

## Section 5: Department of Education

In FY 2010, the Department of Education received \$64.2 billion in discretionary funding, a 9.6 percent increase over last year's non-emergency discretionary level.

This amendment would rescind \$3.2 billion (five percent) from the Department and direct the Secretary to eliminate and consolidate over 230 federal education programs across numerous agencies and eliminate waste to produce savings.

In recent decades, the federal government's reach into education has grown exponentially. Prior to 1965, there were only a handful of education programs supported at the federal level by taxpayer dollars. Today, the U.S. Department of Education alone manages 220 programs.<sup>1</sup> Many programs are duplicative of each other, and duplicate programs run by other federal agencies.

### Duplicative Department of Education Programs

#### Grants to Students

The federal government has at least **30 programs** that provides over **\$30 billion** in financial assistance to students to support postsecondary education in the form of grants, scholarships fellowships and other types of stipends. These programs are in addition to federally-supported student loans, loan forgiveness programs, academic support programs and other financial assistance provided directly to colleges and universities.

There are at least 15 such programs at the Department of Education, including the following:

- **TEACH grants** to help students pursue teaching.
- **Federal work study** to support the part-time employment of college students (\$980 million).
- **Leveraging Educational Assistance Program (LEAP)** which provides money to states to help them provide need-based grants and community service work-study to undergraduates and graduate students (\$63.8 million).
- **Special Leveraging Educational Assistance Partnership (SLEAP) Program** to assist states in providing grants, scholarships and community service work-study to needy postsecondary students (\$33.8 million).
- **Jacob K. Javits Fellowships Program** provides fellowship money to students with superior ability to pursue doctorates and master degrees (\$9.6 million).

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<sup>1</sup> U.S. Department of Education 2009 Program Guide; FY 2010 omnibus.

- **Robert C. Byrd Honors Scholarship Program** provides scholarships to promising high school students (\$40 million).
- **Mary Switzer Research Fellowships Program** supports one-year fellowships to help build the nation's future disability and rehab research capacity (\$530,000).
- **Fulbright-Hays Doctoral Dissertation Research Abroad** provides grants to IHEs to fund individual doctoral students who conduct their research in other countries in modern languages and area studies (\$5.6 million).

The Veteran's Administration also administers several programs that cover the costs of a higher education for members of the military and their families.

- **Post-9/11 GI Bill Education Benefits** provides tuition and fees, housing allowance, books and supplies stipend, kickers, and Yellow Ribbon matching payments. Certain active duty members of the Armed Forces may transfer benefits to a spouse or children (\$7.1 billion).
- **Montgomery GI Bill -- Active Duty** (\$389 million).
- **Montgomery GI Bill - Selected Reserve** (\$323 million).
- **Veterans Tuition Assistance**, pays up to 100 percent of tuition and expenses charged by a school for service members (\$1 million).
- **Veterans Work-Study** allows certain veterans, reservists, and dependents pursuing a program of rehabilitation, education or training, who are enrolled as full-time students, can work up to 250 hours per semester, receiving the Federal or state minimum wage rate, whichever is higher (\$17 million).
- **Dependents' education and training -- Sons and Daughters** provides benefits to children of veterans who died of a serviceconnected disability or whose service-connected disability is rated permanent and total (\$412 million).
- **Dependents' education and training -- Spouses and Widowers** provides benefits to spouses/widowers of veterans who died of a serviceconnected disability or whose service-connected disability is rated permanent and total (\$69 million).

The National Science Foundation has three programs: the **Robert Noyce Teacher Scholarship program** which provides funding to institutions of higher education to support and recruit and prepare majors in **Science, Technology, Math and Engineering** and to become STEM teachers; a **low-income scholarship program** to support undergraduate and graduate scholarships in STEM fields and one that provides fellowships and traineeships to sustain U.S. leadership in science and technology.

**The Department of Justice administers a program** that provides financial support for higher education expenses to the eligible spouses and children of public safety officers killed or permanently disabled in the line of duty.

The Health Resources Administration administers a grant program, “**the Nurse, Education, Practice and Retention**,” that is designed to strengthen capacity for basic nurse education and practice.

### **Early Education & Child Care**

In FY 2009, the federal government spent more than **\$25 billion on 69 programs** that support, in sum or in part, early childhood education and child care.<sup>2</sup>

In 2000, the Government Accountability Office published a report titled, “Early Education and Care: Overlap Indicates Need to Assess Crosscutting Programs.” The report identified duplicative programs providing education or care for children under the age of 5.

