of program funds to be used for evaluations (excluding Title I), the HEA has no such provision. Funds for this activity would continue support for the Department's efforts in this endeavor.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Other performance data for this program are included in the Department's Annual Performance Plan and Annual Program Performance Report.

HIGHER EDUCATION

GPRA data/HEA program evaluation

Performance goal: To improve the type and quality of information available about the performance of the postsecondary education programs funded by the Department of Education.

Objective: To fund studies and data collections needed to assess the performance of the Department's postsecondary education programs.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Improved data on performance. Significant improvement will be made in the quality of data available to measure the performance of the postsecondary programs. <i>Baseline to be determined.</i>	No data	No data	No data	No data

Data for this indicator will be collected annually through a review of Department efforts. The Department is identifying areas in postsecondary education where additional GPRA data and evaluative information is needed by reviewing Congressional testimony and questions, and by reviewing GAO and IG reports. The Department will conduct well-designed, efficient data collection efforts and studies to obtain the needed information.

HIGHER EDUCATION

Community scholarship mobilization

(Higher Education Amendments of 1998, Title VIII, Part C)

FY 2001 Authorization (\$000s): \$0

Budget Authority (\$000s):

<u>2000</u>	<u>2001</u>	<u>Change</u>
\$1,000	0	-\$1,000

PROGRAM DESCRIPTION

The purpose of the Community Scholarship Mobilization program is to establish and support regional, State or community program centers to enable these centers to foster the development of local entities in high poverty areas that promote higher education goals for students from low-income families. This program is authorized by the Higher Education Amendments of 1998 for only one year and funded for the first time in FY 2000.

The Department may award one or more endowment grants, on a competitive basis, to national organizations to enable those organizations to support the establishment or ongoing work of regional, State or community program centers. These centers aim to improve secondary school graduation rates and postsecondary attendance through the provision of academic support services, including guidance, counseling, mentoring, tutoring, and recognition, and scholarship assistance for the cost of postsecondary education.

National organizations receiving funds must:

- establish an endowment fund in the amount of the grant;
- use 70 percent of the interest income from the endowment fund in any fiscal year to support the establishment or ongoing work of program centers;
- use 30 percent of the interest income from the endowment fund in any fiscal year to provide scholarships for postsecondary education to students from low-income families, in which scholarships must be matched on a dollar-for-dollar basis;
- require that at least 50 percent of all the interest income from the endowment be allocated to establish new local entities or support program centers in high poverty areas; and
- submit a report to the Secretary for each fiscal year in which the organization uses the interest from the endowment fund.

HIGHER EDUCATION

Community scholarship mobilization

Funding levels for the past 5 fiscal years were:

(\$000s)

1996	0 ¹
1997	0 ¹
1998	0 ¹
1999	0 ¹
2000	\$1,000

¹The program was not authorized prior to FY 2000.

FY 2001 BUDGET REQUEST

For FY 2001, the Administration is not proposing funds for the Community Scholarship Mobilization program. The authorizing statute does not authorize funds to be appropriated in FY 2001. In addition, the Administration believes that academic support services and scholarship assistance are more appropriately addressed by other programs within the Department and within other Federal and State agencies. For example: Pell Grants and other Student Financial Assistance programs, including SEOG and Work-Study, Special LEAP, TRIO, and GEAR UP.

SELECTED PROGRAM PERFORMANCE INFORMATION

No performance goals or objectives for measuring the progress made toward achieving program results have been identified for the Community Scholarship Mobilization program. Since the program is only authorized for FY 2000 and an evaluation of the programs and activities supported by the interest on the endowment fund are required, there is no need to measure progress toward such program results.

PROGRAM OUTPUT MEASURES

(\$000s)	<u>1999</u>	<u>2000</u>	<u>2001</u>
Number of new awards	0	2	0
Average new award	0	\$495	0
Total new award funding	0	\$990	0
Number of NCC awards	0	0	0
Average NCC award	0	0	0
Total NCC award funding	0	0	0
Peer review of new award applications	0	\$10	0
Total award funding	0	\$1,000	0
Total number of awards	0	2	0

