

# *Pork 101:*

## *How Education Earmarks School Taxpayers*



*A Report by Tom A. Coburn, M.D.  
U.S. Senator, Oklahoma*

*Member, Committee on Health  
Education, Labor and Pensions*

September 2010

Dear Taxpayers:

The U.S. Constitution provides no role to the federal government in education – and for good reason. Greater federal expenditures have not proven effective, efficient means of improving American schools. To the contrary, federal involvement has led to a loss of individual control and an increased bureaucracy that stifles innovation and increases burdens on school teachers and administrators.

Despite the demonstrated failure of federal dollars to improve the educational system, Washington politicians, eager to trade taxpayer money for political goodwill, continue to line the pockets of schools and colleges with frivolous earmarks.

Two federal programs, each intended to spur innovation of the American educational system, have become slush funds for congressional “pork” projects: the Fund for the Improvement of Postsecondary Education (FIPSE) and the Fund for the Improvement of Education (FIE). Over the last decade, Washington politicians obtained 5,563 earmarks costing nearly \$2.3 billion through these programs.

In an effort to help taxpayers better understand how their money is spent, *Pork 101: How Education Earmarks School Taxpayers* provides a closer look at the FIPSE and FIE programs and some of the earmarks funded through each during the last decade.

Taxpayers will learn how their money funded: loan forgiveness programs for lawyers; wine studies; politicians’ legacy programs; a study for a school that does not exist; efforts to deter negativity; a program immersed in an embezzlement scheme; efforts to combat Goth culture; high definition; mariachi music; and seemingly endless projects far removed from the nation’s fiscal priorities.

What’s more, earmarked projects are not always given to schools and colleges with the greatest need. All too often, the money goes to educational institutions with the best lobbyists.

Regrettably, the culture of Washington is to put self-interest above the common good. Politicians spend taxpayers’ money now, leaving our children and grandchildren to deal with the resulting fiscal devastation.

I ran for the U.S. Senate to reprioritize lawmakers’ spending and prevent politicians’ parochial interests from compromising the country’s priorities. With a national debt that tops \$13.5 trillion, the time has come for Congress to make hard choices on spending. We must have the courage to prioritize. We need to do more with less.

I encourage my fellow Americans to carefully examine how Congress spends their money and to hold Washington lawmakers accountable. Future generations’ quality of life depends on it.

Sincerely,

Tom A. Coburn, M.D.  
United States Senator, Oklahoma

# Pork 101:

## *How Education Earmarks School Taxpayers*

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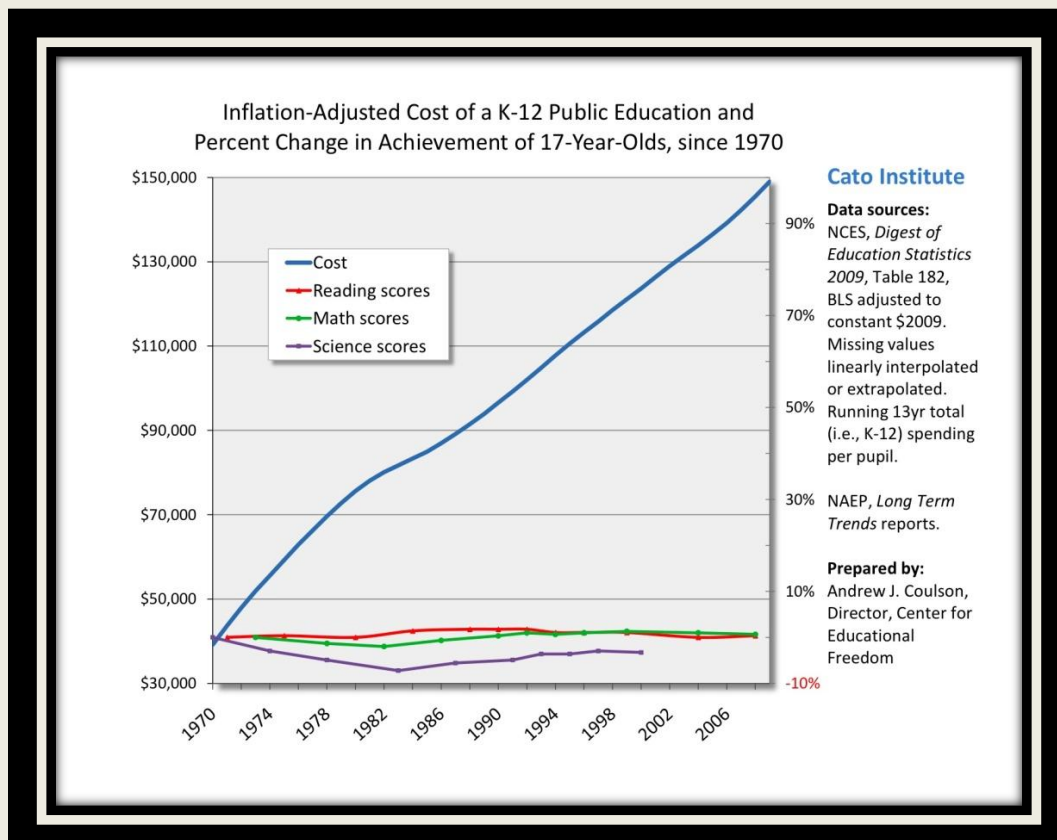
## Executive Summary

The U.S. Constitution provides no role to the federal government in education, an area exclusively delegated to state and local governments. Yet in the last half century, some federal politicians have ignored the Constitution and dramatically expanded the federal role in education – to dismal results.

Prior to 1965, there was minimal federal involvement in education. Since that time, the federal government has spent over \$2 trillion in support of education.<sup>1</sup> According to the National Center for Education Statistics, the research arm of the U.S. Department of Education, per pupil spending at the K-12, *after* accounting for inflation, has more than doubled since 1970. Federal expenditures on higher education also grow larger each and every year. In 2010 alone, the U.S. Department of Education will administer more than \$150 billion in new Pell grants and federal student loans to help students and their families pay for college.<sup>2</sup>

Despite these enormous federal investments, the educational system has not improved.<sup>3</sup>

For example, long-term scores on the National Assessment of Educational Progress (NAEP) in reading, math and science have remained stagnant.<sup>4</sup> The NAEP is the largest nationally representative and continuing assessment of what America's elementary and secondary students know.



<sup>1</sup> National Center for Education Statistics, "Digest of Education Statistics" webpage, <http://nces.ed.gov/Programs/digest/>.

<sup>2</sup> Office of Management and Budget, Fiscal Year 2011 budget request for the U.S. Department of Education, <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2011/assets/edu.pdf>.

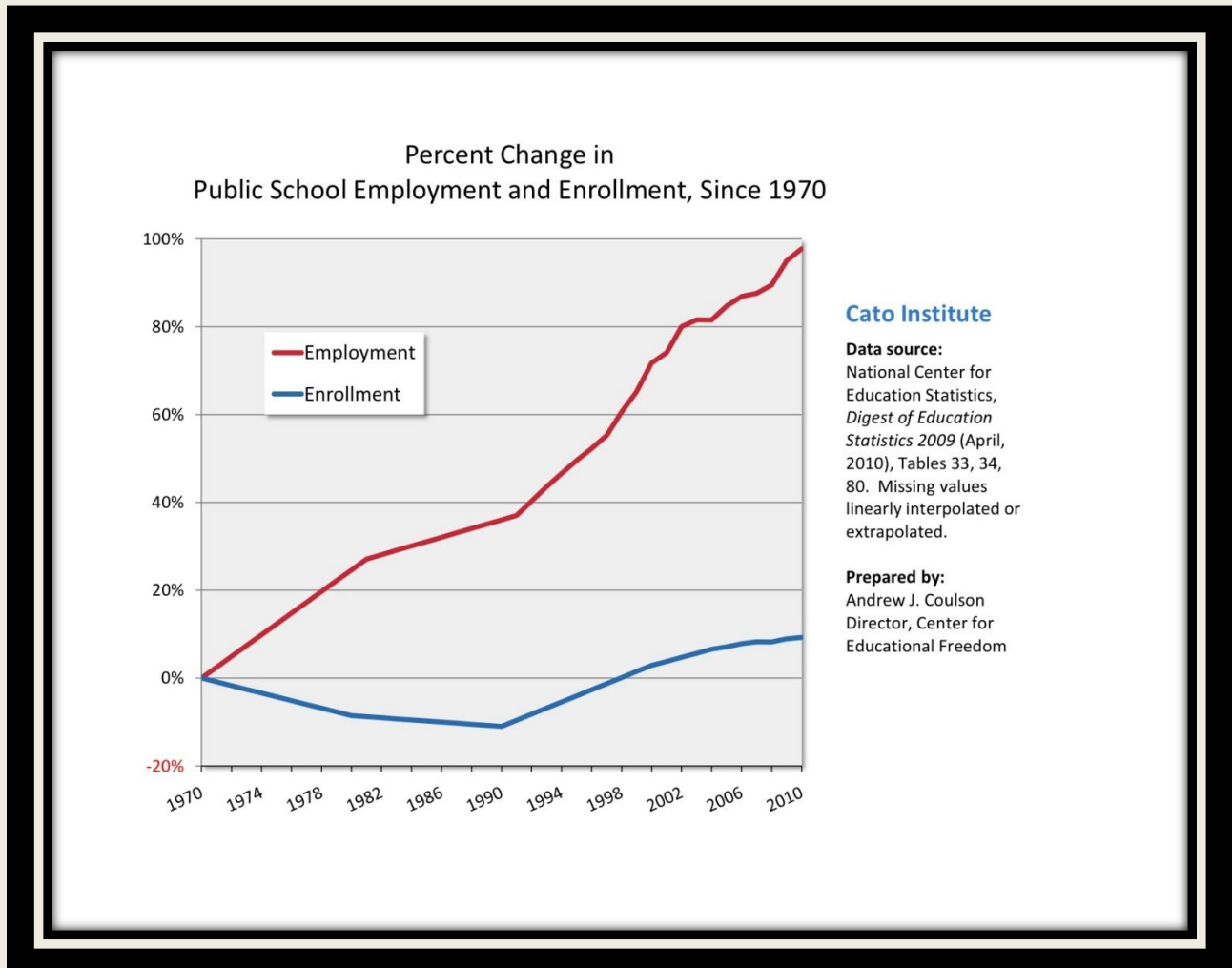
<sup>3</sup> See Appendix 8.

<sup>4</sup> National Assessment of Educational Progress, "Long Term Trends," reports, accessible at [http://nationsreportcard.gov/ltr\\_2008/](http://nationsreportcard.gov/ltr_2008/).

## Public School Employment

What's more, long-term scores on the NAEP have not improved despite significant federal investments *and* a larger workforce of educators and school personnel.

Since 1970, public school employment – teachers, teaching assistants and support staff – has risen 10 times faster than enrollment.

