



DEPARTMENT OF EDUCATION

The President's 2009 Budget will:

- Build on the success of the No Child Left Behind Act;
- Advance the President's historic commitment to increasing access to higher education;
- Ensure Federal education investments are targeted to high-performing programs; and
- Support State and local leadership to improve the quality of education for America's children.

Building on the Success of the No Child Left Behind (NCLB) Act

- *Improves access to quality education.* Fosters positive change in the Nation's schools by requiring accountability for results, offering more choices for parents and students, providing greater flexibility for States and school districts, and expanding the use of proven instructional methods. Successful NCLB results include:
 - Improvement across-the-board in fourth and eighth grade reading and math on the National Assessment of Educational Progress (NAEP) with minority students posting all-time highs in a number of categories;
 - Increase of 11 percentage points in second grade reading scores in the research-based Reading First program from 2004–2006;
 - Establishment in all 50 States of systems for holding districts and schools accountable for improving student achievement; and
 - Enhanced educational options for students in struggling schools, including the choice of a better performing public school and access to free tutoring.
- *Builds on the 2007 blueprint for reauthorizing and strengthening NCLB.*
 - \$14.3 billion for Title I, a 63-percent increase since 2001.
 - \$1 billion for effective, research-based literacy instruction through Reading First.
 - \$491 million for School Improvement Grants to help turn around schools in need of improvement, along with over \$570 million reserved from Title I.

2007 Reading Achievement Gains on NAEP

Student Group	Grade 4		Grade 8	
	Since 2000	Since 2005	Since 2000	Since 2005
Overall	↑	↑	↑	↑
White	↑	↑	↑	↑
Black	↑	↑	↑	↑
Hispanic	↑	↑	↑	↔

↑ Indicates the score was significantly higher in 2007.

↔ Indicates there was no significant change in the score in 2007.

Source: National Center for Educational Statistics

- *Expands school choice to support students at risk of being left behind.*
 - \$25 million, or 12-percent, increase in Federal grants to charter schools.
 - A new \$300 million Pell Grants for Kids to enable low income students enrolled in low performing schools to attend a private or out of district public school.
 - Reforms to the 21st Century Community Learning Centers program to make \$800 million available in scholarships for low-income students to participate in after school programs of their choice.
- *Assists at-risk students.* Provide extra assistance for students most at risk of being left behind, including students with disabilities, migrant students, students in State-run institutions, and limited English proficient students.
- *Emphasizes math and science.* Ensure the Nation's future competitiveness by supporting the education components of the President's American Competitiveness Initiative.
 - \$70 million to train teachers to teach Advanced Placement/International Baccalaureate courses and expand low-income students access to these courses.
 - \$95 million for Math Now, to prepare elementary and middle school students for more rigorous high school math classes.
 - \$10 million for an Adjunct Teacher Corps to bring math and science professionals into high-need schools as teachers.

Sustaining the President's Historic Commitment to Higher Education

- *Makes college more affordable for neediest students.* In September 2007, the President signed the College Cost Reduction and Access Act into law, which helped further his longstanding goal of increasing need-based aid for students. The Act provided \$11.4 billion in new funding for Pell Grants over the next five years building on the Administration's unprecedented funding increase for this program. The Budget implements and builds on this law and promotes access to higher education by providing:
 - \$95 billion in loans and grants to help 10.9 million students pay for college;
 - \$2.7 billion increase in annual appropriations for Pell Grants. This investment, together with funding provided by the College Cost Reduction and Access Act, will support a maximum Pell Grant of \$4,800 in 2009 and allow the maximum grant to rise to \$5,400 by 2012;
 - \$21 million to improve access to, and success in, postsecondary education for adult and non-traditional students and \$363 million in new loans for short-term training; and
 - A 50-percent tax credit for the first \$2,000 that moderate- and low-income parents invest annually in 529 tuition-savings accounts.

Major Savings and Reforms

- In order to fund increases for education programs that are effective or show promise of demonstrating results while restraining overall Federal spending, the Budget reduces or terminates funding for 50 programs totaling \$3.8 billion. Many of these funding reductions were based, in part, on the Administration's thorough review of programs under the Program Assessment Rating Tool (PART). Program terminations include:
 - Even Start, which received an Ineffective PART rating and failed to effectively increase the literacy skills of participating children and parents according to three national evaluations; and
 - Small, narrowly focused programs that have not demonstrated results, do not align with national priorities, or can be funded under other authorities, including programs such as the

Exchanges with Historic Whaling and Trading Partners, Education Technology State Grants, and the Carol M. White Physical Education Program. Populations served by these programs receive services through other Federal programs.

Since 2001, the Department of Education has:

- Reformed K–12 education through the No Child Left Behind Act, which is raising academic standards for students, improving accountability in schools and States, and expanding parental choice.
- Aligned the Individuals with Disabilities Education Act with No Child Left Behind accountability systems to improve the quality of education for students with disabilities and ensure that all students achieve high academic standards.
- Reformed the Federal student aid programs to make them more cost efficient and targeted additional aid to the neediest students, including an estimated 5.3 million Pell Grant recipients in the 2007/2008 academic year.
- Assessed 92 programs using the PART to guide budget decisions and programmatic reforms.