HIGHER EDUCATION

Byrd Honors Scholarships

State or Outlying Area	1999	2000	2001
Alabama	\$615,000	\$613,500	\$621,000
Alaska	106,500	108,000	112,500
Arizona	625,500	654,000	693,000
Arkansas	373,500	375,000	381,000
California	4,680,000	4,789,500	4,969,500
Colorado	544,500	564,000	592,500
Connecticut	439,500	445,500	457,500
Delaware	96,000	97,500	100,500
Florida	1,834,500	1,909,500	2,013,000
Georgia	1,059,000	1,089,000	1,135,500
Hawaii	166,500	168,000	171,000
Idaho	198,000	199,500	205,500
Illinois	1,731,000	1,753,500	1,801,500
Indiana	847,500	852,000	868,500
Iowa	424,500	423,000	427,500
Kansas	394,500	397,500	405,000
Kentucky	558,000	558,000	567,000
Louisiana	709,500	700,500	700,500
Maine	177,000	177,000	178,500
Maryland	697,500	712,500	738,000
Massachusetts	784,500	804,000	834,000
Michigan	1,438,500	1,452,000	1,486,500
Minnesota	712,500	721,500	741,000
Mississippi	433,500	433,500	439,500
Missouri	789,000	799,500	820,500
Montana	136,500	136,500	138,000
Nebraska	258,000	258,000	261,000
Nevada	211,500	229,500	250,500
New Hampshire	165,000	169,500	177,000
New Jersey	1,071,000	1,095,000	1,134,000
New Mexico	277,500	282,000	291,000
New York	2,481,000	2,505,000	2,565,000
North Carolina	990,000	1,027,500	1,080,000
North Dakota	102,000	99,000	97,500
Ohio	1,627,500	1,630,500	1,657,500
Oklahoma	507,000	507,000	516,000
Oregon	456,000	463,500	477,000
Pennsylvania	1,644,000	1,654,500	1,689,000
Rhode Island	135,000	135,000	138,000
South Carolina	537,000	541,500	553,500
South Dakota	121,500	120,000	120,000
Tennessee	733,500	744,000	765,000
Texas	2,959,500	3,027,000	3,139,500
Utah	385,500	385,500	391,500
Vermont	84,000	85,500	87,000
Virginia	900,000	915,000	943,500
Washington	799,500	817,500	847,500
West Virginia	253,500	247,500	244,500
Wisconsin	781,500	786,000	802,500
Wyoming	81,000	79,500	79,500
District of Columbia	60,000	60,000	60,000
Puerto Rico	673,500	669,000	675,000
American Samoa	60,000	60,000	60,000
Guam	60,000	60,000	60,000
Northern Marianas	60,000	60,000	60,000
Virgin Islands	60,000	60,000	60,000
Freely Associated States	180,000	150,000	120,000
Other non-State allocations	0	1,000	0
TOTAL	39,288,000	39,859,000	41,001,000

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HOWARD UNIVERSITY

Divider Title: _____

Department of Education
HOWARD UNIVERSITY
Fiscal Year 2001 Budget Request

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HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), [\$219,444,000]
\$224,000,000, of which not less than \$3,530,000 shall be for a matching endowment grant
pursuant to the Howard University Endowment Act (Public Law 98-480) and shall remain
available until expended¹. (*Department of Education Appropriations Act, 2000, as enacted by
section 1000 (a)(4) of the Consolidated Appropriations Act, 2000 (P.L. 106-113).*)

Note.--Each language provision that is followed by a footnote reference is explained in the Analysis of Language
Provisions and Changes document that follows the appropriation language.

HOWARD UNIVERSITY

Analysis of Language Provisions and Changes

Language Provision	Explanation
¹ ...of which not less than \$3,530,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act (Public Law 98-480) and shall remain available until expended.	This language establishes a minimum funding level for the endowment program and specifies that only \$3,530,000 available for the endowment provides program shall remain available for obligation until expended.

HOWARD UNIVERSITY

Amounts Available for Obligation
(\$ in 000s)

	1999	2000	2001
<u>Discretionary authority:</u>			
Annual appropriation	\$214,489	\$219,444	\$224,000
Unobligated balance, start of year	0	3,530	0
Unobligated balance, end of year	<u>-3,530</u>	<u>0</u>	<u>0</u>
Total obligations	\$210,959	\$222,974	\$224,000

Obligations by Object Classification
(\$ in 000s)

	1999	2000	2001
Grants, subsidies and contributions	\$210,959	\$222,974	\$224,000

HOWARD UNIVERSITY

Summary of Changes (\$ in 000s)

2000	\$219,444	
2001	<u>224,000</u>	
Net change	+4,556	
	<u>2000 base</u>	<u>Change from base</u>
<u>Increases:</u>		
<u>Program:</u>		
Increase in funding to maintain current level of services for the University.	\$219,444	+\$4,556

HOWARD UNIVERSITY

Authorizing Legislation (\$ in 000s)

Activity	2000 Authorized	2000 Estimate	2001 Authorized	2001 Request
Academic program (20 U.S.C. 123)	Indefinite	---	Indefinite	---
Endowment grant (P.L. 98-480)	--- ¹	---	--- ¹	--- ²
Research (20 U.S.C. 123)	Indefinite	---	Indefinite	---
Howard University Hospital (20 U.S.C. 128)	Indefinite	\$30,374	Indefinite	\$30,374
Construction (20 U.S.C. 123)	Indefinite	---	Indefinite	---
General Support (20 U.S.C. 121 et seq.)	Indefinite ³	<u>189,070</u>	Indefinite ³	<u>193,626</u>
Total definite authorization	---		---	
Total appropriation		\$219,444		\$224,000

¹ Under Title II of P.L. 98-480, the Howard University Endowment Act, \$2,000,000 was authorized. The authorization expired in 1987 when the \$2,000,000 was appropriated. In subsequent years, appropriations language has earmarked endowment funds to be used under the terms and conditions of the Act.

² The University must allocate at least \$3,530 thousand for the endowment program.