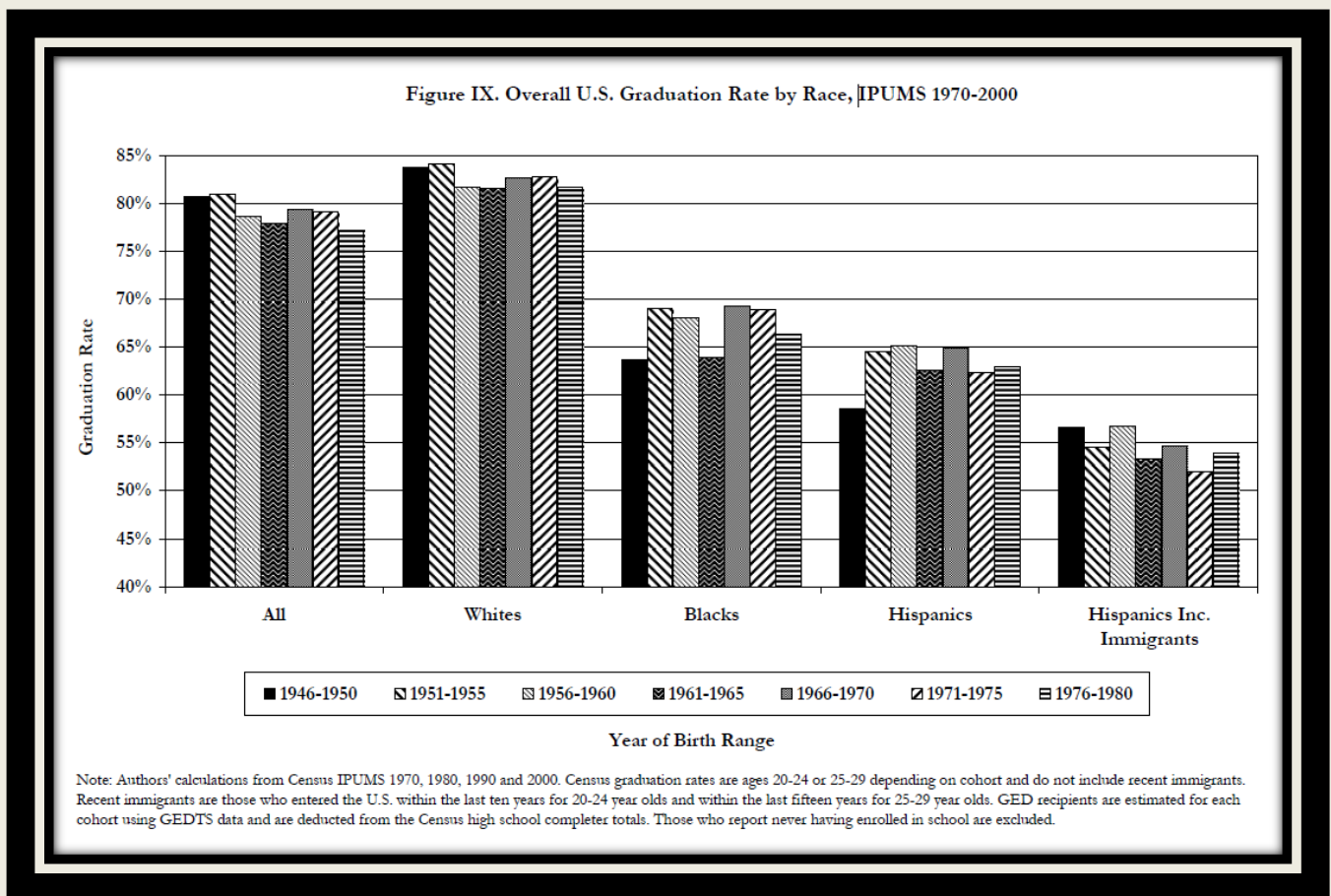


## Secondary Graduation Rates

Not only have test scores remained stagnant despite increased federal funding and a larger workforce of school personnel, but high school graduation rates have also failed to significantly improve.

According to a December 2007 study by James J. Heckman and Paul A. LaFontaine, the U.S. high school graduation rate peaked at around 80 percent in the late 1960s and then declined by 4-5 percentage points.<sup>5</sup>

Heckman and LaFontaine also found about 65 percent of blacks and Hispanics leave school with a high school diploma and minority graduation rates are still substantially below rates for non-Hispanic whites. Heckman and LaFontaine write, “In fact, we find no evidence of convergence in minority-majority graduate rates over the past 35 years.”<sup>6</sup>



<sup>5</sup> James J. Heckman and Paul A. LaFontaine, “The American High School Graduation Rate: Trends and Levels,” Institute for the Study of Labor, DP No. 3216, December 2007, accessible for download at <http://buildingbrightfutures.net/Post/sections/42/Files/The%20American%20High%20School%20Graduation%20Rate.pdf>.

<sup>6</sup> James J. Heckman and Paul A. LaFontaine, “The American High School Graduation Rate: Trends and Levels,” Institute for the Study of Labor, DP No. 3216, December 2007, accessible for download at <http://buildingbrightfutures.net/Post/sections/42/Files/The%20American%20High%20School%20Graduation%20Rate.pdf>.



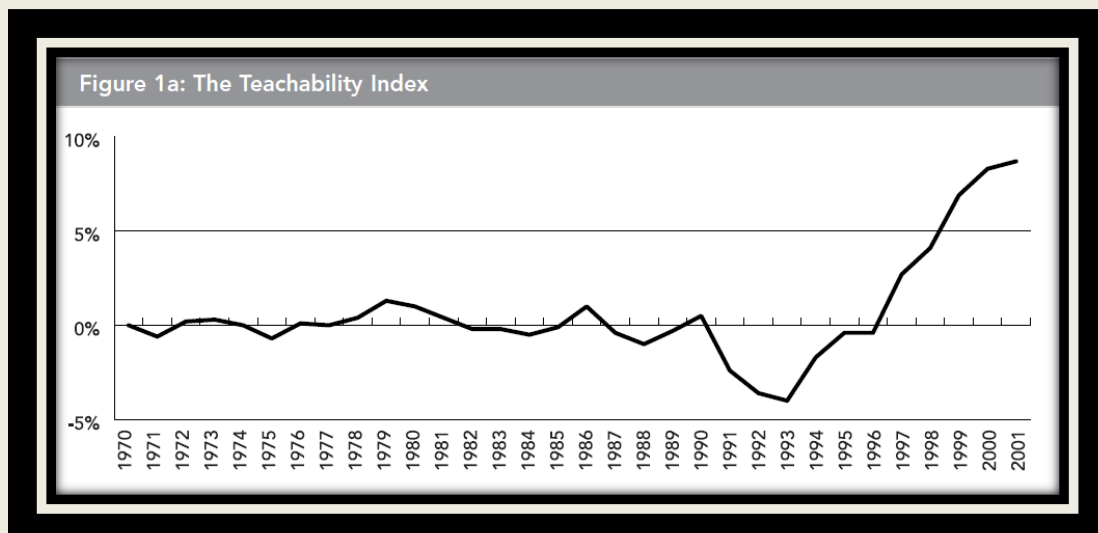
## “Teachability”

Some argue stagnant student achievement is attributable to the shortcomings of the students themselves – due to a decline in “teachability,” or the personal advantages and disadvantages students bring to school with them.

However, according to a report by Jay P. Green and Greg Forster for the Center for Civic Innovation at the Manhattan Institute, such claims deserve “serious scrutiny.”<sup>7</sup>

Green and Forster catalogued sixteen factors that are key to determining how “teachable” students have been over time, organizing such factors into a “Teachability Index.”

Green and Forster find “Students today are actually somewhat easier to teach than they were thirty years ago. Overall, student disadvantages that pose challenges to learning have declined 8.7% since 1970. Children’s physical health and economic security have substantially improved, and preschool enrollment has grown dramatically. While other factors have presented increased challenges – broken homes and students whose native language isn’t English are more common – these changes have been more than offset by ongoing improvements in children’s well-being. This means that student teachability cannot be a valid excuse for the failure of vastly increased spending to produce better results” (emphasis added).



*Figure 1a presents Green and Forster’s Teachability Index for 1970–2001. According to Green and Forster’s findings, teachability levels remained effectively unchanged from 1970 through 1990, with the index rising no higher than 1.3% and falling no lower than - 1.0%, a negligible field of movement. The student population then underwent a modest decline in teachability from 1990 through 1993, reaching its lowest index level at -4.0%. Starting in 1994, the teachability level began a gradual upward trend that has continued through at least 2001, leaving the Teachability Index at 8.7% in that year. Thus students are somewhat more teachable now than they were in 1970.*

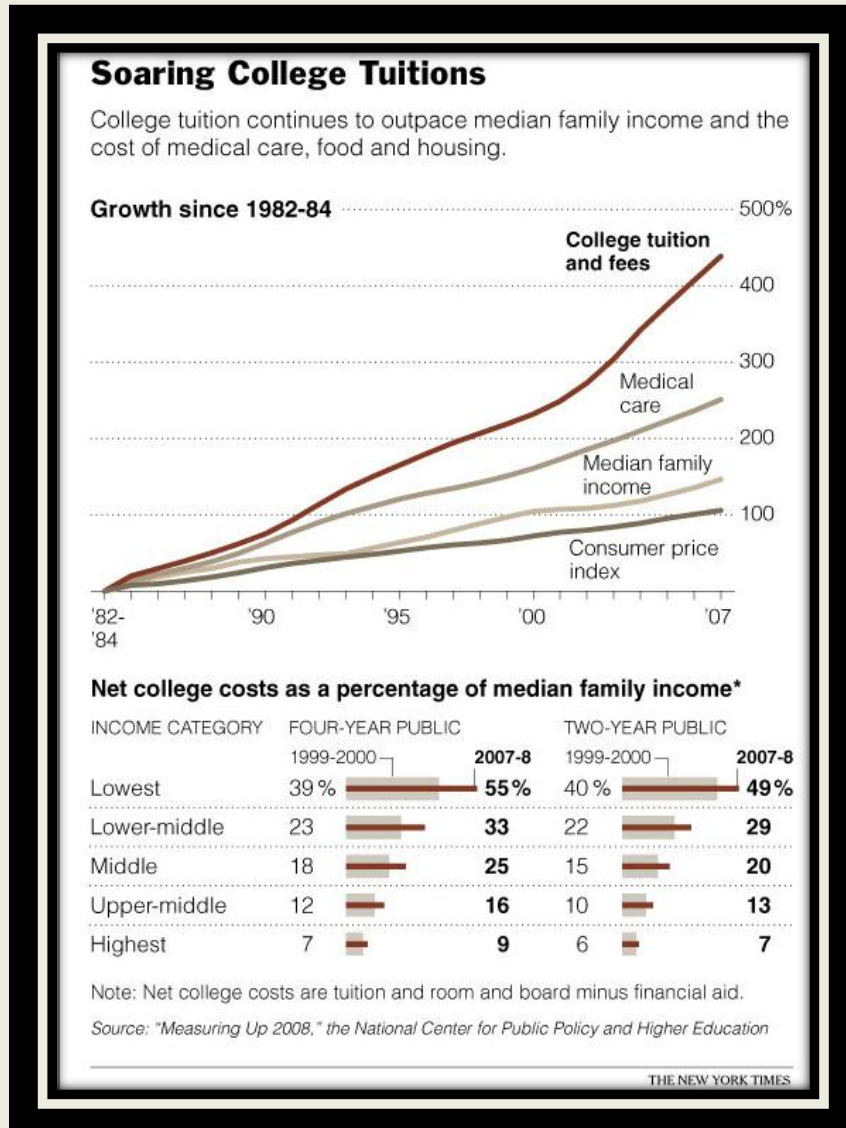
<sup>7</sup> Jay P. Green, Ph.D. and Greg Forster, Ph.D, “The Teachability Index: Can Disadvantaged Students Learn?”, Center for Civic Innovation at the Manhattan Institute, September 2004, accessible for download at [http://www.manhattan-institute.org/pdf/ewp\\_06.pdf](http://www.manhattan-institute.org/pdf/ewp_06.pdf).



