

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

Federal Funds

[EDUCATION FOR THE DISADVANTAGED] ACCELERATING ACHIEVEMENT AND ENSURING EQUITY

For carrying out title I of the Elementary and Secondary Education Act of 1965 (referred to in this Act as "ESEA") and section 418A of the Higher Education Act of 1965 (referred to in this Act as "HEA"), \$15,750,983,000, of which \$4,817,117,000 shall become available on July 1, 2012, and shall remain available through September 30, 2013, and of which \$10,841,177,000 shall become available on October 1, 2012, and shall remain available through September 30, 2013, for academic year 2012–2013: *Provided*, That \$6,584,750,000 shall be for basic grants under section 1124 of the ESEA: *Provided further*, That up to \$3,992,000 of these funds shall be available to the Secretary of Education (referred to in this title as "Secretary") on October 1, 2011, to obtain annually updated local educational agency-level census poverty data from the Bureau of the Census: *Provided further*, That \$1,362,301,000 shall be for concentration grants under section 1124A of the ESEA: *Provided further*, That \$3,288,183,000 shall be for targeted grants under section 1125 of the ESEA: *Provided further*, That \$3,288,183,000 shall be for education finance incentive grants under section 1125A of the ESEA: *Provided further*, That \$3,200,000 shall be to carry out sections 1501 and 1503 of the ESEA: *Provided further*, That \$534,562,000 shall be available for school improvement grants under section 1003(g) of the ESEA, which shall be allocated by the Secretary through the formula described in section 1003(g)(2) and shall be used consistent with the requirements of section 1003(g), except that State and local educational agencies may use such funds to serve any school eligible to receive assistance under part A of title I that has not made adequate yearly progress for at least 2 years or is in the State's lowest quintile of performance based on proficiency rates and, in the case of secondary schools, priority shall be given to those schools with graduation rates below 60 percent: *Provided further*, That notwithstanding section 1003(g)(5)(A), each State educational agency may establish a maximum subgrant size of not more than \$2,000,000 for each participating school applicable to such funds: *Provided further*, That the Secretary may reserve up to 5 percent of the funds available for section 1003(g) of the ESEA to carry out activities to build State and local educational agency capacity to implement effectively the school improvement grants program: *Provided further*, That \$160,000,000 shall be available under section 1502 of the ESEA for a comprehensive literacy development and education program to advance literacy skills, including pre-literacy skills, reading, and writing, for students from birth through grade 12, including limited-English-proficient students and students with disabilities, of which one-half of 1 percent shall be reserved for the Secretary of the Interior for such a program at schools funded by the Bureau of Indian Education, one-half of 1 percent shall be reserved for grants to the outlying areas for such a program, up to 5 percent may be reserved for national activities, and the remainder shall be used to award competitive grants to State educational agencies for such a program, of which a State educational agency may reserve up to 5 percent for State leadership activities, including technical assistance and training, data collection, reporting, and administration, and shall subgrant not less than 95 percent to local educational agencies or, in the case of early literacy, to local educational agencies or other nonprofit providers of early childhood education that partner with a public or private nonprofit organization or agency with a demonstrated record of effectiveness in improving the early literacy development of children from birth through kindergarten entry and in providing professional development in early literacy, giving priority to such agencies or other entities serving greater numbers or percentages of disadvantaged children: *Provided further*, That the State educational agency shall ensure that at least 15 percent of the subgranted funds are used to serve children from birth through age 5, 40 percent are used to serve students in kindergarten through grade 5, and 40 percent are used to serve students in middle and high school including an equitable distribution of funds between middle and high schools: *Provided further*, That eligible entities receiving subgrants from State educational agencies shall use such funds for services and activities that have the

characteristics of effective literacy instruction through professional development, screening and assessment, targeted interventions for students reading below grade level and other research-based methods of improving classroom instruction and practice.] (*Department of Education Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 91–0900–0–1–501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Grants to local educational agencies	14,472	14,498	10,841
0002 School improvement grants	547	1,067	.....
0003 Striving readers	200	160	.....
0004 Even start	4	.....	.....
0005 State agency programs	444	452	.....
0006 Evaluation	8	3	.....
0007 Special programs for migrant students	37	37	.....
0008 High school graduation initiative	48	49	.....
0900 Total new obligations	15,760	16,266	10,841
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	769	544	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	4,726	4,911	.....
1130 Appropriations permanently reduced	-9	.....	.....
1143 Approp permanently reduced (Sec 527, HR 2055) .....	.....	-10	.....
1160 Appropriation, discretionary (total)	4,717	4,901	.....
Advance appropriations, discretionary:			
1170 Advance appropriation	10,841	10,841	10,841
1173 Advance appropriations permanently reduced	-22	.....	.....
1175 Adv approp permanently reduced (Sec 527, HR 2055) .....	.....	-20	.....
1180 Advanced appropriation, discretionary (total)	10,819	10,821	10,841
1900 Budget authority (total)	15,536	15,722	10,841
1930 Total budgetary resources available	16,305	16,266	10,841
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1	.....	.....
1941 Unexpired unobligated balance, end of year	544	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	16,600	12,789	8,846
3030 Obligations incurred, unexpired accounts	15,760	16,266	10,841
3031 Obligations incurred, expired accounts	1	.....	.....
3040 Outlays (gross)	-19,538	-20,209	-15,333
3081 Recoveries of prior year unpaid obligations, expired	-34	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	12,789	8,846	4,354
3100 Obligated balance, end of year (net)	12,789	8,846	4,354
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	15,536	15,722	10,841
Outlays, gross:			
4010 Outlays from new discretionary authority	7,493	8,809	8,456
4011 Outlays from discretionary balances	12,045	11,400	6,877
4020 Outlays, gross (total)	19,538	20,209	15,333
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources	-2	.....	.....
Additional offsets against gross budget authority only:			
4052 Offsetting collections credited to expired accounts	2	.....	.....
4070 Budget authority, net (discretionary)	15,536	15,722	10,841
4080 Outlays, net (discretionary)	19,536	20,209	15,333
4180 Budget authority, net (total)	15,536	15,722	10,841
4190 Outlays, net (total)	19,536	20,209	15,333

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

Enacted/requested:	2011 actual	2012 est.	2013 est.
Budget Authority	15,536	15,722	10,841
Outlays	19,536	20,209	15,333

ACCELERATING ACHIEVEMENT AND ENSURING EQUITY—Continued
Summary of Budget Authority and Outlays—Continued

	2011 actual	2012 est.	2013 est.
Legislative proposal, not subject to PAYGO:			
Budget Authority			3,877
Outlays			78
Total:			
Budget Authority	15,536	15,722	14,718
Outlays	19,536	20,209	15,411

SUMMARY OF PROGRAM LEVEL

(in millions of dollars)

	2011–12 Academic Year	2012–13 Academic Year	2013–14 Academic Year
New Budget Authority	\$4,675	\$4,721	\$3,877
Advance appropriation	10,821	10,841	11,682
Total program level	15,495	15,562	15,559
Change in advance appropriation from the previous year	-20	20	+841 ¹

¹To account for the Administration's ESEA reauthorization proposal, the 2013 Budget eliminates the \$1.7 billion advance appropriation that was previously in the Education Improvement Programs account and replaces it with corresponding increases to advance appropriations in the Accelerating Achievement and Ensuring Equity account (\$841 million) and the Special Education account (\$841 million). Total advance appropriations in the Department of Education remain \$21.9 billion.

The Administration is proposing legislation reauthorizing programs included in the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91–0900–0–1–501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.1 Advisory and assistance services	5	36	
25.2 Other services from non-Federal sources	31	5	
41.0 Grants, subsidies, and contributions	15,724	16,225	10,841
99.9 Total new obligations	15,760	16,266	10,841

ACCELERATING ACHIEVEMENT AND ENSURING EQUITY
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0900–2–1–501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 College- and career-ready students			2,835
0002 School turnaround grants			534
0004 State agency programs			443
0005 Homeless children and youth education			65
0900 Total new obligations			3,877

Budgetary Resources:

Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			3,877
1160 Appropriation, discretionary (total)			3,877
1900 Budget authority (total)			3,877
1930 Total budgetary resources available			3,877

Change in obligated balance:

3030 Obligations incurred, unexpired accounts			3,877
3040 Outlays (gross)			-78
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			3,799
3100 Obligated balance, end of year (net)			3,799

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross			3,877
Outlays, gross:			
4010 Outlays from new discretionary authority			78
4180 Budget authority, net (total)			3,877
4190 Outlays, net (total)			78

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

College- and career-ready students (formerly Grants to local educational agencies).—Funds would be allocated via formula for programs that provide academic support to help students in high-poverty schools meet college- and career-ready standards. States would assess annually all students in certain grades in at least English language arts and mathematics, and use the results of these assessments to measure local educational agency (LEA) and school progress in ensuring that all students are meeting, or are on track to meet, college- and career-ready standards; to inform families about whether their children are meeting or are on track to meet such standards; and, with additional information, to develop appropriate improvement and support strategies for schools and LEAs. States would develop systems for differentiating among schools and LEAs on the basis of performance, including recognition and rewards for highly effective schools and LEAs, the implementation of rigorous school intervention models in the lowest-achieving schools, and State-approved, research-based interventions in low-performing schools that are not serving their students well.

School turnaround grants.—Funds would primarily support grants to States to help LEAs turn around their lowest-achieving schools by implementing one of four rigorous school intervention models. In general, such schools would rank in the bottom 5 percent of performance in their States, based on proficiency rates and lack of progress, or, in the case of high schools, have a graduation rate below 60 percent. Once States have served their lowest-achieving schools, funds could be used for other school improvement and support efforts in eligible schools.

State agency migrant program.—Funds would support formula grants to States for educational services to children of migratory farmworkers and fishers, with resources and services focused on children who have moved within the past 36 months.

State agency neglected and delinquent children and youth education program.—Funds would support formula grants to States for educational services to neglected or delinquent children and youth in State-run institutions, attending community day programs, and in other correctional facilities.

Homeless children and youth education.—Funds would support formula grants to States to provide educational and support services that enable homeless children and youth to attend and achieve success in school.

Object Classification (in millions of dollars)

Identification code 91–0900–2–1–501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.1 Advisory and assistance services			34
25.2 Other services from non-Federal sources			4
41.0 Grants, subsidies, and contributions			3,839
99.9 Total new obligations			3,877

IMPACT AID

For carrying out programs of financial assistance to federally affected schools authorized by title VIII of the ESEA, \$1,293,631,000, of which

\$1,155,724,000 shall be for basic support payments under section 8003(b), \$48,505,000 shall be for payments for children with disabilities under section 8003(d), \$17,474,000 shall be for construction under section 8007(b) and shall remain available through September 30, 2013, \$67,074,000 shall be for Federal property payments under section 8002, and \$4,854,000, to remain available until expended, shall be for facilities maintenance under section 8008: *Provided*, That for purposes of computing the amount of a payment for an eligible local educational agency under section 8003(a) for school year 2011–2012, children enrolled in a school of such agency that would otherwise be eligible for payment under section 8003(a)(1)(B) of such Act, but due to the deployment of both parents or legal guardians, or a parent or legal guardian having sole custody of such children, or due to the death of a military parent or legal guardian while on active duty (so long as such children reside on Federal property as described in section 8003(a)(1)(B)), are no longer eligible under such section, shall be considered as eligible students under such section, provided such students remain in average daily attendance at a school in the same local educational agency they attended prior to their change in eligibility status. (Department of Education Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 91–0102–0–1–501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Basic support payments	1,136	1,154	.....
0002 Payments for children with disabilities	49	48	.....
0091 Subtotal	1,185	1,202	.....
0101 Facilities maintenance	6	5	.....
0201 Construction	17	.....	17
0301 Payments for Federal property	67	67	.....
0900 Total new obligations (object class 41.0)	1,275	1,274	17
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	4	3	20
1021 Recoveries of prior year unpaid obligations	1	.....	.....
1050 Unobligated balance (total)	5	3	20
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,276	1,293	.....
1130 Appropriations permanently reduced	-3	.....	.....
1143 Approp permanently reduced (Sec 527, HR 2055) .....	.....	-2	.....
1160 Appropriation, discretionary (total)	1,273	1,291	.....
1930 Total budgetary resources available	1,278	1,294	20
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	3	20	3
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	546	485	257
3030 Obligations incurred, unexpired accounts	1,275	1,274	17
3031 Obligations incurred, expired accounts	334	.....	.....
3040 Outlays (gross)	-1,335	-1,502	-170
3080 Recoveries of prior year unpaid obligations, unexpired	-1	.....	.....
3081 Recoveries of prior year unpaid obligations, expired	-334	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	485	257	104
3100 Obligated balance, end of year (net)	485	257	104
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,273	1,291	.....
Outlays, gross:			
4010 Outlays from new discretionary authority	1,102	1,158	.....
4011 Outlays from discretionary balances	233	344	170
4020 Outlays, gross (total)	1,335	1,502	170
4180 Budget authority, net (total)	1,273	1,291	.....
4190 Outlays, net (total)	1,335	1,502	170

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

	2011 actual	2012 est.	2013 est.
Enacted/requested:			
Budget Authority	1,273	1,291	.....
Outlays	1,335	1,502	170

Legislative proposal, not subject to PAYGO:

Budget Authority .....	.....	.....	1,224
Outlays .....	.....	.....	1,099
Total:			
Budget Authority	1,273	1,291	1,224
Outlays	1,335	1,502	1,269

The Administration is proposing legislation reauthorizing Impact Aid programs included in the Elementary and Secondary Education Act (ESEA). When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

IMPACT AID

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0102–2–1–501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Basic support payments	1,154
0002 Payments for children with disabilities	48
0091 Subtotal	1,202
0101 Facilities maintenance	5
0201 Construction	1
0900 Total new obligations (object class 41.0)	1,208
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,224
1160 Appropriation, discretionary (total)	1,224
1930 Total budgetary resources available	1,224
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	16
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	1,208
3040 Outlays (gross)	-1,099
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	109
3100 Obligated balance, end of year (net)	109
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,224
Outlays, gross:			
4010 Outlays from new discretionary authority	1,098
4011 Outlays from discretionary balances	1
4020 Outlays, gross (total)	1,099
4180 Budget authority, net (total)	1,224
4190 Outlays, net (total)	1,099

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

Impact Aid helps to replace the lost local revenue that would otherwise be available to educate federally connected children. The presence of certain students living on Federal property, such as students who are military dependents or who reside on Indian lands, can place a financial burden on local educational agencies that educate them. The property on which the children live and their parents work is exempt from local property taxes, denying local educational agencies access to the primary source of revenue used by most communities to finance education.

Basic support payments.—Payments will be made on behalf of approximately 950,000 federally connected students enrolled in about 1,200 local educational agencies to assist them in meeting their operation and maintenance costs. Average per-student payments will be approximately \$1,200.

IMPACT AID—Continued

Payments for children with disabilities.—Payments in addition to those provided under the Individuals with Disabilities Education Act (IDEA) will be provided on behalf of approximately 54,000 federally connected students with disabilities in about 900 local educational agencies. Average per-student payments will be approximately \$900.

Facilities maintenance.—Funds will be used to provide emergency repairs for school facilities that serve military dependents and are owned by the Department of Education. Funds will also be used to transfer the facilities to local educational agencies.

Construction.—Approximately 12 construction grants will be awarded competitively to the highest-need impact aid districts for emergency repairs and modernization of school facilities.

[SCHOOL IMPROVEMENT PROGRAMS] EDUCATION IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by [parts A and B of title II, part B of title IV, parts A and B of title VI, and parts B and C of title VII of the ESEA; the McKinney-Vento Homeless Assistance Act;] section 203 of the Educational Technical Assistance Act of 2002; the Compact of Free Association Amendments Act of 2003; and the Civil Rights Act of 1964, **[\$4,550,018,000] \$68,732,000**, of which **[\$2,725,246,000]** shall become available on July 1, 2012, and remain available through September 30, 2013, and of which \$1,681,441,000 shall become available on October 1, 2012, and shall remain available through September 30, 2013, for academic year 2012–2013: *Provided*, That funds made available to carry out part B of title VII of the ESEA may be used for construction, renovation, and modernization of any elementary school, secondary school, or structure related to an elementary school or secondary school, run by the Department of Education of the State of Hawaii, that serves a predominantly Native Hawaiian student body: *Provided further*, That funds made available to carry out part C of title VII of the ESEA shall be awarded on a competitive basis, and also may be used for construction: *Provided further*, That \$51,210,000] \$51,113,000 shall be available to carry out section 203 of the Educational Technical Assistance Act of 2002: *Provided further*, That **[\$17,652,000] \$17,619,000** shall be available to carry out the Supplemental Education Grants program for the Federated States of Micronesia and the Republic of the Marshall Islands: *Provided further*, That up to 5 percent of [these amounts] the amount referred to in the previous proviso may be reserved by the Federated States of Micronesia and the Republic of the Marshall Islands to administer the Supplemental Education Grants programs and to obtain technical assistance, oversight and consultancy services in the administration of these grants and to reimburse the United States Departments of Labor, Health and Human Services, and Education for such services: *Provided further*, That up to 1.5 percent of the funds for subpart 1 of part A of title II of the ESEA shall be reserved by the Secretary for competitive awards for teacher or principal training or professional enhancement activities to national not-for-profit organizations]. (*Department of Education Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 91–1000–0–1–501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Improving teacher quality State grants	2,460	2,474	1,711
0002 Mathematics and science partnerships	179	151	
0003 Educational technology State grants	2		
0004 21st century community learning centers	1,157	1,163	
0005 Foreign language assistance	27		
0006 State assessments	393	399	
0007 Education for homeless children and youth	65	65	
0008 Education for Native Hawaiians	34	34	
0009 Alaska Native education equity	33	33	
0010 Training and advisory services	7	7	7
0011 Rural education	175	179	
0012 Supplemental education grants	18	18	18
0013 Comprehensive centers	51	51	51
0900 Total new obligations	4,601	4,574	1,787

Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	67	63	30
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	2,925	2,869	76
1130	Appropriations permanently reduced	-6		
1143	Approp permanently reduced (Sec 527, HR 2055)		-6	
1160	Appropriation, discretionary (total)	2,919	2,863	76
Advance appropriations, discretionary:				
1170	Advance appropriation	1,681	1,681	1,681
1173	Advance appropriations permanently reduced	-3		
1175	Adv approp permanently reduced (Sec 527, HR 2055)		-3	
1180	Advanced appropriation, discretionary (total)	1,678	1,678	1,681
1900	Budget authority (total)	4,597	4,541	1,757
1930	Total budgetary resources available	4,664	4,604	1,787
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	63	30	

Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	6,447	5,567	5,084
3030	Obligations incurred, unexpired accounts	4,601	4,574	1,787
3040	Outlays (gross)	-5,443	-5,057	-4,523
3081	Recoveries of prior year unpaid obligations, expired	-38		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	5,567	5,084	2,348
3100	Obligated balance, end of year (net)	5,567	5,084	2,348

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	4,597	4,541	1,757
Outlays, gross:				
4010	Outlays from new discretionary authority	917	1,098	1,011
4011	Outlays from discretionary balances	4,526	3,959	3,512
4020	Outlays, gross (total)	5,443	5,057	4,523
4180	Budget authority, net (total)	4,597	4,541	1,757
4190	Outlays, net (total)	5,443	5,057	4,523

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

	2011 actual	2012 est.	2013 est.
Enacted/requested:			
Budget Authority	4,597	4,541	1,757
Outlays	5,443	5,057	4,523
Legislative proposal, not subject to PAYGO:			
Budget Authority			1,143
Outlays			23
Total:			
Budget Authority	4,597	4,541	2,900
Outlays	5,443	5,057	4,546

SUMMARY OF PROGRAM LEVEL

(in millions of dollars)

	2011–12 Academic Year	2012–12 Academic Year	2013–14 Academic Year
New Budget Authority	\$2,916	\$2,863	\$1,219
Advance Appropriation	1,678	1,681	0
Total program level	4,594	4,545	1,219
Change in advance appropriation over previous year	0	+3	-1681 ¹

¹To account for the Administration's ESEA reauthorization proposal, the 2013 Budget eliminates the \$1.7 billion advance appropriation that was previously in the School Improvement Programs account (renamed the Education Improvement Programs account) and replaces it with corresponding increases to advance appropriations in the Education for the Disadvantaged account (\$841 million, renamed the Accelerating Achievement and Ensuring Equity account) and the Special Education account (\$841 million). Total advance appropriations in the Department of Education remain \$21.9 billion.

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Training and advisory services.—Funds support grants to regional equity assistance centers that provide technical assistance to school districts in addressing educational equity related to issues of race, gender, and national origin.

Supplemental education grants.—Funds support grants to the Federated States of Micronesia and to the Republic of the Marshall Islands in place of grant programs in which those Freely Associated States no longer participate pursuant to the Compact of Free Association Amendments Act of 2003.

Comprehensive centers.—Funds support at least 20 comprehensive centers that focus on building State capacity to help school districts and schools meet the requirements of the ESEA.

Object Classification (in millions of dollars)

Identification code 91–1000–0–1–501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.1 Advisory and assistance services	7	16	3
25.2 Other services from non-Federal sources	20	12	16
41.0 Grants, subsidies, and contributions	4,574	4,546	1,768
99.9 Total new obligations	4,601	4,574	1,787

EDUCATION IMPROVEMENT PROGRAMS
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–1000–2–1–501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Effective teaching and learning: Literacy			187
0002 Effective teaching and learning: Science, technology, engineering, and mathematics			150
0003 Effective teaching and learning for a well-rounded education			90
0004 College pathways and accelerated learning			81
0005 Assessing achievement			389
0006 Rural education			179
0007 Education for Native Hawaiians			34
0008 Alaska Native education equity			33
0900 Total new obligations			1,143
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			1,143
1160 Appropriation, discretionary (total)			1,143
1930 Total budgetary resources available			1,143
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			1,143
3040 Outlays (gross)			-23
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			1,120
3100 Obligated balance, end of year (net)			1,120
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			1,143
Outlays, gross:			
4010 Outlays from new discretionary authority			23
4180 Budget authority, net (total)			1,143
4190 Outlays, net (total)			23

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

Effective teaching and learning: literacy.—Funds would support competitive grants to States to support the development and implementation of comprehensive State and local efforts to provide high-quality literacy programs, aligned with college- and career-ready English-language arts standards, for students from preschool through grade 12.

Effective teaching and learning: science, technology, engineering, and mathematics (STEM).—Funds would support competitive grants to States to implement comprehensive strategies to improve the teaching and learning of STEM subjects.

Effective teaching and learning for a well-rounded education.—Funds would support competitive grants to States and high-need school districts to develop and expand innovative practices to improve teaching and learning in the arts, health education, foreign languages, civics and government, history, geography, environmental education, economics, financial literacy, and other subjects.

College pathways and accelerated learning.—Funds would support competitive grants to high-need school districts for programs that prepare students to enter and succeed in college by providing college-level and other accelerated courses and instruction in middle and high schools as well as accelerated learning opportunities in elementary schools.

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

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

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

Alaska Native student education.—Funds would support competitive grants to school districts and other public and private organizations to develop or operate innovative projects that enhance the educational services provided to Alaska Native children and adults.

Object Classification (in millions of dollars)

Identification code 91–1000–2–1–501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.2 Other services from non-Federal sources			24
41.0 Grants, subsidies, and contributions			1,119
99.9 Total new obligations			1,143

【SAFE SCHOOLS AND CITIZENSHIP EDUCATION】 SUPPORTING STUDENT SUCCESS

【For carrying out activities authorized by part A of title IV and subparts 1, 2, and 10 of part D of title V of the ESEA, \$256,237,000: *Provided*, That \$65,000,000 shall be available for subpart 2 of part A of title IV: *Provided further*, That \$60,000,000 shall be available for Promise Neighborhoods and shall be available through December 31, 2012.】
(Department of Education Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 91–0203–0–1–501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 National activities	120	72	
0002 Alcohol abuse reduction	7		
0003 Elementary and secondary school counseling	52	52	
0004 Physical education program	79	79	

SUPPORTING STUDENT SUCCESS—Continued
Program and Financing—Continued

Identification code 91-0203-0-1-501	2011 actual	2012 est.	2013 est.
0005 Civic education	1		
0006 Promise neighborhoods		90	
0500 Direct program activities, subtotal	259	293	
0799 Total direct obligations	259	293	
0803 Reimbursable program activity	57	2	
0900 Total new obligations	316	295	
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	6	37	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	289	256	
1130 Appropriations permanently reduced	-1		
1160 Appropriation, discretionary (total)	288	256	
Spending authority from offsetting collections, discretionary:			
1700 Collected	57	2	
1701 Change in uncollected payments, Federal sources	2		
1750 Spending auth from offsetting collections, disc (total)	59	2	
1900 Budget authority (total)	347	258	
1930 Total budgetary resources available	353	295	
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	37		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	835	641	449
3010 Uncollected pymts, Fed sources, brought forward, Oct 1		-2	-2
3020 Obligated balance, start of year (net)	835	639	447
3030 Obligations incurred, unexpired accounts	316	295	
3040 Outlays (gross)	-490	-487	-308
3050 Change in uncollected pymts, Fed sources, unexpired	-2		
3081 Recoveries of prior year unpaid obligations, expired	-20		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	641	449	141
3091 Uncollected pymts, Fed sources, end of year	-2	-2	-2
3100 Obligated balance, end of year (net)	639	447	139
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	347	258	
Outlays, gross:			
4010 Outlays from new discretionary authority	5	5	
4011 Outlays from discretionary balances	485	482	308
4020 Outlays, gross (total)	490	487	308
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-57	-2	
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-2		
4070 Budget authority, net (discretionary)	288	256	
4080 Outlays, net (discretionary)	433	485	308
4180 Budget authority, net (total)	288	256	
4190 Outlays, net (total)	433	485	308

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

	2011 actual	2012 est.	2013 est.
Enacted/requested:			
Budget Authority	288	256	
Outlays	433	485	308
Legislative proposal, not subject to PAYGO:			
Budget Authority			1,448
Outlays			29
Total:			
Budget Authority	288	256	1,448
Outlays	433	485	337

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization

proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91-0203-0-1-501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.1 Advisory and assistance services	1		
25.2 Other services from non-Federal sources	8	4	
25.3 Other goods and services from Federal sources	1		
41.0 Grants, subsidies, and contributions	249	289	
99.0 Direct obligations	259	293	
99.0 Reimbursable obligations	57	2	
99.9 Total new obligations	316	295	

SUPPORTING STUDENT SUCCESS
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0203-2-1-501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Promise Neighborhoods			100
0002 Successful, safe, and healthy students			196
0003 21st century community learning centers			1,152
0500 Direct program activities, subtotal			1,448
0900 Total new obligations			1,448
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			1,448
1160 Appropriation, discretionary (total)			1,448
1930 Total budgetary resources available			1,448
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			1,448
3040 Outlays (gross)			-29
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			1,419
3100 Obligated balance, end of year (net)			1,419
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			1,448
Outlays, gross:			
4010 Outlays from new discretionary authority			29
4180 Budget authority, net (total)			1,448
4190 Outlays, net (total)			29

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

Promise neighborhoods.—Funds would support competitive grants and other activities for projects designed to improve significantly the educational and developmental outcomes of children within the Nation's most distressed communities, with the goal of transforming those communities so that all children in the community have access to a cradle-through-college-to-career continuum of academic programs and community supports, including effective schools and services.

Successful, safe, and healthy students.—Funds would support competitive grants and other activities to assist States, local educational agencies (LEAs), and partnerships between LEAs and non-profit organizations or local government entities in improving school climate; reducing or preventing drug use, violence, bullying, or harassment; and promoting and supporting the

physical and mental well-being of students so that schools are safe, healthy, and drug-free environments.

21st century community learning centers.—Funds would support competitive grants to States, LEAs, non-profit organizations, or local governmental entities for projects that provide the additional time, support, and enrichment activities needed to improve student achievement, including expanding learning time by significantly increasing the number of hours in a regular school schedule and comprehensively redesigning the school schedule for all students in a school. All local projects would provide additional time for students to participate in (1) academic activities that are aligned with the instruction those students receive during the regular school day and are targeted to their academic needs; and (2) enrichment and other activities that complement the academic program. Projects could also provide teachers the time they need to collaborate, plan, and engage in professional development within and across grades and subjects.