³ The University has the discretion to allocate funds for activities authorized under the general statute for Howard University.

HOWARD UNIVERSITY

Appropriations History (\$ in 000s)

	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1992	\$190,932	\$212,960	\$199,131	\$212,360
1993	197,250	195,278	189,135	195,570
1993 Reduction	---	---	---	-1,565
1994	192,686	192,686	192,686	192,686
1995	192,896	206,463	192,896	206,463
1995 Rescission	---	-1,800	-1,800	-1,800
1996	195,963	174,671	174,671	182,348
1997	195,963	187,348	189,000 ¹	196,000
1998	196,000	210,000	198,000	210,000
1999	210,000	214,489	210,000	214,489
2000	219,444	219,444 ²	219,444	219,444
2001	224,000			

¹ Reflects Senate Committee action.

² Reflects House Committee action.

HOWARD UNIVERSITY

Howard University

(20 U.S.C. 121 et seq.)

FY 2001 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

	<u>2000</u>	<u>2001</u>	<u>Change</u>
Howard University Hospital	\$30,374	\$30,374	0
General Support	<u>189,070¹</u>	<u>193,626¹</u>	<u>+\$4,556</u>
Total	219,444	224,000	+4,556

¹ The University has the discretion to allocate funds for activities authorized under the general statute for Howard University, however, appropriations language provides that the University must allocate at least \$3,530 thousand for the endowment program.

PROGRAM DESCRIPTION

The Howard University annual appropriation provides partial support to the University in areas such as the endowment; the University Hospital; and construction, development, improvement, and maintenance of the University. The University has the discretion to use appropriated funds for the following activities.

Academic Program

Howard University is a private non-profit educational institution consisting of 12 academic schools and colleges. The university maintains a comprehensive academic program in undergraduate liberal arts instruction, and also offers programs at the graduate and graduate professional levels. The University offers the Masters' degree in 55 fields and the Doctor of Philosophy degree in 26 fields. Federal funding provides substantial support to maintain the academic program.

In fiscal year 1999, the direct Federal appropriation for general support represented approximately 54 percent of the University's total educational and general (E&G) expenditures.

To support its academic programs, the University provides library services, administrative support, and research opportunities for approximately 11,000 students. These programs and services support the University's goals of expanding the opportunities of graduates, particularly minorities, in fields in which they are still underrepresented.

HOWARD UNIVERSITY

Endowment Program

Howard University's matching endowment grant program is designed to assist the University in increasing its financial strength and independence by stimulating private contributions. The University receives the endowment grant only when it matches the grant, dollar-for-dollar, through non-Federal contributions. The Endowment fund generates income from low-risk investments. These funds are used to support expenses necessary for the University's operations including expenses for operations and maintenance, administration, academic and support personnel, construction and renovation, community and student services programs, technical assistance and research. Except in the case of a financial emergency, or another unusual occurrence, Howard University may withdraw no more than 50 percent of the income earned each year to help meet its operating costs.

Research Program

The University's Research program funds post-doctoral fellowships, primarily in scientific disciplines; competitively reviewed pilot studies of interdisciplinary faculty teams; and the purchase of laboratory equipment. It also provides supplemental support for doctoral research by Ph.D. candidates in the sciences. Moreover, it supplies start-up research costs for new faculty, offers Interim "bridge" support for externally funded research programs, and contributes to continued improvement of the graduate and professional degree programs at the University. Federal funds supplement University funds, making it possible for Howard University faculty to compete successfully for, and acquire, private and other Federal research grants.

Construction

Capital construction and renovation of University buildings is an allowable activity under the University's authorization. Howard University has identified five construction projects that are part of *The Strategic Framework For Action* -- a Health Sciences Library, a Law School Library, a Student Residential Network, a Faculty Network and a Howard University Television Network.

Howard University Hospital

Howard University Hospital serves as a major acute and ambulatory care center for the inner city of Washington, DC. It is a 482-bed in-patient hospital with emergency facilities, and it operates 54 specialty clinics. The hospital is a major teaching facility that trains physicians in 17 specialty areas. In addition, it serves as a laboratory for numerous nursing and other paramedical trainees from both Howard University and other training institutions. The hospital provides leadership in many areas, most notably in the fields of primary care, organ transplantation, and cardiovascular diseases.

Operations of the hospital are financed through direct Federal appropriations, group and individual hospitalization insurance payments, funds supplied by the Medicare program, and contractual agreements for patient care services with the District of Columbia government and other local jurisdictions.

HOWARD UNIVERSITY

Funding levels for the Howard University account for the past 5 fiscal years were as follows:

	(\$ in 000s)
1996	\$182,348
1997	196,000
1998	210,000
1999	214,489
2000	219,444

FY 2001 Budget Request

The Administration proposes \$224 million for Howard University, an increase of \$4.556 million or 2.1 percent over the 2000 Appropriation, to maintain the current level of services for the University. The request for Howard University supports the Department's strategic goal of ensuring equal access to postsecondary education for all students. Recent statistics continue to show that minorities are attending and graduating from college at lower rates than other groups. Howard University directly addresses the problem of minority access, retention, and graduation by providing a major avenue of postsecondary access and opportunity for African-Americans.