Postsecondary Costs

Looking to the postsecondary system, dramatically increased federal investments have actually worsened an important component of postsecondary education: costs and affordability.

To the contrary, despite these enormous federal investments, college tuition and fees increased 439% in nominal dollars from 1982 through 2007 – almost triple the rise in median family income.<sup>8</sup>



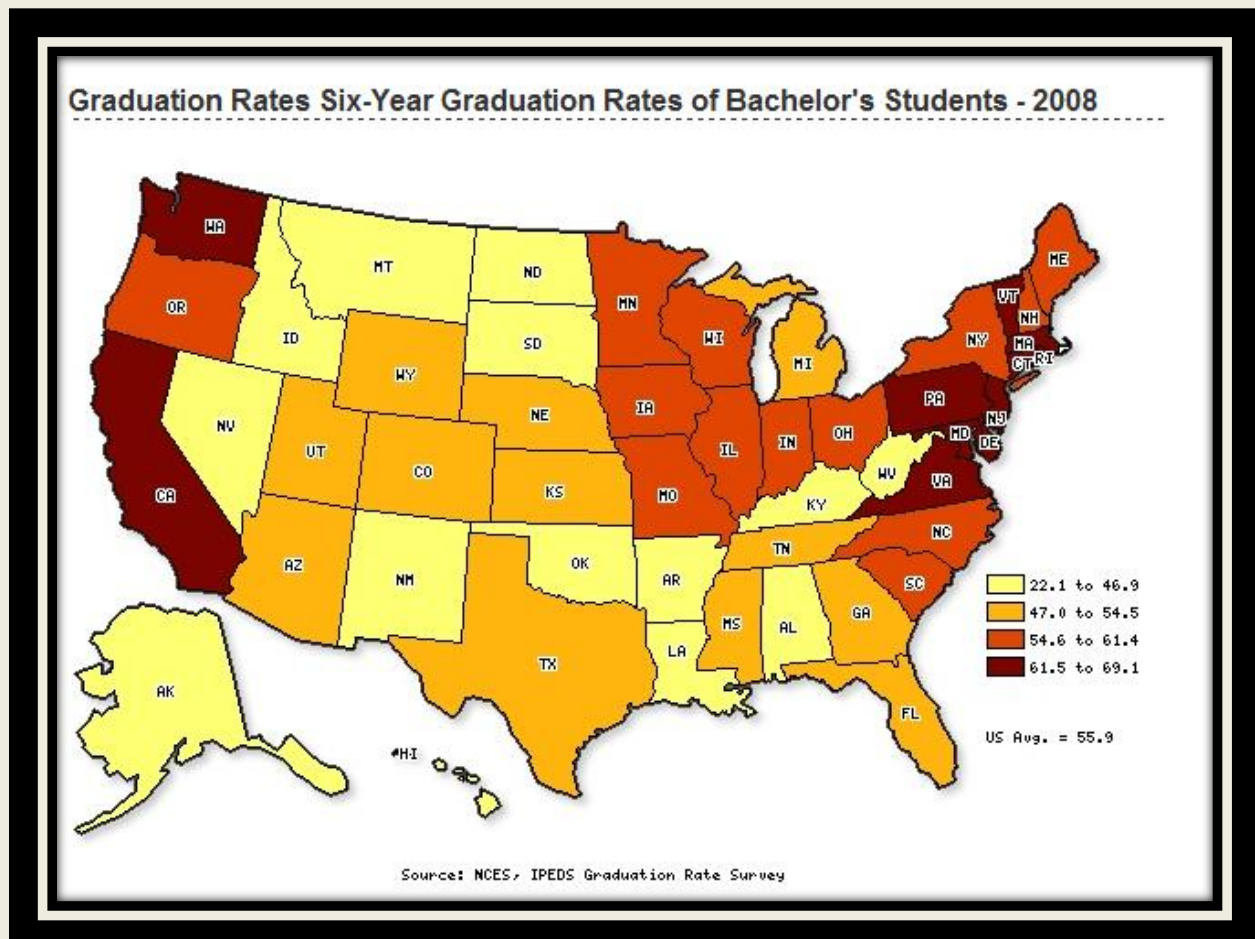
<sup>8</sup> Tamar Lewin, "College May Become Unaffordable for Most in U.S.," *The New York Times*, December 3, 2008.

## College Graduation Rates

Graduation rates are a key component used to measure the success of postsecondary students. Despite skyrocketing levels of federal student aid, and other forms of federal assistance to colleges and universities, college graduate rates remain abysmal.

College graduation rates are tracked through the Integrated Postsecondary Education Data System (IPEDS), a system of interrelated surveys conducted annually by the U.S. Department's National Center for Education Statistics (NCES). IPEDS gathers information from every college, university, and technical and vocational institution that participates in the federal student financial aid programs.

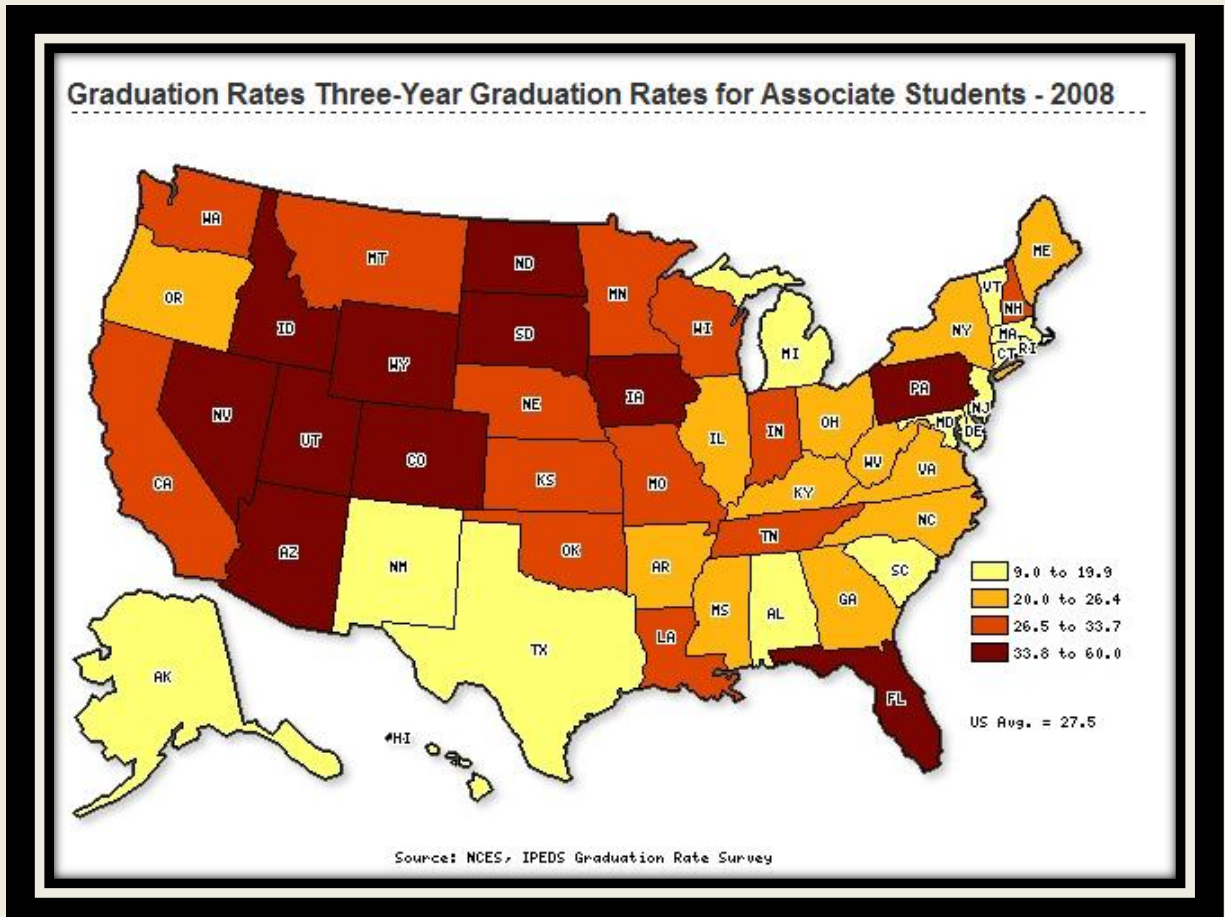
According to the *IPEDS 2008 Graduation Survey*, the most recent available, the **six year** graduation rate – that is, two years following an on-time graduation of four years for bachelors degree programs – **averaged only 55.9 percent nationally.**<sup>9</sup>



<sup>9</sup> National Center for Higher Education Management Systems (NCHEMS) website, "Graduation Rates," <http://www.higheredinfo.org/dbrowser/index.php?submeasure=27&year=2008&level=nation&mode=map&state=0>, accessed September 20, 2010.

## College Graduation Rates, Continued

For two year colleges, using the *IPEDS 2008 Graduation Survey*, the **three year** graduation rate – that is, a full year after an on-time graduation of two years for Associates degrees – **averaged only 27.5 percent nationally.**



## Federal Education Waste Amidst Soaring Deficits

As federal spending on education increased in recent decades, so too have expenditures on education “pork.”

As families across the nation do more with less during difficult economic times, politicians continue trading taxpayer money for political goodwill, funding billions in education pork that add to the ever-growing national debt.

Two education “programs” in particular enable the funding of education earmarks: the Fund for the Improvement of Postsecondary Education (FIPSE) and the Fund for the Improvement of Education (FIE).

Both programs were created to improve the American educational system: FIPSE at the postsecondary level and FIE at the elementary and secondary level.<sup>10</sup> However, both programs have been compromised by political interests. Over the last decade, lawmakers obtained 5,563 earmarks costing nearly \$2.3 billion through these programs.<sup>11</sup>

**Earmark Spotlight:** *FIE and FIPSE earmarks reveal lawmakers’ inability to prioritize spending. In FY 2010, elected officials funneled a half million dollar FIE earmark to a private entity to develop an internet safety curriculum. Its cost was sufficient to prevent teacher layoffs in the school district where the private entity awarded the pork project was located. In fact, the earmark would have provided 65 percent of the district’s funding shortfall. (See pg. 30)*

**Table 1. FIPSE and FIE Earmarks, 2001-2010**

Fiscal Year	# of FIPSE & FIE Earmarks	Amount <sup>12</sup>
2001	361	\$255,353,000
2002	718	\$419,606,000
2003	756	\$350,427,000
2004	764	\$304,982,000
2005	1,118	\$389,687,000
2006 <sup>13</sup>	0	0
2007 <sup>14</sup>	0	0
2008	717	\$197,558,000
2009	686	\$179,258,000
2010	543	\$190,298,000
<b>TOTAL:</b>	<b>5,663</b>	<b>\$2,287,169,000</b>

A closer look at the 12 regular, annual appropriations bills in fiscal year (FY) 2010 show that Congress obtained 9,281 earmarks costing \$10.2 billion.<sup>15</sup> In the same year, 97.4 percent of U.S. Department of Education’s earmarks flowed through FIPSE and FIE: 543 earmarks costing more than \$190 million.<sup>16</sup>

<sup>10</sup> Created by the Education Amendments of 1972 (P.L. 92-318), FIPSE was established to improve American higher education and to keep the system’s competitive edge sharp. For a history of FIPSE, see Immerwahr, John, et. al. “The Fund for the Improvement of Postsecondary Education: The Early Years,” National Center for Public Policy and Higher Education, Introduction by Virginia Smith, June 2002. Congress established FIE in 1988 as the “Secretary’s Discretionary Fund for Innovation in Education” (P.L. No. 100-297). This new program authorized the Secretary of Education to fund promising proposals as a means of identifying and disseminating innovative educational approaches.