The GAO report found 69 early education programs administered by 9 different agencies. GAO revisited this report in 2005, and found that the landscape of federal programs remained largely the same as in 2000. Five years after the original GAO report warned that a large number of programs creates the potential for inefficient service and difficulty accessing services, GAO found 69 early education programs exist, the same number as in 2000, but the programs are now administered by 10 different agencies.

### **Science, Technology, Math and Engineering Programs**

According to a May 2007 report of the Academic Competitiveness Council, there are 105 federal programs supporting STEM education, with aggregate funding of \$3.2 billion in FY 2006. After decades of attempts to improve U.S. ratings in STEM areas, the Council reported the outcomes of federal STEM programs to be “sobering.”

The amount of money spent on STEM programs since FY 2006 has only grown. For example, the National Science Foundation received a funding increase by \$436.1 million or 6.7 percent over the FY 2009 appropriation, increasing its budget to \$6.9 billion (excluding additional funds provided by the stimulus bill).

### **Student Foreign Exchanges/International Education**

Numerous federal programs administered by the U.S. Department of Education

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<sup>2</sup> “Reforming and Improving Federal Preschool and Child Care Programs Without Increasing the Deficit,” *Backgrounder*, The Heritage Foundation, July 13, 2009.

increase opportunities for students to study abroad. An entire section of the Department, the International Education Programs Service (IEPS), is charged with the planning, policy development, and grant administration functions for international education programs.<sup>3</sup>

- American Overseas Research Centers (\$1.2 million)
- Business and International Education (\$4.6 million)
- Centers for International Business Education (\$11 million)
- Foreign Language and Area Studies Fellowships (\$33 million)
- Fulbright-Hays Training Grants- Doctoral Dissertation Research Abroad (\$5.6 million)
- Fulbright-Hays Training Grants--Faculty Research Abroad (\$1.4 million)
- Fulbright-Hays Training Grants--Group Projects Abroad (\$5 million)
- Fulbright-Hays Seminars Abroad--Bilateral Projects (\$1.8 million)
- Institute for International Public Policy (\$1.8 million)
- International Research and Studies (\$6.3 million)
- Language Resource Centers (\$5 million)
- National Resource Centers (\$32 million)
- Technological Innovation and Cooperation for Foreign Information Access (\$2.4 million)
- Undergraduate International Studies and Foreign Language Program (\$4.6 million)

The Department of State offers a program to expand opportunities to study abroad. The **Benjamin A. Gilman International Scholarship Program** offers eligible U.S. undergraduates \$5,000 to pursue overseas study for college credit. The Gilman Scholarships provides students studying critical need languages up to \$3,000 in additional funding as part of the new Critical Need Language Supplement program.<sup>4</sup>

**Boren National Security Education Trust Fund**, managed by the Department of Defense, supports overseas or domestic study. The maximum award for domestic study is \$12,000 and the maximum award for both domestic and international is \$30,000. 99 Fellowships were awarded in 2009.

The National Science Foundation includes an **Office of International Science and Engineering** for the purposes of promoting an integrated strategy for international science and engineering which complements and enhances NSF's broader research and education goals and which facilitates international collaboration (\$58 million).

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<sup>3</sup> <http://www.ed.gov/about/offices/list/ope/iegps/index.html>

<sup>4</sup> <http://exchanges.state.gov/education/educationusa/abroadgilman.htm>

## Department of Education Waste and Mismanagement

The Department of Education (ED) ends each fiscal year with billions in unspent and unobligated funds. In 2009, the total amount of **unobligated Education funds is projected to be \$7.7 billion**. The Department ended the fiscal year with \$4.3 billion in 2008 and \$4.1 billion in 2007.<sup>5</sup>

According to a survey conducted by *The Chronicle of Higher Education*, legislators funneled more than **2,300 earmarks totaling \$2.25 billion** to 920 colleges and universities in FY 2008 – a 25 percent increase over FY 2003.<sup>6</sup>

For the Department of Education, over ninety-percent of earmarks annually flow through two programs: the Fund for the Improvement of Postsecondary Education (FIPSE) at the postsecondary level and the Fund for the Improvement of Education (FIE) at the elementary and secondary level.<sup>7</sup>

In FY 2010, FIE received over **\$159 million** and FIPSE received over **\$271 million**.<sup>8</sup> Alarming, 82.4% of FIPSE dollars and 81% of FIE dollars were consumed by earmarks in FY 2008, a trend that remains relatively constant.<sup>9</sup>

Once FIPSE and FIE earmarks are actually funded, they receive virtually no monitoring.