Of the total budget, \$193.626 million is for General Support, an increase of \$4.556 million. A minimum of \$3.530 million would be earmarked in appropriations language for the Endowment program. The remaining \$190.096 million would not be earmarked, allowing Howard University the discretion to allocate these funds across the academic, endowment, research, and construction activities. Howard University and the Administration believe that this flexibility gives the University the ability to determine its own priorities annually and to use Federal funds in ways most needed by the institution.

The \$3.530 million earmarked for the endowment would be available until expended in order to give the University as much time as needed to meet the statutory matching requirement. The Department believes that earmarking a minimum dollar level to be allocated for the endowment will continue to encourage the University to increase its financial strength and independence from Federal support.

The Administration requests \$30.374 million for the Howard University Hospital, level funding with FY 2000. Funding for Howard University Hospital traditionally has been included in the Department of Education's appropriation request because the hospital functions as a teaching facility attached to the Howard University School of Medicine. Furthermore, the Administration's request underscores the significant role the hospital plays in community health care and in health research for African-Americans.

HOWARD UNIVERSITY

SELECTED PROGRAM PERFORMANCE MEASURE INFORMATION

This section presents information on performance goals and objectives and selected performance indicators and strategies for measuring the progress made toward achieving program results. Desired interim and end targets are identified for each performance indicator where a baseline has been determined. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this and other programs supporting the performance goals and objectives.

Other performance indicators and strategies for this program are included in the Department's Annual Program Performance Plan and Annual Performance Report.

Performance goal: To assist Howard University with financial resources needed to carry out its educational mission.

Objective: Maintain and strengthen academic programs and achievement by: recruiting better students; improving student retention; improving graduation rates; and promoting excellence in teaching.

<u>Indicators</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Better Students. The average SAT scores of incoming freshman will increase by 1 percent per year until the national average is reached or exceeded. <i>Benchmark: The SAT national average score in 1997 was 1016.</i> <i>Baseline data: The average SAT score at Howard in the fall 1997 was 1007.</i>	1030	1035	1040	1045
Student retention. The attrition for undergraduate full-time-in-college (FTIC) students will decrease by 2 percent until it is below the national average. <i>Benchmark: The attrition rate for 4-year institutions in 1998 was 21%.</i> <i>Baseline data: Howard's attrition rate in 1997 was 17%.</i>	17%	16%	15%	
Graduation rates. The undergraduate graduation rates will remain at or above the national average. <i>Benchmark data: The national average 6-year graduation rate for 1996 was 46%.</i> <i>Baseline data: The 6-year graduation rate at Howard for 1997 was 49%.</i>	46.1%	48%	50%	

HOWARD UNIVERSITY

In an effort to enroll better students, Howard University plans to: target high-ability students in schools across the country; convene high school counselors in a summer symposium as well as have an Honors Student weekend; and encourage alumni to identify and contact high-ability students.

In an effort to decrease the attrition rate of the first-time-in-college students and increase the graduation rates, the University plans to: continuously improve orientation programs; provide a Mid-term Status Report to alert all students of their academic standing; convene faculty advisor workshops; and provide written correspondence to faculty on retention goals and issues. The national average data will be obtained from the College Board report. Howard's data on SAT scores, retention and graduation rates will be prepared by the National Consortium for Student Retention Data Exchange.

Objective: Increase the University's financial strength and independence from the Federal appropriation.

<u>Indicator</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
Endowment. The value of the endowment will increase each year.				
<i>Baseline data: The market value of Howard's endowment was \$212.2 million in June 1997.</i>	\$296.5	\$233.4	\$250.0	

Howard University plans to monitor continuously the external money managers who invest Howard's endowment fund to ensure healthy returns.

PERFORMANCE OUTPUT MEASURES (All data was provided by Howard University)

	<u>1999</u>	<u>2000</u>	<u>2001</u>
Total number of students	10,976	10,976	11,010
Number of FTE students:	8,921	8,921	8,948
Number of FTE Graduate Students	3,050	3,131	3,223
Number of FTE Undergraduate Students	5,871	5,790	5,725
Graduate student population:	3,980	4,050	4,095
Black students	3,028	3,080	3,110
Foreign students	565	575	580
All other students	387	395	405

HOWARD UNIVERSITY

PERFORMANCE OUTPUT MEASURES (All data was provided by Howard University)