<sup>11</sup> Annual Labor-HHS-Education appropriations bills, <http://thomas.loc.gov/>.

<sup>12</sup> Annual Labor-HHS-Education appropriations bills, <http://thomas.loc.gov/>.

<sup>13</sup> There were no congressional FIE or FIPSE earmarks in the FY 2006 or FY 2007 Labor, HHS, Education spending bills.

<sup>14</sup> There were no congressional FIE or FIPSE earmarks in the FY 2006 or FY 2007 Labor, HHS, Education spending bills.

## Education Department “Choking on Pork”

Congressional pork supplied through FIPSE and FIE increased dramatically in the 2001-2005 timeframe, reaching an all-time annual high in FY 2005: 1,118 earmarks costing nearly \$390 million.<sup>17</sup>

The rampant growth of earmarks during the first half of the decade prompted *The Washington Times* to report in 2005: “The U.S. Department of Education is choking on congressional pork.”<sup>18</sup>

Following this congressional binge, Congress instituted a temporary earmark moratorium. In FY 2006, FIPSE received \$21.9 million and no congressional earmarks were obtained by politicians.<sup>19</sup>

During FY 2007, the House proposed \$90.1 million and the Senate \$80.5 million in FIPSE earmarks, but the program was ultimately level-funded. In that year, Congress approved a year-long continuing resolution<sup>20</sup> that maintained Labor-HHS-Education spending at the FY 2006 levels.<sup>21</sup>

Similarly, FIE received \$11.7 million in FY 2006 and no congressional earmarks were obtained.<sup>22</sup> The program received \$16 million the following fiscal year and, once again, no earmarks were obtained.<sup>23</sup>

**Table 2. FIE & FIPSE Funding During Years without Earmarks**

Program	Fiscal Year	Presidential Request	Program Funding
FIE	2006	\$29 million	\$11.7 million
FIPSE	2006	\$22.2 million	\$22 million
FIE	2007	\$39 million	\$16 million
FIPSE	2007	\$22 million	\$22 million

Notably, Congress demonstrated little interest in funding either program when earmarks were prohibited. In FY 2005, FIPSE received \$162 million (\$144.7 million in earmarks), only to nose dive to \$22 million in FY 2006 and FY 2007 when earmarks were absent.<sup>24</sup> In FY 2005, FIE was appropriated \$257 million (\$245 million in earmarks), and funding plummeted to \$11.7 million in FY 2006 and \$16 million in FY 2007. What’s more, Congress decided *against* providing FIE the higher funding level requested by the president in fiscal years 2006 and 2007. Congress opted only to match the president’s FIPSE request in those years.

<sup>15</sup> Hardy Vincent, Carol and Jim Monke, “Earmarks Disclosed by Congress: FY 2008-FY2010 Regular Appropriations Bills,” Congressional Research Service, April 16, 2010. This total excludes presidential requests.

<sup>16</sup> In FY 2010, FIPSE and FIE earmarks constituted 97.4 percent of all earmarks provided to the U.S. Department of Education. Staff analysis, information acquired from <http://thomas.loc.gov/>. The remaining 19 education earmarks, totaling \$5.1 million, were funded through the federal Rehabilitation Services and Disability Research program.

<sup>17</sup> Annual Labor-HHS-Education appropriations bills, <http://thomas.loc.gov/>.

<sup>18</sup> “Education earmarks clog budget bill,” *The Washington Times*, January 9, 2005.

<sup>19</sup> P.L. 109-149, Departments of Labor-HHS-Education and Related Agencies Appropriations Act, 2006. See also Bonnie F. Mangan, “Fund for the Improvement of Postsecondary Education: Background and Funding,” Congressional Research Service, May 9, 2007.

<sup>20</sup> Legislation in the form of a joint resolution enacted by Congress, when the new fiscal year is about to begin or has begun, to provide budget authority for Federal agencies and programs to continue in operation until the regular appropriations acts are enacted.

<sup>21</sup> P.L. 110-5, the Revised Continuing Appropriations Resolution of 2007. See also Bonnie F. Mangan, “Fund for the Improvement of Postsecondary Education: Background and Funding,” Congressional Research Service, May 9, 2007.

<sup>22</sup> P.L. 109-149, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2006

<sup>23</sup> P.L. 110-5, the Revised Continuing Appropriations Resolution of 2007.

<sup>24</sup> Bonnie F. Mangan, “Fund for the Improvement of Postsecondary Education: Background and Funding,” Congressional Research Service, May 9, 2007.



## Agency Oversight

While the Department attempts to monitor earmarks as best it can, the agency appears to lack the time and resources to sufficiently monitor the substantial amount of earmarks elected officials funnel through its doors.

In 2007, a report of the Department's Inspector General (IG) revealed agency staff had insufficient time available to monitor FIPSE and FIE earmarks.

The average amount of staff time spent administering earmarks in FIPSE during FY 2005, the year the IG focused on for its audit, was approximately six hours per earmark.<sup>25</sup>

For FIE, the IG found "Some FIE monitors were responsible for over 100 earmark projects during FY 2005 and therefore were unable to dedicate significant time to each grantee."<sup>26</sup> The Inspector General determined that the average amount of staff time spent administering earmarks in FIE during FY 2005 was approximately 35 hours per earmark for the entire fiscal year.<sup>27</sup>

In fact, at the time of the audit, agency staff also questioned the value of earmarks, telling the Inspector General "...it believes earmarks are an inefficient use of taxpayer dollars and that, by their very nature, earmarks limit the ability of the Department to direct funds where they are most needed to address the Department's goals, objectives, and priorities and where the funds have the greatest potential for achieving successful outcomes."<sup>28</sup>

Since the Inspector General's report, the Department reports that efforts have been made to improve oversight efforts. For example, the Department has increased onsite visits to FIPSE earmark recipients, both announced and unannounced. In addition, as a result of the audit, the Department also provides additional guidance to FIPSE earmark recipients.<sup>29</sup>

Nevertheless, it remains questionable whether current oversight is rigorous enough to ensure sufficient accountability of earmark recipients, and also the meaningful transmission of best practices.

### ***Earmark Spotlight:***

*This decade, federal lawmakers secured over \$181 million from FIPSE and FIE in support of honorary programs named after themselves and other politicians.*

*These legacy earmarks tend to be more generous than "regular" earmarks. For example, in FY 2008, nine FIPSE earmarks totaling over \$23 million went to college programs named in honor of current and former members of Congress.*

*These earmarks averaged nearly \$2.6 million – well above the year's average FIPSE earmark award of \$383,045. (See pg. 40)*

<sup>25</sup> In response to the 2007 Inspector General's audit findings, the Department has stepped up its onsite visits to FIPSE earmark recipients, both announced and unannounced. In addition, the Department also provides additional guidance to FIPSE earmark recipients as a result of the audit. Staff conversation with U.S. Department of Education staff, July 9, 2010. For example, see the FY 2010 applicant guidance that is available on the Department's Office of Postsecondary Education Congressionally-Directed Grants website, "Guidance for Managing Congressionally-directed Grants (FY 2010)," <http://www2.ed.gov/programs/ope-directed/applicant.html>, accessed July 13, 2010.

<sup>26</sup> U.S. Department of Education, Office of Inspector General Final Inspection Report, September 25, 2007, ED-OIG/I13H0004, accessible at <http://www2.ed.gov/about/offices/list/oig/aireports/i13h0004.pdf>.

<sup>27</sup> U.S. Department of Education, Office of Inspector General Final Inspection Report, September 25, 2007, ED-OIG/I13H0004, accessible at <http://www2.ed.gov/about/offices/list/oig/aireports/i13h0004.pdf>.

<sup>28</sup> U.S. Department of Education, Office of Inspector General Final Inspection Report, September 25, 2007, ED-OIG/I13H0004, accessible at <http://www2.ed.gov/about/offices/list/oig/aireports/i13h0004.pdf>.

<sup>29</sup> Staff conversation with U.S. Department of Education staff, July 9, 2010. For example, see the FY 2010 applicant guidance that is available on the Department's Office of Postsecondary Education Congressionally-Directed Grants website, "Guidance for Managing Congressionally-directed Grants (FY 2010)," <http://www2.ed.gov/programs/ope-directed/applicant.html>, accessed July 13, 2010.

## **Summary of Report Findings:**

To provide greater transparency to taxpayers, *Pork 101: How Education Earmarks School Taxpayers* examines the FIPSE and FIE programs, and highlights some of the decade's worst education pork. Taxpayers can decide for themselves if the federal government - Congress in particular - is setting the correct priorities and properly targeting federal education resources.

*Pork 101: How Education Earmarks School Taxpayers* finds:

- FIPSE and FIE were both created by Congress to improve the American educational system, but have been compromised by political interests and are overrun with education pork. Over the last decade, lawmakers obtained 5,563 earmarks costing nearly \$2.3 billion through these two programs.<sup>30</sup> In FY 2010, for example, FIPSE and FIE pork constituted 97.4 percent of all earmarks provided by Congress to the U.S. Department of Education – the federal agency tasked with overseeing these programs.<sup>31</sup>
- FIPSE and FIE earmarks frequently go to schools with successful lobbyists, not necessarily deserving or needy programs. In FY 2010, for example, Congress provided 264 FIPSE earmarks costing \$101 million. Nearly 47 percent of this amount, or beneficiaries of 124 of these earmarks, paid more than \$16 million to contract with Washington lobbyists. On average, Washington lobbyists profited \$60,000 per FIPSE earmark in FY 2010.<sup>32</sup>
- Congress demonstrated little interest in funding the FIPSE and FIE programs during the two fiscal years Congress excluded earmarks from FIPSE and FIE (2006 and 2007). FIPSE and FIE program funding remained low during these years compared to the years when earmarks were present, saving federal taxpayers hundreds of millions of dollars. In addition, the amounts appropriated to each program during years when earmarks were excluded were equal to or lower than the president's program funding request for both FIPSE and FIE.
- Federal lawmakers funded numerous projects far removed from the *de facto* spending priorities of the nation. For example, politicians provided \$50,000 to deter negativity in children,<sup>33</sup> \$273,000 to combat Goth culture,<sup>34</sup> and \$25,000 for mariachi music.<sup>35</sup>

### ***Findings at a Glance:***

*FIPSE and FIE earmarks frequently go to schools with successful lobbyists, not necessarily deserving or needy programs.*

*In FY 2010, Congress provided 264 FIPSE earmarks costing \$101 million. Nearly 47 percent of this amount, or beneficiaries of 124 of these earmarks, paid more than \$16 million to contract with Washington lobbyists.*

*On average, Washington lobbyists profited \$60,000 per FIPSE earmark in FY 2010. (See pg. 21)*

<sup>30</sup> Annual Labor-HHS-Education appropriations bills, <http://thomas.loc.gov/>.

<sup>31</sup> Information acquired from <http://thomas.loc.gov/>.

<sup>32</sup> Information acquired from: The Center for Responsive Politics, <http://www.opensecrets.org/lobby/index.php>, the Senate Office of Public Records, <http://soprweb.senate.gov/index.cfm?event=selectfields>, and the U.S. House of Representatives' Office of the Clerk, "Lobbying Disclosures," <http://disclosures.house.gov/ld/ldsearch.aspx>.