The FIPSE and FIE programs are also duplicative and unnecessary since the Department is currently implementing a \$5 billion stimulus program meant to spur education and reform in the U.S. education system.

Examples of FY 2008 projects include:<sup>10</sup>

- Six FIPSE earmarks totaling over \$11 million went to college programs named in honor of current and former members of Congress. These earmarks averaged \$1,858,128 – well above the \$295,901 average of FY 2008 awards.
- The National Labor College (NLC) received \$718,229 to expand and enhance its pro-union curriculum. NLC has received over \$3.8 million in earmarks since FY 2001.

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<sup>5</sup> <http://www.whitehouse.gov/omb/budget/fy2009/pdf/balances.pdf>

<sup>6</sup> *The Chronicle of Higher Education*, <http://chronicle.com/stats/pork/> (subscription required).

<sup>7</sup> U.S. Department of Education, Office of Inspector General Final Inspection Report, September 25, 2007, ED-OIG/I13H0004.

<sup>8</sup> Congressional Research Service, information request.

<sup>9</sup> An online database houses information on all FIPSE grants made since 1994 that is searchable by state, institution, fiscal year and other key categories. The website was developed by the Johns Hopkins University with support from the Fund for the Improvement of Postsecondary Education (FIPSE). To review FIPSE awards, go to <http://www.fipse.aed.org/>.

<sup>10</sup> FY 2009 grantees are still being vetted and awarded.

- Jackson State University received a \$478,941 earmark to establish a school of osteopathic medicine even though Jackson State University had no intention of establishing this school.<sup>11</sup> Since FY 2000, Jackson State has spent \$877,000 on lobbying expenses and has received over \$19 million in earmarks.<sup>12</sup>
- La Sierra University in California received a \$200,436 earmark to develop and implement a comprehensive branding initiative.<sup>13</sup>

In FY 2008, GAO found that **\$404 million in improper payments** were made through the Federal Family Education Loan Program.<sup>14</sup>

In FY 2008, GAO found that **\$630 million in improper payments were made in the Pell Grant program.**<sup>15</sup> The general rule of thumb on Pell Grants is that for every \$100 increase to the Pell Maximum, there is a cost of approximately \$400 million. Consequently, \$630 million in improper payments could have helped to provide another \$100 in Pell that year.

In FY 2008, GAO found that **\$40 million in improper payments were made in Title I programs** of the Elementary and Secondary Education Act.<sup>16</sup>

**47 percent of PART-rated programs totaling over \$8.1 billion** at the U.S. Department of Education received a PART rating assessment of: “Results Not Demonstrated.”<sup>17</sup> According to PART, “Results Not Demonstrated” means: “that a program has not been able to develop acceptable performance goals or collect data to determine whether it is performing.” While it would be reasonable to assume that the entire \$8.1 billion in federal funding going every year to programs with no determinable results is completely wasted, assuming only a 50 percent rate of waste, taxpayers are losing **\$4 billion** ever year to these ineffective programs.

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<sup>11</sup> FIPSE online grant database, accessed August 5, 2009,

<http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080081>.

<sup>12</sup> Center for Responsive Politics, OpenSecrets.org, Accessed August 5, 2009, <http://www.opensecrets.org/>.

<sup>13</sup> FIPSE online grant database, accessed August 5, 2009,

<http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080315>.

<sup>14</sup> *Improper Payments: Progress Made but Challenges Remain in Estimating and Reducing Improper Payments* GAO-09-628T, April 22, 2009. <http://www.gao.gov/new.items/d09628t.pdf>.

<sup>15</sup> *Improper Payments: Progress Made but Challenges Remain in Estimating and Reducing Improper Payments* GAO-09-628T, April 22, 2009. <http://www.gao.gov/new.items/d09628t.pdf>.

<sup>16</sup> *Improper Payments: Progress Made but Challenges Remain in Estimating and Reducing Improper Payments* GAO-09-628T, April 22, 2009. <http://www.gao.gov/new.items/d09628t.pdf>.

<sup>17</sup> U.S. Department of Education, Budget and Performance web page, accessed October 22, 2009, <http://www.whitehouse.gov/omb/expectmore/agency/018.html>.