Object Classification (in millions of dollars)

Identification code 91-0203-2-1-501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.2 Other services from non-Federal sources			30
41.0 Grants, subsidies, and contributions			1,418
99.9 Total new obligations			1,448

[INDIAN EDUCATION] INDIAN STUDENT EDUCATION

[For expenses necessary to carry out, to the extent not otherwise provided, title VII, part A of the ESEA, \$131,027,000.] (*Department of Education Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 91-0101-0-1-501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Grants to local educational agencies	104	106	
0002 Special programs for Indian children	19	19	
0003 National activities	4	6	
0900 Total new obligations	127	131	
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	127	131	
1160 Appropriation, discretionary (total)	127	131	
1930 Total budgetary resources available	127	131	
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	132	134	150
3030 Obligations incurred, unexpired accounts	127	131	
3040 Outlays (gross)	-122	-115	-122
3081 Recoveries of prior year unpaid obligations, expired	-3		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	134	150	28
3100 Obligated balance, end of year (net)	134	150	28
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	127	131	
Outlays, gross:			
4010 Outlays from new discretionary authority	4	7	
4011 Outlays from discretionary balances	118	108	122
4020 Outlays, gross (total)	122	115	122
4180 Budget authority, net (total)	127	131	
4190 Outlays, net (total)	122	115	122

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

	2011 actual	2012 est.	2013 est.
Enacted/requested:			
Budget Authority	127	131	
Outlays	122	115	122
Legislative proposal, not subject to PAYGO:			
Budget Authority			131
Outlays			7
Total:			
Budget Authority	127	131	131
Outlays	122	115	129

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91-0101-0-1-501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.2 Other services from non-Federal sources	4	5	
41.0 Grants, subsidies, and contributions	123	126	
99.9 Total new obligations	127	131	

INDIAN STUDENT EDUCATION

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0101-2-1-501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Grants to local educational agencies			106
0002 Special programs for Indian children			19
0003 National activities			6
0900 Total new obligations			131
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			131
1160 Appropriation, discretionary (total)			131
1930 Total budgetary resources available			131
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			131
3040 Outlays (gross)			-7
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			124
3100 Obligated balance, end of year (net)			124
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			131
Outlays, gross:			
4010 Outlays from new discretionary authority			7
4180 Budget authority, net (total)			131
4190 Outlays, net (total)			7

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

The Indian Education programs support the efforts of local educational agencies (LEA) and tribal schools to improve teaching and learning for the Nation's American Indian and Alaska Native children.

Grants to local educational agencies.—Formula grants support LEAs in their efforts to reform elementary and secondary school

INDIAN STUDENT EDUCATION—Continued

programs that serve Indian students, with the goal of ensuring that such programs assist participating students in meeting the same academic standards as all other students. In 2011, the Department made 1,276 formula grants to LEAs, tribal schools and Department of the Interior/Bureau of Indian Education schools serving over 477,000 Indian students.

Special programs for Indian children.—Funds support competitive awards for demonstration projects in early childhood education and college preparation, as well as professional development grants for training Native American teachers and administrators for employment in school districts with concentrations of Indian students.

National activities.—Funds support research, evaluation, data collection, and related activities.

Object Classification (in millions of dollars)

Identification code 91-0101-2-1-501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.2 Other services from non-Federal sources			5
41.0 Grants, subsidies, and contributions			126
99.9 Total new obligations			131

EDUCATION JOBS FUND

Program and Financing (in millions of dollars)

Identification code 91-0012-0-1-501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Education Jobs Fund	993		
0900 Total new obligations (object class 41.0)	993		
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	993		
1930 Total budgetary resources available	993		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	7,775	3,712	
3030 Obligations incurred, unexpired accounts	993		
3040 Outlays (gross)	-5,056	-3,712	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	3,712		
3100 Obligated balance, end of year (net)	3,712		
Budget authority and outlays, net:			
Mandatory:			
Outlays, gross:			
4101 Outlays from mandatory balances	5,056	3,712	
4190 Outlays, net (total)	5,056	3,712	

STATE FISCAL STABILIZATION FUND, RECOVERY ACT

Program and Financing (in millions of dollars)

Identification code 91-1909-0-1-999	2011 actual	2012 est.	2013 est.
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	17,884	5,456	
3040 Outlays (gross)	-12,428	-5,456	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	5,456		
3100 Obligated balance, end of year (net)	5,456		

Budget authority and outlays, net:

Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	12,428	5,456	
4190 Outlays, net (total)	12,428	5,456	

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

OFFICE OF INNOVATION AND IMPROVEMENT

Federal Funds

[INNOVATION AND IMPROVEMENT] INNOVATION AND INSTRUCTIONAL TEAMS

[For carrying out activities authorized by part G of title I, subpart 5 of part A and parts C and D of title II, parts B, C, and D of title V of the ESEA, and sections 14006 and 14007 of division A of the American Recovery and Reinvestment Act of 2009, as amended, \$1,530,429,000: *Provided*, That the Secretary may use up to \$550,000,000, which shall remain available for obligation through December 31, 2012, for section 14006 of division A of Public Law 111-5, as amended, to make awards (including on the basis of previously submitted applications) to States or to local educational agencies, or both, in accordance with the applicable requirements of that section, as determined by the Secretary, and may use up to 5 percent of such funds for technical assistance and evaluation of the activities carried out under that section: *Provided further*, That up to \$149,700,000 shall be available for obligation through December 31, 2012 for section 14007 of division A of Public Law 111-5, and up to 5 percent of such funds may be used for technical assistance and the evaluation of activities carried out under such section: *Provided further*, That \$300,000,000 of the funds for subpart 1 of part D of title V of the ESEA shall be for competitive grants to local educational agencies, including charter schools that are local educational agencies, or States, or partnerships of: (1) a local educational agency, a State, or both; and (2) at least one nonprofit organization to develop and implement performance-based compensation systems for teachers, principals, and other personnel in high-need schools: *Provided further*, That such performance-based compensation systems must consider gains in student academic achievement as well as classroom evaluations conducted multiple times during each school year among other factors and provide educators with incentives to take on additional responsibilities and leadership roles: *Provided further*, That recipients of such grants shall demonstrate that such performance-based compensation systems are developed with the input of teachers and school leaders in the schools and local educational agencies to be served by the grant: *Provided further*, That recipients of such grants may use such funds to develop or improve systems and tools (which may be developed and used for the entire local educational agency or only for schools served under the grant) that would enhance the quality and success of the compensation system, such as high-quality teacher evaluations and tools to measure growth in student achievement: *Provided further*, That applications for such grants shall include a plan to sustain financially the activities conducted and systems developed under the grant once the grant period has expired: *Provided further*, That up to 5 percent of such funds for competitive grants shall be available for technical assistance, training, peer review of applications, program outreach, and evaluation activities: *Provided further*, That of the funds available for part B of title V of the ESEA, the Secretary shall use not less than \$23,000,000 to carry out activities under section 5205(b) and under subpart 2: *Provided further*, That of the funds available for subpart 1 of part B of title V of the ESEA, and notwithstanding section 5205(a), the Secretary may reserve up to \$55,000,000 to make multiple awards to non-profit charter management organizations and other entities that are not for-profit entities for the replication and expansion of successful charter school models and shall reserve up to \$11,000,000 to carry out the activities described in section 5205(a), including improving quality and oversight of charter schools and providing technical assistance and grants to authorized public chartering agencies in order to increase the number of high-performing charter schools: *Provided further*, That each application submitted pursuant to section 5203(a) shall describe a plan to monitor and hold accountable authorized public chartering agencies through such activities as providing technical assistance or establishing a professional development program, which may include evaluation,

planning, training, and systems development for staff of authorized public chartering agencies to improve the capacity of such agencies in the State to authorize, monitor, and hold accountable charter schools: *Provided further*, That each application submitted pursuant to section 5203(a) shall contain assurances that State law, regulations, or other policies require that: (1) each authorized charter school in the State operate under a legally binding charter or performance contract between itself and the school's authorized public chartering agency that describes the obligations and responsibilities of the school and the public chartering agency; conduct annual, timely, and independent audits of the school's financial statements that are filed with the school's authorized public chartering agency; and demonstrate improved student academic achievement; and (2) authorized public chartering agencies use increases in student academic achievement for all groups of students described in section 1111(b)(2)(C)(v) of the ESEA as the most important factor when determining to renew or revoke a school's charter.】 (*Department of Education Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 91-0204-0-1-501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Teacher incentive fund	399	299	.....
0002 Transition to teaching	41	26	.....
0003 Teaching American history	46	.....	.....
0004 School leadership	29	29	.....
0005 Charter schools grants	245	255	.....
0006 Credit enhancement for charter school facilities	10	.....	.....
0007 Voluntary public school choice	26	.....	.....
0008 Magnet schools assistance	100	100	.....
0009 Advanced placement	43	27	.....
0010 Ready-to-learn-television	27	27	.....
0011 FIE programs of national significance	12	41	.....
0012 Excellence in economic education	1	.....	.....
0013 Arts in education	27	25	.....
0014 Race to the Top	2	728	517
0015 Investing in Innovation	1	156	141
0100 Total direct program	1,009	1,713	658
0799 Total direct obligations	1,009	1,713	658
0801 DC Schools	18	60	60
0900 Total new obligations	1,027	1,773	718
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2	846	661
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,860	1,531	.....
1130 Appropriations permanently reduced	-4	.....	.....
1143 Approp permanently reduced (Sec 527, HR 2055) .....	.....	-3	.....
1160 Appropriation, discretionary (total)	1,856	1,528	.....
Spending authority from offsetting collections, discretionary:			
1700 Collected	15	60	60
1750 Spending auth from offsetting collections, disc (total)	15	60	60
1900 Budget authority (total)	1,871	1,588	60
1930 Total budgetary resources available	1,873	2,434	721
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	846	661	3
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2,252	2,216	2,058
3030 Obligations incurred, unexpired accounts	1,027	1,773	718
3031 Obligations incurred, expired accounts	1	.....	.....
3040 Outlays (gross)	-1,050	-1,931	-1,642
3081 Recoveries of prior year unpaid obligations, expired	-14	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	2,216	2,058	1,134
3100 Obligated balance, end of year (net)	2,216	2,058	1,134
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,871	1,588	60
Outlays, gross:			
4010 Outlays from new discretionary authority	11	79	3
4011 Outlays from discretionary balances	1,039	1,852	1,639
4020 Outlays, gross (total)	1,050	1,931	1,642

Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4033 Non-Federal sources	-15	-60	-60
4180 Budget authority, net (total)	1,856	1,528	.....
4190 Outlays, net (total)	1,035	1,871	1,582

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

	2011 actual	2012 est.	2013 est.
Enacted/requested:			
Budget Authority	1,856	1,528	.....
Outlays	1,035	1,871	1,582
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	4,332
Outlays .....	.....	.....	217
Total:			
Budget Authority	1,856	1,528	4,332
Outlays	1,035	1,871	1,799

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including the programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91-0204-0-1-501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.1 Advisory and assistance services	43	24	.....
25.2 Other services from non-Federal sources	3	9	.....
41.0 Grants, subsidies, and contributions	963	1,680	658
99.0 Direct obligations	1,009	1,713	658
99.0 Reimbursable obligations	18	60	60
99.9 Total new obligations	1,027	1,773	718

INNOVATION AND INSTRUCTIONAL TEAMS
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0204-2-1-501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Race to the top	850
0002 Investing in innovation	150
0003 Effective teachers and leaders State grants	2,436
0004 Teacher and leader innovation fund	400
0005 Teacher and leader pathways	75
0006 Expanding educational options	255
0007 Magnet schools assistance	100
0008 FIE Programs of national significance	36
0100 Total direct program	4,302
0900 Total new obligations	4,302
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	4,332
1160 Appropriation, discretionary (total)	4,332
1930 Total budgetary resources available	4,332
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	30
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	4,302
3040 Outlays (gross)	-217
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	4,085
3100 Obligated balance, end of year (net)	4,085

INNOVATION AND INSTRUCTIONAL TEAMS—Continued
Program and Financing—Continued

Identification code 91-0204-2-1-501	2011 actual	2012 est.	2013 est.
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			4,332
Outlays, gross:			
4010 Outlays from new discretionary authority			217
4180 Budget authority, net (total)			4,332
4190 Outlays, net (total)			217

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

Race to the top.—Funds would support grants to State educational agencies (SEAs) and local educational agencies (LEAs) to implement systemic reforms in five areas where fundamental reforms are most needed: implementing rigorous standards and assessments; using data to improve instruction and decision-making; recruiting and retaining effective teachers and principals; turning around the lowest-performing schools; and improving State systems of early learning and care. Funds would enable the program to deepen its investments in reforming elementary and secondary education, as well as provide resources for the Early Learning Challenge program to support improving outcomes in early childhood education.

Investing in innovation.—Funds would support grants to LEAs or to nonprofit organizations in consortium with one or more schools or LEAs to develop and expand innovative strategies and practices that have been shown to be effective in improving educational outcomes for students. A portion of the funds would be used to launch the Advanced Research Projects Agency—Education, which would pursue breakthrough developments in educational technologies and other strategies for raising achievement. Funds may also be used for "pay-for-success" projects, such as projects that make use of performance-based contracts or social impact bonds, to engage social investors, the Federal Government, and a State or local community to collaboratively finance effective interventions.

Effective teachers and leaders State grants.—Funds would support formula grants to States and LEAs to promote and enhance the teaching profession; recruit, prepare, develop, reward, and retain effective and highly effective teachers, principals, and other school leaders and foster excellent instructional teams, especially in high-need LEAs, schools, fields, and subjects; ensure the equitable distribution of effective and highly effective teachers and principals; increase the effectiveness of teachers and principals; strengthen teacher and principal evaluation systems; ensure that teachers have the knowledge, skills, data, support, and collaborative opportunities needed to be effective in the classroom; and improve the management of the education workforce in States and LEAs. The Department would reserve up to 25 percent of the appropriation for this program to build evidence on how to best recruit, train, and support effective teachers and school leaders; recruit and prepare effective science, technology, engineering, and mathematics teachers; and invest in efforts to enhance the teaching and leadership professions.

Teacher and leader innovation fund.—Funds would support competitive grants to States and LEAs willing to implement bold approaches to improving the effectiveness of the education workforce in high-need schools and districts by creating the conditions needed to identify, reward, retain, and advance effective teachers, principals, and school leadership teams in those schools, and enabling schools to build the strongest teams possible.

Teacher and leader pathways.—Funds would support continuation costs for the School Leadership, Teacher Quality Partnership, and Transition to Teaching programs.

Expanding educational options.—Funds would support competitive grants to SEAs, charter school authorizers, charter management organizations, LEAs, and other nonprofit organizations to start or expand high-performing charter and other autonomous public schools in high-need areas.

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

Fund for the improvement of education: programs of national significance.—Funds would support nationally significant projects to improve the quality of elementary and secondary education, including an interagency initiative to strengthen services provided to disconnected youth and continuation of efforts to improve the quality, analysis, and reporting of elementary and secondary education performance data. Funds would also go towards an evidence-based math initiative and to support the Institute of Education Sciences (IES) in becoming a resource for improving the evidence base for STEM programs across the Federal Government.

Object Classification (in millions of dollars)

Identification code 91-0204-2-1-501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.1 Advisory and assistance services			105
25.2 Other services from non-Federal sources			19
41.0 Grants, subsidies, and contributions			4,178
99.9 Total new obligations			4,302

OFFICE OF ENGLISH LANGUAGE ACQUISITION

Federal Funds

[ENGLISH LANGUAGE ACQUISITION] ENGLISH LEARNER EDUCATION

[For carrying out part A of title III of the ESEA, \$733,530,000, which shall become available on July 1, 2012, and shall remain available through September 30, 2013, except that 6.5 percent of such amount shall be available on October 1, 2011, and shall remain available through September 30, 2013, to carry out activities under section 3111(c)(1)(C): *Provided*, That the Secretary shall use estimates of the American Community Survey child counts for the most recent 3-year period available to calculate allocations under such part.] (*Department of Education Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 91-1300-0-1-501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 English language acquisition grants	749	735	6
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	24	9	6
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	735	733	
1130 Appropriations permanently reduced	-1		
1143 Approp permanently reduced (Sec 527, HR 2055)		-1	
1160 Appropriation, discretionary (total)	734	732	
1930 Total budgetary resources available	758	741	6
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	9	6	
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1,075	1,039	1,012
3030 Obligations incurred, unexpired accounts	749	735	6

3040	Outlays (gross)	-782	-762	-724
3081	Recoveries of prior year unpaid obligations, expired	-3		
	Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	1,039	1,012	294
3100	Obligated balance, end of year (net)	1,039	1,012	294
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	734	732	
Outlays, gross:				
4010	Outlays from new discretionary authority	6	7	
4011	Outlays from discretionary balances	776	755	724
4020	Outlays, gross (total)	782	762	724
4180	Budget authority, net (total)	734	732	
4190	Outlays, net (total)	782	762	724

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

	2011 actual	2012 est.	2013 est.
Enacted/requested:			
Budget Authority	734	732	
Outlays	782	762	724
Legislative proposal, not subject to PAYGO:			
Budget Authority			732
Outlays			7
Total:			
Budget Authority	734	732	732
Outlays	782	762	731

The Administration is proposing legislation reauthorizing the Elementary and Secondary Education Act (ESEA), including programs in this account. Consistent with this reauthorization proposal, the Budget proposes to realign programs in ESEA accounts. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Object Classification (in millions of dollars)

Identification code 91-1300-0-1-501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.1 Advisory and assistance services	5	6	2
25.5 Research and development contracts	2		
41.0 Grants, subsidies, and contributions	742	729	4
99.9 Total new obligations	749	735	6

ENGLISH LEARNER EDUCATION

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-1300-2-1-501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 English language acquisition grants			732
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			732
1160 Appropriation, discretionary (total)			732
1930 Total budgetary resources available			732
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			732
3040 Outlays (gross)			-7
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			725
3100 Obligated balance, end of year (net)			725
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			732
Outlays, gross:			
4010 Outlays from new discretionary authority			7

4180	Budget authority, net (total)			732
4190	Outlays, net (total)			7

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

Language acquisition State grants.—This program provides formula grants to States to improve services for English Learners. States are accountable for demonstrating that English Learners are making progress toward proficiency in English and meeting the same high State academic standards as all other students. The statute also authorizes national activities, including professional development, evaluation, a national information clearinghouse on English language acquisition, and, under the proposed reauthorization, technical assistance to grantees and funding for demonstration projects to replicate proven practices.

Object Classification (in millions of dollars)

Identification code 91-1300-2-1-501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.1 Advisory and assistance services			2
25.5 Research and development contracts			1
41.0 Grants, subsidies, and contributions			729
99.9 Total new obligations			732

OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

Federal Funds

SPECIAL EDUCATION

For carrying out the Individuals with Disabilities Education Act ("IDEA") and the Special Olympics Sport and Empowerment Act of 2004, **[\$12,647,066,000]** \$12,687,307,000, of which **[\$3,115,716,000]** \$2,289,108,000 shall become available on July 1, **[2012]** 2013, and shall remain available through September 30, **[2013]** 2014, and of which **[\$9,283,383,000]** \$10,124,103,000 shall become available on October 1, **[2012]** 2013, and shall remain available through September 30, **[2013]** 2014, for academic year **[2012-2013]** 2013-2014: *Provided*, That the amount for section 611(b)(2) of the IDEA shall be equal to the lesser of the amount available for that activity during fiscal year **[2011]** 2012, increased by the amount of inflation as specified in section 619(d)(2)(B) of the IDEA, or the percent change in the funds appropriated under section 611(i) of the IDEA, but not less than the amount for that activity during fiscal year **[2011]** 2012: *Provided further*, That the Secretary shall, without regard to section 611(d) of the IDEA, distribute to all other States (as that term is defined in section 611(g)(2)), subject to the third proviso, any amount by which a State's allocation under section 611(d), from funds appropriated under this heading, is reduced under section 612(a)(18)(B), according to the following: 85 percent on the basis of the States' relative populations of children aged 3 through 21 who are of the same age as children with disabilities for whom the State ensures the availability of a free appropriate public education under this part, and 15 percent to States on the basis of the States' relative populations of those children who are living in poverty: *Provided further*, That the Secretary may not distribute any funds under the previous proviso to any State whose reduction in allocation from funds appropriated under this heading made funds available for such a distribution: *Provided further*, That the States shall allocate such funds distributed under the second proviso to local educational agencies in accordance with section 611(f): *Provided further*, That the amount by which a State's allocation under section 611(d) of the IDEA is reduced under section 612(a)(18)(B) and the amounts distributed to States under the previous provisos in fiscal year 2012 or any subsequent year shall not be considered in calculating the awards under section 611(d) for fiscal year 2013 or for any subsequent fiscal years: *Provided further*, that the Secretary may, notwithstanding section 643(e)(1) of the IDEA, reserve up to \$2,710,000 of the amount provided under section 644 for incentive grants to States to carry out section 635(c): *Provided*

SPECIAL EDUCATION—Continued

further, that funds made available for the Special Olympics Sport and Empowerment Act of 2004 may be used to support expenses associated with the Special Olympics National and World Games: Provided further, That \$2,000,000 \$30,000,000, to remain available for obligation through September 30, [2013] 2014, shall be for competitive grants to States, incentive payments, and related activities [aimed at improving the outcomes of children receiving Supplemental Security Income (SSI) and their families, which may include competitive grants to States] as may be necessary to improve the provision and coordination of services and supports for Supplemental Security Income (SSI) child recipients and their families or households in order to achieve improved [health status] outcomes, including both physical and emotional health, [and] education and post-school outcomes, [including completion of] such as completing postsecondary education and job training and obtaining employment, [and to improve services and supports to the families or households of the SSI child recipient, such as education and job training for the parents] that may result in long-term improvements in the SSI child recipient's economic self-sufficiency: Provided further, That States may award subgrants for a portion of the funds to other public and private, non-profit entities: Provided further, That not to exceed \$15,000,000 of amounts provided in the eighth proviso may be used for performance-based awards for Pay for Success projects: Provided further, That, with respect to the previous proviso, any funds obligated for such projects shall remain available for disbursement until expended, notwithstanding 31 U.S.C. 1552(a): Provided further, That, with respect to the tenth proviso, any deobligated funds from such projects shall immediately be available for section 611 of the IDEA. (Department of Education Appropriations Act, 2012.)

3030	Obligations incurred, unexpired accounts	12,536	11,953	11,846
3040	Outlays (gross)	-17,062	-14,537	-12,683
3081	Recoveries of prior year unpaid obligations, expired	-9		
	Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	8,635	6,051	5,214
3100	Obligated balance, end of year (net)	8,635	6,051	5,214
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	12,543	11,933	11,846
Outlays, gross:				
4010	Outlays from new discretionary authority	5,556	7,068	7,622
4011	Outlays from discretionary balances	11,506	7,469	5,061
4020	Outlays, gross (total)	17,062	14,537	12,683
4180	Budget authority, net (total)	12,543	11,933	11,846
4190	Outlays, net (total)	17,062	14,537	12,683

SUMMARY OF GRANTS TO STATES PROGRAM LEVEL

[in millions of dollars]

	2011–2012 Academic Year	2012–2013 Academic Year	2013–2014 Academic Year
Current Budget Authority	\$2,890	\$2,295	\$1,454
Advance appropriation	8,576	9,283	10,124
Total program level	11,466	11,578	11,578
Change in advance appropriation from the previous year	-16	707	841 ¹

¹To account for the Administration's ESEA reauthorization proposal, the 2013 Budget eliminates the \$1.7 billion advance appropriation that was previously in the School Improvement Programs account (renamed the Education Improvement Programs account) and replaces it with corresponding increases to advance appropriations in the Education for the Disadvantaged (\$841 million, renamed the Accelerating Achievement and Ensuring Equity account) and Special Education (\$841 million) accounts. Total advance appropriations in the Department of Education remain the same at \$21.9 billion.

Program and Financing (in millions of dollars)

Identification code 91–0300–0–1–501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Grants to States	11,475	10,890	10,737
0002 Preschool grants	373	373	372
0003 Grants for infants and families	439	443	463
0091 Subtotal, State grants	12,287	11,706	11,572
0101 State personnel development	47	44	45
0102 Technical assistance and dissemination	49	55	47
0103 Personnel preparation	88	88	86
0104 Parent information centers	28	29	29
0105 Technology and media services	29	29	29
0191 Subtotal, National activities	241	245	236
0200 Total Direct Program	12,528	11,951	11,808
0201 Special Olympics education programs	8		8
0203 PROMISE: Promoting Readiness of Minors in SSI		2	30
0291 Direct program activities, subtotal	8	2	38
0900 Total new obligations	12,536	11,953	11,846
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	13	20	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	3,976	3,364	2,563
1130 Appropriations permanently reduced	-8		
1143 Approp permanently reduced (Sec 527, HR 2055)		-7	
1160 Appropriation, discretionary (total)	3,968	3,357	2,563
Advance appropriations, discretionary:			
1170 Advance appropriation (Advance appropriated in previous year)	8,592	8,592	9,283
1173 Advance appropriations permanently reduced	-17		
1175 Adv approp permanently reduced (Sec 527, HR 2055)		-16	
1180 Advanced appropriation, discretionary (total)	8,575	8,576	9,283
1900 Budget authority (total)	12,543	11,933	11,846
1930 Total budgetary resources available	12,556	11,953	11,846
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	20		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	13,170	8,635	6,051

State Grants:

Grants to States.—Formula grants are provided to States to assist them in providing special education and related services to children with disabilities ages 3 through 21.

Preschool grants.—Formula grants provide additional funds to States to further assist them in providing special education and related services to children with disabilities ages three through five served under the Grants to States program.

The goal of both of these programs is to improve results for children with disabilities by assisting State and local educational agencies to provide children with disabilities with access to high quality education that will help them meet challenging standards and prepare them for employment and independent living.

Grants for infants and families.—Formula grants are provided to assist States to implement statewide systems of coordinated, comprehensive, multi-disciplinary interagency programs to provide early intervention services to children with disabilities, birth through age two, and their families.

The goal of this program is to help States provide a comprehensive system of early intervention services that will enhance child and family outcomes.

National activities.—These activities include personnel preparation and development, technical assistance, and other activities to support State efforts to improve results for children with disabilities under the State Grants programs.

The goal of National Activities is to link States, school systems, and families to best practices to improve results for infants, toddlers, and children with disabilities.

Special Olympics education programs.—This program funds activities that promote the expansion of the Special Olympics and the design and implementation of Special Olympics education programs.

PROMISE: Promoting Readiness of Minors in SSI.—This program funds demonstration programs in select States to improve the provision and coordination of existing services for which children receiving Supplemental Security Income and their

families are already eligible. The goal of this program is to improve outcomes for SSI child recipients and their families. A portion of these funds may be used for Pay for Success bonds to engage social investors, the Federal Government, and a State or local community to collaboratively finance effective interventions.

Performance data related to program goals include:

	2007–2008 actual	2008–2009 actual	2009–2010 actual
Status of Exiting Students			
Percent / number of students with disabilities aged 14–21 exiting special education:			
Graduated with a diploma	34.4% / 217,905	35.6% / 247,299	37.9% / 256,102
Graduated through certification	8.4% / 53,260	8.9% / 61,508	8.9% / 60,001
Transferred to regular education	8.2% / 51,786	9.6% / 66,364	9.9% / 66,920
Dropped out of school/not known to continue	14.3% / 90,766	13.2% / 91,318	12.7% / 86,327
Moved, but known to have continued in education	33.5% / 212,337	31.6% / 219,020	29.6% / 199,899
Reached maximum age for services/other	1.2% / 7,187	1.1% / 7,773	1.0% / 6,628
Total	100% / 633,241	100% / 693,282	100% / 675,877

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

Note-Previous versions of this table did not contain the categories "Transferred to regular education" and "Moved, but known to have continued in education." The Department of Education revised its data collection forms to include these additional items, which track additional students with disabilities ages 14 and older who leave special education, and are mutually exclusive with other categories included in this table. Because this is the case, the percentages reported in this table are not comparable with percentages reported in the same table in previous years.

Object Classification (in millions of dollars)

Identification code 91–0300–0–1–501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.2 Other services from non-Federal sources	5	5	5
41.0 Grants, subsidies, and contributions	12,531	11,948	11,841
99.9 Total new obligations	12,536	11,953	11,846

REHABILITATION SERVICES AND DISABILITY RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Assistive Technology Act of 1998, and the Helen Keller National Center Act, **[\$3,512,019,000] \$3,517,710,000: Provided, That, of the amount provided for the Vocational Rehabilitation State Grants program, the Secretary shall reserve \$10,000,000 to remain available to the Secretary until September 30, 2014, for the Workforce Innovation Fund, as established by this Act: Provided further, That, after reserving the amount needed to pay the continuation costs of grants awarded under section 304 of the Rehabilitation Act, the Secretary may allocate to States, in accordance with a formula determined by the Secretary, up to \$35,657,000 of the amount provided for the Vocational Rehabilitation State Grants program: Provided further, That section 302(g)(3) of the Rehabilitation Act shall not apply to funds provided under section 302 of such Act: Provided further, That the Secretary may use amounts provided in this Act that remain available subsequent to the reallocation of funds to States pursuant to section 110(b) of the Rehabilitation Act for innovative activities aimed at improving the outcomes of individuals with disabilities as defined in section 7(20)(B) of the Rehabilitation Act, including activities aimed at improving the health, education, and post-school outcomes of children receiving Supplemental Security Income (SSI) and their families, including competitive grants to States to improve the provision and coordination of services for SSI child recipients in order to achieve improved health status, education and post-school outcomes, including completion of postsecondary education and employment, and to improve services and supports to the family or households of that may result in long-term improvement in the SSI child recipient's economic status and self-sufficiency: Provided further, That States may award subgrants for a portion of the funds to other public and private, non-profit entities: Provided further, That any funds made available subsequent to reallocation for innovative activities aimed at improving the outcomes of children receiving SSI**

and their families] individuals with disabilities shall remain available until September 30, **[2013] 2014: Provided further, That not to exceed \$20,000,000 of the amounts made available in the fourth proviso may be used for performance-based awards for Pay for Success projects: Provided further, That, with respect to the previous proviso, any funds obligated for such projects shall remain available for disbursement until expended, notwithstanding 31 U.S.C. 1552(a): Provided further, That, with respect to the sixth proviso, any deobligated funds from such projects shall immediately be available for programs authorized under the Rehabilitation Act: Provided further, That \$2,000,000 shall be for competitive grants to support alternative financing programs that provide for the purchase of assistive technology devices, such as a low-interest loan fund; an interest buy-down program; a revolving loan fund; a loan guarantee; or insurance program: Provided further, That applicants shall provide an assurance that, and information describing the manner in which, the alternative financing program will expand and emphasize consumer choice and control: Provided further, That State agencies and community-based disability organizations that are directed by and operated for individuals with disabilities shall be eligible to compete]. (Department of Education Appropriations Act, 2012.)**

Program and Financing (in millions of dollars)

Identification code 91–0301–0–1–506	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Vocational rehabilitation State grants	3,026	3,122	3,167
0002 Client assistance State grants	12	12	12
0003 Supported employment State grants	29	29	.....
0004 Migrant and seasonal farmworkers	2	2	.....
0005 Training	36	35	30
0006 Demonstration and training programs	6	5	6
0007 Independent living	138	137	138
0008 Protection and advocacy of individual rights	18	18	18
0009 National Institute on Disability and Rehabilitation Research	109	109	107
0011 Helen Keller National Center	9	9	9
0012 Assistive technology	31	33	31
0100 Total direct program	3,416	3,511	3,518
0799 Total direct obligations	3,416	3,511	3,518
0801 Reimbursable program	2	2	2
0900 Total new obligations	3,418	3,513	3,520

Budgetary Resources:

Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	391	390	287
1130 Appropriations permanently reduced	-1	.....	.....
1143 Approp permanently reduced (Sec 527, HR 2055) .....	.....	-1	.....
1160 Appropriation, discretionary (total)	390	389	287
Appropriations, mandatory:			
1200 Appropriation	3,085	3,122	3,231
1260 Appropriations, mandatory (total)	3,085	3,122	3,231
Spending authority from offsetting collections, discretionary:			
1700 Collected	2	2	2
1750 Spending auth from offsetting collections, disc (total)	2	2	2
1900 Budget authority (total)	3,477	3,513	3,520
1930 Total budgetary resources available	3,477	3,513	3,520
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-59	.....	.....

