

DEPARTMENT OF EDUCATION

Since 2001, the Administration:

- Reformed K–12 education through the landmark No Child Left Behind Act that is raising standards, improving accountability, and expanding parental choice;
- With this Budget, increased funding for Title I grants by \$4.6 billion (or 52 percent) to help improve low-income schools and Special Education grants by \$4.7 billion (or 75 percent) to better serve students with disabilities;
- Refocused education research so that parents, teachers, and administrators have access to practices with proven results;
- Provided approximately \$60 billion in student aid annually through grants, loans, and work study to help nearly 10 million students attend college each year; and
- Initiated tax reforms that help families save for college.

The President's Budget:

- Continues unprecedented increases in Title I and Special Education to help schools implement No Child Left Behind and meet the needs of students with disabilities;
- Supports new initiatives that will help students make the transition from high school to college and from college to the workforce; and
- Achieves the President's commitment to increase funding for Historically Black Colleges and Universities and minority serving institutions by 30 percent since 2001.

Department of Education

Rod Paige, Secretary

www.ed.gov 800–USA–LEARN

Number of Employees: 4,487

2005 Discretionary Budget Authority:
\$57.3 billion

Key Components: 10 regional and 11 field offices.



Secretary Paige visits with fourth grade students in Westerville, Ohio.

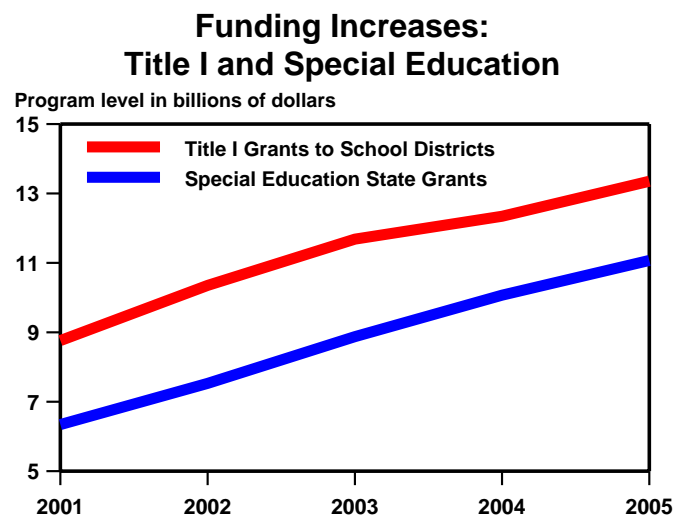
OVERVIEW

Education is the fundamental building block of American prosperity and growth. Without a strong education system, America would be unable to sustain an expanding economy, maintain improvements in citizen health, foster scientific advancement, protect our Nation's security, or meet many of the other various challenges of the 21st Century. The Department of Education plays a critical role in ensuring that America maintains a strong, effective, and inclusive education system by: 1) providing formula and competitive grants to States and local educational agencies to support improvement of elementary and secondary education; 2) offering student aid in the form of loans and grants designed to ensure that post-secondary education is affordable and attainable; 3) conducting research and disseminating information on the best educational practices; and 4) producing statistics on the condition of education in the United States. The 2005 Budget targets resources to education programs that most effectively help all children and young adults, especially disadvantaged populations, achieve academic and economic success; maintains the momentum of recent accomplishments; and helps fulfill the President's vision for continuing education improvement.

Leaving No Child Behind. When President Bush entered office, two-thirds of all low-income fourth graders could not read on grade level, and the achievement gap between rich and poor students was growing. On January 8, 2002, President Bush signed into law the No Child Left Behind Act and forever changed public education in America. Local schools are now held accountable for rigorous achievement goals for all students, parents are provided with detailed information on school performance, and students in under-performing schools have the option to attend a school that demonstrates results. The soft bigotry of low expectations is being removed from our schools and communities. The 2005 Budget continues the President's unprecedented commitment to K–12 education and to helping schools meet the new challenges of No Child Left Behind, providing \$13.3 billion for Title I grants, a \$1 billion increase from last year, and a \$4.6 billion, or 52-percent, increase since the President took office. With the 2005 Budget, funding for reading programs will have increased nearly five-fold since 2001—for a total of \$1.3 billion—so that every child can read at grade level or above by the end of third grade.