Educational Reform, Infrastructure Improvements, and National Security in the District of Columbia

The District of Columbia (D.C.) is the Seat of Government of the United States and the Nation's capital. As such, the Federal Government has a particular interest in ensuring that D.C. provides a healthy, vibrant environment for its local citizens and visitors from across the Nation and around the world. Accordingly, the Budget provides \$157 million for D.C. This includes \$74 million to improve K–12 education in the District, the Mayor's top priority.

The Budget expands upon the successful three-sector education strategy, an effort to help all sectors of education in the Nation's capital. In addition to \$18 million in base funding, the Budget provides \$20 million to jump-start reform initiatives for the District's traditional public school system, where the Mayor's office has assumed more responsibility and is committed to building on key principles of the No Child Left Behind Act. It provides \$18 million to support public charter school development and quality, and \$18 million to continue and better target the D.C. Opportunity Scholarship program, which provides District parents—particularly low-income parents—more options for obtaining a quality education for their children. The Budget proposes an increase to the maximum scholarship amount for high school tuition, and to track future tuition expenses more accurately by indexing the scholarships to inflation.

The Budget also supports the District's unique position as the Nation's capital by providing \$15 million for planning and security costs directly related to the Federal Government's presence in the District. These funds defray D.C.'s security costs for events such as the 2009 Presidential inauguration, and the annual World Bank and International Monetary Fund meetings.

The President's Budget continues support for infrastructure improvements and public safety projects in the District, providing: \$14 million to rehabilitate existing water, sewer, and waste water treatment systems; \$10 million to support forensic and public health needs; and \$7 million to continue the rehabilitation of the city's public libraries.

Department of Education
(Dollar amounts in millions)

	2007 Actual	Estimate	
		2008	2009
Spending			
Discretionary Budget Authority:			
No Child Left Behind Act:			
Title I Grants to LEAs ¹	12,838	13,899	14,305
School Improvement Grants	125	491	491
Reading First	1,029	393	1,000
Striving Readers	32	35	100
Pell Grants for Kids	—	—	300
21st Century Learning Opportunities	981	1,081	800
Charter Schools Grants	215	211	236
American Competitiveness Initiative	37	44	175
Teacher Quality State Grants	2,887	2,935	2,835
Teacher Incentive Fund	—	97	200
English Language Acquisition State Grants	669	700	730
Special Education State Grants ²	10,783	10,948	11,285
Career and Technical Education State Grants ³	1,182	1,161	—
Adult Education	572	561	568
Federal Student Aid:			
Pell Grants—Discretionary funding	13,661	14,215	16,851
<i>Pell Grants—Mandatory funding (non-add)</i>	—	2,030	2,090
Supplemental Educational Opportunity Grants	771	757	—
Federal Work Study	980	980	980
Higher Education:			
Minority Serving Institutions—Discretionary funding	435	432	293
<i>Minority Serving Institutions—Mandatory funding (non-add)</i>	—	250	250
TRIO programs—Discretionary funding	828	828	828
<i>TRIO programs—Mandatory funding (non-add)</i>	—	57	57
GEAR UP	303	303	303
National Security Language Initiative	24	26	59
All other	9,116	9,063	6,850
Total, Discretionary budget authority ⁴	57,469	59,183	59,210
<i>Memorandum: Budget authority from enacted supplementals</i>	374	—	—
Total, Discretionary outlays	57,367	60,171	59,032

Department of Education—Continued
(Dollar amounts in millions)

	2007 Actual	Estimate	
		2008	2009
Mandatory Outlays:			
Legislative proposal, Federal Direct Student Loans	4,194	4,973	-1,349
Legislative proposal, Federal Family Education Loans	1,766	-1,092	1,094
Legislative proposal, Perkins Loan recall	—	—	-1,116
Pell Grants, Mandatory add-on.....	—	562	2,026
Academic Competitiveness/SMART Grants.....	449	599	705
Vocational Rehabilitation (VR) State Grants.....	2,766	2,916	2,945
All other	-150	-63	183
Total, Mandatory outlays	9,025	7,895	4,488
Total, Outlays	66,392	68,066	63,520
Credit activity			
Direct Loan Disbursements:			
TEACH Grants.....	—	30	96
Legislative proposal, Loans for Short Term Training	—	—	37
Federal Direct Student Loans (FDSL).....	12,290	13,832	14,594
FDSL Consolidation.....	3,575	4,114	4,424
Historically Black College and University Capital Financing.....	170	192	147
Total, Direct loan disbursements	16,035	18,168	19,298
Guaranteed Loan Disbursements:			
Legislative proposal, Loans for Short Term Training	—	—	246
Family Federal Education Loans (FFEL)	50,181	54,875	57,076
FFEL Consolidation	46,596	33,991	38,018
Total, Guaranteed loan disbursements	96,777	88,866	95,340
		Number of Programs	2009 Savings
Major Savings, Discretionary			
Terminations	47		-3,261
Reductions	3		-544

¹ Program level. Budget authority is \$551 million less than program level in 2008.

² Program level. Budget authority is \$1,433 million less than program level in 2008 and \$791 million less than program level in 2009.

³ Program level. Budget authority is \$791 million more than program level in 2009.

⁴ Program level. Budget authority is \$1,984 million less than program level in 2008. The 2008 discretionary total does not include mandatory changes enacted in that year's appropriations bills. The 2009 discretionary total is net of two mandatory changes—a \$652 million cancellation of Academic Competitiveness/SMART Grant balances, and a \$101 million reduction from the VR State Grants baseline.