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2,495	2,336	1,625
3030 Obligations incurred, unexpired accounts	3,418	3,513	3,520
3031 Obligations incurred, expired accounts	1	.....	.....
3040 Outlays (gross)	-3,543	-4,224	-3,632
3081 Recoveries of prior year unpaid obligations, expired	-35	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	2,336	1,625	1,513
3100 Obligated balance, end of year (net)	2,336	1,625	1,513

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	392	391	289
Outlays, gross:			
4010 Outlays from new discretionary authority	83	246	182

REHABILITATION SERVICES AND DISABILITY RESEARCH—Continued
Program and Financing—Continued

Identification code 91-0301-0-1-506	2011 actual	2012 est.	2013 est.
4011 Outlays from discretionary balances	665	466	172
4020 Outlays, gross (total)	748	712	354
Offsets against gross budget authority and outlays: Offsetting collections (collected) from:			
4030 Federal sources	-2	-2	-2
Mandatory:			
4090 Budget authority, gross	3,085	3,122	3,231
Outlays, gross:			
4100 Outlays from new mandatory authority	1,336	1,966	2,036
4101 Outlays from mandatory balances	1,459	1,546	1,242
4110 Outlays, gross (total)	2,795	3,512	3,278
4180 Budget authority, net (total)	3,475	3,511	3,518
4190 Outlays, net (total)	3,541	4,222	3,630

Vocational Rehabilitation State grants.—The basic State grants program provides Federal matching funds to State vocational rehabilitation (VR) agencies to assist individuals with physical or mental impairments to become gainfully employed. Services are tailored to the specific needs of the individual. Priority is given to serving those with the most significant disabilities. Current law requires that between 1.0 percent and 1.5 percent of the funds appropriated for the VR State grants program be set aside for Grants for Indians.

The program performance measures for this program are based on State VR agency performance indicators developed pursuant to Section 106 of the Rehabilitation Act. One of these indicators measures the percentage of general and combined State VR agencies that assist at least 55.8 percent of individuals receiving services to achieve an employment outcome. In 2010, 48 percent of the agencies met this performance criterion. Another indicator measures the percentage of general and combined State VR agencies that assist at least 85 percent of individuals with employment outcomes to achieve competitive employment. In 2010, 95 percent of general and combined agencies met this performance criterion. These outcome data are based on the approximately 331,310 individuals whose service records were closed in 2010 after receiving services.

The request for the VR State Grants program reflects the Administration's proposal to consolidate the funds of the smaller VR-related programs and eliminate their separate funding authorities under the Rehabilitation Act in order to reduce duplication of effort and administrative costs, streamline program administration at the Federal and local level, and improve accountability. A total of \$35.657 million would be made available to the VR State Grants program from the consolidation of employment-related programs. The request also includes \$10 million to be set aside to support a cross-agency Workforce Innovation Fund (WIF) that would be jointly administered by the Departments of Education and Labor to test innovative strategies and replicate evidence-based practices in the workforce system. The Fund is described in more detail in the Title V General Provisions. The FY 2013 request also includes language that would allow the Secretary to use amounts provided in this Act for the VR State Grants program that remain available subsequent to the reallocation of funds to States pursuant to section 110(b) of the Rehabilitation Act to support innovative activities aimed at improving outcomes for individuals with disabilities, including activities under the PROMISE program in the Special Education account. A portion of these funds may be used for Pay for Success bonds to engage social investors, the Federal Government, and a State or local community to collaboratively finance effective interventions.

Client assistance State grants.—Formula grants are made to States to provide assistance in informing and advising clients and applicants about benefits available under the Rehabilitation Act and, if requested, to pursue legal or administrative remedies to ensure the protection of the rights of individuals with disabilities.

Training.—Grants are made to States and public or nonprofit agencies and organizations, including institutions of higher education, to increase the number of skilled personnel available for employment in the field of rehabilitation and to upgrade the skills of those already employed. Funds currently provided to State VR agencies to support in-service training for agency personnel under section 302(g)(3) of the Training program (\$5.327 million) would be included in the VR State Grants consolidation.

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

Independent living.—Grants are awarded to States and consumer-controlled nonprofit organizations to assist individuals with significant disabilities in their achievement of self-determined independent living goals. Grants are also awarded to provide support services to older blind individuals to increase their ability to care for their own needs.

Protection and advocacy of individual rights.—Formula grants are made to State protection and advocacy systems to protect the legal and human rights of individuals with disabilities.

National Institute on Disability and Rehabilitation Research.—The Institute carries out a comprehensive and coordinated program of rehabilitation research and related activities. Through grants and contracts, it supports the conduct and dissemination of research and development aimed at improving the lives of individuals with disabilities. The Institute also promotes the development and utilization of new technologies to assist these individuals in achieving greater independence and integration into society. Funds would also be used to conduct rigorous evaluations of programs and activities authorized under the Rehabilitation Act.

Helen Keller National Center for Deaf-Blind Youths and Adults.—The Center provides services to deaf-blind youths and adults and provides training and technical assistance to professional and allied personnel at its national headquarters center and through its regional representatives and affiliate agencies.

Assistive technology.—Assistive Technology (AT) programs support AT State formula grants to implement comprehensive Statewide programs designed to maximize the ability of individuals with disabilities of all ages to obtain assistive technology. States conduct activities that include alternative financing programs, device reutilization programs, device loan programs, and device demonstrations. Formula grants are also provided under the AT Protection and Advocacy program to systems established under the Developmental Disabilities Assistance and Bill of Rights Act for protection and advocacy services to assist individuals with disabilities of all ages. Funds also support national technical assistance activities for these formula grant programs.

Object Classification (in millions of dollars)

Identification code 91-0301-0-1-506	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.1 Advisory and assistance services	6	5	5
25.2 Other services from non-Federal sources	1		1
25.3 Other goods and services from Federal sources	1	1	
41.0 Grants, subsidies, and contributions	3,408	3,505	3,512
99.0 Direct obligations	3,416	3,511	3,518
99.0 Reimbursable obligations	2	2	2
99.9 Total new obligations	3,418	3,513	3,520

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, **[\$24,551,000] \$24,505,000.**
(Department of Education Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 91-0600-0-1-501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 American printing house for the blind	25	25	25
0900 Total new obligations (object class 41.0)	25	25	25

Budgetary Resources:

Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	25	25	25
1160 Appropriation, discretionary (total)	25	25	25
1930 Total budgetary resources available	25	25	25

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	6	8	1
3030 Obligations incurred, unexpired accounts	25	25	25
3040 Outlays (gross)	-23	-32	-26
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	8	1	
3100 Obligated balance, end of year (net)	8	1	

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	25	25	25
Outlays, gross:			
4010 Outlays from new discretionary authority	17	24	24
4011 Outlays from discretionary balances	6	8	2
4020 Outlays, gross (total)	23	32	26
4180 Budget authority, net (total)	25	25	25
4190 Outlays, net (total)	23	32	26

The Federal appropriation supports: the production and distribution of free educational materials for students below the college level who are blind, research related to developing and improving products, and advisory services to consumer organizations on the availability and use of materials. In 2011, the portion of the Federal appropriation allocated to educational materials represented approximately 75 percent of the Printing House's total sales. The full appropriation represented approximately 86 percent of the Printing House's total budget.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986, **[\$65,546,000] \$65,037,000, of which \$2,000,000, to remain available until expended, shall be for construction: Provided, That from the total amount available, the Institute may at its discretion use funds for the endowment program as authorized**

under section 207 of such Act. (Department of Education Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 91-0601-0-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Operations	66	65	63
0002 Construction			2
0900 Total new obligations (object class 41.0)	66	65	65

Budgetary Resources:

Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	66	65	65
1160 Appropriation, discretionary (total)	66	65	65
1930 Total budgetary resources available	66	65	65

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2	3	5
3030 Obligations incurred, unexpired accounts	66	65	65
3040 Outlays (gross)	-65	-63	-63
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	3	5	7
3100 Obligated balance, end of year (net)	3	5	7

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	66	65	65
Outlays, gross:			
4010 Outlays from new discretionary authority	65	61	59
4011 Outlays from discretionary balances		2	4
4020 Outlays, gross (total)	65	63	63
4180 Budget authority, net (total)	66	65	65
4190 Outlays, net (total)	65	63	63

This residential program provides postsecondary technical and professional education for people who are deaf to prepare them for employment, provides training, and conducts applied research into employment-related aspects of deafness. In 2011, the Federal appropriation represented approximately 73 percent of the Institute's operating budget. The 2013 request includes funds for the establishment of a deferred maintenance account. The request includes funds that may be used for the Endowment Grant program.

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet University under titles I and II of the Education of the Deaf Act of 1986, **[\$125,754,000, of which \$7,990,000 shall be for construction and shall remain available until expended] \$117,541,000: Provided, That from the total amount available, the University may at its discretion use funds for the endowment program as authorized under section 207: [of such Act] Provided further, That, of the amount provided under this heading, up to \$7,000,000, to remain available until expended, may be used for construction. (Department of Education Appropriations Act, 2012.)**

Program and Financing (in millions of dollars)

Identification code 91-0602-0-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Operations	118	118	118
0002 Construction	5	8	
0900 Total new obligations (object class 41.0)	123	126	118

GALLAUDET UNIVERSITY—Continued
Program and Financing—Continued

Identification code 91-0602-0-1-502	2011 actual	2012 est.	2013 est.	
Budgetary Resources:				
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	123	126	118
1160	Appropriation, discretionary (total)	123	126	118
1930	Total budgetary resources available	123	126	118
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	8	11	20
3030	Obligations incurred, unexpired accounts	123	126	118
3040	Outlays (gross)	-120	-117	-124
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	11	20	14
3100	Obligated balance, end of year (net)	11	20	14
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	123	126	118
Outlays, gross:				
4010	Outlays from new discretionary authority	117	112	111
4011	Outlays from discretionary balances	3	5	13
4020	Outlays, gross (total)	120	117	124
4180	Budget authority, net (total)	123	126	118
4190	Outlays, net (total)	120	117	124

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

Gallaudet operates the Laurent Clerc National Deaf Education Center, which includes two elementary and secondary education programs on the main campus of the University. The Kendall Demonstration Elementary School serves students who are deaf from infancy through age 15, and the Model Secondary School for the Deaf (MSSD) serves high school age students who are deaf. The Clerc Center also develops and disseminates information on effective educational techniques and strategies for teachers and professionals working with students who are deaf or hard of hearing.

In 2011, the appropriation for Gallaudet represented approximately 69 percent of total revenue for the University. Approximately 25 percent of the Federal appropriation was used to support activities at the Clerc Center, which received nearly 100 percent of its revenue through the appropriation. In addition, the University receives other Federal funds such as student financial aid, vocational rehabilitation, Endowment Grant program income, and competitive grants and contracts. The request includes funds that may be used for the Endowment Grant program, and for construction.

**OFFICE OF VOCATIONAL AND ADULT
EDUCATION**
Federal Funds

CAREER, TECHNICAL, AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, [the Carl D. Perkins Career and Technical Education Act of 2006 and] the Adult Education and Family Literacy Act (referred to in this Act as the "AE-FLA"), [\$1,738,946,000] \$606,295,000, [of] which [\$947,946,000] shall become available on July 1, [2012] 2013, and shall remain available through September 30, [2013], and of which \$791,000,000 shall become available on October 1, 2012, and shall remain available through

September 30, 2013] 2014: Provided, That of the amount provided for Adult Education State Grants, \$15,000,000 shall be made available to the Secretary for the Workforce Innovation Fund, as established by this Act; and [\$74,850,000] \$74,709,000 shall be made available for integrated English literacy and civics education services to immigrants and other limited-English-proficient populations: Provided further, That of the amount reserved for integrated English literacy and civics education, notwithstanding section 211 of the AEFLA, 65 percent shall be allocated to States based on a State's absolute need as determined by calculating each State's share of a 10-year average of the United States Citizenship and Immigration Services data for immigrants admitted for legal permanent residence for the 10 most recent years, and 35 percent allocated to States that experienced growth as measured by the average of the 3 most recent years for which United States Citizenship and Immigration Services data for immigrants admitted for legal permanent residence are available, except that no State shall be allocated an amount less than \$60,000: Provided further, That, of the amounts made available for AE-FLA, [\$11,323,000] \$11,302,000 shall be for national leadership activities under section 243. (Department of Education Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 91-0400-0-1-501	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
0001	State grants	1,126	1,123	791
0002	National programs	8	8	8
0091	Total, Career and technical education	1,134	1,131	799
0101	State grants	596	595	595
0102	National leadership activities	11	11	11
0191	Total, adult education	607	606	606
0201	Smaller learning communities	74		
0900	Total new obligations	1,815	1,737	1,405
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	106	30	30
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	951	948	606
1130	Appropriations permanently reduced	-2		
1143	Approp permanently reduced (Sec 527, HR 2055)		-2	
1160	Appropriation, discretionary (total)	949	946	606
Advance appropriations, discretionary:				
1170	Advance appropriation from prior year	791	791	791
1173	Advance appropriations permanently reduced	-2		
1175	Adv approp permanently reduced (Sec 527, HR 2055)		-1	
1180	Advanced appropriation, discretionary (total)	789	790	791
Spending authority from offsetting collections, discretionary:				
1700	Collected		1	
1701	Change in uncollected payments, Federal sources	1		
1750	Spending auth from offsetting collections, disc (total)	1	1	
1900	Budget authority (total)	1,739	1,737	1,397
1930	Total budgetary resources available	1,845	1,767	1,427
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	30	30	22
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	1,762	1,607	1,445
3010	Uncollected pymts, Fed sources, brought forward, Oct 1		-1	-1
3020	Obligated balance, start of year (net)	1,762	1,606	1,444
3030	Obligations incurred, unexpired accounts	1,815	1,737	1,405
3031	Obligations incurred, expired accounts	1		
3040	Outlays (gross)	-1,968	-1,899	-1,686
3050	Change in uncollected pymts, Fed sources, unexpired	-1		
3081	Recoveries of prior year unpaid obligations, expired	-3		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	1,607	1,445	1,164
3091	Uncollected pymts, Fed sources, end of year	-1	-1	-1
3100	Obligated balance, end of year (net)	1,606	1,444	1,163
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	1,739	1,737	1,397

4010	Outlays, gross:			
	Outlays from new discretionary authority	599	640	599
4011	Outlays from discretionary balances	1,369	1,259	1,087
4020	Outlays, gross (total)	1,968	1,899	1,686
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
4030	Federal sources		-1	
	Additional offsets against gross budget authority only:			
4050	Change in uncollected pymts, Fed sources, unexpired	-1		
4070	Budget authority, net (discretionary)	1,738	1,736	1,397
4080	Outlays, net (discretionary)	1,968	1,898	1,686
4180	Budget authority, net (total)	1,738	1,736	1,397
4190	Outlays, net (total)	1,968	1,898	1,686

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

	2011 actual	2012 est.	2013 est.
Enacted/requested:			
Budget Authority	1,738	1,736	1,397
Outlays	1,968	1,898	1,686
Legislative proposal, not subject to PAYGO:			
Budget Authority			340
Outlays			17
Total:			
Budget Authority	1,738	1,736	1,737
Outlays	1,968	1,898	1,703

SUMMARY OF PROGRAM LEVEL

	2011-12 Academic Year	2012-13 Academic Year	2013-14 Academic Year
New Budget Authority	\$948	\$946	\$946
Advance Appropriation	791	790	791
Total program level	1,739	1,736	1,737
Change in advance appropriation over previous year	0	-1	+1

The Administration is proposing legislation reauthorizing the Carl D. Perkins Career and Technical Education Act of 2006, including programs in this account. When new authorizing legislation is enacted, resources will be requested for these programs. See the "Legislative proposal, not subject to PAYGO" schedule for additional details.

Adult education:

State programs.—Funds support formula grants to States to help eliminate functional illiteracy among the Nation's adults, to assist adults in obtaining a high school diploma or its equivalent, and to promote family literacy. A portion of the funds is reserved for formula grants to States to provide English literacy and civics education for immigrants and other limited English proficient adults. In addition, the Budget proposes a set-aside of \$15 million to be used for the Workforce Innovation Fund to test and validate more effective approaches to achieving positive employment outcomes for program participants, particularly the most vulnerable populations. The Fund will support cross-program collaboration and bold systemic reforms to improve education and employment outcomes for participants. The Departments of Education and Labor will jointly administer the Fund, which is described in the Title V General Provisions.

National leadership activities.—Funds support discretionary activities to evaluate the effectiveness of Federal, State, and local adult education programs, and to test and demonstrate methods of improving program quality.

Object Classification (in millions of dollars)

Identification code 91-0400-0-1-501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.2 Other services from non-Federal sources	2	2	2
25.5 Research and development contracts	12	11	9
25.7 Operation and maintenance of equipment	1	1	1
41.0 Grants, subsidies, and contributions	1,800	1,723	1,393

99.9	Total new obligations	1,815	1,737	1,405
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CAREER, TECHNICAL AND ADULT EDUCATION
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0400-2-1-501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 State grants			332
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
Appropriation			340
1100 Appropriation, discretionary (total)			340
1900 Budget authority (total)			340
1930 Total budgetary resources available			340
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year			8
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			332
3040 Outlays (gross)			-17
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			315
3100 Obligated balance, end of year (net)			315
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			340
Outlays, gross:			
4010 Outlays from new discretionary authority			17
4180 Budget authority, net (total)			340
4190 Outlays, net (total)			17

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

Career and Technical Education:

State grants.—Funds support formula grants to States for programs that focus on improving the academic achievement and career and technical skills of secondary and postsecondary students.

National programs.—Funds would support discretionary activities to support research, evaluation, data collection, technical assistance, and other national leadership activities aimed at improving the quality and effectiveness of career and technical education.

Object Classification (in millions of dollars)

Identification code 91-0400-2-1-501	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.2 Other services from non-Federal sources			1
25.5 Research and development contracts			2
25.7 Operation and maintenance of equipment			1
41.0 Grants, subsidies, and contributions			328
99.9 Total new obligations			332

OFFICE OF POSTSECONDARY EDUCATION

Federal Funds

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, titles [II,] III, IV, V, VI, VII, and VIII of the HEA, the Mutual Educational and Cultural Exchange Act of 1961, and section 117 of the Carl D. Perkins Career and Technical Education Act of 2006, **[\$1,873,196,000]** **\$1,950,590,000:** *Provided, That* **[\$608,000]** **\$607,000** shall be for data collection and evaluation activities for programs under the HEA, including such activ-

HIGHER EDUCATION—Continued

ities needed to comply with the Government Performance and Results Act of 1993: *Provided further*, That, notwithstanding any other provision of law, funds made available in this Act to carry out title VI of the HEA and section 102(b)(6) of the Mutual Educational and Cultural Exchange Act of 1961 may be used to support visits and study in foreign countries by individuals who are participating in advanced foreign language training and international studies in areas that are vital to United States national security and who plan to apply their language skills and knowledge of these countries in the fields of government, the professions, or international development: *Provided further*, That, of the funds referred to in the preceding proviso up to 1 percent may be used for program evaluation, national outreach, and information dissemination activities: *Provided further*, That [notwithstanding any other provision of law, a recipient of a multi-year award under section 316 of the HEA, as that section was in effect prior to the date of enactment of the Higher Education Opportunity Act (referred to in this Act as "HEOA"), that would have otherwise received a continuation award for fiscal year 2012 under that section, shall receive under section 316, as amended by the HEOA, not less than the amount that such recipient would have received under such a continuation award: *Provided further*, That the portion of the funds received under section 316 by a recipient described in the preceding proviso that is equal to the amount of such continuation award shall be used in accordance with the terms of such continuation award] *not to exceed \$10,000,000 of the funds made available under this Act for part B of title VII may be used for college completion-related performance-based awards for Pay for Success projects: Provided further, That, with respect to the previous proviso, any funds obligated for such projects shall remain available for disbursement until expended, notwithstanding 31 U.S.C. 1552(a): Provided further, That, with respect to the fourth proviso, any deobligated funds from such projects shall immediately be available for part B of title VII: Provided further, That, of the amount available under subpart 2 of part A of title VII of the HEA, the Secretary may use up to \$4,451,000 to fund continuation awards for projects originally supported under subpart 1 of part A of title VII of the HEA: Provided further, That the Secretary may use amounts provided in this Act for carrying out Titles III and V and funds provided under Part F of Title III and Part AA of Title VIII of the HEA that would otherwise lapse by September 30, 2013 for grants under Part B of Title VII of the HEA to improve college completion at minority-serving institutions. (Department of Education Appropriations Act, 2012.)*

Program and Financing (in millions of dollars)

Identification code 91-0201-0-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Strengthening institutions	84	81	81
0002 Strengthening tribally controlled colleges and universities	57	56	56
0003 Strengthening Alaska Native and Native Hawaiian-serving institutions	25	28	28
0004 Strengthening historically Black colleges and universities	321	313	313
0005 Strengthening historically Black graduate institutions	61	59	59
0006 Masters degree programs for HBCUs and predominantly Black institutions	12	12	12
0007 Strengthening predominantly Black institutions	25	24	24
0008 Strengthening Asian American and Native American Pacific Islander-serving institutions	7	8	8
0009 Strengthening Native American-serving nontribal institutions	7	8	8
0010 Minority science and engineering improvement	9	9	9
0091 Subtotal, aid for institutional development	608	598	598
0101 Developing Hispanic-serving institutions	104	100	100
0102 Developing Hispanic-serving institution STEM and articulation programs	100	100	100
0103 Promoting baccalaureate opportunities for Hispanic Americans	21	21	21
0104 International education and foreign language studies	75	74	76
0105 Fund for the Improvement of Postsecondary Education	21	4	70
0107 Interest subsidy grants	1		
0108 Model transition programs for students with intellectual disabilities into higher education	8	11	
0109 Tribally controlled postsecondary vocational and technical institutions	11	8	8
0110 Special programs for migrant students			37
0191 Subtotal, other aid for institutions	341	318	412
0201 Federal TRIO programs	883	840	840

0202 Gaining early awareness and readiness for undergraduate programs (GEAR UP)	303	302	302
0204 Javits fellowships	10	7	
0205 Graduate assistance in areas of national need	31	31	31
0208 Child care access means parents in school	16	16	16
0291 Subtotal, assistance for students	1,243	1,196	1,189
0302 Teacher quality partnerships	43	43	
0303 GPRA data/HEA program evaluation	1	1	1
0305 College access challenge grants	150	150	150
0306 Hawkins Centers of Excellence			30
0391 Subtotal, other higher education activities	194	194	181
0900 Total new obligations	2,386	2,306	2,380

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	12	8	
1012 Unobligated balance transfers between expired and unexpired accounts	125		
1050 Unobligated balance (total)	137	8	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,908	1,874	1,952
1130 Appropriations permanently reduced	-4		
1143 Approp permanently reduced (Sec 527, HR 2055)		-4	
1160 Appropriation, discretionary (total)	1,904	1,870	1,952
Appropriations, mandatory:			
1200 Appropriation	485	428	428
1260 Appropriations, mandatory (total)	485	428	428
1900 Budget authority (total)	2,389	2,298	2,380
1930 Total budgetary resources available	2,526	2,306	2,380
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-132		
1941 Unexpired unobligated balance, end of year	8		

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	3,580	3,461	3,121
3030 Obligations incurred, unexpired accounts	2,386	2,306	2,380
3031 Obligations incurred, expired accounts	4		
3040 Outlays (gross)	-2,479	-2,646	-2,359
3081 Recoveries of prior year unpaid obligations, expired	-30		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	3,461	3,121	3,142
3100 Obligated balance, end of year (net)	3,461	3,121	3,142

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	1,904	1,870	1,952
Outlays, gross:			
4010 Outlays from new discretionary authority	32	56	59
4011 Outlays from discretionary balances	2,091	2,075	1,856
4020 Outlays, gross (total)	2,123	2,131	1,915
Mandatory:			
4090 Budget authority, gross	485	428	428
Outlays, gross:			
4100 Outlays from new mandatory authority	23	13	13
4101 Outlays from mandatory balances	333	502	431
4110 Outlays, gross (total)	356	515	444
4180 Budget authority, net (total)	2,389	2,298	2,380
4190 Outlays, net (total)	2,479	2,646	2,359

Aid for institutional development:

Strengthening institutions.—Funds support planning and development grants for improving academic programs and financial management at schools that enroll high proportions of disadvantaged students and have low per-student expenditures.

Strengthening tribally controlled colleges and universities.—Discretionary and mandatory funds support grants to American Indian tribally controlled colleges and universities with scarce resources to enable them to improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

Strengthening Alaska Native and Native Hawaiian-serving institutions.—Discretionary and mandatory funds support Alaska Native and Native Hawaiian-serving institutions to

enable them to improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

Strengthening historically Black colleges and universities.—Discretionary and mandatory funds support grants to help historically Black undergraduate institutions to improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

Strengthening historically Black graduate institutions.—Funds support grants to help historically Black graduate institutions to improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

Master's degree programs at historically Black colleges and universities and predominantly Black institutions.—Mandatory funds support Historically Black Colleges and Universities (HBCUs) and Predominantly Black Institutions (PBIs) to improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

Strengthening predominantly Black institutions.—Discretionary and mandatory funds support grants to predominantly Black institutions to improve and expand their capacity to serve students.

Strengthening Asian American and Native American Pacific Islander-serving institutions.—Discretionary and mandatory funds support grants to help Asian American and Native American Pacific Islander-serving institutions improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

Strengthening Native American-serving nontribal institutions.—Discretionary and mandatory funds support grants to help Native American-serving nontribal institutions improve and expand their capacity to serve students, and to strengthen management and fiscal operations.

Minority science and engineering improvement.—Funds support grants to predominantly minority institutions to help them make long-range improvements in science and engineering education and to increase the participation of minorities in scientific and technological careers.

Aid for Hispanic-serving institutions:

Developing Hispanic-serving institutions.—Funds support Hispanic-serving institutions to help them improve and expand their capacity to serve students.

Developing Hispanic-serving Institutions STEM and Articulation Programs.—Mandatory funds support Hispanic-serving institutions to help them improve and expand their capacity to serve students with priority given to applications that propose to increase the number of Hispanics and other low-income students attaining degrees in the fields of science, technology, engineering, or mathematics; and to develop model transfer and articulation agreements between 2-year Hispanic-serving institutions and 4-year institutions in such fields.

Promoting postbaccalaureate opportunities for Hispanic Americans.—Discretionary and mandatory funds support Hispanic-serving Institutions to help them expand and improve postbaccalaureate educational opportunities.

Other aid for institutions:

International education and foreign language studies programs.—Funds promote the development and improvement of domestic and overseas international and foreign language programs.

Fund for the improvement of postsecondary education.—Funds support a broad range of postsecondary reform and improvement projects. The majority of funds in 2013 would support the First in the World competition, which would be modeled after the Investing in Innovation program for K-12.

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

Special programs for migrant students.—Funds support grants to institutions of higher education and nonprofit organizations that assist migrant students in earning a high school equivalency certificate or in completing their first year of college.

Interest subsidy grants.—Balances from prior year appropriations meet mandatory interest subsidy costs of construction loan commitments made prior to 1974.

Assistance for students:

Federal TRIO programs.—Funds support postsecondary education outreach and student support services to help individuals from disadvantaged backgrounds prepare for, enter, and complete college and graduate studies.

Gaining early awareness and readiness for undergraduate programs.—Funds support early college preparation and awareness activities at the State and local levels to ensure that low-income elementary and secondary school students are prepared for and pursue postsecondary education.

Graduate assistance in areas of national need.—Funds support fellowships to graduate students of superior ability who have financial need for study in areas of national need and continuation awards for Javits Fellowships to students of superior ability who have financial need and who are pursuing terminal degrees in the arts, humanities, and social sciences.