Renewing America's Commitment to Students with Special Needs. America's schools need better tools to improve services for students with disabilities—11 percent of all students. The President is committed to reforms for Federal special education programs that increase accountability for results, reduce administrative burdens on States and schools, enhance the role of parents, and ensure that research-based practices are widely used. The 2005 Budget demonstrates the President's commitment to serving students with disabilities by providing \$11.1 billion for Special Education Grants to States, a \$1 billion increase from last year, and a \$4.7 billion, or 75-percent, increase since the President took office.

Getting Students Ready for College and the Workforce. America faces many challenges in ensuring that young adults get the academic and work-related skills they need to meet the demands of today's and tomorrow's workforce. High school test scores are declining, career and technical education programs are outdated and have proven ineffective, the cost of higher education continues



to rise, and the percentage of minority and low-income students going to college remains unacceptably low. To address these challenges, the President is committed to focusing Federal resources on successful programs serving young adults and to developing promising new initiatives that build on these successful programs. The 2005 Budget, therefore, supports several new Federal high school initiatives designed to invigorate and update career and technical education programs as well as strengthen students' reading and math skills. Moreover, the Budget continues the Administration's strong commitment to the Pell Grant program, and proposes a new program that enhances Pell by providing additional aid for students who complete a rigorous high school curriculum.

LEAVING NO CHILD BEHIND

The President's landmark No Child Left Behind Act (NCLB) means just that. No child, as the President has said, will suffer from the "soft bigotry of low expectations," and no child will be trapped in a low-performing school. NCLB sets the Nation's sights high: all children will be proficient in reading and math within 12 years. Although the full impact of NCLB will not be seen for several years, States already have made great strides in putting in place the reforms that will help them reach their achievement goals.

Accountability for Results. Every State has a NCLB accountability plan that has been peer-reviewed and approved by the Department of Education; 47 States have had their plans approved by their State legislative or regulatory bodies. These plans are the States' blueprints for ensuring that all students can read and do math, for holding schools responsible for improving achievement, for publishing report cards to give parents information on their schools' performance, and for expanding parental choice options.

Testing in Grades 3-8. NCLB requires reading and math tests in grades 3-8 and in high school to give teachers and parents information on how their schools are performing. States must have these tests in place by the 2005-2006 school year, yet 20 States already meet the NCLB requirement.

Reporting Results. As a result of NCLB, most States are now publishing performance information on their districts and schools. These reports indicate which schools are performing well and which need to improve, and provide data on the achievement of all populations of students. Under NCLB, 43 States are publishing report cards this year, up from 16 in 2002-2003. School districts are adding other useful data to their report cards, including information on teacher qualifications.

School Improvement. Forty-five States have identified over 5,000 schools in need of improvement because they did not meet their performance goals for two consecutive years. Over half a billion

Beating the Odds and Closing the Achievement Gap

Over 90 percent of the children in Longfellow Elementary School in New York State qualify for a free or reduced-price lunch. Normally, these children would be some of the lowest achieving in the State. But since 1999, this urban Title I school has made dramatic gains in student achievement and outscored 97 percent of all other New York State elementary schools in both reading and math.

How have they done it? While Longfellow's reforms began before NCLB became the law of the land, their strategies represent many of the key principles of NCLB. Longfellow is implementing research-based practices, focusing on reading in the early grades, providing before- and after-school tutoring, and training its teachers in high-quality instruction. Most important, all children are expected to succeed, and the data show that they are meeting these expectations.

dollars will be made available under the Title I program to help these schools implement the reforms they need to raise student achievement.

Parental Choice. Under NCLB, students will no longer be trapped in schools that are not meeting rigorous academic achievement goals. If schools do not meet their goals for two years, students may transfer to better-performing schools. In the 2003-2004 school year, an estimated 2.5 million students are eligible to transfer to a better school. If students do not transfer and their schools do not meet their goals for a third year, students have the option of receiving tutoring funded by the school district. States are offering tutoring services from over 1,600 providers, nearly three-quarters of which are from the private sector.

Funding What Works. NCLB's Reading First program supports K-3 reading instruction that has been proven to be effective so that all children can read proficiently by the end of third grade. All 50 States have been awarded Reading First grants on the basis of rigorously reviewed applications demonstrating comprehensive support for improved reading instruction grounded in scientifically based research. In addition, 45,000 teachers have already been trained under this program. The Department of Education is conducting several rigorous studies to identify effective educational practices in such areas as reading, the use of technology, and after-school programs. The Budget provides \$185 million for core departmental research activities, a 12-percent increase over the 2004 level.

