

Department of Education
COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Fiscal Year 2017 Budget Request

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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 of 1965, [\$435,000] \$457,000.¹ (*Department of Education Appropriations Act, 2016.*)

NOTE

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

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Analysis of Language Provisions and Changes

Language Provision	Explanation
¹ For Federal administrative expenses to carry out activities related to existing facility loans pursuant to section 121 of the Higher Education Act of 1965 (HEA), [\$435,000] <u>\$457,000</u>	In accordance with the Federal Credit Reform Act of 1990 this language appropriates funds to service existing facilities loans obligations. Section 121 of the Higher Education Act (HEA) extends the legal requirements of the program authorities which have expired.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Amounts Available for Obligation
(dollars in thousands)

Appropriation and Adjustments	2015	2016	2017
Discretionary:			
Appropriation	\$435	\$435	\$457
Mandatory			
Appropriation	<u>18</u>	<u>88</u>	<u>0</u>
Total, discretionary and mandatory appropriation.....	453	523	457

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Obligations by Object Classification
(dollars in thousands)

Object Class	2015 Estimate	2016 Estimate	2017 Request	Change from 2016 to 2017
11.10 Full-time permanent	243	241	242	1
11.31 Full-time temporary	2	0	0	0
11.32 Part-time	3	0	0	0
11.52 Awards	2	1	1	0
Compensation subtotal	250	242	243	1
12.00 Benefits	65	72	73	1
Comp/benefits subtotal	315	314	316	2
21.00 Travel	0	1	2	1
23.10 Rental payments to GSA	48	50	53	3
Subtotal Travel/Rent	48	51	55	4
25.21 Other services	25	0	1	1
25.22 Training/tuition contracts	0	1	3	2
Goods/services from Federal				
25.30 sources	1	37	40	3
25.72 IT services/contracts	37	32	42	10
Subtotal 25	63	70	86	16
Total, Obligations	426	435	457	22

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Summary of Changes
(dollars in thousands)

2016.....	\$435
2017.....	457
Net change	22

Increases:	<u>2016 base</u>	<u>Change from base</u>
<u>Built-in:</u>		
IT services/contracts: Increase in central information technology, primarily for EDCAPS, the Department's core financial system, primarily associated with transition to a new contract, and security authorization.	+\$32	\$10
Net changes in other areas.	403	<u>+12</u>
Subtotal, increases		+22

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Authorizing Legislation
(dollars in thousands)

Activity	2016 Authorized	2016 Estimate	2017 Authorized	2017 Budget
Federal administration				
Federal Credit Reform Act of 1990.section 505(e) and Higher Education Act; section 212	Indefinite	\$435	Indefinite	\$457
Reestimate of existing loan subsidies				
Federal Credit Reform Act of 1990, section 504(f) (Mandatory).....	<u>Indefinite</u>	<u>88</u>	<u>Indefinite</u>	<u>0</u>
Total discretionary appropriation		435		457
Total mandatory appropriation		88		0

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Appropriations History (dollars in thousands)

Year	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
2008	\$481	\$481	\$481	\$473
2009	461	461 ¹	461 ¹	461
2010	461	461	461 ²	461
2011	461	461 ³	461 ²	460 ⁴
2012	478	460 ⁵	460 ⁵	459
2013	459	459 ⁶	459 ⁶	435
2014	435	N/A ⁷	435 ²	435
2015	435	N/A ⁷	435 ⁸	435
2016	450	435 ⁹	435 ⁹	435
2017	457			

¹ The levels for the House and Senate reflect action on the regular annual 2009 appropriations bill, which proceeded in the 110th Congress only through the House Subcommittee and the Senate Committee.

² The level for the Senate allowance reflects Committee action only.

³ The level for the House allowance reflects the House-passed full-year continuing resolution.

⁴ The level for appropriation reflects the Department of Defense and Full-Year Continuing Appropriations Act 2011 (P.L. 112-10).

⁵ The level for the House allowance reflects an introduced bill; the level for the Senate allowance reflects Senate Committee action only.

⁶ The level for the House and Senate allowances reflect action on the regular annual 2013 appropriations bill, which proceeded in the 112th Congress only through the House Subcommittee and the Senate Committee.

⁷ The House allowance is shown as N/A because there was no Subcommittee action.

⁸ The level for the Senate allowance reflects Senate Subcommittee action only.

⁹ The levels for House and Senate allowances reflect action on the regular annual 2016 appropriations bill, which proceeded in the 114th Congress only through the House Committee and Senate Committee.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Federal Administration

(Federal Credit Reform Act of 1990, Section 505(e) and Higher Education Act, Section 121)

(dollars in thousands)

FY 2017 Authorization: Indefinite

Budget Authority:

	<u>2016</u>	<u>2017</u>	<u>Change</u>
Personnel costs	\$314	\$316	+\$2
Non-personnel costs	<u>121</u>	<u>141</u>	<u>+20</u>
Total	435	457	+22
FTE	3	3	0

PROGRAM DESCRIPTION

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 fiscal year 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 fiscal year 1993, costs for administering the outstanding loans will continue through fiscal year 2030.

The major administrative costs for these programs are the personnel compensation and benefits for full-time equivalent employees (FTE). The FTE funded through this account are responsible for the day-to-day administration of the CHAFL, CHL, and HEFL programs. The non-personnel costs include administrative overhead, and loan servicing. In accordance with Federal Credit Reform requirements, loan servicing costs for CHL and HEFL are paid from their respective collections.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

Federal Administration

Funding levels for the past 5 fiscal years were:

Fiscal Year	(dollars in thousands)
2012.....	459
2013.....	435
2014.....	435
2015.....	435
2016.....	435

FY 2017 BUDGET REQUEST

For fiscal year 2017, the Department requests \$457,000 for Federal administration of the facilities loans program. Between 1950 and 1993, the College Housing Loans, Higher Education Facilities Loans, and College Housing and Academic Facilities Loans programs (CHAFL) helped to ensure that postsecondary institutions were able to make the capital improvements they needed to maintain and increase their ability to provide a high-quality education. P. L. 104-19 repealed the programs' authority to subsidize gross loan obligations after 1994; since that time, the Department's role has been to manage the outstanding loans.

PROGRAM OUTPUT MEASURES

(dollars in thousands)

<u>Output Measures</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
College Housing and Academic Facilities Loans:			
Number of outstanding loans	28	28	28
Outstanding principal	\$29,024	\$26,224	\$23,270
College Housing Loans:			
Number of outstanding loans	91	84	76
Outstanding principal	\$35,104	\$29,775	\$23,751
Higher Education Facilities Loans:			
Number of outstanding loans	2	2	2
Outstanding principal	\$5,210	\$4,657	\$4,063
 Total number of outstanding loans	 121	 114	 106
Total outstanding principal	\$69,338	\$60,656	\$51,084