Child care access means parents in school.—Funds support a program designed to bolster the participation of low-income parents in postsecondary education through the provision of campus-based child care services.

Other activities:

GPRA data/HEA program evaluation.—Funds support data collection and evaluation activities for programs under the Higher Education Act (HEA) of 1965, including such activities needed to comply with the Government Performance and Results Act (GPRA) of 1993.

College access challenge grants.—Mandatory funds support grants to States to promote activities designed to increase the number of low-income students who are prepared to enter and succeed in postsecondary education.

Hawkins centers for excellence.—Funds support a program designed to increase the talent pool of effective minority educators by expanding and reforming teacher education programs at minority-serving institutions.

Object Classification (in millions of dollars)

Identification code 91-0201-0-1-502	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.1 Advisory and assistance services	2	2	2
25.2 Other services from non-Federal sources	8	8	8
25.5 Research and development contracts	1	1	1
25.7 Operation and maintenance of equipment	2	2	2
41.0 Grants, subsidies, and contributions	2,373	2,293	2,367
99.9 Total new obligations	2,386	2,306	2,380

RACE TO THE TOP: COLLEGE AFFORDABILITY AND COMPLETION
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0016-2-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Race to the Top: College Affordability and Completion			1,000
0900 Total new obligations (object class 41.0)			1,000
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation			1,000
1160 Appropriation, discretionary (total)			1,000
1930 Total budgetary resources available			1,000
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			1,000
3040 Outlays (gross)			-50
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			950
3100 Obligated balance, end of year (net)			950
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross			1,000
Outlays, gross:			
4010 Outlays from new discretionary authority			50
4180 Budget authority, net (total)			1,000
4190 Outlays, net (total)			50

Race to the Top: College Affordability and Completion.—Drives systemic State reforms that create incentives for institutions to lower costs and increase completion rates at public colleges.

HOWARD UNIVERSITY

For partial support of Howard University, [\$234,507,000] \$234,064,000, of which not less than [\$3,600,000] \$3,593,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act and shall remain available until expended. (Department of Education Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 91-0603-0-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 General support	235	206	205
0002 Howard University Hospital		29	29
0900 Total new obligations (object class 41.0)	235	235	234
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	1	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	235	234	234
1160 Appropriation, discretionary (total)	235	234	234
1930 Total budgetary resources available	236	235	234
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	9	5	16
3030 Obligations incurred, unexpired accounts	235	235	234
3040 Outlays (gross)	-239	-224	-234
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	5	16	16
3100 Obligated balance, end of year (net)	5	16	16

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	235	234	234
Outlays, gross:			
4010 Outlays from new discretionary authority	231	220	220
4011 Outlays from discretionary balances	8	4	14
Outlays, gross (total)			
4020	239	224	234
4180 Budget authority, net (total)	235	234	234
4190 Outlays, net (total)	239	224	234

Howard University is a private, nonprofit educational institution consisting of 12 schools and colleges. Federal funds are used to provide partial support for university programs as well as for the teaching hospital facilities. In 2011, Federal funding represented approximately 43 percent of the university's revenue.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For Federal administrative expenses to carry out activities related to existing facility loans pursuant to section 121 of the HEA, [\$460,000] \$459,000.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

For the cost of guaranteed loans, [\$20,188,000] \$20,150,000 as authorized pursuant to part D of title III of the HEA, which shall remain available through September 30, 2014: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed [\$367,255,000] \$320,350,000: Provided further, That these funds may be used to support loans to public and private Historically Black Colleges and Universities without regard to the limitations within section 344(a) of the HEA.

In addition, for administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to part D of title III of the HEA, [\$353,000] \$352,000. (Department of Education Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 91-0241-0-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0701 Direct loan subsidy	11	20	20
0703 Subsidy for modifications of direct loans	10		
0705 Reestimates of direct loan subsidy	85	10	
0706 Interest on reestimates of direct loan subsidy	11	2	
0709 Administrative expenses		1	1
0900 Total new obligations	117	33	21
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	21	21	21
1160 Appropriation, discretionary (total)	21	21	21
Appropriations, mandatory:			
1200 Appropriation	96	12	
1260 Appropriations, mandatory (total)	96	12	
1900 Budget authority (total)	117	33	21
1930 Total budgetary resources available	117	33	21
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	16	28	30
3030 Obligations incurred, unexpired accounts	117	33	21
3040 Outlays (gross)	-105	-31	-12
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	28	30	39
3100 Obligated balance, end of year (net)	28	30	39
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	21	21	21

Outlays, gross:				
4010	Outlays from new discretionary authority	9	5	5
4011	Outlays from discretionary balances		14	7
4020	Outlays, gross (total)	9	19	12
Mandatory:				
4090	Budget authority, gross	96	12	
Outlays, gross:				
4100	Outlays from new mandatory authority	96	12	
4180	Budget authority, net (total)	117	33	21
4190	Outlays, net (total)	105	31	12

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

Identification code 91-0241-0-1-502	2011 actual	2012 est.	2013 est.	
Direct loan levels supportable by subsidy budget authority:				
115002	Historically Black Colleges and Universities	154	368	320
115999	Total direct loan levels	154	368	320
Direct loan subsidy (in percent):				
132002	Historically Black Colleges and Universities	7.24	5.50	6.29
132999	Weighted average subsidy rate	7.24	5.50	6.29
Direct loan subsidy budget authority:				
133002	Historically Black Colleges and Universities	11	20	20
133999	Total subsidy budget authority	11	20	20
Direct loan subsidy outlays:				
134002	Historically Black Colleges and Universities	7	10	10
134999	Total subsidy outlays	7	10	10
Direct loan upward reestimates:				
135001	College housing and academic facilities loans	1		
135002	Historically Black Colleges and Universities	19	8	
135003	HBCU Hurricane Supplemental	76	4	
135999	Total upward reestimate budget authority	96	12	
Direct loan downward reestimates:				
137002	Historically Black Colleges and Universities	-23	-20	
137999	Total downward reestimate budget authority	-23	-20	
Administrative expense data:				
3510	Budget authority	1	1	1
3590	Outlays from new authority	1	1	1

As required by the Federal Credit Reform Act of 1990, this account records the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond, as well as any administrative expenses for the College Housing and Academic Facilities Loans Program and the Historically Black College and University Capital Financing Program. The subsidy amounts are estimated on a present value basis; the administrative expenses are on a cash basis. These programs are administered separately but consolidated in the Budget for presentation purposes.

College Housing and Academic Facilities Loans Program.—Funds for this activity pay the Federal costs of administering the College Housing and Academic Facilities Loans (CHAFL), College Housing Loans (CHL), and Higher Education Facilities Loans (HEFL) programs. Prior to 1994, these programs provided financing for the construction, reconstruction, and renovation of housing, academic, and other educational facilities. Although no new loans have been awarded since 1993, the Department of Education will incur costs for administering the outstanding loans through 2030.

Historically Black College and University Capital Financing Program.—The Historically Black College and University (HBCU) Capital Financing Program provides HBCUs with access to capital financing for the repair, renovation, and construction of classrooms, libraries, laboratories, dormitories, instructional equipment, and research instrumentation. The authorizing statute gives the Department authority to enter into insurance agreements with a private for-profit Designated Bonding Authority. The bonding authority issues the loans and maintains an escrow account in which 5 percent of each institution's principal

is deposited. The Budget requests \$20.150 million in new loan subsidies, allowing the program to guarantee an estimated \$320 million in new loans in 2013. The Budget also requests a 2-year period of availability for this loan subsidy. In addition, the Budget requests funds for the Federal costs of administering the program and providing technical assistance activities that improve the financial stability of HBCUs.

Object Classification (in millions of dollars)

Identification code 91-0241-0-1-502	2011 actual	2012 est.	2013 est.	
41.0	Direct obligations: Grants, subsidies, and contributions	117	33	20
99.5	Below reporting threshold			1
99.9	Total new obligations	117	33	21

Employment Summary

Identification code 91-0241-0-1-502	2011 actual	2012 est.	2013 est.	
1001	Direct civilian full-time equivalent employment	4	4	4

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4252-0-3-502	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
Credit program obligations:				
0713	Payment of interest to Treasury	1	1	1
0900	Total new obligations	1	1	1
Budgetary Resources:				
Financing authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected	4	1	1
1825	Spending authority from offsetting collections applied to repay debt	-3		
1850	Spending auth from offsetting collections, mand (total)	1	1	1
1930	Total budgetary resources available	1	1	1
Change in obligated balance:				
3030	Obligations incurred, unexpired accounts	1	1	1
3040	Financing disbursements (gross)	-1	-1	-1
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	1	1	1
Financing disbursements:				
4110	Financing disbursements, gross	1	1	1
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal sources	-1		
4123	Interest repayments	-3	-1	-1
4130	Offsets against gross financing auth and disbursements (total)	-4	-1	-1
4160	Financing authority, net (mandatory)	-3		
4170	Financing disbursements, net (mandatory)	-3		
4180	Financing authority, net (total)	-3		
4190	Financing disbursements, net (total)	-4		

Status of Direct Loans (in millions of dollars)

Identification code 91-4252-0-3-502	2011 actual	2012 est.	2013 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	11	11	11
1251	Repayments: Repayments and prepayments			
1290	Outstanding, end of year	11	11	11

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

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS FINANCING
ACCOUNT—Continued

ment resulting from direct loans obligated in 1992 and 1993. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4252-0-3-502	2010 actual	2011 actual
ASSETS:		
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	11	11
1405 Allowance for subsidy cost (-)	-1	-1
1499 Net present value of assets related to direct loans	10	10
1999 Total assets	10	10
LIABILITIES:		
2103 Federal liabilities: Debt	10	10
4999 Total liabilities and net position	10	10

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-0242-0-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury	5	6	6
0900 Total new obligations (object class 43.0)	5	6	6

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		8	
1023 Unobligated balances applied to repay debt		-8	
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	2	2	2
1260 Appropriations, mandatory (total)	2	2	2
Spending authority from offsetting collections, mandatory:			
1800 Collected	25	23	23
1820 Capital transfer of spending authority from offsetting collections to general fund	-14	-15	-15
1825 Spending authority from offsetting collections applied to repay debt		-4	-4
1850 Spending auth from offsetting collections, mand (total)	11	4	4
1900 Budget authority (total)	13	6	6
1930 Total budgetary resources available	13	6	6
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	8		

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1	1	1
3030 Obligations incurred, unexpired accounts	5	6	6
3040 Outlays (gross)	-5	-6	-6
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	1	1
3100 Obligated balance, end of year (net)	1	1	1

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	13	6	6
Outlays, gross:			
4100 Outlays from new mandatory authority	5	6	6
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-25	-23	-23
4180 Budget authority, net (total)	-12	-17	-17
4190 Outlays, net (total)	-20	-17	-17

Status of Direct Loans (in millions of dollars)

Identification code 91-0242-0-1-502	2011 actual	2012 est.	2013 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	159	141	137
1251 Repayments: Repayments and prepayments	-18	-4	-4
1290 Outstanding, end of year	141	137	133

As required by the Federal Credit Reform Act of 1990, the College Housing and Academic Facilities Loans Liquidating Account records all cash flows to and from the Government resulting from direct loans obligated prior to 1992. This account includes loans made under the College Housing and Academic Facilities Loans, College Housing Loans, and Higher Education Facilities Loans programs, which continue to be administered separately.

Balance Sheet (in millions of dollars)

Identification code 91-0242-0-1-502	2010 actual	2011 actual
ASSETS:		
1601 Direct loans, gross	159	141
1602 Interest receivable	6	6
1699 Value of assets related to direct loans	165	147
1999 Total assets	165	147
LIABILITIES:		
Federal liabilities:		
2103 Debt	51	51
2104 Resources payable to Treasury	114	96
2999 Total liabilities	165	147
4999 Total liabilities and net position	165	147

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING DIRECT
LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4255-0-3-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0003 Subsidy Payments - Interest Subsidy	13	1	1
0004 Interest paid to Treasury (FFB)		14	14
0091 Subtotal	13	15	15
Credit program obligations:			
0710 Direct loan obligations	154	368	320
0742 Downward reestimate paid to receipt account	17	14	
0743 Interest on downward reestimates	7	6	
0791 Direct program activities, subtotal	178	388	320
0900 Total new obligations	191	403	335

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	245	390	403
1021 Recoveries of prior year unpaid obligations	12		
1050 Unobligated balance (total)	257	390	403
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	178	368	320
1440 Borrowing authority, mandatory (total)	178	368	320
Spending authority from offsetting collections, mandatory:			
1800 Collected	143	69	57
1801 Change in uncollected payments, Federal sources	12		
1825 Spending authority from offsetting collections applied to repay debt	-9	-21	-21
1850 Spending auth from offsetting collections, mand (total)	146	48	36
1900 Financing authority (total)	324	416	356
1930 Total budgetary resources available	581	806	759
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	390	403	424

Change in obligated balance:

Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	227	193	386
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-10	-22	-22
3020	Obligated balance, start of year (net)	217	171	364
3030	Obligations incurred, unexpired accounts	191	403	335
3040	Financing disbursements (gross)	-213	-210	-210
3050	Change in uncollected pymts, Fed sources, unexpired	-12		
3080	Recoveries of prior year unpaid obligations, unexpired	-12		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	193	386	511
3091	Uncollected pymts, Fed sources, end of year	-22	-22	-22
3100	Obligated balance, end of year (net)	171	364	489

Financing authority and disbursements, net:

Mandatory:

4090	Financing authority, gross	324	416	356
Financing disbursements:				
4110	Financing disbursements, gross	213	210	210
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal sources	-103	-22	-10
4122	Interest on uninvested funds	-17	-12	-12
4123	Interest repayments	-13	-14	-14
4123	Principal repayments	-10	-21	-21
4130	Offsets against gross financing auth and disbursements (total)	-143	-69	-57
Additional offsets against financing authority only (total):				
4140	Change in uncollected pymts, Fed sources, unexpired	-12		
4160	Financing authority, net (mandatory)	169	347	299
4170	Financing disbursements, net (mandatory)	70	141	153
4180	Financing authority, net (total)	169	347	299
4190	Financing disbursements, net (total)	70	141	153

Status of Direct Loans (in millions of dollars)

Identification code 91-4255-0-3-502	2011 actual	2012 est.	2013 est.	
Position with respect to appropriations act limitation on obligations:				
1111	Limitation on direct loans	178	368	320
1142	Unobligated direct loan limitation (-)	-24		
1150	Total direct loan obligations	154	368	320
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	704	822	987
1231	Disbursements: Direct loan disbursements	137	186	186
1251	Repayments: Repayments and prepayments	-19	-21	-21
1290	Outstanding, end of year	822	987	1,152

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Federal Government resulting from direct loans obligated in 1996 and beyond. The Federal Financing Bank (FFB) purchases bonds issued by the HBCU Designated Bonding Authority. Under the policies governing Federal credit programs, bonds purchased by the FFB and supported by the Department of Education with a letter of credit create the equivalent of a Federal direct loan. HBCU bonds are also available for purchase by the private sector, and these will be treated as loan guarantees. However, the Department anticipates that all HBCU loans will be financed by the FFB. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 91-4255-0-3-502	2010 actual	2011 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	280	280
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	705	822
1402	Interest receivable	12	12
1499	Net present value of assets related to direct loans	717	834
1999	Total assets	997	1,114

LIABILITIES:

Federal liabilities:			
2102	Interest payable	12	12
2103	Debt	705	822
2201	Non-Federal liabilities: Undisbursed direct loans	280	280
2999	Total liabilities	997	1,114
4999	Total upward reestimate subsidy BA [91-0241]	997	1,114

OFFICE OF FEDERAL STUDENT AID

Federal Funds

STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1 and 3 of part A, and part C of title IV of the HEA, **[\$24,538,521,000] \$24,685,281,000**, which shall remain available through September 30, **[2013] 2014: Provided, That, of amounts provided under this heading, \$1,522,000,000 shall also be available for Pell Grants for award year 2014-2015.**

The maximum Pell Grant for which a student shall be eligible during award year **[2012-2013] 2013-2014** shall be \$4,860. (*Department of Education Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 91-0200-0-1-502	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
0101	Federal Pell grants	41,458	31,346	36,489
0201	Federal supplemental educational opportunity grants (SEOG)	740	736	735
0202	Federal work-study	986	978	1,127
0291	Campus-based activities - Subtotal	1,726	1,714	1,862
0301	Leveraging educational assistance partnership	1		
0900	Total new obligations (object class 41.0)	43,185	33,060	38,351
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	153	1,006	11,229
1021	Recoveries of prior year unpaid obligations	309		
1050	Unobligated balance (total)	462	1,006	11,229
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	24,720	24,538	24,685
1130	Appropriations permanently reduced	-49		
1143	Approp permanently reduced (Sec 527, HR 2055)		-3	
1160	Appropriation, discretionary (total)	24,671	24,535	24,685
Appropriations, mandatory:				
1200	Appropriation	19,060	18,748	13,294
1260	Appropriations, mandatory (total)	19,060	18,748	13,294
1900	Budget authority (total)	43,731	43,283	37,979
1930	Total budgetary resources available	44,193	44,289	49,208
Memorandum (non-add) entries:				
1940	Unobligated balance expiring	-2		
1941	Unexpired unobligated balance, end of year	1,006	11,229	10,857

Change in obligated balance:

Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	17,693	22,669	18,771
3030	Obligations incurred, unexpired accounts	43,185	33,060	38,351
3031	Obligations incurred, expired accounts	240		
3040	Outlays (gross)	-37,894	-36,958	-37,675
3080	Recoveries of prior year unpaid obligations, unexpired	-309		
3081	Recoveries of prior year unpaid obligations, expired	-246		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	22,669	18,771	19,447
3100	Obligated balance, end of year (net)	22,669	18,771	19,447

Budget authority and outlays, net:

Discretionary:				
4000	Budget authority, gross	24,671	24,535	24,685
Outlays, gross:				
4010	Outlays from new discretionary authority	9,275	6,333	5,938
4011	Outlays from discretionary balances	14,377	15,302	18,184
4020	Outlays, gross (total)	23,652	21,635	24,122

STUDENT FINANCIAL ASSISTANCE—Continued
Program and Financing—Continued

Identification code 91-0200-0-1-502	2011 actual	2012 est.	2013 est.
Mandatory:			
4090 Budget authority, gross	19,060	18,748	13,294
Outlays, gross:			
4100 Outlays from new mandatory authority	11,006	7,360	3,641
4101 Outlays from mandatory balances	3,236	7,963	9,912
4110 Outlays, gross (total)	14,242	15,323	13,553
4180 Budget authority, net (total)	43,731	43,283	37,979
4190 Outlays, net (total)	37,894	36,958	37,675

Status of Direct Loans (in millions of dollars)

Identification code 91-0200-0-1-502	2011 actual	2012 est.	2013 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	305	308	311
1251 Repayments: Repayments and prepayments	-19	-19	-19
Write-offs for default:			
1263 Direct loans	-3	-3	-3
1264 Other adjustments, net (+ or -)	25	25	25
1290 Outstanding, end of year	308	311	314

Notes.—Figures include, in all years, institutional matching share of defaulted notes assigned from institutions to the Education Department.

Funding from the Student Financial Assistance account and related matching funds would provide over 12.5 million awards totaling more than \$39.8 billion in available aid in award year 2013–2014.

Federal Pell grants.—Pell Grants are the single largest source of grant aid for postsecondary education. Funding for this program is provided from two sources: discretionary appropriations and, beginning in 2008, mandatory funding authorized under the College Cost Reduction and Access Act of 2007. The Recovery Act provided additional discretionary and mandatory budget authority in 2009. In 2010, the Health Care and Education Reconciliation Act provided additional budget authority for 2011 and also changed how the mandatory add-on to a student's Pell Grant is calculated and funded. In 2011, the Budget Control Act and the 2011 appropriations act made changes to the eligibility for the Pell program (in particular, ending the costly year-round Pell which allowed students to draw two full Pell awards in one year) and to the student loan programs, and used the budgetary savings to provide additional mandatory budget authority to the Pell program. Finally, the 2012 appropriations act made changes to Pell eligibility and student loan benefits, and reinvested the savings into the Pell program.

In 2013, more than 9.7 million undergraduates will receive up to \$4,860 from the discretionary award and an additional \$775 from the mandatory add-on to help pay for postsecondary education. Undergraduate students establish eligibility for these grants under award and need determination rules set out in the authorizing statute and annual appropriations act. The Budget request includes \$36.1 billion for Pell Grants in 2013, of which \$22.8 billion is discretionary, to support a projected maximum award of \$5,635.

Federal supplemental educational opportunity grants (SEOG).—Federal funds are awarded by formula to qualifying institutions, which use these funds to award grants to undergraduate students. While institutions have discretion in awarding these funds, they are required to give priority to Pell Grant recipients and other students with exceptional need. The Federal share of these grants cannot exceed 75 percent of the total grant. The 2013 Budget includes \$735 million for SEOG, which would generate \$930 million in aid to 1.4 million students.

Federal work-study.—Federal funds are awarded by formula to qualifying institutions, which provide part-time jobs to eligible undergraduate and graduate students. Hourly earnings under this program must be at least the Federal minimum wage. Federal funding, in most cases, pays 75 percent of a student's hourly wages, with the remaining 25 percent paid by the employer. The Federal Work-Study program also requires participating institutions to use at least seven percent of their total funds for students employed in community service jobs. The 2013 Budget includes \$1.13 billion for Work-Study, which would generate \$1.35 billion in aid to 793,000 students, an increase of \$150 million over the 2012 level.

Federal Perkins loans.—Institutions award low-interest loans from institutional revolving funds, which are comprised of Federal Capital Contributions, institutional matching funds, and student repayments on outstanding loans. No new Federal Capital Contributions have been appropriated since 2004. The Budget proposes to modernize and expand the Perkins Loan program so more colleges can participate and more students receive access to these loans. The proposal would increase, beginning on July 1, 2013, the annual loan amounts available to students to \$8.5 billion from the current \$1 billion. Rather than operating through institutional revolving funds, the Federal Government would originate and service Perkins Loans. Loan volume would be allocated among degree-granting institutions. This new formula will encourage colleges to control costs and offer need-based aid to prevent excessive indebtedness. Schools would have some discretion about student eligibility. Perkins Loan borrowers would be charged a 6.8 percent interest rate, the same as in the Unsubsidized Stafford Loan program. These loans would accrue interest while students are in school and other loan terms and conditions would be the same as current Unsubsidized Stafford loans. As current Perkins Loan borrowers repay their loans, schools would remit the Federal share of those payments to the Department of Education, beginning at the statutory date described in the Higher Education Act of 1965. Schools would retain their own share of the revolving funds, as well as amounts sufficient to cover the costs of the various Perkins Loan forgiveness provisions. Mandatory loan subsidy costs of this proposal would reduce 2013 outlays by \$648 million and are displayed in the Federal Perkins Loan program account.

Iraq and Afghanistan service grants.—This program, which became effective July 1, 2010, provides non-need-based grants to students whose parent or guardian was a member of the Armed Forces and died in Iraq or Afghanistan as a result of performing military service after September 11, 2001. Service Grants are equal to the maximum Pell Grant for a given award year. The Administration anticipates spending \$334,000 to support an estimated maximum of 1,000 awards in 2013.

Funding tables.—The following tables display student aid funds available, the number of aid awards, average awards, and the unduplicated count of recipients from each Federal student aid program. Loan amounts reflect the amount actually loaned to borrowers, not the Federal cost of these loans. The data in these tables include matching funds wherever appropriate. The 2013 data in these tables reflect the Administration's legislative proposals.

AID FUNDS AVAILABLE FOR POSTSECONDARY EDUCATION AND TRAINING

	[in thousands]		
	2011	2012	2013
Pell grants	35,685,485	35,648,965	36,580,260
Student loans:			
Direct student loans:			
Stafford loans	41,774,526	35,554,303	32,044,241
Unsubsidized Stafford loans	48,081,625	58,468,244	66,160,262

PLUS	19,070,152	20,651,545	22,617,667
Consolidation	23,805,621	63,477,548	28,398,445
Perkins loans	970,705	970,705	970,705
Unsubsidized Perkins loans	0	0	4,163,742
Student loans, subtotal	133,702,629	179,122,344	154,355,061
Work-study	1,168,428	1,161,150	1,348,820
Supplemental educational opportunity grants	931,633	929,872	929,872
Iraq and Afghanistan service grants	293	330	391
TEACH grants	136,951	154,070	83,621
Presidential teaching fellows	0	0	149,030
Total aid available	171,620,419	217,016,731	193,447,056

NUMBER OF AID AWARDS

(in thousands)

	2011	2012	2013
Pell grants	9,703	9,607	9,748
Direct student loans-Stafford loans	10,883	9,966	9,466
Direct student loans-Unsubsidized Stafford loans	10,796	10,804	11,398
Direct student loans-PLUS	1,539	1,586	1,654
Direct student loans-Consolidation	594	2,737	673
Perkins loans	524	524	524
Unsubsidized Perkins loans	0	0	935
Work-study	684	683	793
Supplemental educational opportunity grants	1,393	1,390	1,390
Iraq and Afghanistan service grants	0 ¹	0 ¹	0 ¹
TEACH grants	42	47	29
Presidential teaching fellows	0	0	15
Total awards	36,159	37,345	36,625

¹Number of recipients is fewer than 1,000.

AVERAGE AID AWARDS

(in whole dollars)

	2011	2012	2013
Pell grants	3,678	3,711	3,753
Direct student loans-Stafford loans	3,838	3,568	3,385
Direct student loans-Unsubsidized Stafford loans	4,454	5,412	5,804
Direct student loans-PLUS	12,390	13,019	13,675
Direct student loans-Consolidation	40,074	23,190	42,221
Perkins loans	1,852	1,852	1,852
Unsubsidized Perkins loans	0	0	4,454
Work-study	1,700	1,700	1,700
Supplemental educational opportunity grants	669	669	669
Iraq and Afghanistan service grants	4,418	4,428	4,476
TEACH grants	3,257	3,257	2,889
Presidential teaching fellows	0	0	10,000

NUMBER OF STUDENTS AIDED

(in thousands)

	2011	2012	2013
Unduplicated student count	14,713	14,805	15,246

ADMINISTRATIVE PAYMENTS TO INSTITUTIONS

(in thousands of dollars)

	2011	2012	2013
Pell grants	48,515	48,035	48,740
Work-study	72,849	72,708	72,708
Supplemental educational opportunity grants	37,265	37,195	37,195
Perkins loans	38,828	38,828	38,828

STUDENT AID ADMINISTRATION

For Federal administrative expenses to carry out part D of title I, and subparts 1, 3, [4, 9,] and [10] 9 of part A, and parts B, C, D, and E of title IV of the HEA, [\$1,045,363,000] \$1,126,363,000, to remain available until September 30, [2013] 2014. (Department of Education Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 91-0202-0-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Student aid administration	829	954	1,088
0002 Discretionary servicing activities	311	368	400
0900 Total new obligations	1,140	1,322	1,488

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	2	
1012 Unobligated balance transfers between expired and unexpired accounts	6		
1021 Recoveries of prior year unpaid obligations	4		
1050 Unobligated balance (total)	11	2	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	994	1,045	1,126
1121 Appropriations transferred from other accts [75-0340]			3
1130 Appropriations permanently reduced	-2		
1143 Approp permanently reduced (Sec 527, HR 2055)		-2	
1160 Appropriation, discretionary (total)	992	1,043	1,129
Appropriations, mandatory:			
1200 Appropriation	176	277	359
1230 Appropriations and/or unobligated balance of appropriations permanently reduced	-31		
1260 Appropriations, mandatory (total)	145	277	359
1900 Budget authority (total)	1,137	1,320	1,488
1930 Total budgetary resources available	1,148	1,322	1,488
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-6		
1941 Unexpired unobligated balance, end of year	2		

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	473	527	766
3030 Obligations incurred, unexpired accounts	1,140	1,322	1,488
3040 Outlays (gross)	-1,080	-1,083	-1,327
3080 Recoveries of prior year unpaid obligations, unexpired	-4		
3081 Recoveries of prior year unpaid obligations, expired	-2		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	527	766	927
3100 Obligated balance, end of year (net)	527	766	927

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	992	1,043	1,129
Outlays, gross:			
4010 Outlays from new discretionary authority	568	585	627
4011 Outlays from discretionary balances	334	317	414
4020 Outlays, gross (total)	902	902	1,041
Mandatory:			
4090 Budget authority, gross	145	277	359
Outlays, gross:			
4100 Outlays from new mandatory authority	80	133	172
4101 Outlays from mandatory balances	98	48	114
4110 Outlays, gross (total)	178	181	286
4180 Budget authority, net (total)	1,137	1,320	1,488
4190 Outlays, net (total)	1,080	1,083	1,327

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

	2011 actual	2012 est.	2013 est.
Enacted/requested:			
Budget Authority	1,137	1,320	1,488
Outlays	1,080	1,083	1,327
Legislative proposal, subject to PAYGO:			
Budget Authority			8
Outlays			4
Total:			
Budget Authority	1,137	1,320	1,496
Outlays	1,080	1,083	1,331

The Department of Education manages Federal student aid programs that will provide over \$193 billion in new Federal student aid grants and loans to 15 million students and parents in 2013. Primary responsibility for administering these programs lies with the Office of Postsecondary Education and the performance-based Federal Student Aid (FSA), which are both overseen by the Office of the Under Secretary. FSA was created by Congress in 1998 with a mandate to improve service to students and other student aid program participants, reduce student aid administration costs, and improve accountability and program integrity.