The 2005 Budget for Elementary and Secondary Education. The Budget proposes several key funding increases to continue and enhance the NCLB reforms.



The First Lady has played a prominent role in national literacy efforts through various activities that are helping children to be better readers. Mrs. Bush participated in the Second Annual Book Festival, an event sponsored by the Library of Congress to celebrate the works of America's most renowned children's authors.

Title I Grants to Local Educational Agencies. Title I provides funds to schools in low-income communities and is the foundation for the NCLB accountability, school improvement, and parental choice reforms. The Budget requests \$13.3 billion for Title I, a \$1 billion, or 8.1-percent, increase over the 2004 level, and the third \$1 billion annual increase requested by this Administration.

Reading First and Early Reading First. The Budget includes nearly \$1.3 billion to help students in preschool and elementary school improve their reading skills. Reading First supports high quality, scientifically proven reading practices in grades K-3. The Budget proposes \$1.1 billion, an increase of \$101 million (9.9 percent) over the 2004 level, for Reading First. The Budget also includes \$132

million for Early Reading First, an increase of more than \$37 million, to develop model childhood literacy and pre-reading programs for schools serving high-poverty communities.

State Assessments. The Budget provides \$410 million for this program to help States implement NCLB testing requirements. This includes \$10 million for competitive grants to help States tackle some of the most difficult testing issues including assessments for special populations.

Choice. As noted, NCLB provides unprecedented choice for parents of children in low-performing schools. To support and enhance school choice reforms, the Budget provides \$219 million for Charter School Grants, \$100 million for Credit Enhancement for Charter School Facilities, \$50 million for the Choice Incentive Fund to support development of innovative school choice programs, and \$14 million

through the District of Columbia budget for scholarships to help low-income students who reside in Washington, D.C. attend higher-performing schools.

Military Families. Children of military families—who frequently move to new schools—face difficult challenges when the new school has different educational and health-related requirements. The Department of Education and the Department of Defense will work with States on strategies to prevent disruption in the educational progress of children of military families and to ease the stresses on military families. The Department of Education’s budget includes \$10 million to support grants to States to encourage reciprocity agreements, develop data management systems, and support other activities to facilitate the transfer of children of military families between schools.

RENEWING AMERICA’S COMMITMENT TO STUDENTS WITH SPECIAL NEEDS

The Administration continues to work with the Congress on revising the Individuals with Disabilities Education Act (IDEA) to improve services for students with disabilities. The Administration’s reauthorization principles for this law promote accountability for results, provide flexibility and reduce paperwork burdens for States and school districts, enhance the role of parents, and improve student achievement based on sound research. These principles also align IDEA to the framework of the landmark NCLB Act so that the 6.5 million children who receive special education services are fully included in the effort to raise academic achievement for all students. The 2005 Budget provides significant new resources, over \$1 billion in total, to assist States in implementing reforms that will benefit States, schools, students with disabilities and their families.

One of the major achievements of IDEA is the integration of special education students into mainstream school environments, such as the regular education classroom shown here. In the 2001-2002 school year, almost 96 percent of all special education students ages 6 through 21 attended regular schools while about four percent were in separate schools, residential facilities or hospitals. Almost half of special education students spend 80 percent or more of their day in regular classrooms, where students have the opportunity to learn together and from each other.



Since 1975, the Federal Government has played an important role in helping States and school districts provide a free, appropriate public education for special needs children. The President is firmly committed to expanding opportunities for students with disabilities, one of the priorities of his New Freedom Initiative. Since taking office, the President has sought and received unprecedented funding increases for IDEA Grants to States. In 2005, the Budget requests another \$1 billion, or 10-percent, increase for a total of \$11.1 billion. In addition, the President is targeting resources to the most at-risk population—infants and toddlers with disabilities. The Budget provides \$467 million, a \$22 million, or five-percent, increase for the IDEA Infants and Families program because research

has shown that early intervention may help reduce or eliminate the need for special education when children enter school. As part of this initiative, the Administration will work with State and local governments to demonstrate how this program benefits children and their families.

A Public Agenda survey in 2002 showed that more than half of parents with children in special education agreed that “better programs and policies, not more money, is the best way to improve special education.” The Administration believes that research can be better focused and coordinated so that schools can learn from programs that work and put them into practice. Consistent with the legislative proposals to create a new Center for Special Education Research, the Budget moves the IDEA Research and Innovation program to the Department of Education’s Institute of Education Sciences. This association will strengthen the Department’s investment in relevant, high quality special education research that can also help inform regular education practices.