<sup>33</sup> In FY 2004, lawmakers provided a \$50,000 FIE earmark to deter negativity. The earmark went to the Temple Community Development Corporation in Louisville, Kentucky to fund the "Children Against Negativity (CAN)" program.

<sup>34</sup> In FY 2002, the Youth Outreach Unit in Blue Springs, Missouri received an FIE earmark at the request of Rep. Sam Graves (R-MO) for educational training in combating Goth culture.



## Continued Summary of Report Findings:

- FIE and FIPSE earmarks demonstrate the inability of lawmakers to prioritize spending. For example, in FY 2010, elected officials earmarked \$500,000 to a private entity to develop an internet safety curriculum. The earmark's cost was sufficient to prevent teacher layoffs in the school district where the private entity awarded the pork project was located. In fact, the earmark would have provided 65 percent of the district's shortfall.
- While public schools across the nation are crumbling, Congress routinely provides earmarks to a diverse range of entities that are not direct education providers. For example, FIE earmarks have gone to zoos,<sup>36</sup> the Baseball Hall of Fame,<sup>37</sup> Carnegie Hall,<sup>38</sup> Jazz at Lincoln Center,<sup>39</sup> and the Grammy Foundation.<sup>40</sup>
- Lawmakers frequently spend taxpayer money in a cavalier fashion. For example, in FY 2008, politicians secured a \$478,941 FIPSE earmark for Mississippi's Jackson State University (JSU) to examine the feasibility of establishing a school of osteopathic medicine.<sup>41</sup> However, JSU admitted it had absolutely no intention of establishing the school.<sup>42</sup> JSU exemplifies how a D.C. lobbyist can put a school at the head of the bell curve when it comes to receiving federal largess. Over the 2001 – 2010 timeframe, JSU spent \$927,000 on lobbying expenses and received over \$26 million in earmarked money.<sup>43</sup>
- FIPSE and FIE frequently wastefully duplicate other federal educational reform and innovation efforts. In fact, according to its website, the U.S. Department of Education administers 35 federal innovation and improvement programs.<sup>44</sup> For example, two education reform programs administered by the Department alone cost \$5 billion. Broadly speaking, the \$4.3 billion *Race to the Top* and \$650 million *Investing in Innovation* ("I3") both share the same goal as FIPSE and FIE: to provide seed money for educational reform and improvement that can inform other educational institutions throughout the country. Unlike FIPSE and FIE, both *Race to the Top* and *I3* award funding to entities that *compete* for the right to be awarded funds, and only after their applications have gone through a peer-reviewed process.

### *Earmark Spotlight:*

*This decade, politicians earmarked FIPSE and FIE dollars for efforts far removed from education reform.*

*For example, politicians funneled earmarks to numerous halls of fame: the Rock and Roll Hall of Fame, the National Baseball Hall of Fame, the National Aviation Hall of Fame and the Alabama Sports Hall of Fame.*

*Politicians even provided an FIE earmark for "pro sports outreach." (See pg. 51)*

<sup>35</sup> In FY 2005, the Clark County School District received a \$25,000 FIE earmark to pay for the development on the study of mariachi music. Since 2001, the Clark County School District has received 22 earmarks totaling over \$9 million. Staff analysis, data obtained from <http://thomas.loc.gov/>.

<sup>36</sup> Information acquired from <http://thomas.loc.gov/>. See page 43.

<sup>37</sup> Information obtained from <http://thomas.loc.gov/>, H.R. 4818 - Consolidated Appropriations Act 2005, H. Rept. 108-792, P.L. 108-447. See page 46.

<sup>38</sup> Information acquired from <http://thomas.loc.gov/>. See page 48.

<sup>39</sup> Information acquired from <http://thomas.loc.gov/>. See page 54.

<sup>40</sup> Information acquired from <http://thomas.loc.gov/>. See page 55.

<sup>41</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080081>.

<sup>42</sup> Brown, LaRaye, "JSU Continues Medical School Feasibility Study; But Commissioner of Higher Education Says University Won't Open a Facility," *Jackson Clarion Ledger*, April 18, 2008.

<sup>43</sup> Center for Responsive Politics, OpenSecrets.org, Accessed August 5, 2009, <http://www.opensecrets.org/>.

<sup>44</sup> U.S. Department of Education, Office of Innovation and Improvement webpage, <http://www2.ed.gov/about/offices/list/oi/index.html>, accessed June 11, 2010.

# **FIPSE & FIE**

## **Program Background**

# FIPSE: Washington's Slush Fund

Annually, Washington politicians send billions of dollars in earmarks to college campuses. According to a survey conducted by *Inside Higher Ed*, in FY 2010, Washington politicians earmarked nearly \$2 billion at the request of 875 postsecondary institutions through the 12 regular appropriation bills.<sup>45</sup> The publication points out that its “conservative” total may be incomplete because “it is still difficult to follow the flow of money with perfect precision.”<sup>46</sup>

A similar, biennial study conducted by *The Chronicle of Higher Education* found that, through the 12 regular appropriations bills, politicians funneled over 2,300 projects costing \$2.25 billion to 920 colleges and universities in FY 2008. The study found this total was a 25 percent increase over the amount of earmarks provided to higher education in FY 2003.<sup>47</sup>

While college earmarks are sprinkled throughout the federal budget, earmarks funneled through FIPSE warrant special attention.

Congressional pork funded through FIPSE constituted 52 percent of all U.S. Department of Education earmarks in FY 2010.<sup>48</sup>

## **FIPSE Program Background**

Created by the Education Amendments of 1972 (P.L. 92-318), FIPSE was established to improve American higher education and to keep the system's competitive edge sharp.<sup>49</sup>

In the early years of the program, no FIPSE funds were used to support congressional pork projects. Instead, postsecondary institutions competed for the distinction of receiving a FIPSE award. One early grantee recalled, “Just having a FIPSE grant gave you legitimacy and also put pressure on you to do well.”<sup>50</sup>

<sup>45</sup> Lederman, Doug. “The Academic Pork Barrel,” *Inside Higher Ed*, April 29, 2010, accessible at <http://www.insidehighered.com/news/2010/04/29/earmark>, accessed May 20, 2010.

<sup>46</sup> Lederman, Doug. “The Academic Pork Barrel,” *Inside Higher Ed*, April 29, 2010, accessible at <http://www.insidehighered.com/news/2010/04/29/earmark>, accessed May 20, 2010.

<sup>47</sup> *The Chronicle of Higher Education*, <http://chronicle.com/stats/pork/> (subscription required).

<sup>48</sup> Information acquired from <http://thomas.loc.gov/>.

<sup>49</sup> For a history of FIPSE, see Immerwahr, John, et. al. “The Fund for the Improvement of Postsecondary Education: The Early Years,” National Center for Public Policy and Higher Education, Introduction by Virginia Smith, June 2002, accessible at <http://www.highereducation.org/reports/fipse/FIPSE.pdf>.

<sup>50</sup> Immerwahr, John, et. al. “The Fund for the Improvement of Postsecondary Education: The Early Years,” National Center for Public Policy and Higher Education, Introduction by Virginia Smith, June 2002, accessible at <http://www.highereducation.org/reports/fipse/FIPSE.pdf>.

## *In their own words...*

“This program is treated as an earmark slush-fund in the Labor-H appropriations bill because FIPSE's mandate is broad enough that any earmark that a Member of Congress, lobbyist, or university could dream up for higher education qualifies.”

~ Jason Delisle, “*A Good Year for Pell Grants, A Great Year for Earmarks*,” *Higher Ed Watch*, November 29, 2007.

“In many ways, the FIPSE program functions like a fibrillating heart, quivering about and twitching all over (with earmarks being sent here and there across the country to accomplish an uncoordinated – and sometimes self-serving – set of goals), but unable to pump a single drop of blood.”

~ Diane Auer Jones, “*The Real Problem with FIPSE*,” *The Chronicle of Higher Education's “Brainstorm”* blog, August 15, 2009.

“It seems to me the word is out that if you want money for a campus project, you don't have to compete for it – you [have to] find a lobbyist who can represent you in Congress.”

~ Carol Geary Schneider, former President of the Association of American Colleges and Universities, quoted in Jeffrey Brainard's “*FIPSE Budget Loads Up on Pork*,” *The Chronicle of Higher Education*, January 26, 2001.

“[FIPSE] has always been tugged between people who say this should be experts saying, ‘These are what the most promising reforms and innovations are,’ and the administration of the moment saying, ‘Oh boy, here's a way we can do our thing.’ It long focused in part on whatever the fad of the day that the administration wanted to use. Then Congress got into it...Lawmakers seemed to be saying, ‘If everybody can use this as its playpen for their priorities in innovation, why not us?’”

~ Tom Wolanin, Senior Associate at the Institute for Higher Education Policy and longtime congressional aide who helped create FIPSE during the Nixon Administration, cited in Doug Lederman's “*Innovation Crowded Out*,” *Inside Higher Ed*, June 10, 2009.

Another early grant recipient has noted that, “When you got a grant, you knew it was because of the project’s merit. There were no shenanigans with the FIPSE proposal evaluation process. The integrity of the process and the confidence in the staff was really high, and that made you really proud when you got a grant. You were in a select group of people, and it felt great.”<sup>51</sup>

The merit based approach employed in the past stands in contrast to the current program whereby the overwhelming majority of FIPSE funds are earmarked. Previously, qualified applicants were encouraged to create cutting-edge proposals that could produce meaningful results for the rest of the country to emulate.

As told by one early grantee, “People got lists of FIPSE grantees and then contacted us and said, ‘What is it that you are doing.’”<sup>52</sup>

In the program’s early years, the Department also facilitated the dissemination of best practices by holding conferences for FIPSE project directors to discuss their grant work. “The conferences were very important;” a grantee recalled, “there was a big effort to get us together with others from whom we could benefit... [FIPSE staff] made sure we got a chance to interact with that institution, and the interaction really helped our project.”<sup>53</sup>

Early evaluations found the program successful in achieving its purpose. For example, in 1978, the NTS Research Corporation conducted an evaluation of FIPSE for the Office of the Assistant Secretary for Planning at the Department of Health, Education and Welfare.<sup>54</sup>

NTS found that the rate of subsequent institutionalization for the early FIPSE projects was 70 percent, compared to rates of five to 15 percent for other federal seed money programs.<sup>55</sup> Ultimately, NTS stated that, “From these findings we have concluded that the Fund may be useful as a model for other federal agencies that attempt to encourage change.”<sup>56</sup>

Thirty-seven years later, however, FIPSE has largely been reduced to a slush fund of pork projects provided by Washington politicians.

#### Earmark Spotlight:

Oklahoma State University received a nearly \$900,000 FIPSE earmark to support *An Exercise in Hard Choices<sup>SM</sup>* program. A project of the non-profit and non-partisan Committee for a Responsible Federal Budget, allowed participants to *role play as members of Congress* as they debate the current year’s budget and negotiate budget decisions.

Ironically, it is the inability of members of Congress to make hard choices on spending that led the country to a national debt topping \$13.5 trillion.

(See pg. 45)

<sup>51</sup> Immerwahr, John, et. al. “The Fund for the Improvement of Postsecondary Education: The Early Years,” National Center for Public Policy and Higher Education, Introduction by Virginia Smith, June 2002, accessible at <http://www.highereducation.org/reports/fipse/FIPSE.pdf>.