STUDENT AID ADMINISTRATION—Continued

Student Aid Administration

The 2013 Budget includes \$726 million for student aid administration and \$400 million for loan servicing activities, for a total of \$1.126 billion in discretionary budget authority. It also proposes to transfer the Health Education Assistance Loan (HEAL) Program from the Secretary of Health and Human Services (HHS) to the Secretary of Education (ED) and includes a transfer of \$3 million in discretionary funds from HHS to ED to service the HEAL portfolio.

In addition, the 2013 Budget includes \$359 million in mandatory funds for administrative costs of servicing contracts with not-for-profit loan servicers. These funds primarily support processing student aid applications; providing and tracking aid awards to students, parents, and schools; promoting efforts to reach key student populations; and simplifying the student aid application. The Budget also includes \$8 million in mandatory funds for administering the new proposed Perkins Loan program, described in the Student Financial Assistance account.

Servicing Cost Assumptions:

The following table details the major assumptions driving servicing costs for Federal student loans. Servicing costs are largely determined by volume (average borrower accounts per month) and the average contractual unit costs negotiated to service the volume. Average borrower accounts per month are calculated by the distribution of new unique borrower accounts to one of the multiple servicers contracted with the Department. Currently, the Department contracts with six servicers, through the Common Servicers for Borrowers (CSB) contract, the Title IV Additional Servicers (TIVAS) contract, and the new Not-For-Profit Servicers (NFP) contract. The average unit cost to service each borrower is derived by contractual pricing schedules based on different borrower statuses (e.g., in-school, in-grace/current repayment, deferment/forbearance, and delinquency). Differences in distribution among loan statuses will affect overall unit costs due to different pricing for different statuses (e.g., in-repayment borrowers cost more to service than in-school borrowers).

Trends in Assumptions:

The increases in average unit cost from 2011 to 2012, and 2012 to 2013, are partly due to the maturity of the 100 percent Direct Loan portfolio as more loans shift from in-school to in-repayment, and the assumption that borrowers will be shifted from the CSB servicer to new NFP servicers, in accordance with Section 2212 of the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111–152, 124 Stat. 1029).

Student Aid Administration Servicing Variables

	2011	2012	2013
For-Profit Servicers Average Borrower Accounts per Month	18,955,863	19,318,673	19,875,866
For-Profit Servicers Average Unit Cost per Month (whole dollars)	\$1.41	\$1.59	\$1.68
Not-For-Profit Servicers Average Borrower Accounts per Month	7,875,923	11,741,038	15,695,580
Not-For-Profit Servicers Average Unit Cost per Month (whole dollars)	\$1.46	\$1.68	\$1.76

Object Classification (in millions of dollars)

Identification code 91–0202–0–1–502	2011 actual	2012 est.	2013 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	132	136	138
11.3 Other than full-time permanent	1		
11.5 Other personnel compensation	3	2	2
11.9 Total personnel compensation	136	138	140
12.1 Civilian personnel benefits	37	37	39
21.0 Travel and transportation of persons	3	3	3
23.1 Rental payments to GSA	17	12	16
23.3 Communications, utilities, and miscellaneous charges		1	1
24.0 Printing and reproduction	2	3	3

25.1	Advisory and assistance services	5	3	5
25.2	Other services from non-Federal sources	662	705	827
25.3	Other goods and services from Federal sources	20	15	21
25.7	Operation and maintenance of equipment	255	404	432
31.0	Equipment	2	1	1
32.0	Land and structures	1		
99.9	Total new obligations	1,140	1,322	1,488

Employment Summary

Identification code 91–0202–0–1–502	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment	1,298	1,321	1,321

STUDENT AID ADMINISTRATION
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91–0202–4–1–502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0002 Servicing activities			8
0900 Total new obligations (object class 25.2)			8
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			8
1260 Appropriations, mandatory (total)			8
1930 Total budgetary resources available			8
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			8
3040 Outlays (gross)			–4
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			4
3100 Obligated balance, end of year (net)			4
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			8
Outlays, gross:			
4100 Outlays from new mandatory authority			4
4180 Budget authority, net (total)			8
4190 Outlays, net (total)			4

ACADEMIC COMPETITIVENESS/SMART GRANT PROGRAM

Program and Financing (in millions of dollars)

Identification code 91–0205–0–1–502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 ACG/SMART Grants	350		
0900 Total new obligations (object class 41.0)	350		
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	449		
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	561		
1230 Appropriations and/or unobligated balance of appropriations permanently reduced	–560		
1260 Appropriations, mandatory (total)	1		
1900 Budget authority (total)	1		
1930 Total budgetary resources available	450		
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	–100		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	383	10	
3030 Obligations incurred, unexpired accounts	350		

3031	Obligations incurred, expired accounts	627	.....	.....
3040	Outlays (gross)	-1,041	-10	.....
3081	Recoveries of prior year unpaid obligations, expired	-309	.....	.....
3090	Obligated balance, end of year (net): Unpaid obligations, end of year (gross)	10	.....	.....
3100	Obligated balance, end of year (net)	10	.....	.....
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	1	.....	.....
Outlays, gross:				
4101	Outlays from mandatory balances	1,041	10	.....
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources	-221	.....	.....
Additional offsets against gross budget authority only:				
4142	Offsetting collections credited to expired accounts	221	.....	.....
4160	Budget authority, net (mandatory)	1	.....	.....
4170	Outlays, net (mandatory)	820	10	.....
4180	Budget authority, net (total)	1	.....	.....
4190	Outlays, net (total)	820	10	.....

These need-based programs provided grants to full- and part-time students who were eligible to receive a Pell Grant. Eligibility for second-, third-, and fourth-year students was based on maintenance of a 3.0 grade point average. The Ensuring Continued Access to Student Loans Act (ECASLA) expanded the grants to non-citizens, part-time students, and students pursuing certificate programs.

Academic Competitiveness Grants (ACG).—These grants were awarded to first-year and second-year students who completed a rigorous course of study in high school. Grant levels were \$750 for first-year students and \$1,300 for second-year students.

Science and Mathematics Access to Retain Talent (SMART) Grants.—These grants were awarded to third-year and fourth-year students pursuing a major in mathematics, science, or a foreign language deemed critical to national security. Grant levels were \$4,000 for both third- and fourth-year students.

Taken together with other Federal student aid, grants could not exceed a student's cost of attendance. Program funding in excess of the amount needed to fund grants in a given year could be carried over for use in subsequent years; if the mandatory funding level was insufficient to fund program grants, grant levels were reduced.

This program expired July 1, 2011.

TEACHER EDUCATION ASSISTANCE

Program and Financing (in millions of dollars)

Identification code 91-0206-0-1-502	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
Credit program obligations:				
0701	Direct loan subsidy	22	21	23
0705	Reestimates of direct loan subsidy .....	.....	18	.....
0706	Interest on reestimates of direct loan subsidy .....	.....	2	.....
0900	Total new obligations (object class 41.0)	22	41	23
Budgetary Resources:				
Budget authority:				
Appropriations, mandatory:				
1200	Appropriation (indefinite) - Loan subsidy	22	21	23
1200	Appropriation (indefinite) - Upward reestimate .....	.....	20	.....
1260	Appropriations, mandatory (total)	22	41	23
1930	Total budgetary resources available	22	41	23
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	4	8	11
3030	Obligations incurred, unexpired accounts	22	41	23
3040	Outlays (gross)	-18	-38	-19

3090	Obligated balance, end of year (net): Unpaid obligations, end of year (gross)	8	11	15
3100	Obligated balance, end of year (net)	8	11	15
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	22	41	23
Outlays, gross:				
4100	Outlays from new mandatory authority	14	27	12
4101	Outlays from mandatory balances	4	11	7
4110	Outlays, gross (total)	18	38	19
4180	Budget authority, net (total)	22	41	23
4190	Outlays, net (total)	18	38	19

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

	2011 actual	2012 est.	2013 est.
Enacted/requested:			
Budget Authority	22	41	23
Outlays	18	38	19
Legislative proposal, subject to PAYGO:			
Budget Authority .....	.....	.....	178
Total:			
Budget Authority	22	41	201
Outlays	18	38	19

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

Identification code 91-0206-0-1-502	2011 actual	2012 est.	2013 est.	
Direct loan levels supportable by subsidy budget authority:				
115001	TEACH Grants	169	178	196
115999	Total direct loan levels	169	178	196
Direct loan subsidy (in percent):				
132001	TEACH Grants	13.31	11.69	11.71
132999	Weighted average subsidy rate	13.31	11.69	11.71
Direct loan subsidy budget authority:				
133001	TEACH Grants	22	21	23
133999	Total subsidy budget authority	22	21	23
Direct loan subsidy outlays:				
134001	TEACH Grants	17	18	19
134999	Total subsidy outlays	17	18	19
Direct loan upward reestimates:				
135001	TEACH Grants .....	.....	20	.....
135999	Total upward reestimate budget authority .....	.....	20	.....
Direct loan downward reestimates:				
137001	TEACH Grants	-6	.....	.....
137999	Total downward reestimate budget authority	-6	.....	.....

The TEACH Grant program, authorized by the College Cost Reduction and Access Act of 2007, awards annual grants of up to \$4,000 to full- or part-time undergraduate and graduate students who agree to teach mathematics, science, foreign languages, bilingual education, special education, or reading at a high-poverty school for not less than 4 years within 8 years of graduating. The program began awarding grants in the 2008-2009 award year. Students must have a grade point average of 3.25 or higher to be eligible to receive a grant. Students who fail to fulfill the service requirements must repay the grants, including interest accrued from the time of award.

Because TEACH Grants turn into loans in cases where the service requirements are not fulfilled, for budget and accounting purposes the program is operated consistent with the requirements of the Federal Credit Reform Act of 1990. This program account records subsidy costs reflecting the net present value of the estimated lifetime Federal program costs for grants awarded in a given fiscal year. Under this approach the subsidy cost reflects the cost of grant awards net of expected future repayments for grants that are converted to loans.

The 2013 Budget proposes to overhaul the TEACH Grant program, as of the end of the 2012-2013 academic year, and replace

TEACHER EDUCATION ASSISTANCE—Continued

it with a new, targeted teacher recruitment and retention program called the Presidential Teaching Fellows. This new program would provide grants to States that meet certain conditions to supply scholarships of up to \$10,000 to talented individuals attending the most effective programs in the State. These individuals would commit to teaching for at least three years in a high-need school and subject. To be eligible for funds, States would measure the effectiveness of their teacher preparation programs based on student achievement data of their graduates, among other measures, hold teacher preparation programs accountable for results, and upgrade licensure and certification standards.

TEACHER EDUCATION ASSISTANCE
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0206-4-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0002			190
Presidential Teaching Fellows			
Credit program obligations:			
0701			-12
Direct loan subsidy			
0791			-12
Direct program activities, subtotal			
0900			178
Total new obligations (object class 41.0)			
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200			-12
Appropriation (indefinite) - Loan Subsidy			
1200			190
Appropriation Presidential Teaching Fellows			
1260			178
Appropriations, mandatory (total)			
1930			178
Total budgetary resources available			
Change in obligated balance:			
3030			178
Obligations incurred, unexpired accounts			
Obligated balance, end of year (net):			
3090			178
Unpaid obligations, end of year (gross)			
3100			178
Obligated balance, end of year (net)			
Budget authority and outlays, net:			
Mandatory:			
4090			178
Budget authority, gross			
4180			178
Budget authority, net (total)			

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

Identification code 91-0206-4-1-502	2011 actual	2012 est.	2013 est.
Direct loan levels supportable by subsidy budget authority:			
115001			-99
TEACH Grants			
115999			-99
Total direct loan levels			
Direct loan subsidy (in percent):			
132001			-0.82
TEACH Grants			
132999			-0.82
Weighted average subsidy rate			
Direct loan subsidy budget authority:			
133001			-12
TEACH Grants			
133999			-12
Total subsidy budget authority			
Direct loan subsidy outlays:			
134001			-6
TEACH Grants			
134999			-6
Total subsidy outlays			

TEACH GRANT FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4290-0-3-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0710	169	178	196
Direct loan obligations			
0713	9	16	22
Payment of interest to Treasury			
0742	6		
Downward reestimate paid to receipt account			
0900	184	194	218
Total new obligations			
Budgetary Resources:			
Unobligated balance:			
1000			12
Unobligated balance brought forward, Oct 1			
1021	1	24	26
Recoveries of prior year unpaid obligations			
1023	-1		
Unobligated balances applied to repay debt			
1024		-24	-26
Unobligated balance of borrowing authority withdrawn			
1050			12
Unobligated balance (total)			
Financing authority:			
Borrowing authority, mandatory:			
1400	160	176	194
Borrowing authority			
1440	160	176	194
Borrowing authority, mandatory (total)			
Spending authority from offsetting collections, mandatory:			
1800	24	45	31
Collected			
1801		5	6
Change in uncollected payments, Federal sources			
1825			-15
Spending authority from offsetting collections applied to repay debt			
1850	24	30	22
Spending auth from offsetting collections, mand (total)			
1900	184	206	216
Financing authority (total)			
1930	184	206	228
Total budgetary resources available			
Memorandum (non-add) entries:			
1941		12	10
Unexpired unobligated balance, end of year			
Change in obligated balance:			
Obligated balance, start of year (net):			
3000	46	87	49
Unpaid obligations, brought forward, Oct 1 (gross)			
3010	-4	-4	-9
Uncollected pymts, Fed sources, brought forward, Oct 1			
3020	42	83	40
Obligated balance, start of year (net)			
3030	184	194	218
Obligations incurred, unexpired accounts			
3040	-142	-208	-211
Financing disbursements (gross)			
3050		-5	-6
Change in uncollected pymts, Fed sources, unexpired			
3080	-1	-24	-26
Recoveries of prior year unpaid obligations, unexpired			
Obligated balance, end of year (net):			
3090	87	49	30
Unpaid obligations, end of year (gross)			
3091	-4	-9	-15
Uncollected pymts, Fed sources, end of year			
3100	83	40	15
Obligated balance, end of year (net)			
Financing authority and disbursements, net:			
Mandatory:			
4090	184	206	216
Financing authority, gross			
Financing disbursements:			
4110	142	208	211
Financing disbursements, gross			
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120		-18	
Upward Reestimate			
4120		-2	
Upward Reestimate, interest			
4120	-18	-18	-19
Subsidy from Program Account			
4122	-3		
Interest on uninvested funds			
4123	-3	-4	-7
Payment of Principal			
4123		-3	-5
Interest Received			
4130		-45	-31
Offsets against gross financing auth and disbursements (total)			
4140		-5	-6
Additional offsets against financing authority only (total):			
Change in uncollected pymts, Fed sources, unexpired			
4160	160	156	179
Financing authority, net (mandatory)			
4170	118	163	180
Financing disbursements, net (mandatory)			
4180	160	156	179
Financing authority, net (total)			
4190	118	163	180
Financing disbursements, net (total)			
Status of Direct Loans (in millions of dollars)			
Identification code 91-4290-0-3-502			
Position with respect to appropriations act limitation on obligations:			
1131	169	178	196
Direct loan obligations exempt from limitation			
1150	169	178	196
Total direct loan obligations			

Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	153	278	423
1231	Disbursements: Direct loan disbursements	127	149	165
1251	Repayments: Repayments and prepayments	-2	-4	-7
1290	Outstanding, end of year	278	423	581

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

Balance Sheet (in millions of dollars)

Identification code 91-4290-0-3-502				
		2010 actual	2011 actual	
ASSETS:				
1101	Federal assets: Fund balances with Treasury	14	28	
Net value of assets related to post-1991 direct loans receivable:				
1401	Direct loans receivable, gross	153	278	
1402	Interest receivable	9	22	
1405	Allowance for subsidy cost (-)	-25	-46	
1499	Net present value of assets related to direct loans	137	254	
1999	Total assets	151	282	
LIABILITIES:				
Federal liabilities:				
2101	Accounts payable	1		
2103	Debt	150	282	
2999	Total liabilities	151	282	
4999	Total liabilities and net position	151	282	

TEACH GRANT FINANCING ACCOUNT
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-4290-4-3-502				
		2011 actual	2012 est.	2013 est.
Obligations by program activity:				
Credit program obligations:				
0710	Direct loan obligations			-99
0713	Payment of interest to Treasury			-1
0900	Total new obligations			-100
Budgetary Resources:				
Unobligated balance:				
1021	Recoveries of prior year unpaid obligations			-13
1024	Unobligated balance of borrowing authority withdrawn			13
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority			-95
1440	Borrowing authority, mandatory (total)			-95
Spending authority from offsetting collections, mandatory:				
1800	Collected			-6
1801	Change in uncollected payments, Federal sources			-5
1850	Spending auth from offsetting collections, mand (total)			-11
1900	Financing authority (total)			-106
1930	Total budgetary resources available			-106
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year			-6
Change in obligated balance:				
3030	Obligations incurred, unexpired accounts			-100
3040	Financing disbursements (gross)			106
3050	Change in uncollected pymts, Fed sources, unexpired			5
3080	Recoveries of prior year unpaid obligations, unexpired			13
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)			19
3091	Uncollected pymts, Fed sources, end of year			5
3100	Obligated balance, end of year (net)			24
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross			-106
Financing disbursements:				
4110	Financing disbursements, gross			-106

Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Subsidy from Program Account			6
Additional offsets against financing authority only (total):				
4140	Change in uncollected pymts, Fed sources, unexpired			5
4160	Financing authority, net (mandatory)			-95
4170	Financing disbursements, net (mandatory)			-100
4180	Financing authority, net (total)			-95
4190	Financing disbursements, net (total)			-100

Status of Direct Loans (in millions of dollars)

Identification code 91-4290-4-3-502				
		2011 actual	2012 est.	2013 est.
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation			-99
1150	Total direct loan obligations			-99
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year			
1231	Disbursements: Direct loan disbursements			-45
1251	Repayments: Repayments and prepayments			
1290	Outstanding, end of year			-45

STUDENT FINANCIAL ASSISTANCE DEBT COLLECTION

Special and Trust Fund Receipts (in millions of dollars)

Identification code 91-5557-0-2-502				
		2011 actual	2012 est.	2013 est.
0100	Balance, start of year			
Receipts:				
0220	Student Financial Assistance Debt Collection	10	10	10
0400	Total: Balances and collections	10	10	10
Appropriations:				
0500	Student Financial Assistance Debt Collection	-10	-10	-10
0799	Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 91-5557-0-2-502				
		2011 actual	2012 est.	2013 est.
Obligations by program activity:				
0001	Student Financial Assistance Debt Collection	5	5	5
0900	Total new obligations (object class 25.2)	5	5	5
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	16	16	15
1021	Recoveries of prior year unpaid obligations	1		
1022	Capital transfer of unobligated balances to general fund	-6	-6	-6
1050	Unobligated balance (total)	11	10	9
Budget authority:				
Appropriations, mandatory:				
1201	Appropriation (special or trust fund)	10	10	10
1260	Appropriations, mandatory (total)	10	10	10
1930	Total budgetary resources available	21	20	19
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	16	15	14
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	1	1	1
3030	Obligations incurred, unexpired accounts	5	5	5
3040	Outlays (gross)	-4	-5	-5
3080	Recoveries of prior year unpaid obligations, unexpired	-1		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	1	1	1
3100	Obligated balance, end of year (net)	1	1	1

Budget authority and outlays, net:

Mandatory:				
4090	Budget authority, gross	10	10	10
Outlays, gross:				
4101	Outlays from mandatory balances	4	5	5

STUDENT FINANCIAL ASSISTANCE DEBT COLLECTION—Continued
Program and Financing—Continued

Identification code 91-5557-0-2-502	2011 actual	2012 est.	2013 est.
4180 Budget authority, net (total)	10	10	10
4190 Outlays, net (total)	4	5	5

FEDERAL STUDENT LOAN RESERVE FUND

Program and Financing (in millions of dollars)

Identification code 91-4257-0-3-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0102 Obligations, non-Federal	12,201	8,045	7,353
0900 Total new obligations (object class 42.0)	12,201	8,045	7,353
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2,965	1,664	1,392
1020 Adjustment of unobligated bal brought forward, Oct 1	-886		
1050 Unobligated balance (total)	2,079	1,664	1,392
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	11,786	7,773	7,109
1850 Spending auth from offsetting collections, mand (total)	11,786	7,773	7,109
1930 Total budgetary resources available	13,865	9,437	8,501
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1,664	1,392	1,148
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	12,201	8,045	7,353
3040 Outlays (gross)	-12,201	-8,045	-7,353

Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	11,786	7,773	7,109
Outlays, gross:			
4100 Outlays from new mandatory authority	11,786	7,773	7,109
4101 Outlays from mandatory balances	415	272	244
4110 Outlays, gross (total)	12,201	8,045	7,353
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-11,607	-7,615	-6,956
4123 Non-Federal sources	-179	-158	-153
4130 Offsets against gross budget authority and outlays (total)	-11,786	-7,773	-7,109
4170 Outlays, net (mandatory)	415	272	244
4190 Outlays, net (total)	415	272	244

The Higher Education Amendments of 1998 clarified that reserve funds held by public and non-profit guaranty agencies participating in the Federal Family Education Loan (FFEL) program are Federal property. These reserves are used to pay default claims from FFEL lenders and fees to support agency efforts to avert defaults. The Federal Government reimburses these reserves for default claim payments. The following schedule reflects the balances in these guaranty agency funds.

Balance Sheet (in millions of dollars)

Identification code 91-4257-0-3-502	2010 actual	2011 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	2,965	1,664
1999 Total assets	2,965	1,664
NET POSITION:		
3300 Cumulative results of operations	2,965	1,664
4999 Total liabilities and net position	2,965	1,664

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-0243-0-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0705 Reestimates of direct loan subsidy	2,325	6,614	
0706 Interest on reestimates of direct loan subsidy	457	303	
0900 Total new obligations (object class 41.0)	2,782	6,917	

Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation (indefinite) - Upward reestimate	2,782	6,917	
1260 Appropriations, mandatory (total)	2,782	6,917	
1930 Total budgetary resources available	2,782	6,917	

Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	11	6	
3030 Obligations incurred, unexpired accounts	2,782	6,917	
3040 Outlays (gross)	-2,787	-6,923	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	6		
3100 Obligated balance, end of year (net)	6		

Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	2,782	6,917	
Outlays, gross:			
4100 Outlays from new mandatory authority	2,782	6,917	
4101 Outlays from mandatory balances	5	6	
4110 Outlays, gross (total)	2,787	6,923	
4180 Budget authority, net (total)	2,782	6,917	
4190 Outlays, net (total)	2,787	6,923	

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

Identification code 91-0243-0-1-502	2011 actual	2012 est.	2013 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Stafford	49,631	41,186	36,995
115002 Unsubsidized Stafford	60,470	68,052	77,114
115003 PLUS	20,080	21,971	24,054
115004 Consolidation	26,292	63,608	28,544
115999 Total direct loan levels	156,473	194,817	166,707
Direct loan subsidy (in percent):			
132001 Stafford	5.25	-0.75	-6.05
132002 Unsubsidized Stafford	-25.89	-28.26	-28.38
132003 PLUS	-30.32	-32.83	-32.66
132004 Consolidation	-9.97	-8.70	-12.30
132999 Weighted average subsidy rate	-13.91	-16.57	-21.29
Direct loan subsidy budget authority:			
133001 Stafford	2,605	-309	-2,238
133002 Unsubsidized Stafford	-15,656	-19,231	-21,885
133003 PLUS	-6,088	-7,213	-7,856
133004 Consolidation	-2,621	-5,534	-3,511
133999 Total subsidy budget authority	-21,760	-32,287	-35,490
Direct loan subsidy outlays:			
134001 Stafford	2,585	454	-1,474
134002 Unsubsidized Stafford	-12,150	-15,378	-18,479
134003 PLUS	-4,889	-6,209	-7,156
134004 Consolidation	-2,577	-5,523	-3,487
134999 Total subsidy outlays	-17,031	-26,656	-30,596
Direct loan upward reestimates:			
135005 Federal Direct Student Loans	2,782	6,917	
135999 Total upward reestimate budget authority	2,782	6,917	
Direct loan downward reestimates:			
137005 Federal Direct Student Loans	-8,471	-1,351	
137999 Total downward reestimate budget authority	-8,471	-1,351	

The Federal Government currently operates two major student loan programs: the Federal Family Education Loan (FFEL) program and the William D. Ford Federal Direct Loan (Direct Loan)

program. The Health Care and Education Reconciliation Act of 2010 (HCERA) eliminated the authorization to originate new FFEL loans. Starting July 1, 2010, all new loans are originated in the Direct Loan program. This summary section outlines the structure of these two programs and provides text tables displaying program cost data; loan volume, subsidy, default, and interest rates; and other descriptive information.

From its inception in 1965 through the end of June 2010, the FFEL program provided almost \$899 billion in loans to postsecondary students and their parents. Although no new FFEL loans will be originated, billions of outstanding FFEL loans will continue to be served by lenders. Since July 1, 1994, the Direct Loan program has provided nearly \$527 billion in new and consolidation loans to students and parents. The Direct Loan program will make over \$120.8 billion in new loans available in 2013.

Loan capital in the FFEL program was provided by private lenders, facilitated by the Federal guarantee on the loans. For the outstanding FFEL portfolio, State and private nonprofit guaranty agencies act as agents of the Federal Government, providing a variety of services including collection of some defaulted loans, default avoidance activities, and counseling to schools, students, and lenders. The Government provides substantial payments to these guaranty agencies. The Budget proposes two technical changes to the guaranty agencies' compensation via the retention of loan rehabilitation funds: eliminating their current retention share of the original defaulted student loan amount, and reducing the fee they can charge to borrower on the borrower's outstanding balance to 16 percent. This policy requires agencies to send the rehabilitated loans to the Department of Education if they cannot find a private lender buyer, but maintains their right to the 16 percent collection fee. The Government also pays interest subsidies to lenders for certain borrowers, as well as most costs associated with loan defaults and other write-offs.

Under the Direct Loan program, the Federal Government provides loan capital through the Treasury while loan origination and servicing is handled by private-sector companies under performance-based contracts with the Department. The Direct Loan program began operation in academic year 1994–1995 with seven percent of overall loan volume but will originate all future loans.

The Direct Loan program offers four types of loans: Stafford, Unsubsidized Stafford, PLUS, and Consolidation. Evidence of financial need is required for a student to receive a subsidized Stafford loan. The other three loan programs are available to borrowers at all income levels. Loans can be used only to meet qualified educational expenses.

For Stafford Loans, the College Cost Reduction and Access Act of 2007 (CCRAA) included a phased interest rate reduction for new Stafford Loans, with fixed rates dropping to 3.4 percent on July 1, 2011, and rising to 6.8 percent on July 1, 2012. Interest payments for these loans are fully subsidized by the Government while a student is in school and during grace and deferment periods. In light of current economic conditions, the Budget proposes to maintain the current 3.4 percent interest rate through July 1, 2013. The Budget Control Act of 2011 eliminated the availability of Stafford loans for graduate and professional students as of July 1, 2012. Annual and cumulative loan limits have been raised in the unsubsidized Stafford program to maintain these loan limits at their amounts prior to this legislative change. The Consolidated Appropriations Act, 2012 authorized that interest on Stafford loans issued between July 1, 2012 and July 1, 2014 will begin to accrue during the 6-month grace period after a borrower leaves school. The 2013 President's Budget proposes to further reduce the availability of the interest subsidy to bor-

rowers who borrow for more than 150 percent of their program length. Beyond the 150 percent point, interest would begin to accrue.

Borrower interest rates on new Unsubsidized Stafford loans are fixed at 6.8 percent. The fixed borrower interest rate on PLUS loans is 7.9 percent.

For loans previously originated in the FFEL program, lenders may receive an interest subsidy, commonly known as a special allowance payment, from the Government to ensure a guaranteed rate of return on the loans. Special allowance payments vary by loan type, are determined quarterly, and are based on current borrower interest rates and market-yield formulas. For periods when the borrower interest rate exceeds the special allowance rate on loans made on or after April 1, 2006, lenders remit the difference to the Government. Special allowance rates differ for for-profit and not-for-profit loan holders. For Stafford and Unsubsidized Stafford loans made on or after October 1, 2007, for example, the Federal Government must pay lenders a special allowance if the average 3-month commercial paper rate for a given quarter plus 1.79 percent for for-profit holders, or 1.94 percent for not-for-profit holders, is higher than the current interest rate charged to borrowers. The guarantee percentage paid to lenders on most defaults is 97 percent of unpaid loan principal (including any accrued interest on the full loan principal). The 2012 Appropriations Act gave holders of Federal student loans the option to change the basis for the special allowance calculation from commercial paper to the London Interbank Offered Rate (LIBOR) beginning April 1, 2012.

Consolidation loans allow borrowers to combine loans made under Title IV of the Higher Education Act—FFEL, Direct Loans, and Perkins Loans—as well as some loans made under the Public Health Service Act. The interest rate for new Consolidation loans equals the weighted average of the interest rate on the loans consolidated, rounded up to the nearest one-eighth of one percent. Interest rates for new Consolidation Loans are capped at 8.25 percent. The Consolidation estimate in 2012 reflects a special, one-time, six-month program (January to June 2012) to encourage students who have both a FFEL and a Direct Loan to consolidate their loans into one Direct Loan. As an incentive to do so, qualified borrowers would be eligible for a 0.25 percent interest rate reduction. This program accounts for approximately \$38 billion out of the \$63 billion in total Consolidation activity during 2012.