GETTING STUDENTS READY FOR COLLEGE AND THE WORKFORCE

We need an educated workforce to keep this country the most productive in the world.

President George W. Bush
June 2003

As the demands of the workforce change, so must America’s approach to educating young adults. Recent test scores show that many high school students lack the basic reading and math skills necessary to make the transition to college or the workplace. Moreover, studies show that an increasing number of high school students require remedial education once they get to college. Other research indicates that current high school career and technical education is outdated and ineffective. Students and parents face rising college costs and a complex array of student aid and college options. Unfortunately, these realities disproportionately affect low-income and minority students who attend and complete college at an unacceptably low rate. The Administration proposes to address these challenges in a variety of ways.

Ensuring Our Nation’s High School Students Are Academically Prepared. The NCLB promise is not only about our Nation’s elementary and middle school students. Recent results from the National Assessment of Educational Progress demonstrate that while achievement for our Nation’s fourth and eighth-graders is on the rise, reading and math scores for twelfth-graders are declining. Many students who are behind in reading and math skills in ninth grade are dropping out, while those who stay in school find the transition to college or the workplace is significantly more difficult. To help reverse this trend, the Administration proposes to direct resources to the following promising new initiatives:

Strengthening Math Skills. The President will increase funding to strengthen math education, with a new emphasis on improving math learning among high school students. Two separate components of the Math and Science Partnership program, which had been operated by the National Science Foundation and the Department of Education, will be unified within the Department of Education to infuse research-based practices into federally supported projects. The Budget includes \$269 million for the Department of Education’s program, including support for competitive grants to help States and school districts improve classroom instruction and accelerate learning in math for struggling students.

Striving Readers. This new grant program builds on the Administration's reading initiatives in elementary school. It would provide \$100 million to develop and implement research-based interventions that will improve the reading skills of high school students who read below grade level.

Adjunct Teacher Corps. Good and qualified teachers can come from many backgrounds—not just from teaching colleges—and the Administration proposes to encourage their participation in America's schools. This competitive grant program would provide \$40 million to lower barriers to and create opportunities for well-trained individuals and professionals with appropriate academic training and background experience to teach specific high school courses in core academic subjects.

Advanced Placement (AP). To help low-income students bridge secondary schooling with college-level coursework, the Budget provides \$52 million, more than double the current program total of \$24 million. The additional \$28 million will provide teacher training to expand the pool of instructors qualified to teach AP classes at schools that serve large populations of low-income students.

State Scholars. Studies show that high school students who take rigorous courses are more likely to succeed in college. Under this new program, low-income high school students would be eligible for up to \$1,000 in additional college aid if they complete a rigorous curriculum, including at least three years of math and science, four years of English and social studies, and foreign language courses. Students would receive this aid in their first two years of college. The Budget provides \$33 million for this aid to students, and an additional \$12 million to help States establish State Scholar programs.

Updating Career and Technical Training. Career and technical training (or "vocational education") in our Nation's high schools has largely been an outdated relic, suitable for the classroom realities of the 1950s, instead of a dynamic, academically rigorous component of the 21st Century high school. As a result, students participating in vocational education programs in our Nation's high schools are often limited to courses that offer a narrow set of job skills and poor academic preparation for college and the modern workforce. For many decades, there has been scant evidence that the Department's Vocational Education State Grants program leads to positive student outcomes despite decades of increasing Federal investment. The program scored the lowest possible rating (Ineffective) on the Administration's Program Assessment Rating Tool (PART).

The President is committed to ensuring that our Nation's high school and college students have the academic and technical skills necessary to prepare them for challenging careers in today's rapidly changing economy. Therefore, the Administration proposes to reinvigorate career and technical education by holding schools accountable for high academic achievement standards, improved job readiness skills, and critical employment outcomes such as quality job placements. The President's plan would target funds through a competitive State-based grant to high school, community college, and business partnerships that prove they can use the funds effectively.