<sup>52</sup> Immerwahr, John, et. al. “The Fund for the Improvement of Postsecondary Education: The Early Years,” National Center for Public Policy and Higher Education, Introduction by Virginia Smith, June 2002, accessible at <http://www.highereducation.org/reports/fipse/FIPSE.pdf>.

<sup>53</sup> Immerwahr, John, et. al. “The Fund for the Improvement of Postsecondary Education: The Early Years,” National Center for Public Policy and Higher Education, Introduction by Virginia Smith, June 2002, accessible at <http://www.highereducation.org/reports/fipse/FIPSE.pdf>.

<sup>54</sup> HEW was divided when the U.S. Department of Education was created by the Department of Education Organization Act (Public Law 96-88), signed into law on October 17, 1979.

<sup>55</sup> Immerwahr, John, et. al. “The Fund for the Improvement of Postsecondary Education: The Early Years,” National Center for Public Policy and Higher Education, Introduction by Virginia Smith, June 2002, accessible at <http://www.highereducation.org/reports/fipse/FIPSE.pdf>.

<sup>56</sup> Immerwahr, John, et. al. “The Fund for the Improvement of Postsecondary Education: The Early Years,” National Center for Public Policy and Higher Education, Introduction by Virginia Smith, June 2002, accessible at <http://www.highereducation.org/reports/fipse/FIPSE.pdf>.

## **How Lobbyists Secure FIPSE Earmarks**

The process for obtaining a FIPSE earmark is relatively straightforward.

Each fiscal year, appropriators determine how much funding the FIPSE program should receive in the Labor-HHS-ED spending bill. As shown in Table 3, congressional appropriators consistently provide an overall dollar amount to FIPSE that is well above the funding level requested by the president and Department of Education.

The higher level ensures an abundant amount of funding for pork projects. In fact, earmarks have consumed the majority of FIPSE program funds this decade. FIPSE pork projects reached a record, annual high level in FY 2002 of nearly \$150 million.

Only in fiscal years 2006 and 2007 was there a FIPSE earmark moratorium, and in these years the exclusion of congressional earmarks saved taxpayers well over \$200 million.

**Table 3. FY 2001-2010 FIPSE Funding<sup>57</sup>**

<b>Fiscal Year</b>	<b>Presidential Request</b>	<b>Total Appropriations</b>	<b>Earmarks</b>	<b>Percent of Earmarks</b>
2001	\$31,200,000	\$146,687,000	\$115,500,000	78.7%
2002	\$51,200,000	\$180,922,000	\$149,700,000	82.7%
2003	\$39,138,000	\$171,068,000	\$139,100,000	81.3%
2004	\$39,138,000	\$157,700,000	\$125,700,000	79.7%
2005	\$32,000,000	\$162,108,000	\$144,700,000	89.3%
2006	\$22,211,000	\$ 21,989,000	\$0 <sup>58</sup>	0%
2007	\$21,989,000	\$ 21,989,000	\$0 <sup>59</sup>	0%
2008	\$21,988,000	\$120,333,000	\$98,742,000	82.1%
2009	\$37,433,000	\$133,667,000	\$91,243,000	68.3%
2010	\$47,424,000	\$159,403,000	\$101,507,000	63.7%

<sup>57</sup> Congressional Research Service analysis prepared for the Office of Senator Tom Coburn, July 22, 2009. FY 2010 numbers obtained from <http://thomas.loc.gov/>.

<sup>58</sup> In FY 2006, FIPSE received \$21.9 million in appropriations and there were no congressional earmarks included in the final FY 2006 appropriation. During the FY 2007 appropriation process, the House proposed \$90.1 million and the Senate proposed \$80.5 million in FIPSE earmarks, but ultimately FIPSE was level-funded that year by P.L. 110-5, the Revised Continuing Appropriations Resolution of 2007.

<sup>59</sup> In FY 2006, FIPSE received \$21.9 million in appropriations and there were no congressional earmarks included in the final FY 2006 appropriation. During the FY 2007 appropriation process, the House proposed \$90.1 million and the Senate proposed \$80.5 million in FIPSE earmarks, but ultimately FIPSE was level-funded that year by P.L. 110-5, the Revised Continuing Appropriations Resolution of 2007.

Ultimately, members of the House and Senate appropriations committees determine which earmarks will be funded. Under statute, the Education Secretary is authorized to make FIPSE awards in support of a broad array of areas.<sup>60</sup> Consequently, virtually any project can be made to fit within the parameters of the program's authority, making earmarks easy to fund under this program.

These pork projects are often far removed from the *de facto* spending priorities of the nation. For example, this decade politicians have funded through FIPSE: a university branding initiative;<sup>61</sup> wine studies;<sup>62</sup> programs that allow college students to role play as members of Congress in an effort to acquire budgeting skills;<sup>63</sup> loan forgiveness programs for lawyers,<sup>64</sup> and countless other projects that are dubious federal spending priorities.

### **Lobbyists' Cut**

All too often, FIPSE funds are earmarked to entities with good lobbyists, not necessarily deserving or needy programs.

Postsecondary institutions and others entities with a direct interest in higher education – associations, accrediting groups and student lenders – reported spending \$99.7 million on lobbying in 2009, the most recent data available.<sup>65</sup>

These lobbyists have been highly successful in securing taxpayer money. *Inside Higher Ed* reports in FY 2010 alone, Washington politicians earmarked nearly \$2 billion at the request of 875 postsecondary institutions through the 12 regular appropriation bills.<sup>66</sup>

Of this total, 264 earmarks costing \$101 million were secured from FIPSE.<sup>67</sup> Nearly 47 percent of this amount, or beneficiaries of 124 of these earmarks, paid more than \$16 million to contract with Washington lobbyists.

On average, D.C. lobbyists profited \$60,000 per FIPSE earmark in FY 2010.<sup>68</sup>

#### ***Earmark Spotlight:***

*Colleges and universities have put their lobbyists to work securing earmarks and to great success.*

*For example, since first hiring a lobbyist since 1999, Mississippi State University has spent \$1.3 million on its lobbying expenses and received in return \$98.8 million in taxpayer money.*

*Among other things, Mississippi State used earmarks funds for high definition upgrades.*

*(See pg. 46)*

<sup>60</sup> FIPSE is authorized under Title VII, Part B of the Higher Education Act of 1965, as amended.

<sup>61</sup> See number 15 on list.

<sup>62</sup> See number 13 on list.

<sup>63</sup> See number 6 on list.

<sup>64</sup> See number 4 on list.

<sup>65</sup> Center for Responsive Politics, "Education" webpage, accessible at <http://www.opensecrets.org/industries/indus.php?ind=W04>, accessed May 26, 2010.

<sup>66</sup> Lederman, Doug, "The Academic Pork Barrel," *Inside Higher Ed*, April 29, 2010, accessible at <http://www.insidehighered.com/news/2010/04/29/earmark>, accessed May 20, 2010.

<sup>67</sup> U.S. Department of Education website, "FY 2010 [FIPSE] Grant Recipients in Alpha Order by Institution and By State," <http://www2.ed.gov/programs/ope-directed/awards.html>, accessed July 13, 2010.

<sup>68</sup> Information acquired from: The Center for Responsive Politics, <http://www.opensecrets.org/lobby/index.php>, the Senate Office of Public Records, <http://soprweb.senate.gov/index.cfm?event=selectfields>, and the U.S. House of Representatives' Office of the Clerk, "Lobbying Disclosures," <http://disclosures.house.gov/ld/ldsearch.aspx>.



## Monitoring by the U.S. Department of Education

After appropriators determine which pork projects federal taxpayers will fund, a final list of approved projects is included in the conference report that accompanies the final Labor-HHS-Education appropriations bill (officially called “congressionally-directed projects”).

The Department of Education’s Budget Office then reviews all enacted bills and corresponding report language. After a list of pork projects has been provided to the appropriate office within the Department, earmark recipients are invited, via letter, to “apply” for the earmarked project. The earmark recipient must simply submit a *non-competitive* application. This means that only the entity specified in the appropriations bill is allowed to apply.

The application has two primary objectives: to confirm that the earmarked project aligns with congressional intent and to demonstrate how the “monies will be spent appropriately and responsibly.”<sup>69</sup>

The FY 2010 application, for example, includes a list of specific items that must be submitted in order for funds to be disbursed, such as a line item budget, a narrative of how such figures were calculated, and a project/management narrative plan that is not to exceed ten pages.<sup>70</sup>

If it passes this low bar, the application is approved and funded.

After funds are disbursed, recipients are required to submit annual and final reports that conform to statutory and regulatory requirements, as applicable to *all* of Departmental grantees.

While projects are held to the same standards as all grants, whether or not oversight of FIPSE grants is sufficient has been questioned.

Department officials have noted frustration about the challenges associated with processing and monitoring earmarks, including the fact that Congress “...hasn’t given us the authority to ask a lot of questions of earmark recipients”<sup>71</sup> and the Department believes that “Federal grants are most effectively made through a competitive award process, rather than specified in legislation.”<sup>72</sup>

In January 2007, the Department’s independent Office of the Inspector General reviewed the volume and costs associated with earmarks at the Education Department, as well as the adequacy of oversight.

### *Findings at a Glance:*

Department officials have publicly noted frustration about the challenges associated with processing and monitoring earmarks, including the fact that Congress “...hasn’t given us the authority to ask a lot of questions of earmark recipients” and the Department believes that “Federal grants are most effectively made through a competitive award process, rather than specified in legislation.”

This decade, no Administration has requested earmarks from FIPSE or FIE.

<sup>69</sup> U.S. Department of Education, Office of Postsecondary Education Congressionally-Directed Grants website, “Applicant Information,” <http://www2.ed.gov/programs/ope-directed/applicant.html>, accessed July 13, 2010.

<sup>70</sup> U.S. Department of Education, Office of Postsecondary Education Congressionally-Directed Grants website, “Applicant Information,” <http://www2.ed.gov/programs/ope-directed/applicant.html>, accessed July 13, 2010.

<sup>71</sup> “Education Earmarks Clog Budget Bill: Department Faces ‘Challenge’ to Handle \$400 Million in Pet Projects,” *The Washington Times*, January 9, 2005.

<sup>72</sup> U.S. Department of Education Letter to Senator Tom Coburn dated August 12, 2008.



In its report, the Inspector General found that while the FIPSE earmark coordinator reviews applications, its focus is not on monitoring earmarks.<sup>73</sup>

FIPSE's then-earmark coordinator told the Inspector General it "...does not have the funds, staff, or encouragement to monitor earmarks and make site visits" and that staff spent approximately six hours administering each earmark for the entire fiscal year.<sup>74</sup>

The Inspector General found that the average amount of staff time spent administering earmarks in FIPSE during FY 2005, the year in focus for the audit, was approximately six hours per earmark for the entire fiscal year.

In response to the 2007 Inspector General's audit findings, the Department states it has stepped up its onsite visits to FIPSE earmark recipients, both announced and unannounced.