Direct Loan origination fees are 1 percent. Loans are discharged when borrowers die, are totally and permanently disabled, or under some circumstances, declare bankruptcy.

New borrowers after October 1, 1998, who are employed as teachers in schools serving low-income populations for five consecutive, complete school years, qualify for up to \$5,000 in loan forgiveness; this benefit is increased to \$17,500 for mathematics, science, and special education teachers considered highly qualified under criteria established in the Elementary and Secondary Education Act.

In addition, under a loan forgiveness program for public-sector employees, qualifying borrowers who have worked for 10 years while making payments on their student loans will have any remaining loan balance forgiven. This benefit is only available in the Direct Loan program, though FFEL borrowers may receive the benefit by taking out a Direct Consolidation Loan. It is available for all borrowers, regardless of when they took out their loans.

FFEL borrowers may choose from among four repayment plans. Repayment periods under standard, graduated, and income-sensitive repayment may not exceed 10 years. An extended repayment plan of up to 25 years is available for new borrowers with

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT—Continued
outstanding loans totaling more than \$30,000. FFEL borrowers may change repayment plans annually. Borrowers under Direct Loans may choose from the same repayment plans available in FFEL, except that instead of the income-sensitive repayment plan an income-contingent repayment is available (with terms similar to the new income-based repayment plan). Direct Loan borrowers may switch between repayment plans at any time.

In addition, since July 1, 2009, qualifying student borrowers may choose an income-based repayment plan under which monthly loan payments (except Parent PLUS) are based on the borrower's income and outstanding balances, if any, are forgiven after 25 years in repayment. (In the first three years, an interest subsidy is available for Stafford Loans and the Stafford portion of Consolidation Loans.) Monthly loan payments can be up to 15 percent of a borrower's prior-year income. (Payments cannot exceed the amount calculated under the Standard 10-year repayment option.) Beginning July 1, 2014, new loans will be eligible for a reduced maximum assessment rate of 10 percent of prior-year income with a maximum of 20 years in repayment. In October 2011, the President announced a plan that, starting in 2012, would allow about 1.6 million students to take advantage of a similar option even earlier.

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

Federal Budget Authority and Outlays

(in thousands of dollars)

	2011 actual	2012 est.	2013 est.
Program Cost:			
FFEL:			
Liquidating ¹	(268,797)	(409,628)	(334,797)
Program:			
Net Reestimate of Prior Year Costs	(24,492,931)	(15,164,122)	0
Net Modification ²	0	249,710	(3,390,397)
Subtotal, Program	(24,492,931)	(14,914,412)	(3,390,397)
Total, FFEL	(24,761,728)	(15,324,040)	(3,725,194)
Direct Loans:			
Program:			
New Loan Subsidies	(21,759,701)	(29,519,353)	(33,474,791)
Net Reestimate of Prior Year Costs	(5,689,291)	5,566,331	0
Net Modification ²	0	0	0
Total, Direct Loans	(27,448,992)	(23,953,022)	(33,474,791)
Total, FFEL and Direct Loans	(52,210,720)	(39,277,062)	(37,199,985)
Program Cost Outlays:			
FFEL:			
Liquidating ¹	(501,600)	(409,628)	(334,797)
Program:			
Net Reestimate of Prior Year Costs	(24,492,931)	(15,164,122)	0
Net Modification ²	0	249,710	(3,390,397)
Subtotal, Program	(24,492,931)	(14,914,412)	(3,390,397)
Total, FFEL	(24,994,531)	(15,324,040)	(3,725,194)
Direct Loans:			
Program:			
Regular	(17,031,332)	(24,835,902)	(28,709,333)
Net Reestimate of Prior Year Costs	(5,689,291)	5,566,331	0
Net Modification ²	0	0	0
Total, Direct Loans	(22,720,623)	(19,269,571)	(28,709,333)
Total, FFEL and Direct Loans	(47,715,155)	(34,593,611)	(32,434,526)

¹Liquidating account reflects loans made prior to 1992.

²Reflects the cost or savings associated with policy changes, including regulatory changes, those contained in the Consolidated Appropriations Act 2012, and those proposed in the 2013 President's Budget.

Summary of Default Rates¹

(expressed as percentages)

	2011 est.	2012 est.	2013 est.
Direct Loans:			
Stafford	16.87	18.97	20.42

Unsubsidized Stafford	16.44	14.62	13.80
PLUS	8.34	8.08	7.90
Consolidation	20.34	13.67	18.09
Weighted Average, Direct Loans	16.11	14.39	15.14

¹Default rates displayed in this table, which reflect projected defaults over the life of a loan cohort, are used in developing program cost estimates. The Department uses other rates based on defaults occurring in the first three years of repayment to determine institutional eligibility to participate in Federal loan programs. These three-year rates tend to be lower than those included in this table.

FFEL program payments are made to lenders (interest subsidies, loan defaults, and discharges) and guaranty agencies (default collection costs, administrative services). These payments are partially offset by borrower origination fees and lender fees for originations and an annual consolidation loan holder fee. In Direct Loans, cash outflows are primarily payments to Treasury. Cash inflows include principal and interest payments on outstanding Direct Loans.

The following table shows Government payments to and from lenders, guaranty agencies, and borrowers for specific years, regardless of when loans were originated. These flows do not reflect long-term costs to the Government, nor the value of outstanding loan assets: these are reflected in credit reform subsidy estimates. For example, defaulted FFEL loans that are repaid through consolidation produce cash revenue in the current year as the underlying loans are paid off, which is included in the table. But these consolidations also incur estimated future costs — such as subsequent re-defaults, loan discharges, and lender interest subsidy payments — that are not reflected.

The Federal Credit Reform Act of 1990 accounts for differences in the amount and timing of cash flows among direct and guaranteed loan programs to make cost estimates for these programs comparable with each other and other Federal programs.

Selected Program Costs and Offsets

(in thousands of dollars)

	2011 actual	2012 est.	2013 est.
FFEL:			
Payments to lenders			
Interest benefits	1,757,890	1,185,874	786,232
Special allowance payments ¹	(7,333,821)	(4,937,351)	(3,913,312)
Default claims	9,563,719	6,761,828	6,140,871
Loan discharges	2,756,000	953,750	855,702
Teacher loan forgiveness	185,251	185,846	191,989
Administrative payments to guaranty agencies	214,322	216,890	189,879
Fees paid to the Department of Education			
Borrower origination fees	(8,510)	—	—
Lender origination fees	(18,336)	—	—
Loan holder fees	(2,217,342)	(1,846,207)	(1,581,762)
Other Major Transactions			
Net default collections	(8,851,143)	(7,483,485)	(7,313,092)
Contract collection costs	73,000	67,018	64,219
Federal administrative costs	81,537	73,576	71,345
Net Cash Flow, FFEL	(3,797,433)	(4,822,263)	(4,507,929)
Ensuring Continued Access to Student Loans (ECASLA)			
Inflows	(9,083,565)	(12,012,645)	(13,515,141)
Outflows	8,977,260	13,335,757	14,168,835
Federal administrative costs	172,133	199,706	225,927
Net Cash Flow, ECASLA	65,828	1,522,819	879,621
Direct Loans			
Loan disbursements to borrowers	133,536,448	176,699,498	147,282,603
Borrower interest payments	(3,804,961)	(8,586,181)	(12,556,662)
Borrower principal payments	(12,221,212)	(24,380,680)	(37,638,217)
Borrower origination fees	(1,623,287)	(1,727,301)	(1,845,064)
Net default collections	(1,246,854)	(2,612,585)	(3,346,779)
Contract collection costs	293,158	328,055	282,415
Federal administrative costs	652,293	777,803	891,817
Net operating cash flows	115,595,585	140,498,607	93,070,114
Loan capital borrowings from Treasury	(133,536,448)	(176,699,498)	(147,282,603)
Net interest payments to Treasury	10,828,019	21,461,263	27,903,833
Principal payments to Treasury	10,972,137	28,795,403	27,173,549
Subtotal Treasury activity	(111,736,292)	(126,442,832)	(92,205,221)
Net Cash Flow, Direct Loans	3,859,293	14,055,775	864,893

Details may not sum to totals due to rounding.

¹Includes Negative Special Allowance Payments.

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

(expressed as percentages)

	2011 actual	2012 est.	2013 est.
Direct Loans			
New Loans			
Stafford	10.63	5.94	-0.95
Unsubsidized Stafford	-18.60	-28.26	-28.38
PLUS	-24.75	-32.83	-32.66
Subtotal, new loan subsidy	-8.42	-18.29	-21.78
Federal administrative costs	1.76	1.72	1.70
Subtotal, new loans	-6.66	-16.57	-20.08
Consolidation Loans			
Loan subsidy	-7.79	-8.68	-11.85
Federal administrative costs	0.38	0.38	0.38
Subtotal, consolidation loans	-7.41	-8.30	-11.47
New and Consolidation Loans			
Loan subsidy	-8.32	-15.15	-20.08
Federal administrative costs	1.51	1.24	1.45
Total, Direct Loans	-6.81	-13.91	-18.63

Totals may not add due to rounding. Subsidies are weighted on Gross Volumes.

Notes: For 2011, the rates are current; these include the actual executed rates for 2011 and the effect of re-estimates on those rates.

The chart above describes Direct Loan costs on a subsidy rate basis: program costs calculated under the Federal Credit Reform Act of 1990 and comparably projected estimates of Federal administrative costs. As with any long-term projection, the comparison is based on assumed future interest rates, borrower characteristics, administrative costs, and other factors over the life of the loan cohort. To the degree actual conditions differ from projections, estimated subsidy rates will change.

The Federal Credit Reform Act of 1990 requires the cost of existing loan cohorts to be reestimated to reflect changes in actual and assumed borrower behavior, interest rates, and other factors. The following table shows the impact of these reestimates in FFEL and Direct Loans.

Loan Disbursement and Subsidy Costs

(amounts in billions)

	FFEL	Direct Loans
Original Subsidy Costs	+\$77.1	-\$27.1
Cumulative Reestimates	-\$44.3	+\$9.8
Net Subsidy Costs	+\$32.8	-\$17.3
Total Disbursements	+\$898.7	\$526.6

Changes in interest rate projections are a significant factor in FFEL and Direct Loan reestimates; recent declines in interest rates below historical averages have accordingly been a major driver in changes to program costs. Changes in borrower behavior (notably, prepayment of loans through consolidation) have also contributed to these reestimates.

Direct Loan Repayment Options

(expressed as percentages)

Subsidies by Repayment Option	2011 actual ¹	2012 est.	2013 est.
Stafford			
Standard	10.37	5.41	-1.02
Extended	11.24	8.50	-3.14
Graduated	12.24	9.63	-2.03
ICR/IBR	17.68	16.02	16.06
Unsubsidized Stafford			
Standard	-18.00	-27.58	-27.69
Extended	-28.26	-39.21	-39.26
Graduated	-27.35	-38.74	-38.95
ICR/IBR	17.57	15.99	15.73
PLUS ²			
Standard	-22.33	-30.01	-29.85
Extended	-38.65	-48.69	-48.45
Graduated	-39.50	-50.05	-49.90
Consolidated			

Standard	-12.47	-8.75	-14.84
Extended	-19.41	-17.55	-25.28
Graduated	-18.37	-18.40	-24.75
ICR/IBR	19.41	18.93	19.45

Direct Loan Repayment Options

(gross volumes in millions)

Volumes by Repayment Option	2011 actual ¹	2012 est.	2013 est.
Stafford			
Standard	41,458	36,450	32,741
Extended	1,183	1,040	934
Graduated	3,648	3,208	2,881
ICR/IBR	556	489	439
Unsubsidized Stafford			
Standard	48,376	59,302	67,198
Extended	1,736	2,128	2,412
Graduated	4,622	5,665	6,420
ICR/IBR	781	957	1,084
PLUS ²			
Standard	17,185	18,839	20,625
Extended	632	693	758
Graduated	2,225	2,439	2,671
Consolidated			
Standard	7,364	32,805	8,808
Extended	5,812	11,483	6,964
Graduated	5,290	11,491	6,313
ICR/IBR	5,773	7,830	6,460

¹2011 rates are current; these include actual executed rates for 2011 and the effect of re-estimates on those rates.

²ICR/IBR are not available repayment options for PLUS loans.

Summary of Consolidation Initiative

(in millions of dollars)

	2012 Est ¹
Program Cost:	
Direct Loans:	
New Loan Volume	38,553
New Loan Subsidy Rate	-6.85
Net Subsidy Cost	(2,641)
Modification of FFEL loans ²	250
Total Savings, FFEL and Direct Loans	(2,391)

¹Savings from the Consolidation loan incentive will be used to offset proposed changes to the Income-Contingent Repayment plan.

²Modification of existing FFEL loans for cohorts 1994–2010. Net of \$713 downward modification and \$963 million upward modification.

FEDERAL DIRECT STUDENT LOAN PROGRAM ACCOUNT

(Legislative proposal, subject to PAYGO)

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

Identification code 91–0243–4–1–502	2011 actual	2012 est.	2013 est.
Direct loan subsidy (in percent):			
132001 Stafford		6.69	5.10
132004 Consolidation		0.02	0.45
132999 Weighted average subsidy rate		1.42	1.21
Direct loan subsidy budget authority:			
133001 Stafford		2,755	1,887
133004 Consolidation		13	128
133999 Total subsidy budget authority		2,768	2,015
Direct loan subsidy outlays:			
134001 Stafford		1,808	1,760
134004 Consolidation		12	127
134999 Total subsidy outlays		1,820	1,887

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91–4253–0–3–502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0201 Interest rate rebate, Stafford	282	124	

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

Identification code 91-4253-0-3-502	2011 actual	2012 est.	2013 est.
0202 Interest rate rebate, Unsubsidized Stafford	327	141	.....
0203 Interest rate rebate, PLUS	123	168	.....
0291 Subtotal	732	433	.....
0301 Consolidation loans—Payment of Orig. Services	29	124	27
0401 Payment of contract collection costs	293	328	282
Credit program obligations:			
0710 Direct loan obligations	156,473	194,817	166,707
0713 Payment of interest to Treasury	14,321	21,497	28,011
0740 Negative subsidy obligations	21,760	32,287	35,490
0742 Downward reestimate paid to receipt account	7,949	1,103	.....
0743 Interest on downward reestimates	522	248	.....
0791 Direct program activities, subtotal	201,025	249,952	230,208
0900 Total new obligations	202,079	250,837	230,517
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2,334	1,818	.....
1021 Recoveries of prior year unpaid obligations	7,203	5,389	6,610
1023 Unobligated balances applied to repay debt	-3,696	-1,818	.....
1024 Unobligated balance of borrowing authority withdrawn	-5,803	-5,389	-6,610
1050 Unobligated balance (total)	38	.....	.....
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	186,888	228,456	202,197
1440 Borrowing authority, mandatory (total)	186,888	228,456	202,197
Spending authority from offsetting collections, mandatory:			
1800 Collected	25,161	44,225	55,422
1825 Spending authority from offsetting collections applied to repay debt	-8,190	-21,844	-27,102
1850 Spending auth from offsetting collections, mand (total)	16,971	22,381	28,320
1900 Financing authority (total)	203,859	250,837	230,517
1930 Total budgetary resources available	203,897	250,837	230,517
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1,818	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	55,290	77,058	95,851
3030 Obligations incurred, unexpired accounts	202,079	250,837	230,517
3040 Financing disbursements (gross)	-173,108	-226,655	-206,199
3080 Recoveries of prior year unpaid obligations, unexpired	-7,203	-5,389	-6,610
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	77,058	95,851	113,559
3100 Obligated balance, end of year (net)	77,058	95,851	113,559
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	203,859	250,837	230,517
Financing disbursements:			
4110 Financing disbursements, gross	173,108	226,655	206,199
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate	-2,325	-6,614	.....
4120 Upward reestimate, interest	-457	-303	.....
4122 Interest on uninvested funds	-3,493	.....	.....
4123 Repayment of principal, Stafford	-3,334	-5,739	-8,852
4123 Interest received on loans, Stafford	-566	-1,195	-1,851
4123 Origination Fees, Stafford	-625	-388	-318
4123 Other fees, Stafford	-28	.....	.....
4123 Repayment of principal, Unsubsidized Stafford	-3,333	-7,162	-11,503
4123 Interest received on loans, Unsubsidized Stafford	-795	-1,688	-2,939
4123 Origination Fees, Unsubsidized Stafford	-726	-540	-652
4123 Other fees, Unsubsidized Stafford	-20	.....	.....
4123 Repayment of principal, PLUS	-2,744	-3,814	-6,198
4123 Interest received on loans, PLUS	-936	-1,712	-2,532
4123 Origination Fees, PLUS	-273	-799	-875
4123 Other fees, PLUS	-5	.....	.....
4123 Payment of principal, Consolidation	-3,497	-9,985	-14,072
4123 Interest received on loans, Consolidation	-1,955	-4,286	-5,630
4123 Other fees, Consolidation	-49	.....	.....
4130 Offsets against gross financing auth and disbursements (total)	-25,161	-44,225	-55,422
4160 Financing authority, net (mandatory)	178,698	206,612	175,095
4170 Financing disbursements, net (mandatory)	147,947	182,430	150,777
4180 Financing authority, net (total)	178,698	206,612	175,095

4190 Financing disbursements, net (total)	147,947	182,430	150,777
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Status of Direct Loans (in millions of dollars)

Identification code 91-4253-0-3-502	2011 actual	2012 est.	2013 est.
STAFFORD			
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	49,631	41,186	36,995
1150 Total direct loan obligations	49,631	41,186	36,995
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	57,692	96,590	129,529
1231 Disbursements: Direct loan disbursements	41,864	38,812	31,842
1251 Repayments: Repayments and prepayments	-3,334	-5,739	-8,852
1261 Adjustments: Capitalized interest	891	.....	110
1264 Write-offs for default: Other adjustments, net (+ or -)	-523	-134	-152
1290 Outstanding, end of year	96,590	129,529	152,477
UNSUBSIDIZED STAFFORD			
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	60,470	68,052	77,114
1150 Total direct loan obligations .....	.....	.....	.....
1150 Total direct loan obligations	60,470	68,052	77,114
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	59,487	105,150	155,202
1231 Disbursements: Direct loan disbursements	48,617	54,038	65,189
1251 Repayments: Repayments and prepayments	-3,333	-7,162	-11,503
1261 Adjustments: Capitalized interest	919	3,310	5,096
1264 Write-offs for default: Other adjustments, net (+ or -)	-540	-134	-168
1290 Outstanding, end of year	105,150	155,202	213,816
PLUS			
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	20,080	21,971	24,054
1150 Total direct loan obligations .....	.....	.....	.....
1150 Total direct loan obligations	20,080	21,971	24,054
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	19,864	35,531	52,037
1231 Disbursements: Direct loan disbursements	18,285	19,970	21,869
1251 Repayments: Repayments and prepayments	-2,744	-3,814	-6,198
1261 Adjustments: Capitalized interest	306	425	758
1264 Write-offs for default: Other adjustments, net (+ or -)	-180	-75	-98
1290 Outstanding, end of year	35,531	52,037	68,368
CONSOLIDATION			
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	26,292	63,608	28,544
1150 Total direct loan obligations .....	.....	.....	.....
1150 Total direct loan obligations	26,292	63,608	28,544
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	83,479	104,552	157,726
1231 Disbursements: Direct loan disbursements	24,038	63,446	28,382
1251 Repayments: Repayments and prepayments	-3,497	-9,985	-14,072
1261 Adjustments: Capitalized interest	1,289	.....	29
1264 Write-offs for default: Other adjustments, net (+ or -)	-757	-287	-355
1290 Outstanding, end of year	104,552	157,726	171,710
As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from Federal Direct Student Loans. The amounts in this account are a means of financing and are not included in the budget totals.			
Balance Sheet (in millions of dollars)			
Identification code 91-4253-0-3-502	2010 actual	2011 actual	
ASSETS:			
Federal assets:			
1101 Fund balances with Treasury	10,369	17,606	
Investments in US securities:			
1106 Receivables, net	2,850	101	
1206 Non-Federal assets: Receivables, net	4	7	

Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	220,522	341,823
1402	Interest receivable	9,655	13,726
1405	Allowance for subsidy cost (-)	-1,969	25,905
1499	Net present value of assets related to direct loans	228,208	381,454
1999	Total assets	241,431	399,168
LIABILITIES:			
Federal liabilities:			
2101	Accounts payable	145	3,307
2103	Debt	237,190	392,374
2201	Non-Federal liabilities: Accounts payable	4,096	3,487
2999	Total liabilities	241,431	399,168
4999	Total liabilities and net position	241,431	399,168

1290	Outstanding, end of year	-61
CONSOLIDATION		
Cumulative balance of direct loans outstanding:		
1210	Outstanding, start of year	
1251	Repayments: Repayments and prepayments	-3
1290	Outstanding, end of year	-3

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-0231-0-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0704	Subsidy for modifications of loan guarantees	963	
0705	Reestimates of direct loan subsidy	29	716
0706	Interest on reestimates of direct loan subsidy	1	86
0707	Reestimates of loan guarantee subsidy	78	96
0708	Interest on reestimates of loan guarantee subsidy	69	48
0900	Total new obligations (object class 41.0)	177	1,909
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200	Appropriation	177	1,909
1260	Appropriations, mandatory (total)	177	1,909
1930	Total budgetary resources available	177	1,909
Change in obligated balance:			
3030	Obligations incurred, unexpired accounts	177	1,909
3040	Outlays (gross)	-177	-1,909
Budget authority and outlays, net:			
Mandatory:			
4090	Budget authority, gross	177	1,909
Outlays, gross:			
4100	Outlays from new mandatory authority	177	1,909
4180	Budget authority, net (total)	177	1,909
4190	Outlays, net (total)	177	1,909

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

Identification code 91-0231-0-1-502	2011 actual	2012 est.	2013 est.
Direct loan upward reestimates:			
135012	Direct Standard Put Reestimates	31	801
135999	Total upward reestimate budget authority	31	801
Direct loan downward reestimates:			
137010	Direct Participation Agreement Reestimates	-5,352	-1,621
137012	Direct Standard Put Reestimates	-563	-719
137999	Total downward reestimate budget authority	-5,915	-2,340
Guaranteed loan subsidy outlays:			
234006	FFEL Guarantees		250
234999	Total subsidy outlays		250
Guaranteed loan upward reestimates:			
235006	FFEL Guarantees	146	144
235999	Total upward reestimate budget authority	146	144
Guaranteed loan downward reestimates:			
237006	FFEL Guarantees	-18,754	-13,769
237999	Total downward reestimate subsidy budget authority	-18,754	-13,769

As required by the Federal Credit Reform Act of 1990, this program account records the subsidy costs associated with Federal Family Education Loans (FFEL), formerly guaranteed student loans (GSL), committed in 1992 and beyond. Beginning with the 1993 cohort, mandatory administrative costs, specifically contract collection costs, are included in the FFEL subsidy estimates of each year's cohort. Subsidy amounts are estimated on a net present value basis.

FEDERAL DIRECT STUDENT LOAN PROGRAM FINANCING ACCOUNT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-4253-4-3-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0713	Payment of interest to Treasury	-35	-107
0740	Negative subsidy obligations	-2,768	-2,015
0900	Total new obligations	-2,803	-2,122
Budgetary Resources:			
Financing authority:			
Borrowing authority, mandatory:			
1400	Borrowing authority	-2,768	-2,015
1440	Borrowing authority, mandatory (total)	-2,768	-2,015
Spending authority from offsetting collections, mandatory:			
1800	Collected	-1	-35
1825	Spending authority from offsetting collections applied to repay debt	-34	-72
1850	Spending auth from offsetting collections, mand (total)	-35	-107
1900	Financing authority (total)	-2,803	-2,122
1930	Total budgetary resources available	-2,803	-2,122
Change in obligated balance:			
Obligated balance, start of year (net):			
3000	Unpaid obligations, brought forward, Oct 1 (gross)		-947
3030	Obligations incurred, unexpired accounts	-2,803	-2,122
3040	Financing disbursements (gross)	1,856	1,994
Obligated balance, end of year (net):			
3090	Unpaid obligations, end of year (gross)	-947	-1,075
3100	Obligated balance, end of year (net)	-947	-1,075
Financing authority and disbursements, net:			
Mandatory:			
4090	Financing authority, gross	-2,803	-2,122
Financing disbursements:			
4110	Financing disbursements, gross	-1,856	-1,994
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123	Repayment of principal, Stafford		-14
4123	Repayment of interest, Stafford		42
4123	Payment of principal, Consolidation		-2
4123	Interest received on loans, Consolidation	1	9
4130	Offsets against gross financing auth and disbursements (total)	1	35
4160	Financing authority, net (mandatory)	-2,802	-2,087
4170	Financing disbursements, net (mandatory)	-1,855	-1,959
4180	Financing authority, net (total)	-2,802	-2,087
4190	Financing disbursements, net (total)	-1,855	-1,959

Status of Direct Loans (in millions of dollars)

Identification code 91-4253-4-3-502	2011 actual	2012 est.	2013 est.
STAFFORD			
Cumulative balance of direct loans outstanding:			
1210	Outstanding, start of year		
1251	Repayments: Repayments and prepayments		-14
1261	Adjustments: Capitalized interest		-47

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT—Continued
A description of the FFEL program and accompanying tables are included under the Federal Direct Student Loan program account.