In addition, the President's Budget proposes a new initiative to expand the capacity of community colleges to help students get jobs. With their connections to local businesses and neighboring schools,

Entering Freshmen Need Better Academic Skills

An alarming number of America's students are enrolling in remedial courses once they get to college, according to a new study conducted by the National Center for Education Statistics. The study found that almost half of all entering freshmen at public two-year schools and one out of five entering freshmen at four-year schools enrolled in at least one remedial course in the fall of 2000. The study also found that students spent a longer period of time in remediation in 2000 than they did in 1995. The President's proposed reforms are designed to help reduce the need for remedial education by ensuring that students obtain the academic skills they need while they still are in high school.

community colleges provide vital training and academic preparation for our Nation's young and old alike. In order to capitalize on these strengths, both the Departments of Labor and Education propose to strengthen the role of community colleges in workforce development and academic preparation. (Please refer to the Department of Labor chapter for more information on this initiative.)

Easing Student Financial Burdens.

With college costs rising at an unprecedented rate, student aid has become more critical to ensuring that students from all backgrounds have an opportunity to go to college. This year, the Federal Government will make more than \$60 billion in financial aid available to nearly 10 million students through grants, loans, work study, and tax credits. Federal student aid is available to students who go to school full-time and those who attend on a part-time basis pursuing an undergraduate degree, as well as adults returning to school in degree or certificate programs to improve their employment opportunities.

This year, the Administration plans to work closely with the Congress to reauthorize the Higher Education Act. In this reauthorization, the Administration's goal is to make college more accessible and affordable to millions of Americans, particularly those from disadvantaged and historically underrepresented populations. The Administration also plans to improve higher education accountability and simplify the student aid process for millions of Americans. To help support these goals, the Budget includes the following:

Pell Grants. The 2005 Budget includes \$12.8 billion for the Pell Grant program, the single largest source of grant aid for postsecondary education, to provide nearly five million undergraduates up to \$4,050 to help pay for school. As found in the PART analyses, Pell Grants are well targeted to low-income families, and help increase the college enrollment rates of historically underrepresented students. Based on current estimates, the Budget provides sufficient funding for every Pell Grant that will be awarded to students in the 2005-2006 school year. However, the Pell Grant program also has a \$3.7 billion funding shortfall that requires it to borrow from the subsequent year's appropriation to pay for program costs. This is largely due to recent underfunding. For instance, in last year's budget the Administration requested \$12.7 billion for Pell Grants to pay for both student awards in the 2004-2005 school year and part of the shortfall. The Congress, however, increased the cost of the Pell Grant program and provided less money than requested. We now expect the Pell Grant shortfall

An Interactive Roadmap to College

The Department of Education has developed a new tool to help students and parents navigate the complexities of planning for and choosing a college. Student Aid on the Web (www.studentaid.ed.gov) offers students and their families a single source of free information on choosing a career, selecting a school, and identifying resources to pay for higher education. Students and parents can use the website through each stage of the college lifecycle:

Preparing for college. Plan high school courses and use the college savings calculator to predict tuition costs and establish a monthly savings plan.

Choosing a college. Obtain a list of potential colleges based on individual priorities on a number of factors that affect college choice—cost, academics, demographics, social activities, athletics, etc. Also, take an online campus tour.

Applying for college. Obtain a timeline for high school seniors, make a "to do" list, and fill out and submit college applications online.

Funding for college. Find and apply for different sources of Federal student aid.

Attending college. Obtain entrance counseling on how to manage resources, reapply for aid each year, and maintain eligibility.

Repaying college loans. Obtain exit counseling for managing debt and paying loans online.

to increase to \$3.7 billion this year, \$1 billion more than the shortfall was in 2003 and \$2.3 billion more than 2002. We can no longer continue to underfund the Pell Grant program and make the existing shortfall even worse. The Administration will work closely with the Congress to provide sufficient funding for Pell Grants, and retire the shortfall.

Other Student Financial Aid Reforms. The Budget proposes to modernize the Federal student aid programs to help millions of students and families realize their dreams through higher education. To help students meet rising tuition costs, the Budget increases loan limits for first-year students, extends the favorable interest rate framework currently available to students, and eases and expands repayment options so millions of students can manage higher debts. The Administration also proposes to make higher education more accessible by expanding college and university options for offering courses and programs online. The Budget further provides \$17,500 in student loan forgiveness to math, science, and special education teachers who work in high-poverty schools for at least five years. The President will work closely with the Congress on other student aid reforms that will ease the financial burden of college for millions of students and families. The Budget offsets the cost of these proposals with modest reforms to the existing student loan programs.