	<u>1999</u>	<u>2000</u>	<u>2001</u>
Undergraduate student population:	6,996	6,926	6,915
Black students	6,121	6,060	6,050
Foreign students	743	735	735
All other students	132	131	130
Undergraduate Student Financial Aid:			
Students receiving Federal aid	4,114	4,500	4,550
Average Award	\$10,159	\$11,000	\$11,500
Foreign Students (permanent residents) receiving Federal aid	341	350	375
Average Award	\$9,526	\$10,000	\$10,500
Students receiving non-Federal aid	2,730	3,000	3,200
Average Award	\$8,461	\$9,000	\$9,500
Foreign Students (permanent residents) receiving Non-Federal aid	154	220	235
Average Award	\$6,537	\$6,600	\$6,750
Graduate & Professional Student Financial Aid:			
Students receiving Federal aid	2,561	3,700	3,800
Average Award	\$18,133	\$19,000	\$19,500
Foreign students receiving Federal aid	253	300	325
Average Award	\$17,967	\$18,000	\$18,250
Students receiving non-Federal aid	2,461	2,500	2,575
Average Award	\$7,572	\$7,600	\$7,700
Foreign students receiving non-Federal aid	261	270	275
Average Award	\$6,868	\$7,000	\$7,150
Number of graduate students with family income less than \$40,000	2,323	2,400	2,450
Number of undergraduates with family income of less than \$40,000	3,029	3,100	3,175
Total number of faculty	1,541	1,541	1,541
Number of paid faculty	1,241	1,241	1,241
Number of faculty serving without compensation	300	300	300
Number of non-faculty staff	1,863	1,863	1,863

HOWARD UNIVERSITY

PERFORMANCE OUTPUT MEASURES (All data was provided by Howard University)

	<u>1999</u>	<u>2000</u>	<u>2001</u>
Median faculty salary by academic status:			
Professor	\$78,820	\$80,396	\$80,395
Associate Professor	\$59,418	\$60,606	\$60,606
Assistant Professor	\$50,526	\$51,537	\$51,537
Instructor	\$42,843	\$43,700	\$43,700
Number of Baccalaureates awarded:	1,293	1,300	1,310
Black students	1,122	1,125	1,132
Foreign students	132	135	130
All other students	39	40	48
Number of Ph.D.s awarded:	83	85	85
Black students	61	62	63
Foreign students	19	19	18
All other students	3	4	4
Revenue: (\$000s)			
Total Federal and non-Federal revenue	\$391,776	\$401,844	\$409,518
Total Federal revenue	\$233,487	\$237,000	\$244,674
Restricted	\$43,365	\$44,000	\$44,000
Unrestricted	\$190,122	\$193,000	\$200,674
Total Non-Federal revenue	\$158,289	\$164,844	\$164,844
Restricted	\$16,635	\$16,000	\$16,000
Unrestricted	\$141,654	\$148,844	\$148,844
Total Federal revenue as a percentage of total revenue	59.6%	59.0%	59.7%
Revenues from tuition and fees	\$100,858	\$102,547	\$102,547
Tuition and fees as a percentage of overall revenue	25.7%	25.5%	25.0%
Expenditures: (\$000s)			
Educational and General (E&G)	\$339,918	\$352,048	\$358,771
Expenditures on Instruction	\$143,433	\$151,714	\$154,611
All Other expenditures	\$27,638	\$28,766	\$29,315

HOWARD UNIVERSITY

PERFORMANCE OUTPUT MEASURES (All data was provided by Howard University)

	<u>1999</u>	<u>2000</u>	<u>2001</u>
Endowment program: (\$000s)			
Federal fiscal year contributions	\$3,530	\$3,530	\$3,530
Funds raised by the University	TBD ¹	TBD ¹	TBD ¹
Federal match	TBD ¹	TBD ¹	TBD ¹
Revenue from endowment income	\$7,825 ²	\$8,060	\$8,302
Percentage of total revenue from endowment income	2.0%	2.0%	2.1%
End of fiscal year market value of matching endowment fund	\$75,029 ²	78,559	\$82,089
End of fiscal year total market value of endowment fund	\$289,154 ²	\$315,178	\$343,544
Construction: (\$000s)			
Total expenditures for construction	\$34,449	\$35,000	\$35,000
Amount raised through bond issue	0	0	0
Howard University Hospital: (\$000s)			
Total Hospital revenue	\$188,471	\$185,397	\$189,105
Revenues from the District of Columbia (Medicaid & medical charities)	\$59,368	\$58,400	\$59,568
Percentage of total revenue from:			
Federal appropriation	15.6%	16.5%	16.2%
Other Federal sources (Medicare/Medicaid)	61.8%	61.5%	61.2%
Patient services (non-Federal sources)	18.9%	18.6%	19.0%
Other non-Federal sources	3.6%	3.3%	3.5%
Total Hospital expenditures	\$181,277	\$185,397	\$189,105

¹ TBD: These values are to be determined based on the amount of contributions received that are eligible for Federal matching.

² Unaudited.