In addition, the Department also provides additional guidance to FIPSE earmark recipients as a result of the audit.<sup>75</sup>

***Earmark Spotlight:***

*While nobody likes negative children, it is a dubious national priority to earmark funds for a project to deter negativity in children. Yet, politicians did just that with taxpayer funds.*

*(See pg. 59)*

**Parochial Pork Projects Funded Before National Priorities**

Congressional pork projects consume the overwhelming majority of FIPSE's overall program funds each fiscal year. As recounted by the *The Quick and the Ed*, the blog of the *Education Sector*, an independent education think tank:<sup>76</sup>

*"It would be easy to dismiss these FIPSE projects since they receive small amounts of money relative to the billions of dollars spent elsewhere by the federal government. But that would be a mistake. These projects with their vague descriptions, minimal oversight, and political patronage create opportunities for waste and abuse and directly siphon money away from real opportunities for reform.*

*"Unfortunately, Congress has yet again shown that it would rather dish out pork for 'purchases of equipment' and things 'related to science' than actually help foster competition and innovation."<sup>77</sup>*

While the majority of FIPSE funds are earmarked, any funds remaining after earmarked dollars are allocated are used to support FIPSE "national priorities."

<sup>73</sup> U.S. Department of Education, Office of Inspector General Final Inspection Report, September 25, 2007, ED-OIG/I13H0004, accessible at <http://www2.ed.gov/about/offices/list/oig/aireports/i13h0004.pdf>.

<sup>74</sup> U.S. Department of Education, Office of Inspector General Final Inspection Report, September 25, 2007, ED-OIG/I13H0004, accessible at <http://www2.ed.gov/about/offices/list/oig/aireports/i13h0004.pdf>.

<sup>75</sup> Staff conversation with U.S. Department of Education staff, July 9, 2010. For example, see the FY 2010 applicant guidance that is available on the Department's Office of Postsecondary Education Congressionally-Directed Grants website, "Guidance for Managing Congressionally-directed Grants (FY 2010)," <http://www2.ed.gov/programs/ope-directed/applicant.html>, accessed July 13, 2010.

<sup>76</sup> Education Sector website, "Who We Are," <http://www.educationsector.org/whoweare/>, accessed June 10, 2010.

<sup>77</sup> "Fuzzy Math on FIPSE Earmarks," The Education Sector, *The Quick and the Ed* blog, accessed December 10, 2009, <http://www.quickanded.com/2009/12/fuzzy-math-on-fipse-earmarks.html>.

The authority for national “priorities” is provided by the Higher Education Act, and determined by the Department. These projects have also been criticized for thwarting efforts to spur innovation and reform through competition.

Or, as discussed by former Assistant Secretary for Postsecondary Education Diane Auer Jones:

*“When Congress passed the Higher Education Opportunity Act of 2008, they added an impossibly long list of new activities that the Department was authorized to support through the FIPSE program... While there are real benefits of the broad authority Congress assigned to the FIPSE program, the problem is that almost any earmark can [be] justified as a legitimate program expenditure, including those that are little more than equipment procurement projects (often times of questionable pedagogical value).*

*But the real challenge in administering a program with such broad authority is that it lacks the sort of focus necessary to develop and sustain a long-term research focus that will yield observable improvements in higher education outcomes. For better or worse, the Department of Education has tried to bring some focus to the program by creating sub-programs and initiatives under the FIPSE umbrella to bring resources and attention to particular problems or priorities of the higher education community, but this, too, creates challenges for institutions that wish to pursue activities outside of the particular set of funding initiatives.*

*And, like Congress, the Department tends to create initiatives that serve the political agendas of each Administration rather than respond to the needs of the external community.”<sup>78</sup>*

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<sup>78</sup> Diane Auer Jones, “The Real Problem With FIPSE,” *The Chronicle of Higher Education*’s “Brainstorm” blog, August 15, 2009.

# FIE: Washington's (Other) Slush Fund

At the K-12 level, the counterpart to the FIPSE program is the “Fund for the Improvement of Education and Projects of National Significance,” or FIE for short.<sup>79</sup>

Congress established FIE in 1988 as the “Secretary’s Discretionary Fund for Innovation in Education.”<sup>80</sup> Modeled after FIPSE,<sup>81</sup> the program authorized the Education Secretary to fund promising proposals as a means of identifying and disseminating innovative educational approaches.<sup>82</sup>

The program has been reauthorized several times and was renamed the “Fund for the Improvement of Education” in 1994 by the Improving America’s Schools Act.<sup>83</sup>

In its early years, FIE funding remained relatively modest. In FY 1989, its first year of funding, FIE received \$15 million. Funding remained in the \$20 to \$30 million range until reaching \$40 million in FY 1997.

FIE then saw explosive program growth. In FY 1998, program funding more than doubled to \$108 million, and later increased to \$139 million in FY 1999 and \$244 million in FY 2000.<sup>84</sup>

As early as 1994, FIE was publicly criticized for serving as a “slush fund.” For example, Paul A. Gagnon, who served as FIE program director 1991-1993,<sup>85</sup> suggested the program was being used, at times, as a slush fund, and that procedures used to solicit and review awards favored institutions with “slick grant-writing machinery.”<sup>86</sup>

FIE was most recently reauthorized in 2002 with enactment of the No Child Left Behind Act, and is currently administered by the Department’s Office of Innovation and Improvement.<sup>87</sup>

<sup>79</sup> Elementary and Secondary Education Act, Title V, Part D, Section 5401.

<sup>80</sup> P.L. No. 100-297. FIE was created as Part F of Title IV (Special Programs) of the amended Elementary and Secondary Education Act of 1965. FIE was created as Part F of Title IV (Special Programs) of the amended Elementary and Secondary Education Act of 1965.

<sup>81</sup> Rothman, Robert. “Small Program for School Innovations Faces Scrutiny,” *Education Week*, February 02, 1993.

<sup>82</sup> Rothman, Robert. “Small Program for School Innovations Faces Scrutiny,” *Education Week*, February 02, 1993.

<sup>83</sup> Public Law Number 103-382.

<sup>84</sup> Congressional Research Service, email to staff dated October 21, 2009.

<sup>85</sup> Theresa C. Sanchez, “Paul Gagnon, 80, historian, UMass-Boston Founding Dean,” *The Boston Globe*, May 6, 2005.

<sup>86</sup> Rothman, Robert. “Small Program for School Innovations Faces Scrutiny,” *Education Week*, February 02, 1993.

<sup>87</sup> U.S. Department of Education, Office of Innovation and Improvement webpage, <http://www2.ed.gov/about/offices/list/oi/index.html>, accessed June 11, 2010.

## In their own words...

“In Washington, it pays to have friends in high places. Literally. A growing number of districts, schools, and education groups have learned the truth of that cliché firsthand. They’ve received grants through the Fund for the Improvement of Education, a federal program that has a vague-sounding name and all-encompassing goals: to stimulate reform and improve teaching and learning. Members of Congress have padded the fund with hundreds of millions of dollars for local programs during the annual appropriations process.”

~ Joetta L. Sack, “[Sec.] Paige, Congress Tap Improvement Fund for Wish List Items,” *Education Week*, November 14, 2001.

“... the Fund for the Improvement of Education provides little for real research. The vast majority of its funding is for earmarks, which mostly provide more money for a particular locality or program to do more of what nonresearch funding is for: after-school programs, teacher training, technology upgrades, and family literacy.”

~ Jay P. Urwitz, “What Do We Know? Spending Our Research Dollars on the ‘Big Questions’” *Commentary*, October 1, 2007.

“Of course, there’s also the issue of judging whether the earmarked programs are actually effective. Members of Congress do not use a competitive process to distribute earmarks; it’s all about special constituent interests. And once the earmark is out the door, there is no accountability for how the funds are spent. ...The public needs to ask tough questions about earmarks and not get caught up in Congressional spin...”

~ Lindsey Luebchow, “Earmarks Galore! More Transparency, But Still Flourishing,” *The Ed Money Watch* blog, *The New America Foundation*, March 31, 2008.

As one of 35 federal innovation and improvement programs administered by the Department,<sup>88</sup> FIE notably duplicates other federal educational reform and innovation efforts.

For example, the Department administers two education reform programs worth \$5 billion. The \$4.3 billion *Race to the Top* fund, authorized under the American Recovery and Reinvestment Act (ARRA), provides *competitive* funding to consortia of states for the purpose of continuously improving teaching and learning.<sup>89</sup>

**Earmark Spotlight:**

*Politicians provided the University of Hawaii - West Oahu a \$200,000 FIPSE earmark to produce “Primal Quest,” a film documentary on some the most studied and photographed people in the world. (See pg. 57)*

The Department’s \$650 million *Investing in Innovation* (“I3”), also funded under ARRA, provides *competitive* grants to expand the implementation of, and investment in, innovative and evidence-based practices, programs and strategies that significantly improve K-12 achievement.<sup>90</sup> *Race to the Top* and *I3* both share the same goal as FIE: to seed promising best practices that can be duplicated by other educational institutions throughout the country.

**Earmarking Through FIE**

While the Secretary continues to have the authority under FIE to fund projects it deems “meritorious,” the Secretary also is permitted to fund congressional earmarks.<sup>91</sup> As shown in Table 4, congressional earmarks have comprised the majority of FIE program funds appropriated during the last decade.

**Table 4. FY 2001-2010 FIE Funding<sup>92</sup>**

Fiscal Year	Presidential Request	Earmarks	Total Appropriations
2001	\$137,150,000	\$139,853,000	\$338,781,000
2002	\$0	\$269,906,000	\$419,606,000
2003	\$35,000,000	\$211,327,000	\$318,630,000
2004	\$35,000,000	\$179,282,000	\$280,453,000
2005	\$45,000,000	\$244,987,000	\$257,114,000
2006	\$29,000,000	\$0 <sup>93</sup>	\$11,668,000
2007	\$39,000,000	\$0 <sup>94</sup>	\$16,051,000
2008	\$33,065,000	\$98,816,000	\$121,934,000
2009	\$52,300,000	\$88,015,000	\$115,965,000
2010	\$67,076,000	\$88,791,000	\$125,461,000

<sup>88</sup> U.S. Department of Education, Office of Innovation and Improvement webpage, <http://www2.ed.gov/about/offices/list/oii/index.html>, accessed June 11, 2010.

<sup>89</sup> U.S. Department of Education website, accessible at <http://www2.ed.gov/programs/racetothetop/index.html>, accessed May 20, 2010.

<sup>90</sup> U.S. Department of Education website, accessible at <http://ed.gov/programs/innovation/factsheet.html>, accessed May 20, 2010.

<sup>91</sup> “Discretionary Grants: Further Tightening of Education’s Procedures for Making Awards Could Improve Transparency and Accountability,” Government Accountability Office (GAO-06-268), February 2006, <http://www.gao.gov/new.items/d06268.pdf>, accessed May 19, 2010.

<sup>92</sup> U.S. Department of Education, email to congressional staff, June 11, 2010. U.S. Department of Education archives, <http://www2.ed.gov/offices/OUS/Archives/archive.html>, accessed May 17, 2010.

<sup>93</sup> In FY 2006, FIE received \$29 million in appropriations and there were no FIE earmarks included in the final FY 2006 appropriation.

<sup>94</sup> In FY 2007, FIE received \$39 million and there were no FIE earmarks included in the final FY 2007 appropriation.

FIE is the second largest slush fund for education pork at the Department – second only to the FIPSE program in FY 2010. In the current fiscal year, the FIE program funded roughly 45 percent of the earmarks funded through the Department.<sup>95</sup>

Washington politicians routinely fund FIE pork far removed from the *de facto* spending priorities of the nation. For example, Lawmakers have provided \$50,000 to cheer up grumpy children,<sup>96</sup> \$273,000 to combat Goth culture,<sup>97</sup> and \$25,000 to pay for mariachi music.<sup>98</sup> Politicians provided FIE pork to zoos,<sup>99</sup> the Baseball Hall of Fame,<sup>100</sup> Jazz at Lincoln Center,<sup>101</sup> and the Grammy Foundation.<sup>102</sup>

The statutory language controlling the FIE program authorizes a vast array of program activities and recipients.<sup>103</sup> FIE funds may be given to states, local school districts, higher education institutions, or other public and private agencies, organizations and institutions. This broad authority creates an easy path for earmarks to be funded.