The Administration will also work closely with the Congress to provide more information to help students and families make better decisions on their higher education options. Moreover, the Administration will explore ways to streamline outdated and unnecessary Federal student aid requirements as well as other higher education reporting requirements.

Minority Serving Institutions. To address the educational needs of many of America's most disadvantaged students, the Department of Education provides support for Historically Black Colleges and Universities (HBCUs), Historically Black Graduate Institutions (HBGIs) and Hispanic-Serving Institutions (HSIs). The President committed to increasing funding for these important institutions by 30 percent by 2005 in order to strengthen the institutions' infrastructure and help them achieve financial stability. The Budget fulfills the President's commitment by proposing \$240 million for HBCUs, \$58 million for HBGIs, and \$96 million for HSIs.

PERFORMANCE EVALUATION OF SELECT PROGRAMS

The Budget continues to focus on improving program performance. Nineteen of the Department of Education's programs were assessed using the Program Assessment Rating Tool (PART), which evaluated each of the programs' design and purpose, strategic planning efforts, how well they are managed, and whether they are generating

positive results for taxpayers. Below are some of the highlights and recommendations from the PART evaluations. For further details on the Department of Education's performance assessments, see the White House budget website at www.whitehouse.gov/omb/budget/.

It is not enough to spend more on schools. The issue is not just about money. We must spend money more wisely. We must spend money on what works. And we must make sure we continue to insist upon results for the money we spend.

President George W. Bush
January 2003

Program	Rating	Explanation	Recommendation
National Center for Education Statistics (NCES)	Effective	NCES has a useful performance measurement system that measures customer satisfaction with the comprehensiveness, timeliness, and utility of NCES products and services.	Although NCES consistently demonstrates high levels of customer satisfaction regarding the comprehensiveness and utility of products and services, timeliness needs improvement to meet the Department's performance targets.
Troops to Teachers	Moderately Effective	71 percent of teachers supported by this program were rated as better than non-program teachers by their school administrators.	While General Accounting Office reports and program evaluations report promising results, the Department will work to strengthen data collection for its new program measures and make such information more easily accessible to the public.
Perkins Loans	Ineffective	This program is duplicative and unnecessary given the broad availability of need-based, subsidized, relatively low interest loans available through the two larger student loan programs (Federal Family Education Loans (FFEL) and Direct Loans (DL)). In addition, the program is less cost efficient than FFEL or DL and does not adequately target resources to the neediest students.	The Administration proposes to eliminate funding for this program and redirect funds to more effective student aid programs, such as Pell Grants.
Even Start	Ineffective	Even Start is a family literacy program. Two national evaluations have shown that neither the children nor their parents who received services made educational gains compared to those who do not receive Even Start services.	The Administration proposes to eliminate this program and redirect funds to more promising literacy programs, such as Reading First and Early Reading First.

UPDATE ON THE PRESIDENT’S MANAGEMENT AGENDA

The table below provides an update on the Department of Education’s implementation of the President’s Management Agenda as of December 31, 2003.

	Human Capital	Competitive Sourcing	Financial Performance	E-Government	Budget and Performance Integration
Status	●	●	● ↑↑	●	●
Progress	●	●	●	●	●

Double-arrow indicates change in status rating from red to green since evaluation as of September 30, 2003.

The Department of Education’s management reform efforts are beginning to yield significant and measurable results. The Department achieved a second consecutive clean financial audit, eliminating its last remaining material weakness, and complying with OMB’s accelerated audit schedule one year ahead of schedule. These financial management improvements, unprecedented in the agency’s history, are providing the Department with more timely and accurate financial data so that it can be a better steward of taxpayer dollars. Education has also developed a comprehensive approach to competitive sourcing, where competitions will be considered for each business process analyzed under its human capital restructuring plan. Competitions in areas affecting human resources and payment processing have already been initiated. The Department is implementing important E-Government reforms, making more than 85 percent of all its Government-citizen transactions available electronically. Finally, Education has made extensive use of the PART process, assessing a majority of the agency’s program funding over the past two years and ensuring that budget requests and program reform proposals reflect PART results.