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COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Divider Title: _____

Department of Education

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Fiscal Year 2001 Budget Request

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COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For Federal administrative expenses authorized under section 121 of the Higher Education Act of 1965, \$737,000 to carry out activities related to existing facility loans entered into under the Higher Education Act of 1965. *(Department of Education Appropriations Act, 2000, as enacted by section 1000(a)(4) of the Consolidated Appropriations Act, 2000 (P. L. 106-113).)*

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Amounts Available for Obligation (\$000s)

	1999	2000	2001
Discretionary authority:			
Annual appropriation	\$698	\$737	\$737
Unobligated balance, end of year	<u>-2</u>	<u>0</u>	<u>0</u>
Total, direct obligations	696	737	737

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Obligations by Object Classification (\$000s)

		1999	2000	2001	Changes from 2000 to 2001
11.10	Full-time permanent	\$341	\$400	\$420	\$20
11.51	Overtime	4	0	0	0
11.80	Awards	10	4	4	0
	Compensation subtotal	355	405	425	20
12.00	Benefits	62	88	92	4
	Comp/benefits subtotal	417	493	517	24
21.00	Travel	6	20	8	24
23.10	Rent to GSA	48	48	48	0
23.31	Communications	8	10	8	-2
23.32	Postage/fees	2	2	0	-2
	Subtotal 23	58	60	56	-4
24.00	Printing	3	1	1	0
25.21	Other Services	97	28	33	5
25.22	Training	1	7	7	0
25.30	Goods/Services from Gov't	72	109	110	1
25.71	Operations/Maint of Equipment	0	2	0	-2
	Subtotal 25	170	146	150	4
26.00	Supplies	4	7	5	-2
31.10	ADP Equipment/Software	38	10	0	-10
	Total, direct obligations	696	737	737	0

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Summary of Changes (\$ in 000s)

2000	\$737
2001	<u>737</u>
Net change	0

	<u>2000 base</u>	<u>Change from base</u>
<u>Increases:</u>		
<u>Built in:</u>		
Increase in personnel compensation for annualization of the 4.8 percent FY 2000 pay raise and proposed 3.7 percent FY 2001 pay raise.	\$400	+\$20
Increase in benefits for the Department's share of health, retirement, and other benefits.	88	+4
<u>Program:</u>		
Increase in other good/services from the Government to support increased architectural and engineering needs.	109	+1
Increase in other services to support increased costs in the management of facilities.	28	<u>+5</u>
Subtotal, increases		+30
<u>Decreases:</u>		
<u>Program:</u>		
Decrease in travel due to cyclical nature of site visit needs.	20	-12

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Summary of Changes (\$ in 000s)

	<u>2000 base</u>	<u>Change from base</u>
Decrease in supplies as needs are satisfied with existing supplies.	\$7	-\$2
Decrease in operation and maintenance of equipment as needs are met with prior year funds.	2	-2
Decrease in equipment as needs are met with prior year funds.	10	<u>-10</u>
Subtotal, decreases		-30
Net change		0

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Authorizing Legislation (\$000s)

Activity	2000 Authorized	2000 Estimate	2001 Authorized	2000 Request
Federal administration (<i>Federal Credit Reform Act of 1990, section 505(e)</i>)	Indefinite	\$737	Indefinite	\$737
Total definite authorization	-----		-----	
Total appropriation		<u>737</u>		<u>737</u>

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Appropriations History (\$000s)

	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1993	\$740	\$733	\$725	\$727
1994	730	730	730	730
1995	1,022	1,156	1,190	1,190
1995 Rescission	-168	-433	-433	-433
1996	1,027	700	700	698
1997	700	698	698	698
1998	1,069	698	698 ¹	698
1999	698	698	698	698
2000	737	698	737	737
2001	737			

¹ Reflects Senate Committee Action

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Federal administration

(Federal Credit Reform Act of 1990, section 505(e))

2000 Authorization (\$000s): Indefinite

Budget authority (\$000s):

	<u>2000</u>	<u>2001</u>	<u>Change</u>
Personnel costs	\$493	\$517	+\$24
Non-personnel costs	<u>244</u>	<u>220</u>	<u>-24</u>
Total	<u>737</u>	<u>737</u>	<u>0</u>
FTE employees	6	6	0

PROGRAM DESCRIPTION

Funds for this activity pay the Federal costs of administering the College Housing and Academic Facilities Loans (CHAFL) program. These costs include the personnel compensation and benefits for 6 FTE and the other costs of administering the program, including overhead services such as rent and telecommunications. The major non-personnel cost items are for administrative and technical support for the CHAFL program, especially in meeting credit reform requirements, provided by other Federal agencies and contractual arrangements. An agreement with the Department of Health and Human Services provides engineering services, and another with the Federal Reserve Bank in Richmond provides loans servicing. Costs for such services will be incurred for the foreseeable future to handle outstanding collections. (In keeping with a recent change in the provisions of the Federal Credit Reform Act, costs for comparable services for the Higher Education Facilities Loan and College Housing Loan, which were previously requested under this account, are now paid from their respective liquidating account.)

The facilities construction loans support the financing for the reconstruction, renovation, and construction of undergraduate academic facilities, housing and other postsecondary educational facilities for students and faculty. No new loans have been awarded since fiscal year 1993.

Funding levels for the past 5 fiscal years were as follows:

(\$000s)

1996	\$698
1997	698
1998	698
1999	698
2000	737

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

FY 2001 BUDGET REQUEST

The Department is requesting \$737,000 to support the administrative costs associated with the College Housing and Academic Facilities Loan Program, the same as the appropriation for FY 2000. The CHAFL request reflects the Department's goal of ensuring access to postsecondary education and attaining student aid delivery and program management in an efficient, financially sound, and customer-responsive manner.