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT
(Legislative proposal, subject to PAYGO)

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

Identification code 91-0231-4-1-502	2011 actual	2012 est.	2013 est.
Guaranteed loan subsidy outlays:			
234006 FFEL Guarantees			-3,390
234999 Total subsidy outlays			-3,390

FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4251-0-3-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0101 Default claims	2,535	1,491	1,161
0102 Special allowance	31	55	33
0103 Interest benefits	1,284	680	403
0104 Death, disability, and bankruptcy claims	343	106	79
0105 Teacher loan forgiveness, other write-offs	48	105	108
0107 Contract collection costs	21	16	15
0110 Guaranty Agency account maintenance fees	43	31	24
0191 Subtotal, Stafford loans	4,305	2,484	1,823
0202 Default claims	2,280	1,253	993
0203 Special allowance	27	57	34
0204 Death, disability, and bankruptcy claims	397	94	67
0205 Teacher loan forgiveness, other write-offs	75	81	84
0207 Contract collection costs	7	8	9
0210 Guaranty Agency account maintenance fees	45	26	21
0291 Subtotal, Unsubsidized Stafford loans	2,831	1,519	1,208
0301 Default claims	308	208	177
0304 Death, disability, and bankruptcy claims	135	51	39
0307 Contract Collection Costs	2	1	1
0310 Guaranty Agency account maintenance fees	11	9	8
0391 Subtotal, PLUS loans	456	269	225
0403 Default claims	7		
0404 Death, disability and bankruptcy claims	3		
0407 Contract collection costs	2	1	1
0491 Subtotal, SLS loans	12	1	1
0501 Default claims	4,358	3,741	3,747
0502 Special allowance	8	102	84
0503 Interest benefits	471	503	381
0504 Death, disability, and bankruptcy claims	1,862	687	656
0505 Teacher loan forgiveness, other write-offs	63		
0507 Contract collection costs	4	10	12
0510 Guaranty Agency account maintenance fees	114	151	137
0591 Subtotal, Consolidations loans	6,880	5,194	5,017
Credit program obligations:			
0713 Payment of interest to Treasury	1,330		
0741 Modification savings		713	
0742 Downward reestimate paid to receipt account	14,533	10,450	
0743 Interest on downward reestimates	4,221	3,319	
0791 Direct program activities, subtotal	20,084	14,482	
0900 Total new obligations	34,568	23,949	8,274
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	9,052	11,839	2,961
1021 Recoveries of prior year unpaid obligations	128		
1050 Unobligated balance (total)	9,180	11,839	2,961
Financing authority:			
Appropriations, mandatory:			
1200 Appropriation		73	
1260 Appropriations, mandatory (total)		73	
Borrowing authority, mandatory:			
1400 Borrowing authority	18,754		

1440 Borrowing authority, mandatory (total)	18,754		
Spending authority from offsetting collections, mandatory:			
1800 Collected	18,473	15,108	12,606
1820 Capital transfer of spending authority from offsetting collections to general fund		-110	
1850 Spending auth from offsetting collections, mand (total)	18,473	14,998	12,606
1900 Financing authority (total)	37,227	15,071	12,606
1930 Total budgetary resources available	46,407	26,910	15,567
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	11,839	2,961	7,293

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	2,647	2,454	2,454
3030 Obligations incurred, unexpired accounts	34,568	23,949	8,274
3040 Financing disbursements (gross)	-34,633	-23,949	-8,274
3080 Recoveries of prior year unpaid obligations, unexpired	-128		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	2,454	2,454	2,454
3100 Obligated balance, end of year (net)	2,454	2,454	2,454

Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross	37,227	15,071	12,606
Financing disbursements:			
4110 Financing disbursements, gross	34,633	23,949	8,274
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate	-78	-96	
4120 Interest on upward reestimate	-68	-48	
4120 Upward Modification		-963	
4122 Interest on uninvested funds	-464	-48	-5
4123 Stafford recoveries on defaults	-2,670	-2,167	-2,019
4123 Stafford borrower origination fees	-2		
4123 Stafford lender origination fees	-7		
4123 Stafford other fees	-103		
4123 Stafford special allowance rebate	-2,070	-1,130	-824
4123 Unsubsidized Stafford recoveries on default	-1,279	-1,670	-1,587
4123 Unsubsidized Stafford borrower origination fees	-2		
4123 Unsubsidized Stafford lender origination fees	-9		
4123 Unsubsidized Stafford other fees	-76		
4123 Unsubsidized Stafford special allowance rebate	-2,421	-1,445	-1,116
4123 PLUS recoveries on defaults	-370	-207	-206
4123 PLUS borrower origination fees	-5		
4123 PLUS lender origination fees	-3		
4123 PLUS other fees	-17		
4123 PLUS special allowance rebate	-909	-511	-407
4123 SLS recoveries on defaults	-73	-26	-18
4123 SLS other fees	-4		
4123 Consolidation recoveries on defaults	-3,469	-2,886	-3,042
4123 Consolidation loan holders fee		-1,846	-1,582
4123 Consolidation other fees	-2,217		
4123 Consolidation special allowance rebate	-156	-2,065	-1,800
4123 Consolidation special allowance rebate	-2,001		
4130 Offsets against gross financing auth and disbursements (total)	-18,473	-15,108	-12,606
4160 Financing authority, net (mandatory)	18,754	-37	
4170 Financing disbursements, net (mandatory)	16,160	8,841	-4,332
4180 Financing authority, net (total)	18,754	-37	
4190 Financing disbursements, net (total)	16,160	8,841	-4,332

Status of Guaranteed Loans (in millions of dollars)

Identification code 91-4251-0-3-502	2011 actual	2012 est.	2013 est.
STAFFORD			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	76,906	55,818	39,175
2251 Repayments and prepayments	-6,087	-14,755	-3,705
Adjustments:			
2261 Terminations for default that result in loans receivable	-2,878	-1,676	-1,231
2263 Terminations for default that result in claim payments	-343	-106	-79
2264 Other adjustments, net	-11,780	-106	-109
2290 Outstanding, end of year	55,818	39,175	34,051
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year	54,143	38,000	32,349
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year	6,557	6,994	6,190

2331	Disbursements for guaranteed loan claims	2,878	1,676	1,231
2351	Repayments of loans receivable	-2,332	-2,167	-2,019
2361	Write-offs of loans receivable	-343	-313	-261
2364	Other adjustments, net	234		
2390	Outstanding, end of year	6,994	6,190	5,141
UNSUBSIDIZED STAFFORD				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	81,123	58,593	41,576
2251	Repayments and prepayments	-6,421	-15,410	-5,049
Adjustments:				
2261	Terminations for default that result in loans receivable	-2,677	-1,432	-1,050
2263	Terminations for default that result in claim payments	-397	-94	-67
2264	Other adjustments, net	-13,035	-81	-84
2290	Outstanding, end of year	58,593	41,576	35,326
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	56,835	40,329	33,560
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	6,490	7,820	7,203
2331	Disbursements for guaranteed loan claims	2,677	1,432	1,050
2351	Repayments of loans receivable	-1,212	-1,670	-1,587
2361	Write-offs of loans receivable	-397	-379	-333
2364	Other adjustments, net	262		
2390	Outstanding, end of year	7,820	7,203	6,333
PLUS				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	20,794	13,791	9,557
2251	Repayments and prepayments	-1,646	-3,956	-1,441
Adjustments:				
2261	Terminations for default that result in loans receivable	-443	-227	-185
2263	Terminations for default that result in claim payments	-135	-51	-39
2264	Other adjustments, net	-4,779		
2290	Outstanding, end of year	13,791	9,557	7,892
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	13,377	9,271	7,498
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	604	603	506
2331	Disbursements for guaranteed loan claims	443	227	185
2351	Repayments of loans receivable	-328	-207	-206
2361	Write-offs of loans receivable	-135	-117	-91
2364	Other adjustments, net	19		
2390	Outstanding, end of year	603	506	394
SLS				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	106	94	81
2251	Repayments and prepayments	-8	-12	-4
Adjustments:				
2261	Terminations for default that result in loans receivable	-10	-1	
2263	Terminations for default that result in claim payments	-3		
2264	Other adjustments, net	9		
2290	Outstanding, end of year	94	81	77
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	91	78	73
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	350	306	279
2331	Disbursements for guaranteed loan claims	10	1	
2351	Repayments of loans receivable	-61	-26	-18
2361	Write-offs of loans receivable	-3	-2	-2
2364	Other adjustments, net	10		
2390	Outstanding, end of year	306	279	259
CONSOLIDATION				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	210,665	198,540	164,766
2251	Repayments and prepayments	-16,675	-29,187	-12,031

Adjustments:				
2261	Terminations for default that result in loans receivable	-6,220	-3,900	-3,811
2263	Terminations for default that result in claim payments	-1,862	-687	-656
2264	Other adjustments, net	12,632		
2290	Outstanding, end of year	198,540	164,766	148,268
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	187,693	159,823	140,854
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	12,358	14,067	13,264
2331	Disbursements for guaranteed loan claims	6,220	3,900	3,811
2351	Repayments of loans receivable	-3,121	-2,886	-3,042
2361	Write-offs of loans receivable	-1,862	-1,817	-1,690
2364	Other adjustments, net	472		
2390	Outstanding, end of year	14,067	13,264	12,343

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

Balance Sheet (in millions of dollars)

Identification code 91-4251-0-3-502	2010 actual	2011 actual	
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	11,326	13,920
Investments in US securities:			
1106	Receivables, net	934	333
1206	Non-Federal assets: Receivables, net	280	115
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1501	Defaulted guaranteed loans receivable, gross	26,359	29,790
1502	Interest receivable	2,436	4,236
1505	Allowance for subsidy cost (-)	-3,853	-5,400
1599	Net present value of assets related to defaulted guaranteed loans	24,942	28,626
1999	Total assets	37,482	42,994
LIABILITIES:			
Federal liabilities:			
2101	Accounts payable	11,180	3,192
2103	Debt	10,730	29,485
Non-Federal liabilities:			
2201	Accounts payable	254	333
2204	Liabilities for loan guarantees	15,318	9,984
2999	Total liabilities	37,482	42,994
4999	Total liabilities and net position	37,482	42,994

FEDERAL FAMILY EDUCATION LOAN PROGRAM FINANCING ACCOUNT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-4251-4-3-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0102	Special allowance—Stafford		5
0203	Special allowance—Unsubsidized Stafford		6
0502	Special allowance—Consolidation		8
Credit program obligations:			
0713	Payment of interest to Treasury		61
0741	Modification savings		3,390
0791	Direct program activities, subtotal		3,451
0900	Total new obligations		3,470
Budgetary Resources:			
Financing authority:			
Appropriations, mandatory:			
1200	Appropriation- Positive MAT		429
1260	Appropriations, mandatory (total)		429

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

Identification code 91-4251-4-3-502	2011 actual	2012 est.	2013 est.
Borrowing authority, mandatory:			
1400	Borrowing authority		3,390
1440	Borrowing authority, mandatory (total)		3,390
Spending authority from offsetting collections, mandatory:			
1800	Collected		-69
1850	Spending auth from offsetting collections, mand (total)		-69
1900	Financing authority (total)		3,750
1930	Total budgetary resources available		3,750
Memorandum (non-add) entries:			
1941	Unexpired unobligated balance, end of year		280
Change in obligated balance:			
3030	Obligations incurred, unexpired accounts		3,470
3040	Financing disbursements (gross)		-3,470
Financing authority and disbursements, net:			
Mandatory:			
4090	Financing authority, gross		3,750
Financing disbursements:			
4110	Financing disbursements, gross		3,470
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122	Interest on uninvested funds		5
4123	Stafford special allowance rebate		8
4123	Unsubsidized Stafford special allowance rebate		11
4123	PLUS special allowance rebate		4
4123	Consolidation special allowance rebate		41
4130	Offsets against gross financing auth and disbursements (total)		69
4160	Financing authority, net (mandatory)		3,819
4170	Financing disbursements, net (mandatory)		3,539
4180	Financing authority, net (total)		3,819
4190	Financing disbursements, net (total)		3,539

Status of Guaranteed Loans (in millions of dollars)

Identification code 91-4251-4-3-502	2011 actual	2012 est.	2013 est.
STAFFORD			
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year		
2351	Repayments of loans receivable		-118
2361	Write-offs of loans receivable		6
2390	Outstanding, end of year		-112
UNSUBSIDIZED STAFFORD			
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year		
2351	Repayments of loans receivable		-94
2361	Write-offs of loans receivable		5
2390	Outstanding, end of year		-89
PLUS			
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year		
2351	Repayments of loans receivable		-14
2361	Write-offs of loans receivable		3
2390	Outstanding, end of year		-11
SLS			
Addendum:			
Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year		
2351	Repayments of loans receivable		-1
2390	Outstanding, end of year		-1

CONSOLIDATION

Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310	Outstanding, start of year		
2351	Repayments of loans receivable		-245
2361	Write-offs of loans receivable		29
2390	Outstanding, end of year		-216

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4453-0-3-502	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
0006	Contract collection costs	7	26	59
Credit program obligations:				
0713	Payment of interest to Treasury	2,916	2,914	2,762
0742	Downward reestimate paid to receipt account	5,040	1,491	
0743	Interest on downward reestimates	312	130	
0791	Direct program activities, subtotal	8,268	4,535	2,762
0900	Total new obligations	8,275	4,561	2,821
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	3,252	1,021	
1021	Recoveries of prior year unpaid obligations	1,886		
1023	Unobligated balances applied to repay debt	-3,252	-1,021	
1024	Unobligated balance of borrowing authority withdrawn	-997		
1050	Unobligated balance (total)	889		
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	5,352	1,621	
1440	Borrowing authority, mandatory (total)	5,352	1,621	
Spending authority from offsetting collections, mandatory:				
1800	Collected	5,431	7,544	8,466
1825	Spending authority from offsetting collections applied to repay debt	-2,376	-4,604	-5,645
1850	Spending auth from offsetting collections, mand (total)	3,055	2,940	2,821
1900	Financing authority (total)	8,407	4,561	2,821
1930	Total budgetary resources available	9,296	4,561	2,821
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	1,021		
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	14,977	11,652	11,652
3030	Obligations incurred, unexpired accounts	8,275	4,561	2,821
3040	Financing disbursements (gross)	-9,714	-4,561	-2,821
3080	Recoveries of prior year unpaid obligations, unexpired	-1,886		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	11,652	11,652	11,652
3100	Obligated balance, end of year (net)	11,652	11,652	11,652
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	8,407	4,561	2,821
Financing disbursements:				
4110	Financing disbursements, gross	9,714	4,561	2,821
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4122	Interest on uninvested funds	-385		
4123	Principal repayments	-4,287	-5,839	-6,576
4123	Interest repayments	-755	-1,705	-1,890
4123	Fees	-4		
4130	Offsets against gross financing auth and disbursements (total)	-5,431	-7,544	-8,466
4160	Financing authority, net (mandatory)	2,976	-2,983	-5,645
4170	Financing disbursements, net (mandatory)	4,283	-2,983	-5,645
4180	Financing authority, net (total)	2,976	-2,983	-5,645
4190	Financing disbursements, net (total)	4,283	-2,983	-5,645

Status of Direct Loans (in millions of dollars)

Identification code 91-4453-0-3-502	2011 actual	2012 est.	2013 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	62,931	61,125	56,283
1232 Disbursements: Purchase of loans assets from the public	1,442		
1251 Repayments: Repayments and prepayments	-5,046	-5,838	-6,576
1261 Adjustments: Capitalized interest		1,108	1,003
1264 Write-offs for default: Other adjustments, net (+ or -)	1,798	-112	-106
1290 Outstanding, end of year	61,125	56,283	50,604

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

Balance Sheet (in millions of dollars)

Identification code 91-4453-0-3-502	2010 actual	2011 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	10,104	5,546
Investments in US securities:		
1106 Receivables, net	556	1,075
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	62,931	61,125
1402 Interest receivable	1,665	2,993
1405 Allowance for subsidy cost (-)	5,090	8,564
1499 Net present value of assets related to direct loans	69,686	72,682
1999 Total assets	80,346	79,303
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	769	
2103 Debt	79,577	79,302
2201 Non-Federal liabilities: Accounts payable		1
2999 Total liabilities	80,346	79,303
4999 Total liabilities and net position	80,346	79,303

STUDENT LOAN ACQUISITION ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4449-0-3-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0005 Contract collection costs	7	18	36
Credit program obligations:			
0713 Payment of interest to Treasury	1,552	1,735	1,625
0742 Downward reestimate paid to receipt account	518	658	
0743 Interest on downward reestimates	46	61	
0791 Direct program activities, subtotal	2,116	2,454	1,625
0900 Total new obligations	2,123	2,472	1,661
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	768	247	
1021 Recoveries of prior year unpaid obligations	2,976		
1023 Unobligated balances applied to repay debt	-768	-247	
1024 Unobligated balance of borrowing authority withdrawn	-2,976		
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	647	719	
1440 Borrowing authority, mandatory (total)	647	719	
Spending authority from offsetting collections, mandatory:			
1800 Collected	3,695	5,270	5,048
1825 Spending authority from offsetting collections applied to repay debt	-1,972	-3,517	-3,387
1850 Spending auth from offsetting collections, mand (total)	1,723	1,753	1,661
1900 Financing authority (total)	2,370	2,472	1,661
1930 Total budgetary resources available	2,370	2,472	1,661

1941	247		
Memorandum (non-add) entries:			
Unexpired unobligated balance, end of year	247		

3000	4,382	306	306
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	4,382	306	306
3030 Obligations incurred, unexpired accounts	2,123	2,472	1,661
3040 Financing disbursements (gross)	-3,223	-2,472	-1,661
3080 Recoveries of prior year unpaid obligations, unexpired	-2,976		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	306	306	306
3100 Obligated balance, end of year (net)	306	306	306

4090	2,370	2,472	1,661
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	2,370	2,472	1,661
Financing disbursements:			
4110 Financing disbursements, gross	3,223	2,472	1,661
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Upward reestimate	-29	-715	
4120 Upward reestimate interest	-2	-86	
4122 Interest on uninvested funds	-76		
4123 Principal repayments	-3,093	-3,484	-3,942
4123 Borrower interest repayments	-491	-985	-1,106
4123 Fees	-4		
4130 Offsets against gross financing auth and disbursements (total)	-3,695	-5,270	-5,048
4160 Financing authority, net (mandatory)	-1,325	-2,798	-3,387
4170 Financing disbursements, net (mandatory)	-472	-2,798	-3,387
4180 Financing authority, net (total)	-1,325	-2,798	-3,387
4190 Financing disbursements, net (total)	-472	-2,798	-3,387

Status of Direct Loans (in millions of dollars)

Identification code 91-4449-0-3-502	2011 actual	2012 est.	2013 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	36,623	35,822	33,016
1232 Disbursements: Purchase of loans assets from the public	1,073		
1251 Repayments: Repayments and prepayments	-3,588	-3,484	-3,942
1261 Adjustments: Capitalized interest		744	653
1264 Write-offs for default: Other adjustments, net (+ or -)	1,714	-66	-64
1290 Outstanding, end of year	35,822	33,016	29,663

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

Balance Sheet (in millions of dollars)

Identification code 91-4449-0-3-502	2010 actual	2011 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	957	84
Investments in US securities:		
1106 Receivables, net	2,519	1,661
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	36,623	35,822
1402 Interest receivable	1,400	1,879
1405 Allowance for subsidy cost (-)	4,256	4,415
1499 Net present value of assets related to direct loans	42,279	42,116
1999 Total assets	45,755	43,861
LIABILITIES:		
Federal liabilities:		
2101 Accounts payable	550	
2103 Debt	45,205	43,860
2201 Non-Federal liabilities: Accounts payable		1
2999 Total liabilities	45,755	43,861
4999 Total liabilities and net position	45,755	43,861

TEMPORARY STUDENT LOAN PURCHASE AUTHORITY CONDUIT FINANCING
ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4459-0-3-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0003 Contract collection costs	12	74	91
Credit program obligations:			
0713 Payment of interest to Treasury	48	45	55
0900 Total new obligations	60	119	146
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	3	79	105
1023 Unobligated balances applied to repay debt	-3	-79	-105
Financing authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	227	627	741
1825 Spending authority from offsetting collections applied to repay debt	-88	-403	-508
1850 Spending auth from offsetting collections, mand (total)	139	224	233
1930 Total budgetary resources available	139	224	233
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	79	105	87
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	73,261	72,637	71,730
3030 Obligations incurred, unexpired accounts	60	119	146
3040 Financing disbursements (gross)	-684	-1,026	-850
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	72,637	71,730	71,026
3100 Obligated balance, end of year (net)	72,637	71,730	71,026
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross	139	224	233
Financing disbursements:			
4110 Financing disbursements, gross	684	1,026	850
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4122 Interest on uninvested funds	-18		
4123 Direct Conduit Fees	-141	-53	-44
4123 Principal repayments	-53	-457	-566
4123 Interest repayments	-15	-65	-89
4123 FFB Commitment Fee		-52	-42
4130 Offsets against gross financing auth and disbursements (total)	-227	-627	-741
4160 Financing authority, net (mandatory)	-88	-403	-508
4170 Financing disbursements, net (mandatory)	457	399	109
4180 Financing authority, net (total)	-88	-403	-508
4190 Financing disbursements, net (total)	457	399	109

Status of Direct Loans (in millions of dollars)

Identification code 91-4459-0-3-502	2011 actual	2012 est.	2013 est.
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	544	1,121	1,571
1232 Disbursements: Purchase of loans assets from the public	632	907	704
1251 Repayments: Repayments and prepayments	-209	-457	-566
1261 Adjustments: Capitalized interest			
1264 Write-offs for default: Other adjustments, net (+ or -)	154		
1290 Outstanding, end of year	1,121	1,571	1,709

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

Balance Sheet (in millions of dollars)

Identification code 91-4459-0-3-502	2010 actual	2011 actual
ASSETS:		
1101 Federal assets: Fund balances with Treasury	335	38
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	544	1,121
1402 Interest receivable	27	55
1405 Allowance for subsidy cost (-)	-102	-233
1499 Net present value of assets related to direct loans	469	943
1999 Total assets	804	981
LIABILITIES:		
2103 Federal liabilities: Debt	804	963
2201 Non-Federal liabilities: Accounts payable		18
2999 Total liabilities	804	981
4999 Total liabilities and net position	804	981

FEDERAL FAMILY EDUCATION LOAN LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-0230-0-1-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0101 Interest benefits, net of origination fees	3	3	3
0103 Default claims	67	59	54
0104 Death, disability, and bankruptcy claims	12	11	10
0105 Contract collection costs	31	26	22
0191 Subtotal, Stafford loans	113	99	89
0201 Default claims	8	10	9
0202 Death, disability, and bankruptcy claims	5	4	4
0205 Contract collection costs	7	5	4
0291 Subtotal, PLUS/SLS loans	20	19	17
0900 Total new obligations	133	118	106
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	56	236	
1021 Recoveries of prior year unpaid obligations	5		
1022 Capital transfer of unobligated balances to general fund	-56	-236	
1050 Unobligated balance (total)	5		
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	633	528	441
1820 Capital transfer of spending authority from offsetting collections to general fund	-269	-410	-335
1850 Spending auth from offsetting collections, mand (total)	364	118	106
1900 Budget authority (total)	364	118	106
1930 Total budgetary resources available	369	118	106
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	236		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	24	21	21
3030 Obligations incurred, unexpired accounts	133	118	106
3040 Outlays (gross)	-131	-118	-106
3080 Recoveries of prior year unpaid obligations, unexpired	-5		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	21	21	21
3100 Obligated balance, end of year (net)	21	21	21
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	364	118	106
Outlays, gross:			
4100 Outlays from new mandatory authority	131	98	106
4101 Outlays from mandatory balances		20	
4110 Outlays, gross (total)	131	118	106
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Fed collections on defaulted loans, stafford	-94	-146	-122
4123 Fed collections on bankruptcies, Stafford	-2	-3	-2
4123 Offsets against Federal tax refunds, Stafford	-256	-157	-131

4123	Reimbursements from guaranty agencies, Stafford	-147	-110	-92
4123	Other collections, Stafford	-30	-32	-27
4123	Federal collections on defaulted loans, PLUS/SLS	-61	-44	-37
4123	Federal collections on bankruptcies, PLUS/SLS	-1	-1	-1
4123	Offsets against Federal tax refunds, PLUS/SLS	-20	-12	-10
4123	Reimbursements from guaranty agencies, PLUS/SLS	-22	-23	-19
4130	Offsets against gross budget authority and outlays (total) ...	-633	-528	-441
4160	Budget authority, net (mandatory)	-269	-410	-335
4170	Outlays, net (mandatory)	-502	-410	-335
4180	Budget authority, net (total)	-269	-410	-335
4190	Outlays, net (total)	-502	-410	-335

1799	Value of assets related to loan guarantees	2,394	3,675
1999	Total assets	2,474	3,931
LIABILITIES:			
2104	Federal liabilities: Resources payable to Treasury	2,399	3,886
Non-Federal liabilities:			
2201	Accounts payable	3	4
2204	Liabilities for loan guarantees	72	41
2999	Total liabilities	2,474	3,931
4999	Total liabilities and net position	2,474	3,931

Status of Guaranteed Loans (in millions of dollars)

Identification code 91-0230-0-1-502	2011 actual	2012 est.	2013 est.	
STAFFORD LOANS				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	767	692	621
2251	Repayments and prepayments	-22	-16	-13
Adjustments:				
2261	Terminations for default that result in loans receivable	-79	-44	-40
2263	Terminations for default that result in claim payments	-12	-11	-10
2264	Other adjustments, net	38		
2290	Outstanding, end of year	692	621	558

Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	672	602	530

Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	5,767	5,375	5,163
2331	Disbursements for guaranteed loan claims	79	44	40
2351	Repayments of loans receivable	-297	-217	-181
2361	Write-offs of loans receivable	-12	-11	-11
2364	Other adjustments, net	-162	-28	-23
2390	Outstanding, end of year	5,375	5,163	4,988

PLUS/SLS LOANS				
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	102	90	79
2251	Repayments and prepayments	-3	-3	-2
Adjustments:				
2261	Terminations for default that result in loans receivable	-13	-4	-3
2263	Terminations for default that result in claim payments	-5	-4	-4
2264	Other adjustments, net	9		
2290	Outstanding, end of year	90	79	70

Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	87	77	67

Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	915	853	812
2331	Disbursements for guaranteed loan claims	13	4	3
2351	Repayments of loans receivable	-44	-36	-30
2361	Write-offs of loans receivable	-5	-5	-4
2364	Other adjustments, net	-26	-4	-4
2390	Outstanding, end of year	853	812	777

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

Balance Sheet (in millions of dollars)

Identification code 91-0230-0-1-502	2010 actual	2011 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	80	256
1701	Defaulted guaranteed loans, gross	6,682	6,228
1702	Interest receivable	223	4,034
1703	Allowance for estimated uncollectible loans and interest (-)	-4,511	-6,587

Object Classification (in millions of dollars)

Identification code 91-0230-0-1-502	2011 actual	2012 est.	2013 est.	
Direct obligations:				
33.0	Investments and loans	113	100	90
41.0	Grants, subsidies, and contributions	3	3	2
42.0	Insurance claims and indemnities	17	15	14
99.9	Total new obligations	133	118	106

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

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

Identification code 91-0217-4-1-502	2011 actual	2012 est.	2013 est.
Direct loan levels supportable by subsidy budget authority:			
115001	Federal Perkins Loans		4,737
115999	Total direct loan levels		4,737
Direct loan subsidy (in percent):			
132001	Federal Perkins Loans		-29.10
132999	Weighted average subsidy rate		-29.10
Direct loan subsidy budget authority:			
133001	Federal Perkins Loans		-1,379
133999	Total subsidy budget authority		-1,379
Direct loan subsidy outlays:			
134001	Federal Perkins Loans		-648
134999	Total subsidy outlays		-648

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

Program and Financing (in millions of dollars)

Identification code 91-4574-4-3-502	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0710	Direct loan obligations		4,737
0713	Payment of interest to Treasury		54
0740	Negative subsidy obligations		1,379
0900	Total new obligations		6,170
Budgetary Resources:			
Financing authority:			
Borrowing authority, mandatory:			
1400	Borrowing authority		6,147
1440	Borrowing authority, mandatory (total)		6,147
Spending authority from offsetting collections, mandatory:			
1800	Collected		23
1850	Spending auth from offsetting collections, mand (total)		23
1900	Financing authority (total)		6,170
1930	Total budgetary resources available		6,170
Change in obligated balance:			
3030	Obligations incurred, unexpired accounts		6,170
3040	Financing disbursements (gross)		-2,928

FEDERAL PERKINS LOAN FINANCING ACCOUNT—Continued
Program and Financing—Continued

Identification code 91-4574-4-3-502	2011 actual	2012 est.	2013 est.
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			3,242
3100 Obligated balance, end of year (net)			3,242
Financing authority and disbursements, net:			
Mandatory:			
4090 Financing authority, gross			6,170
4110 Financing disbursements, gross			2,928
Offsets against gross financing authority and disbursements:			
Offsets against gross financing authority and disbursements:			
4123 Offsetting collections (collected) from:			
4123 Payment of principal			-1
4123 Origination fees			-22
4130 Offsets against gross financing auth and disbursements (total)			-23
4160 Financing authority, net (mandatory)			6,147
4170 Financing disbursements, net (mandatory)			2,905
4180 Financing authority, net (total)			6,147
4190 Financing disbursements, net (total)			2,905

Status of Direct Loans (in millions of dollars)

Identification code 91-4574-4-3-502	2011 actual	2012 est.	2013 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans			4,737
1150 Total direct loan obligations			4,737
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year			
1231 Disbursements: Direct loan disbursements			2,226
1251 Repayments: Repayments and prepayments			-1
1261 Adjustments: Capitalized interest			
1264 Write-offs for default: Other adjustments, net (+ or -)			
1290 Outstanding, end of year			2,225

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM ACCOUNT

Consistent with the 2012 President's Budget, in 2013, the Health Education Assistance Loan (HEAL) program will be transferred to the Department of Education from the Department of Health and Human Services. The Department of Education will assume responsibility for the program and the authority to administer, service, collect, and enforce the program as well as the functions, assets, and liabilities of the Secretary of Health and Human Services will be permanently transferred to the Secretary of Education.

HEALTH EDUCATION ASSISTANCE LOANS FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4300-0-3-552	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0711 Default claim payments on principal			13
0900 Total new obligations			13
Budgetary Resources:			
Unobligated balance:			
1011 Unobligated balance transfer from other accts [75-4304]			52
1050 Unobligated balance (total)			52
Financing authority:			
1800 Spending authority from offsetting collections, mandatory: Collected			6

1850 Spending auth from offsetting collections, mand (total)			6
1930 Total budgetary resources available			58
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year			45

Change in obligated balance:

3030 Obligations incurred, unexpired accounts			13
3040 Financing disbursements (gross)			-12
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			1
3100 Obligated balance, end of year (net)			1

Financing authority and disbursements, net:

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

Status of Guaranteed Loans (in millions of dollars)

Identification code 91-4300-0-3-552	2011 actual	2012 est.	2013 est.
Position with respect to appropriations act limitation on commitments:			
2143 Uncommitted limitation carried forward			
2150 Total guaranteed loan commitments			
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			
2251 Repayments and prepayments			-15
Adjustments:			
2261 Terminations for default that result in loans receivable			-9
2263 Terminations for default that result in claim payments			-4
2264 Other adjustments, net			499
2290 Outstanding, end of year			471
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			471

Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year			
2331 Disbursements for guaranteed loan claims			9
2351 Repayments and prepayments			-3
2361 Write-offs of loans receivable			
2364 Other adjustments, net			181
2390 Outstanding, end of year			187

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from the Health Education Assistance Loan program. Amounts in this account are a means of financing and are not included in the budget totals.