Initiative	Status	Progress
Elimination of Fraud and Error in Student Aid Programs and Deficiencies in Financial Management	●	●
Faith-Based and Community Initiative	●	●

Elimination of Fraud and Error in Student Aid programs and Deficiencies in Financial Management. The Department is increasing its efficiency in administering its student aid programs. The financial management improvements referenced above are improving Education’s ability to account for program dollars and thus better ensure that Federal student aid dollars are being used for their intended purpose. Other successes include: 1) playing a key role in the introduction of legislation that would allow the Department to match data with the IRS and dramatically reduce fraud and error in the Pell Grant program; 2) working closely with the Inspector General on strategies for improving oversight of schools, lenders, and other financial partners; and 3) securing a new contract for administering the Direct Loan program that is estimated to cost \$1 billion less than the existing contract over a 10-year period.

Faith-Based and Community Initiative. The Department of Education is one of seven Federal agencies focusing on removing barriers to the participation of faith-based and community organizations (FBCOs) in providing social services. Education has conducted extensive outreach and technical assistance. The staff has organized 23 workshops, distributed 45,000 pieces of literature, maintained contact with 5,000 local organizations, and established an informative website. As a direct result of these activities and efforts to reduce regulatory barriers and streamline application processes, participation by FBCOs in targeted discretionary grant programs has quadrupled since 2001.

DEPARTMENT OF EDUCATION

(In millions of dollars)

	Actual		Estimate	
	2001	2003	2004	2005
Spending				
Discretionary Budget Authority:				
Elementary and Secondary Education				
Title I Grants to LEAs ¹	8,763	11,689	12,342	13,342
Reading First and Early Reading First	286	1,068	1,118	1,257
State Assessments.....	—	384	390	410
Charter Schools programs.....	190	224	256	319
Choice Incentive Fund	—	—	—	50
Impact Aid.....	993	1,188	1,230	1,230
Teacher Quality State Grants	2,108	2,931	2,930	2,930
Safe and Drug Free Schools State Grants ²	439	469	441	441
21 st Century Community Learning Centers.....	846	994	999	999
English Language Acquisition	446	684	681	681
IDEA Part B State Grants ³	6,340	8,874	10,068	11,068
Striving Readers.....	—	—	—	100
Adjunct Teacher Corps.....	—	—	—	40
Mathematics and Science Partnerships	—	100	149	269
Advanced Placement.....	22	23	24	52
Education for the Workforce				
<i>Vocational Rehabilitation State Grants (non-add)</i>	(2,400)	(2,533)	(2,584)	(2,636)
Vocational Education (legislative proposal).....	1,243	1,326	1,328	1,012
Adult Education.....	560	587	590	590
<i>State Scholars Initiative (non-add)</i>	—	—	—	(45)
Higher Education				
Pell Grants (legislative proposal).....	8,756	11,365	12,007	12,863
Historically Black Colleges and Graduate Institutions	230	267	276	299
TRIO/GEAR UP	1,025	1,120	1,131	1,131
Research and Statistics	201	229	257	277
All other programs	7,655	9,590	9,433	7,979
Total, Discretionary budget authority	40,103	53,112	55,650	57,339
Total, Discretionary outlays	35,866	48,708	55,881	56,223
Mandatory Outlays:				
Federal Direct Student Loans (legislative proposal)	255	5,055	3,108	231
Federal Family Education Loans (legislative proposal)	-2,460	1,192	1,288	5,510
All other	2,060	2,445	2,538	2,378
Total, Mandatory outlays	-145	8,692	6,934	8,119
Total, Outlays	35,721	57,400	62,815	64,342

DEPARTMENT OF EDUCATION—Continued
(In millions of dollars)

	Actual		Estimate	
	2001	2003	2004	2005
Credit activity				
Direct Loan Disbursements:				
Federal Direct Student Loans (FDSL).....	10,764	11,749	12,806	14,028
FDSL Consolidations	7,402	6,673	6,290	6,320
Subtotal, FDSL disbursements:.....	18,166	18,422	19,096	20,348
Other Direct Loans.....	12	11	38	57
Total, Direct loan disbursements	18,178	18,433	19,134	20,405
Guaranteed Loan Commitments:				
Family Federal Education Loans (FFEL)	23,582	23,196	37,446	41,539
FFEL Consolidation	6,955	34,958	25,631	22,054
Total, Guaranteed loan commitments.....	30,537	58,154	63,077	63,593

¹ Program level. Budget authority is \$554 million less in 2001, \$599 million more in 2003, and \$600 million less in 2004

² Program level. Budget authority is \$330 million more in 2004.

³ Program level. Budget authority is \$1,330 million less in 2001, \$600 million less in 2003, and \$259 million more in 2004.