For presentation purposes, Federal administrative costs and FTE financed by the College Housing and Academic Facilities Loans Program account are included in the total costs discussed in the justification materials in the Salaries and Expenses Overview.

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HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

Divider Title: _____

Department of Education
HISTORICALLY BLACK COLLEGE AND
UNIVERSITY CAPITAL FINANCING

Fiscal Year 2001 Budget Request

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HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

The total amount of bonds insured pursuant to section 344 of title III, part D of the Higher Education Act of 1965 shall not exceed \$357,000,000, and the cost, as defined in section 502 of the Congressional Budget Act of 1974, of such bonds shall not exceed zero.

For administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to title III, part D of the Higher Education Act of 1965, as amended, [~~\$207,000~~] \$208,000. (*Department of Education Appropriations Act, 2000, as enacted by section 1000(a)(4) of the Consolidated Appropriations Act, 2000 (P. L. 106-113).*)

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

Amounts Available for Obligation (\$000s)

	1999	2000	2001
Discretionary authority:			
Annual appropriation	\$96	\$207	\$208
Unobligated balance, end of year	<u>0</u>	<u>0</u>	<u>0</u>
Total, direct obligations	96	207	208

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

Obligations by Object Classification (\$000s)

		1999	2000	2001	Changes from 2000 to 2001
11.10	Full-time permanent	\$68	\$70	\$71	\$1
11.52	Awards	<u>1</u>	<u>2</u>	<u>2</u>	<u>0</u>
	Compensation subtotal	69	72	73	1
12.00	Benefits	13	15	15	0
	Comp/benefits subtotal	82	87	88	1
21.00	Travel	0	2	2	0
23.10	Rent to GSA	7	7	7	0
23.31	Communications	2	2	2	0
23.32	Postage/fees	<u>2</u>	<u>2</u>	<u>2</u>	<u>0</u>
	Subtotal 23	11	11	11	0
24.00	Printing	1	0	0	0
25.21	Other Services	0	105	105	0
25.30	Goods/Services from Gov't	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
	Subtotal 25	1	106	106	0
26.00	Supplies	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
	Total, direct obligations	96	207	208	1

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

Summary of Changes (\$ in 000s)

2000	\$207
2001	<u>208</u>
Net change	+1

	<u>2000 base</u>	<u>Change from base</u>
<u>Increases:</u>		
<u>Built in:</u>		
Increase in personnel compensation for annualization of the 4.8 percent FY 2000 pay raise and proposed 3.7 percent FY 2001 pay raise.	\$70	+\$1
Total, increases		+1

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

Authorizing Legislation (\$000s)

Activity	2000 Authorized	2000 Estimate	2001 Authorized	2001 Request
Federal administration (<i>Federal Credit Reform Act of 1990, section 505(e)</i>)	Indefinite	\$207	Indefinite	\$208
Total definite authorization	-----		-----	
Total appropriation		<u>207</u>		<u>208</u>

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

Appropriations History (\$000s)

	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
1994	\$200	\$200	\$200	\$200
1995	347	347	347	347
1995 Rescission	0	0	0	-1
1996	166	166	166	166
1997	104	104	104	104
1998	104	104	104	104
1999	96	196	96	96
2000	207	96	207	207
2001	208			

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

Overview

The Historically Black College and University (HBCU) Capital Financing Program, authorized under title III of the Higher Education Act, as amended, provides HBCUs with access to capital financing for the repair, renovation, and construction of classrooms, libraries, laboratories, dormitories, instructional equipment, and research instrumentation.

Despite the historical importance of HBCUs, their limited endowments, small enrollments, and other financial constraints have restricted their access to traditional sources of capital financing such as bank loans and bond financing. In response to this problem, Congress created the HBCU Capital Financing Program in 1992 to encourage private investment in HBCU capital improvement projects. Under the program, a designated bonding authority (DBA) raises loan capital in the bond market and makes insured loans to qualified HBCUs. Loans may be financed through the private market or the Federal Financing Bank (FFB). Privately financed loans are considered "guaranteed" loans under the Federal Credit Reform Act of 1990; FFB-financed loans are considered "direct" loans by the Federal Government. The Department expects all future loans to be funded through FFB, which offers more favorable terms than are available on the private market.

To encourage investment in bonds, Congress provided insurance to investors by backing the bonds with the full faith and credit of the United States. According to the Higher Education Act of 1965, as amended (HEA), the total amount of insured outstanding principal and unpaid accrued interest may not exceed \$375 million; \$250 million of this amount is available to private HBCUs, and \$125 million is available to public HBCUs. Each year, the Administration proposes appropriations language to limit the outstanding principle to \$357 million to ensure that the HEA limitation on combined principal and interest is not exceeded. The first loan was made by the DBA (financed through the FFB) in fiscal year 1996. Through the end of FY 1999, 5 loans have been made totaling \$32.2 million.