HEALTH EDUCATION ASSISTANCE LOANS LIQUIDATING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 91-4299-0-3-552	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0713 Payment of interest to Treasury			2

INSTITUTE OF EDUCATION SCIENCES
Federal Funds

INSTITUTE OF EDUCATION SCIENCES

For carrying out activities authorized by the Education Sciences Reform Act of 2002, the National Assessment of Educational Progress Authorization Act, section 208 of the Educational Technical Assistance Act of 2002, and section 664 of the Individuals with Disabilities Education Act, **[\$594,788,000] \$621,150,000**, which shall remain available through September 30, **[2013] 2014: Provided**, That funds available to carry out section 208 of the Educational Technical Assistance Act may be used to link Statewide elementary and secondary data systems with early childhood, postsecondary, and workforce data systems, or to further develop such systems: *Provided further*, That up to **[\$11,000,000] \$26,000,000** of the funds available to carry out section 208 of the Educational Technical Assistance Act may be used for awards to public or private organizations or agencies to support activities to improve data coordination, quality, and use at the local, State, and national levels. (*Department of Education Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 91-1100-0-1-503	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Research, development, and dissemination	200	190	202
0002 Statistics	110	113	115
0003 Regional educational laboratories	29	71	71
0004 National Assessment	130	135	125
0005 National Assessment Governing Board	9	9	8
0006 Research in special education	60	50	50
0007 Statewide data systems	29	63	53
0008 Special education studies and evaluations	11	11	11
0100 Total direct program	578	642	635
0799 Total direct obligations	578	642	635
0801 Reimbursable program	2	2	2
0900 Total new obligations	580	644	637

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	23	62	13
1021 Recoveries of prior year unpaid obligations	7		
1050 Unobligated balance (total)	30	62	13
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	610	595	622
1130 Appropriations permanently reduced	-1		
1143 Approp permanently reduced (Sec 527, HR 2055)		-1	
1160 Appropriation, discretionary (total)	609	594	622
Spending authority from offsetting collections, discretionary:			
1700 Collected	2	1	2
1701 Change in uncollected payments, Federal sources	1		
1750 Spending auth from offsetting collections, disc (total)	3	1	2
1900 Budget authority (total)	612	595	624
1930 Total budgetary resources available	642	657	637
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	62	13	

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1,240	1,120	1,025
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-1	-2	-2
3020 Obligated balance, start of year (net)	1,239	1,118	1,023
3030 Obligations incurred, unexpired accounts	580	644	637
3031 Obligations incurred, expired accounts	1		
3040 Outlays (gross)	-688	-739	-552
3050 Change in uncollected pymts, Fed sources, unexpired	-1		
3080 Recoveries of prior year unpaid obligations, unexpired	-7		
3081 Recoveries of prior year unpaid obligations, expired	-6		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1,120	1,025	1,110
3091 Uncollected pymts, Fed sources, end of year	-2	-2	-2
3100 Obligated balance, end of year (net)	1,118	1,023	1,108

Budgetary Resources:

Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			1
1260 Appropriations, mandatory (total)			1
Spending authority from offsetting collections, mandatory:			
1800 Collected			10
1820 Capital transfer of spending authority from offsetting collections to general fund			-9
1850 Spending auth from offsetting collections, mand (total)			1
1900 Budget authority (total)			2
1930 Total budgetary resources available			2

Change in obligated balance:

3030 Obligations incurred, unexpired accounts			2
3040 Outlays (gross)			-2

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross			2
Outlays, gross:			
4100 Outlays from new mandatory authority			2
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources			-10
4180 Budget authority, net (total)			-8
4190 Outlays, net (total)			-8

Status of Guaranteed Loans (in millions of dollars)

Identification code 91-4299-0-3-552	2011 actual	2012 est.	2013 est.
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year			
2251 Repayments and prepayments			-10
Adjustments:			
2261 Terminations for default that result in loans receivable			-1
2264 Other adjustments, net			69
2290 Outstanding, end of year			58
Memorandum:			
2299 Guaranteed amount of guaranteed loans outstanding, end of year			58

Addendum:

Cumulative balance of defaulted guaranteed loans that result in loans receivable:			
2310 Outstanding, start of year			
2331 Disbursements for guaranteed loan claims			1
2351 Repayments of loans receivable			-8
2361 Write-offs of loans receivable			-21
2364 Other adjustments, net			346
2390 Outstanding, end of year			318

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

Object Classification (in millions of dollars)

Identification code 91-4299-0-3-552	2011 actual	2012 est.	2013 est.
Direct obligations:			
33.0 Investments and loans			1
42.0 Insurance claims and indemnities			1
99.9 Total new obligations			2

INSTITUTE OF EDUCATION SCIENCES—Continued
Program and Financing—Continued

Identification code 91-1100-0-1-503	2011 actual	2012 est.	2013 est.
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	612	595	624
Outlays, gross:			
4010 Outlays from new discretionary authority	120	49	51
4011 Outlays from discretionary balances	568	690	501
4020 Outlays, gross (total)	688	739	552
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-1	-1	-2
4033 Non-Federal sources	-1		
4040 Offsets against gross budget authority and outlays (total) ...	-2	-1	-2
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-1		
4070 Budget authority, net (discretionary)	609	594	622
4080 Outlays, net (discretionary)	686	738	550
4180 Budget authority, net (total)	609	594	622
4190 Outlays, net (total)	686	738	550

Research and Statistics:

Research, development, and dissemination.—Funds support a diverse portfolio of investigator-led research and development, evaluation studies, research and development centers, and dissemination activities that provide parents, teachers, and schools with evidence-based information on effective educational practice. Funds requested in 2013 would be used to expand research and evaluation efforts on topics in early childhood, elementary, secondary, and postsecondary education.

Statistics.—Funds support the Department's statistical data collection activities, which are conducted by the National Center for Education Statistics (NCES). NCES collects, analyzes, and disseminates statistics on education at all levels, from preschool through postsecondary and adult education, including statistics on international education activities. The 2013 request would allow NCES to continue its on-going portfolio of activities, including collecting and reporting information on sub-baccalaureate education and training for adults, as well as to obtain State-level Program for International Student Assessment (PISA) data.

Regional educational laboratories.—Funds support a network of 10 regional laboratories that provide expert advice, including training and technical assistance, to help States and school districts apply proven research findings in their school improvement efforts.

Assessment.—Funds support the National Assessment of Educational Progress (NAEP) and the National Assessment Governing Board (NAGB). NAEP administers assessments to samples of students in order to gather reliable information about educational attainment in important academic areas. NAGB is responsible for formulating NAEP policy. The request for 2013 would support the 2013 national and State reading and math assessments at grades 4, 8, and 12, as well as assessments in certain large urban districts, and preparation for future assessments.

Research in special education.—Funds support research to address gaps in scientific knowledge in order to improve special education and early intervention services and results for infants, toddlers, and children with disabilities.

Statewide data systems.—Funds support competitive awards to State educational agencies to foster the design, development, and implementation of longitudinal data systems. In 2013, funding would support systems that include early childhood, postsecondary, and workforce information; awards to public and private agencies to improve data coordination, quality, and use

at the local, State, and national levels; and a special postsecondary and workforce initiative designed to improve the quality of information on students as they move from high school into postsecondary education and training, and then into the workforce.

Special education studies and evaluations.—Funds support studies, evaluations, and assessments related to the implementation of the Individuals with Disabilities Education Act in order to improve special education and early intervention services and results for infants, toddlers, and children with disabilities.

Object Classification (in millions of dollars)

Identification code 91-1100-0-1-503	2011 actual	2012 est.	2013 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	1	1	1
11.3 Other than full-time permanent		1	1
11.9 Total personnel compensation	1	2	2
25.1 Advisory and assistance services	24	33	32
25.2 Other services from non-Federal sources	260	240	243
25.5 Research and development contracts	124	109	106
25.7 Operation and maintenance of equipment		1	1
41.0 Grants, subsidies, and contributions	167	256	250
99.0 Direct obligations	576	641	634
99.0 Reimbursable obligations	2	2	2
99.5 Below reporting threshold	2	1	1
99.9 Total new obligations	580	644	637

Employment Summary

Identification code 91-1100-0-1-503	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment	14	15	15

DEPARTMENTAL MANAGEMENT

Federal Funds

PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of three passenger motor vehicles, **[\$447,104,000] \$463,815,000, of which \$2,211,000, to remain available until expended, shall be for relocation of, and renovation of buildings occupied by, Department staff. (Department of Education Appropriations Act, 2012.)**

Special and Trust Fund Receipts (in millions of dollars)

Identification code 91-0800-0-1-503	2011 actual	2012 est.	2013 est.
0100 Balance, start of year			
Receipts:			
0220 Contributions	1		
0400 Total: Balances and collections	1		
Appropriations:			
0500 Program Administration	-1		
0799 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 91-0800-0-1-503	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Program administration	456	446	464
0801 Reimbursable program	3	4	4
0900 Total new obligations	459	450	468

Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	2	3	2
1021	Recoveries of prior year unpaid obligations	1		
1050	Unobligated balance (total)	3	3	2
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	456	447	464
1130	Appropriations permanently reduced	-1		
1143	Approp permanently reduced (Sec 527, HR 2055)		-1	
1160	Appropriation, discretionary (total)	455	446	464
Appropriations, mandatory:				
1201	Appropriation (special or trust fund)	1		
1260	Appropriations, mandatory (total)	1		
Spending authority from offsetting collections, discretionary:				
1700	Collected	2	3	3
1701	Change in uncollected payments, Federal sources	1		
1750	Spending auth from offsetting collections, disc (total)	3	3	3
1900	Budget authority (total)	459	449	467
1930	Total budgetary resources available	462	452	469
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	3	2	1

Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	148	139	130
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-1	-1	-1
3020	Obligated balance, start of year (net)	147	138	129
3030	Obligations incurred, unexpired accounts	459	450	468
3031	Obligations incurred, expired accounts	3		
3040	Outlays (gross)	-460	-459	-455
3050	Change in uncollected pymts, Fed sources, unexpired	-1		
3051	Change in uncollected pymts, Fed sources, expired	1		
3080	Recoveries of prior year unpaid obligations, unexpired	-1		
3081	Recoveries of prior year unpaid obligations, expired	-10		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	139	130	143
3091	Uncollected pymts, Fed sources, end of year	-1	-1	-1
3100	Obligated balance, end of year (net)	138	129	142

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	458	449	467
Outlays, gross:				
4010	Outlays from new discretionary authority	359	355	363
4011	Outlays from discretionary balances	98	103	92
4020	Outlays, gross (total)	457	458	455
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-3	-3	-3
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	-1		
4052	Offsetting collections credited to expired accounts	1		
4070	Budget authority, net (discretionary)	455	446	464
4080	Outlays, net (discretionary)	454	455	452
Mandatory:				
4090	Budget authority, gross	1		
Outlays, gross:				
4100	Outlays from new mandatory authority	1		
4101	Outlays from mandatory balances	2	1	
4110	Outlays, gross (total)	3	1	
4180	Budget authority, net (total)	456	446	464
4190	Outlays, net (total)	457	456	452

The Program Administration account includes the direct Federal costs of providing grants and administering elementary and secondary education; Indian education; English language acquisition; higher education; career, technical, and adult education; special education programs; and programs for persons with disabilities. It also supports assessment, statistics, and research activities.

In addition, this account includes the cost of providing centralized support and administrative services, overall policy development, and strategic planning for the Department. Included in the centralized activities are rent and mail services; telecommunications; contractual services; financial management and ac-

counting, including payments to schools, education agencies and other grant recipients, and preparation of auditable financial statements; information technology services; personnel management; personnel security; budget formulation and execution; legal services; congressional and public relations; and intergovernmental affairs.

Included in this account is the Department of Education's cost to relocate staff and renovate buildings occupied by Department staff.

Also included in this account are contributions from the public. Activities supported include receptions for Blue Ribbon Schools and Historically Black Colleges and Universities. Contributions not designated for a specific purpose are in the account's Gifts and Bequests Miscellaneous Fund.

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

Object Classification (in millions of dollars)

Identification code 91-0800-0-1-503	2011 actual	2012 est.	2013 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	199	209	211
11.3	Other than full-time permanent	29	14	14
11.5	Other personnel compensation	4	3	3
11.9	Total personnel compensation	232	226	228
12.1	Civilian personnel benefits	63	60	61
13.0	Benefits for former personnel	2	3	
21.0	Travel and transportation of persons	6	5	5
23.1	Rental payments to GSA	42	42	44
23.3	Communications, utilities, and miscellaneous charges		2	3
24.0	Printing and reproduction	2	1	1
25.1	Advisory and assistance services	3	3	3
25.2	Other services from non-Federal sources	16	18	18
25.3	Other goods and services from Federal sources	27	25	28
25.7	Operation and maintenance of equipment	52	58	70
26.0	Supplies and materials	1	1	1
31.0	Equipment	4	1	1
32.0	Land and structures	5	1	1
99.0	Direct obligations	455	446	464
99.0	Reimbursable obligations	3	4	4
99.5	Below reporting threshold	1		
99.9	Total new obligations	459	450	468

Employment Summary

Identification code 91-0800-0-1-503	2011 actual	2012 est.	2013 est.	
1001	Direct civilian full-time equivalent employment	2,128	2,074	2,064

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, **[\$102,818,000]** \$105,318,000. (Department of Education Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 91-0700-0-1-751	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
0001	Civil rights	103	103	105
Budgetary Resources:				
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	103	103	105
1160	Appropriation, discretionary (total)	103	103	105
1930	Total budgetary resources available	103	103	105

OFFICE FOR CIVIL RIGHTS—Continued
Program and Financing—Continued

Identification code 91-0700-0-1-751	2011 actual	2012 est.	2013 est.
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	20	18	19
3030 Obligations incurred, unexpired accounts	103	103	105
3040 Outlays (gross)	-104	-102	-103
3081 Recoveries of prior year unpaid obligations, expired	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	18	19	21
3100 Obligated balance, end of year (net)	18	19	21
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	103	103	105
Outlays, gross:			
4010 Outlays from new discretionary authority	91	88	89
4011 Outlays from discretionary balances	13	14	14
4020 Outlays, gross (total)	104	102	103
4180 Budget authority, net (total)	103	103	105
4190 Outlays, net (total)	104	102	103

The Office for Civil Rights is responsible for ensuring that no person is unlawfully discriminated against on the basis of race, color, national origin, sex, disability, or age in the delivery of services or the provision of benefits in programs or activities of schools and institutions receiving financial assistance from the Department of Education. The authorities under which the Office for Civil Rights operates are Title VI of the Civil Rights Act of 1964 (racial and ethnic discrimination), Title IX of the Education Amendments of 1972 (sex discrimination), section 504 of the Rehabilitation Act of 1973 (discrimination against individuals with a disability), the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and the Boy Scouts of America Equal Access Act of 2002.

Object Classification (in millions of dollars)

Identification code 91-0700-0-1-751	2011 actual	2012 est.	2013 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	59	59	59
11.3 Other than full-time permanent	3	3	3
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	63	63	63
12.1 Civilian personnel benefits	17	17	17
21.0 Travel and transportation of persons	1	1	1
23.1 Rental payments to GSA	9	8	8
25.2 Other services from non-Federal sources	1	1	1
25.3 Other goods and services from Federal sources	3	3	3
25.7 Operation and maintenance of equipment	9	10	12
99.9 Total new obligations	103	103	105

Employment Summary

Identification code 91-0700-0-1-751	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment	619	603	598

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, [\$59,933,000] \$62,401,000. (Department of Education Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 91-1400-0-1-751	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Inspector General	66	65	62
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	11	5	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	60	60	62
1160 Appropriation, discretionary (total)	60	60	62
1930 Total budgetary resources available	71	65	62
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	5		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	13	13	20
3030 Obligations incurred, unexpired accounts	66	65	62
3040 Outlays (gross)	-65	-58	-60
3081 Recoveries of prior year unpaid obligations, expired	-1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	13	20	22
3100 Obligated balance, end of year (net)	13	20	22
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	60	60	62
Outlays, gross:			
4010 Outlays from new discretionary authority	49	47	49
4011 Outlays from discretionary balances	16	11	11
4020 Outlays, gross (total)	65	58	60
4180 Budget authority, net (total)	60	60	62
4190 Outlays, net (total)	65	58	60

The Inspector General is responsible for the quality, coverage, and coordination of audit and investigation functions relating to Federal education activities. The Inspector General has the authority to inquire into all activities of the Department, including those performed under Federal education contracts, grants, or other agreements. Under the Chief Financial Officers Act of 1990, the Inspector General is also responsible for internal reviews of the Department's financial systems and audits of its financial statements.

Object Classification (in millions of dollars)

Identification code 91-1400-0-1-751	2011 actual	2012 est.	2013 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	30	29	28
11.3 Other than full-time permanent	2	3	1
11.5 Other personnel compensation	3		
11.9 Total personnel compensation	35	32	29
12.1 Civilian personnel benefits	10	11	10
21.0 Travel and transportation of persons	2	2	2
23.1 Rental payments to GSA	5	6	6
25.1 Advisory and assistance services	4	1	1
25.2 Other services from non-Federal sources	2	4	4
25.3 Other goods and services from Federal sources	2	2	2
25.7 Operation and maintenance of equipment	5	5	5
31.0 Equipment	1		1
32.0 Land and structures		1	1
99.0 Direct obligations	66	64	61
99.5 Below reporting threshold		1	1
99.9 Total new obligations	66	65	62

Employment Summary

Identification code 91-1400-0-1-751	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment	324	295	277

AMERICAN JOBS ACT

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 91-0702-4-1-501	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 School modernization		30,000	
0002 Teacher stabilization		25,000	
0003 Strengthening the teaching profession		5,000	
0004 Career academies			200
0005 Community College Initiative		1,333	1,333
0900 Total new obligations (object class 41.0)		61,333	1,533

Budgetary Resources:

Budget authority:			
Appropriations, mandatory:			
1200 Appropriation		61,333	1,533
1260 Appropriations, mandatory (total)		61,333	1,533
1930 Total budgetary resources available		61,333	1,533

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)			30,816
3030 Obligations incurred, unexpired accounts	61,333	1,533	
3040 Outlays (gross)	-30,517	-19,577	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)		30,816	12,772
3100 Obligated balance, end of year (net)		30,816	12,772

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	61,333		1,533
Outlays, gross:			
4100 Outlays from new mandatory authority	30,517		277
4101 Outlays from mandatory balances			19,300
4110 Outlays, gross (total)	30,517		19,577
4180 Budget authority, net (total)	61,333		1,533
4190 Outlays, net (total)	30,517		19,577

School modernization.—Funds would provide formula grants to States and school districts for the modernization, renovation, and repair of elementary and secondary school buildings. A portion (\$5 billion) of the funds would be provided to States to modernize community colleges (including tribal colleges).

Teacher stabilization.—Funds would support formula grants to States to retain, rehire, and hire early childhood, elementary, and secondary educators, including teachers, guidance counselors, classroom assistants, after-school personnel, tutors, and literacy and math coaches.

Strengthening the teaching profession.—Funds would support reforms at each stage of the teaching profession.

Career academies.—Funds would support grants to increase the number of students served by career academies.

Community College Initiative.—Provides \$8 billion to the Departments of Education and Labor to support State and community college partnerships with businesses to build the skills of American workers.

HURRICANE EDUCATION RECOVERY

Federal Funds

HURRICANE EDUCATION RECOVERY

Program and Financing (in millions of dollars)

Identification code 91-0013-0-1-500	2011 actual	2012 est.	2013 est.
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	92	24	
3040 Outlays (gross)	-28	-24	
3081 Recoveries of prior year unpaid obligations, expired	-40		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	24		
3100 Obligated balance, end of year (net)	24		

Budget authority and outlays, net:

Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	28	24	
4190 Outlays, net (total)	28	24	

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

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2011 actual	2012 est.	2013 est.
Offsetting receipts from the public:			
91-143500 General Fund Proprietary Interest Receipts, not Otherwise Classified	30	20	20
91-271810 Federal Family Education Loan Program, Negative Subsidies		713	
Legislative proposal, subject to PAYGO			
91-271830 Federal Family Education Loan Program, Downward Reestimates of Subsidies	24,670	16,109	
91-274130 College Housing and Academic Facilities Loan, Downward Reestimates of Subsidies	23	20	
91-278110 Federal Direct Student Loan Program, Negative Subsidies	17,031	26,656	30,596
Legislative proposal, subject to PAYGO			
91-278130 Federal Direct Student Loan Program, Downward Reestimates of Subsidies	8,471	1,351	
91-278310 Federal Perkins Loan, Negative Subsidies			648
91-279430 TEACH Grant Program, Downward Reestimates of Subsidies	6		
91-291500 Repayment of Loans, Capital Contributions, Higher Education Activities	19	28	28
91-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	50	47	47
General Fund Offsetting receipts from the public	50,300	43,124	32,842
Intragovernmental payments:			
91-388500 Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts	-10	4	4
General Fund Intragovernmental payments	-10	4	4

GENERAL PROVISIONS

SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan

involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing, or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 303. No funds appropriated in this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

(TRANSFER OF FUNDS)

SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985) which are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: *Provided*, That the transfer authority granted by this section shall not be used to create any new program or to fund any project or activity for which no funds are provided in this Act: *Provided further*, That the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of any transfer.

SEC. 305. The Outlying Areas may consolidate funds received under this Act, pursuant to 48 U.S.C. 1469a, under part A of title V of the ESEA.

SEC. 306. Section 105(f)(1)(B)(ix) of the Compact of Free Association Amendments Act of 2003 (48 U.S.C. 1921d(f)(1)(B)(ix)) shall be applied by substituting ["2012"] "2013" for "2009".

SEC. 307. (a) Notwithstanding any other provision of law, the Secretary is authorized to modify the terms and conditions of gulf hurricane disaster loans to affected institutions pursuant to section 2601 of Public Law 109-234 using the authority provided herein, on such terms as the Secretary, the Secretary of the Treasury, and the Director of the Office of Management and Budget jointly determine are in the best interests of both the United States and the borrowers, and necessary to mitigate the economic effects of Hurricanes Katrina and Rita. Any modification under this section shall not result in any net cost to the Federal Government, as jointly determined by the Secretary, the Secretary of the Treasury, and the Director of the Office of Management and Budget, beginning on the date on which the Secretary modifies a loan under this section.

(b) FEDERAL REGISTER NOTICE.—The Secretary, the Secretary of the Treasury, and the Director of the Office of Management and Budget, shall jointly publish a notice in the Federal Register prior to any modification of loans under paragraph (a) that—

(1) establishes the terms and conditions governing the modifications authorized by paragraph (a);

(2) includes an outline of the methodology and factors that the Secretary, the Secretary of the Treasury, and the Director of the Office of Management and Budget, will jointly consider in evaluating the modification of the loans made under this title; and

(3) describes how the use of such methodology and consideration of such factors used to determine the modifications will ensure that loan modifications do not result in any net cost to the Federal Government.

(c) FEES.—An affected institution that receives a modification to its disaster loan pursuant to section 2601 of Public Law 109-234 shall pay a fee to the Secretary which shall be credited to the HBCU Hurricane Supplemental Loan Program. Such fees shall remain available without fiscal year limitation to pay the modification costs. The amount of the fee paid shall be equal to the modification cost as jointly determined by the Secretary, the Secretary of the Treasury, and the Director of the Office of Management and Budget, calculated in accordance with section 502 of the Federal Credit Reform Act of 1990, as amended, of such loan.]

SEC. 308. Section 14006(c)(2) of division A of the American Recovery and Reinvestment Act of 2009 (as amended by section 1832(b) of division B of Public Law 112-10) is amended by inserting before the period, "except that such a State may use its grant funds to make subgrants to public or private agencies and organizations for activities consistent with the purposes of the grant".]

SEC. 309. (a) FEDERAL PELL GRANT ELIGIBILITY.—

(1) MINIMUM LEVEL.—Section 401(b)(4) of the HEA (20 U.S.C. 1070a(b)(4)) is amended by striking ", except that" and all that follows and inserting a period.

(2) DURATION OF AWARD PERIOD.—Section 401(c)(5) of the HEA (20 U.S.C. 1070a(c)(5)) is amended—

- (A) by striking "18" each place it appears and inserting "12"; and
(B) by striking the last sentence.

(b) ZERO EXPECTED FAMILY CONTRIBUTION.—Section 479(c) of the HEA (20 U.S.C. 1087ss(c)) is amended—

(1) in paragraph (1)(B), by striking "\$30,000" and inserting "\$23,000"; and

(2) in paragraph (2)(B), by striking "\$30,000" and inserting "\$23,000".

(c) STUDENTS WHO ARE NOT HIGH SCHOOL GRADUATES.—

(1) AMENDMENT.—Section 484(d) of the HEA (20 U.S.C. 1091(d)) is amended—

(A) in the matter preceding paragraph (1), by striking "meet one of the following standards:";

(B) by striking paragraphs (1), (2), and (4); and

(C) in paragraph (3), by striking "(3) The student has" and inserting "have"; and

(2) TRANSITION.—The amendment made by paragraph (1) shall apply to students who first enroll in a program of study on or after July 1, 2012.

(3) CONFORMING CHANGE.—Section 101(a)(1) of the HEA (20 U.S.C. 1001(a)(1)) is amended by striking "section 484(d)(3)" and inserting "section 484(d)".

(d) TEMPORARY ELIMINATION OF INTEREST SUBSIDY DURING STUDENT LOAN GRACE PERIOD.—

(1) Section 428(a)(3)(A)(i)(I) of the HEA (20 U.S.C. 1078(a)(3)(A)(i)(I)) is amended to read as follows:

"(I) which accrues prior to the date the student ceases to carry at least one-half the normal full-time academic workload (as determined by the institution), or".

(2) The amendment made by paragraph (1) shall apply to new Federal Direct Stafford Loans made on or after July 1, 2012 and before July 1, 2014.

(e) REVISED SPECIAL ALLOWANCE CALCULATION.—

(1) REVISED CALCULATION RULE.—Section 438(b)(2)(I) of the HEA (20 U.S.C. 1087-1(b)(2)(I)) is amended by adding at the end the following:

"(vii)REVISED CALCULATION RULE TO REFLECT FINANCIAL MARKET CONDITIONS.—

"(I)CALCULATION BASED ON LIBOR.—For the calendar quarter beginning on April 1, 2012 and each subsequent calendar quarter, in computing the special allowance paid pursuant to this subsection with respect to loans described in subclause (II), clause (i)(I) of this subparagraph shall be applied by substituting 'of the 1-month London Inter Bank Offered Rate (LIBOR) for United States dollars in effect for each of the days in such quarter as compiled and released by the British Bankers Association' for 'of the quotes of the 3-month commercial paper (financial) rates in effect for each of the days in such quarter as reported by the Federal Reserve in Publication H-15 (or its successor) for such 3-month period'.

"(II)LOANS ELIGIBLE FOR LIBOR-BASED CALCULATION.—The special allowance paid pursuant to this subsection shall be calculated as described in subclause (I) with respect to special allowance payments for the 3-month period ending June 30, 2012, and each succeeding 3-month period, on loans for which the first disbursement is made on or after January 1, 2000, and before July 1, 2010, if, not later than April 1, 2012, the holder of the loan (or, if the holder acts as eligible lender trustee for the beneficial owner of the loan, the beneficial owner of the loan), affirmatively and permanently waives all contractual, statutory, or other legal rights to a special allowance paid pursuant to this subsection that is calculated using the formula in effect at the time the loans were first disbursed.

"(III)TERMS OF WAIVER.—

"(aa)IN GENERAL.—A waiver pursuant to subclause (II) shall be in a form (printed or electronic) prescribed by the Secretary, and shall be applicable to—

"(AA) all loans described in such subclause that the lender holds solely in its own right under any lender identification number associated with the holder (pursuant to section 487B);

"(BB) all loans described in such subclause for which the beneficial owner has the authority to make an election of a waiver under such subclause, regardless of the lender identification number associated with the loan or the lender that holds the loan as eligible lender trustee on behalf of such beneficial owner; and

"(CC) all future calculations of the special allowance on loans that, on the date of such waiver, are loans described in subitem (AA) or (BB), or that, after such date, become loans described in subitem (AA) or (BB).

"(bb)EXCEPTIONS.—Any waiver pursuant to subclause (II) that is elected for loans described in subitem (AA) or (BB) of item (aa) shall not apply to any loan described in such subitem for which the lender or beneficial owner of the loan demonstrates to the satisfaction of the Secretary that—

"(AA) in accordance with an agreement entered into before the date of enactment of this section by which such lender or owner is governed and that applies to such loans, such lender or owner is not legally permitted to make an election of such waiver with respect to such loans without the approval of one or more third parties with an interest in the loans, and that the lender or owner followed all available options under such agreement to obtain such approval, and was unable to do so; or

"(BB) such lender or beneficial owner presented the proposal of electing such a waiver applicable to such loans associated with an obligation rated by a nationally recognized statistical rating organization (as defined in section 3(a)(62) of the Securities Exchange Act of 1934), and such rating organization provided a written opinion that the agency would downgrade the rating applicable to such obligation if the lender or owner elected such a waiver."

(2) CONFORMING AMENDMENTS.—Section 438(b)(2)(I) of the HEA (20 U.S.C. 1087–1(b)(2)(I)) is further amended—

(A) in clause (i)(II), by striking "such average bond equivalent rate" and inserting "the rate determined under subclause (I) (in accordance with clause (vii))"; and

(B) in clause (v)(III), by striking "(iv), and (vi)" and inserting "(iv), (vi), and (vii)".

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

"(iv) to carry out this section—

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

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

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

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

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

"(VI) \$0 for fiscal year 2016;

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

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

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

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

"(XI) \$1,145,000,000 for fiscal year 2021 and each succeeding fiscal year."

(g) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall take effect on July 1, 2012.

(h) INAPPLICABILITY OF NEGOTIATED RULEMAKING AND MASTER CALENDAR EXCEPTION.—Sections 482(c) and 492 of the HEA (20 U.S.C. 1089(c), 1098a) shall not apply to the amendments made by this section, or to any regulations promulgated under those amendments. **■**

SEC. 307. (a) The Secretary may reserve not more than 0.5 percent from each appropriation made available in this Act for the accounts identified in subsection (d), with the exception of the appropriation for subpart 1 of part A of title IV of the Higher Education Act of 1965, in order to carry out evaluations of any of the programs or activities that are funded under such accounts.

(b) Any funds reserved under this section shall be available for obligation through September 30, 2014.

(c) Such funds shall be in addition to any other funds available to the Secretary for evaluation.

(d) The accounts referred to in subsection (a) are: "Accelerating Achievement and Ensuring Equity", "Impact Aid", "Education Improvement Programs", "Supporting Student Success", "Indian Student Education", "Innovation and Instructional Teams", "English Learner Education", "Rehabilitation Services and Disability Research", "Career, Technical, and Adult Education", "Student Financial Assistance", "Student Aid Administration", and "Higher Education."

(Department of Education Appropriations Act, 2012.)