Congress intended the HBCU Capital Financing Program to be self-financing, with no Federal subsidy. To cover potential delinquencies, institutions were originally required by statute to deposit 10 percent of the principal amount of each loan into an escrow account. This amount was lowered to 5 percent in the Higher Education Amendments of 1998. If an institution is delinquent in making a principal or interest payment, the amount needed to make the scheduled bond repayment is drawn from the escrow account. In the event that the escrow account is depleted, the DBA would notify the Department and call in a Letter of Credit that allows the Department to draw funds from the Treasury to make the payment.

The HBCU Capital Financing Advisory Board advises the Secretary and the DBA on the most effective and efficient means of implementing the program. The Advisory Board is appointed by the Secretary and consists of nine members--five presidents of public and private HBCUs, the President of the United Negro College Fund, Inc., the President of the National Association for Equal Opportunity in Higher Education, the Secretary or his designee, and the Department's Executive Director of the White House Initiative on HBCUs. The Board is expected to meet twice a year. In addition to covering the costs of the Advisory Board, the Department also incurs costs to administer the program. The Federal Credit Reform Act of 1990 requires that the administrative costs of the program be accounted for separately.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

Federal administration

(Federal Credit Reform Act of 1990, section 505(e))

FY 2001 Authorization (\$000s): Indefinite

Budget authority (\$000s):

	<u>2000</u>	<u>2001</u>	<u>Change</u>
Personnel costs	\$87	\$88	+\$1
Non-personnel costs	<u>120</u>	<u>120</u>	<u>0</u>
Total	207	208	+1
FTE employees	1	1	0

PROGRAM DESCRIPTION

Funds for this activity support Federal costs for administering the HBCU Capital Financing Program, including personnel compensation and benefits for 1 FTE and other administrative activities such as rent, and postage. These funds also support the HBCU Capital Financing Advisory Board authorized in Section 347 of the Higher Education Act, as amended.

Funding levels for the past 5 fiscal years were:

(\$000s)

1996	\$166
1997	104
1998	104
1999	96
2000	207

FY 2001 BUDGET REQUEST

For presentation purposes, Federal administrative costs and FTE financed by the HBCU Capital Financing Program Account are included in the total costs discussed in the justification materials in the Salaries and Expenses Overview.

Funds for this activity support Federal costs for administering the HBCU Capital Financing Program, including personnel compensation and benefits for 1 FTE and other administrative activities such as rent, postage, and telecommunications. These funds also support the HBCU Capital Financing Advisory Board. Costs rise slightly from FY 2000 to FY 2001 as a result of increases for pay and benefits.

The HBCU request reflects the Department's goal of ensuring access to postsecondary education and attaining student aid delivery and program management in an efficient, financially sound, and customer-responsive manner. The number of loans financed through the program has so far been

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

lower than anticipated. The program is, however, indirectly assisting many HBCUs by providing an alternative source of capital for use as leverage in negotiating financing from private lenders. Activities planned for FY 2001 will include the offering of technical assistance, as well as the continuation of an aggressive marketing program begun in FY 1999 that will broaden awareness of the program among Historically Black Colleges to increase loans requested and awarded.

SELECTED PROGRAM PERFORMANCE INFORMATION

This section presents selected program performance information, including goals; indicators; targets; and, where possible, an assessment of the progress made toward achieving program results. Achievement of targets is based on the cumulative effect of the resources provided in previous years and those requested in FY 2001 and future years, and the resources and efforts invested by those served by this program.

Performance goal: To strengthen the ability of HBCUs to access low-cost capital.

Objective: To provide low-cost capital to HBCUs to finance the repair, renovation, construction, or acquisition of a capital project.

<u>Indicator</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Number of inquiries. The number of inquiries received by the designated bonding authority (DBA) will increase each year. <i>FY 1999 baseline: The Department received 30 inquiries.</i>	32	39	46	53

<u>Indicator</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Number of applications. The number of applications received by the DBA will increase each year. <i>FY 1999 baseline: The Department received 3 applications.</i>	11	11	15	20

<u>Indicator</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Number of loans made. The number of loans made will increase each year. <i>FY 1999 baseline: The Department made 3 new loans.</i>	5	5	5	10

The Department will continue to track and report activities within this account on annual basis.

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

PROGRAM OUTPUT MEASURES (\$000's)

	1999	2000	2001
Number of new loans requested:			
Private HBCUs	3	7	7
Public HBCUs	0	4	4
New loan volume requested:			
Private HBCUs	\$23,700	\$45,000	\$45,000
Public HBCUs	\$0	\$55,000	\$55,000
Number of new loans approved:			
Private HBCUs	3	3	3
Public HBCUs	0	2	2
New loan volume approved:			
Private HBCUs	\$23,700	\$24,000	\$24,000
Public HBCUs	\$0	\$14,000	\$14,000
Cumulative number of loans	5	10	15
Cumulative loan volume	\$32,168	\$70,168	\$108,168
Cumulative total disbursements EOY	\$11,066	\$36,100	\$61,200
Cumulative outstanding principal EOY	\$11,000	\$36,000	\$61,000
Cumulative type of loans awarded:			
Direct (FFB)	5	10	15
Guaranteed (Private)	0	0	0

Note: Direct Loans are financed through the Federal Finance Bank. Guaranteed loans are financed through the private capital market.