The earmarking process mirrors that of the FIPSE program: Washington politicians collaborate with lobbyists prior to selecting pet projects to be funded; FIE education pork is included in the conference report that accompanies the Labor-HHS-Education appropriation bill; and earmarks are delegated to the appropriate agency office.

Earmark recipients are subsequently invited, via letter, to “apply” for the earmarked project. FIE earmark recipient submit *non-competitive* applications, meaning only the entity specified in the appropriations bill is allowed to apply. The application is designed to confirm that the earmark aligns with congressional intent and to demonstrate how the “monies will be spent appropriately and responsibly.”<sup>104</sup>

While the earmarking process is largely identical between FIPSE and FIE, one major difference is that FIE earmark applications are required under statute to demonstrate a “clear objective based on scientifically based research.”<sup>105</sup>

If this bar is met, FIE earmarks are funded.

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<sup>95</sup> Annual Labor, Health and Human Services, Education appropriations, <http://thomas.loc.gov/>.

<sup>96</sup> In FY 2004, lawmakers provided a \$50,000 FIE earmark to deter negativity. The earmark went to the Temple Community Development Corporation in Louisville, Kentucky to fund the “Children Against Negativity (CAN)” program.

<sup>97</sup> In FY 2002, the Youth Outreach Unit in Blue Springs, Missouri received an FIE earmark at the request of Rep. Sam Graves (R-MO) for educational training in combating Goth culture.

<sup>98</sup> In FY 2005, the Clark County School District received a \$25,000 FIE earmark to pay for the development on the study of mariachi music. Since 2001, the Clark County School District has received 22 earmarks totaling over \$9 million. Data obtained from <http://thomas.loc.gov/>.

<sup>99</sup> Information acquired from <http://thomas.loc.gov/>. See page 43.

<sup>100</sup> Information obtained from <http://thomas.loc.gov/>, H.R. 4818 - Consolidated Appropriations Act 2005, H. Rept. 108-792, P.L. 108-447. See page 46.

<sup>101</sup> Information acquired from <http://thomas.loc.gov/>. See page 54.

<sup>102</sup> Information acquired from <http://thomas.loc.gov/>. See page 55.

<sup>103</sup> Elementary and Secondary Education Act, Title V, Part D, Section 5401. Program funds may be used: 1) to promote systemic education reform at the state and local level; 2) to support scientifically based research and evaluations designed to improve student academic achievement; 3) to support scientifically based research and evaluations designed to improve strategies for effective parent and community involvement; 4) for programs that are designed to yield “significant results,” including programs to explore approaches to public school choice and school-based decision making; 5) for recognition programs that may include financial awards to states, schools districts and schools that have made the greatest progress; 6) for scientifically based studies and evaluations of education reform strategies and innovations, and the disseminations of such information; 7) for identification and recognition of exemplary schools and programs; 8) for activities to support Scholar-Athlete Games programs; 9) for programs to promote voter participation in American elections; 10) for demonstrations relating to the planning and evaluation of the effectiveness of programs under which school districts or schools contract with private management organizations to reform a school or schools; and 11) for “other programs that meet the purposes of the Act.”

<sup>104</sup> U.S. Department of Education, Office of Postsecondary Education Congressionally-Directed Grants website, “Applicant Information,” <http://www2.ed.gov/programs/ope-directed/applicant.html>, accessed July 13, 2010.

<sup>105</sup> Elementary and Secondary Education Act, Title V, Part D, Section 5412.



## Monitoring and Oversight by the Department

After funds are disbursed, agency officials are in charge of monitoring and oversight. FIE earmark recipients are required to submit annual and final reports that conform to statutory and regulatory requirements, as applicable to *all* of the Department's discretionary grantees (a.k.a., programs funded by annual appropriations bills).

A notable difference between the FIE and FIPSE programs is that the Inspector General's audit of the two programs found greater evidence of ongoing monitoring of FIE program funds than was conducted in the FIPSE program.<sup>106</sup> According to the IG's report, some of the FIE earmark files included e-mail communications between Department staff and grantees and documented phone conversations.

Additionally, the Office of Innovation and Improvement developed a Monitoring Handbook specifically for FIE earmarks, trained its staff on the specifics of the handbook, and communicated to its staff an expectation that earmarks are to be monitored. According to Monitoring Handbook for FIE Earmarks, the agency monitors FIE earmarks in a number of ways:

- *Post-Award Conference:* Agency officials conduct a post-award conference, typically via telephone, with each grantee within 30 day after the grant is awarded. The post-award conference allows the agency to establish contact; establish a common understanding of the proposed grant activities, budget and expectations; address any concerns and review agency rules governing the earmarked funds.
- *Ongoing Monitoring:* Agency officials continue to conduct oversight on a schedule and in a way that varies depending on the scope of the activities and the needs of the grantee. The agency also recommends that the monitor "Make at least one contact with the director of the single-year projects after the post-award conference and prior to sending out the 'closeout' letter." Site visits may occur if funding allows and circumstances suggest a site visit is warranted.
- *Official Reporting:* FIE earmark recipients are required to submit annual and final reports, as well as fulfill an official closeout process following submission of a final report.<sup>107</sup>

It is debatable, however, if *more* monitoring equates to *sufficient* monitoring. The Inspector General found that "Some FIE monitors were responsible for over 100 earmark projects during FY 2005 and therefore were unable to dedicate significant time to each grantee." The Inspector General determined that the average amount of staff time spent administering earmarks in FIE during FY 2005 was approximately 35 hours per earmark for the entire fiscal year.<sup>108</sup>

Taxpayers deserve to know the dollars politicians expend on their behalf are carefully scrutinized and awarded based on merit to demonstrated, high priority federal needs. The outcomes of such projects should be thoroughly evaluated on the basis of science, and the results of all taxpayer funded projects should be transparent and easily accessed.

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<sup>106</sup> U.S. Department of Education, Office of Inspector General Final Inspection Report, September 25, 2007, ED-OIG/I13H0004, accessible at <http://www2.ed.gov/about/offices/list/oig/aireports/i13h0004.pdf>.

<sup>107</sup> U.S. Department of Education, "Monitoring Handbook for FIE Earmarks, February 24, 2010 version.

<sup>108</sup> U.S. Department of Education, "Monitoring Handbook for FIE Earmarks, February 24, 2010 version.

# **Detention Hall: The Decade's Worst Education Pork**



# #1: Pink Slips and Red Ink

Schools across the nation are making difficult decisions in order to balance budgets during the economic downturn. Yet, while school administrators make the necessary decisions, Washington is simultaneously failing to prioritize the nation's spending.

In spite of a record \$13.5 trillion national debt, Washington politicians continue to dole out hundreds of millions of dollars in pork projects through the U.S. Department of Education that are dubious priorities – at either the local or national levels. At a time when schools are delivering pink slips and the nation is awash in red ink, there simply is no place for frivolous education pork.

Consider the following case studies:

## Port Townsend, Washington

On May 14, 2010, Tom Opstad, Superintendent of Washington's Port Townsend school district, faced the unsavory task of laying-off seven teachers.<sup>109</sup> The reduction in workforce, which amounted to the equivalent of 2.7 full time positions, helped the school district secure \$200,000 of the \$770,000 it needed to balance its 2010-2011 budget.<sup>110</sup>



Commenting on the layoffs, Port Townsend School Board President Bobby DeBois noted, "We don't like that this is happening, but with the declining enrollments and budget cuts, a reduction in force is normal behavior this time of year."<sup>111</sup>

While the school district made difficult decisions as to which staff to release at the end of the school year, D.C. politicians were busy adding to the national debt by spending federal taxpayers' dollars on non-essential projects.

In FY 2010, a \$500,000 FIE earmark was obtained for "Look Both Ways," a private entity in Port Townsend, Washington for the development of an internet safety curriculum.<sup>112</sup>

The half million earmark was sufficient to prevent teacher layoffs in the Port Townsend school district. In fact, the earmark would have provided 65 percent of the district's funding shortfall faced.

The earmark for the internet safety curriculum will likely provide small comfort to school district personnel who lost their jobs.

"It's a sad situation when teachers are losing their jobs and we are not able to offer the educational program that the community needs," said Roger Mills, a sixth grade teacher in Port Townsend's Blue Heron Middle School.

<sup>109</sup> Charlie Bermant and Leah Leach, "Port Townsend School to Cut Seven Teachers," Peninsula Daily News, May 14, 2010, <http://www.peninsuladailynews.com/article/20100514/news/305149984>.

<sup>110</sup> Charlie Bermant and Leah Leach, "Port Townsend School to Cut Seven Teachers," Peninsula Daily News, May 14, 2010, <http://www.peninsuladailynews.com/article/20100514/news/305149984>.

<sup>111</sup> Charlie Bermant and Leah Leach, "Port Townsend School to Cut Seven Teachers," Peninsula Daily News, May 14, 2010, <http://www.peninsuladailynews.com/article/20100514/news/305149984>.

<sup>112</sup> The earmark was requested by Senator Patty Murray (D-WA) and Representatives Wasserman Schultz (D-FL) and Dave Reichert (R-WA). House Report 111-366, Departments of Transportation and Housing and Urban Development, and Related Agencies Appropriations Act 2010, P.L.111-117.

## Honolulu, Hawaii

In the case of Hawaii, fiscal challenges resulted in the state having the shortest academic calendar in the country after mandatory furlough days were imposed on teachers and administration staff. A furlough is the placement of an employee temporarily and involuntarily in a non-pay and non-duty status by the employer, typically due to a lack of funds.

Hawaii is the only state in the country with a single school district run by the state. In the 2009-2010 school year, Hawaii public schools lost 17 days of classroom education due to teacher furloughs imposed by the state to save money.<sup>113</sup> The decision was condemned by Education Secretary Arne Duncan who said: "All states are under financial pressure, but none are cutting this much learning time from their school year. It's inconceivable to me that this is the best solution for Hawaii."<sup>114</sup>

Furlough days will continue in the 2010-2011 school year to help the state make up a \$1.1 billion state budget deficit.<sup>115</sup> For school year 2010-11, 10-month and 12-month teachers will be furloughed 6 and 10 days, respectively. The superintendent's leadership team will also be furloughed for 10 days.<sup>116</sup>

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Despite the significant challenges facing the Honolulu School District, frivolous earmarks continued to flow to the state in support of pork projects.



For example, in fiscal years 2009 and 2010, politicians deemed it a federal priority to funnel \$538,000 away from the Fund for the Improvement of Education to the Polynesian Voyaging Society in Honolulu. The Polynesian Voyaging Society also received \$238,000 in FY 2009 and \$300,000 in FY 2010 from FIE.<sup>117</sup>

While parents scrambled for day care and worried about the impact of lost instruction time on their children, Washington politicians funneled education dollars to the Polynesian Voyaging Society to help it "...carry out an experiment that would help answer some questions: did the Polynesians settle the far-flung islands of the mid-Pacific – by accident or by design? Did their canoes and their knowledge of navigation enable them to sail purposefully over the vast sea distances between Pacific islands?"<sup>118</sup>

As show in Appendix 7, in fiscal years 2009 and 2010, the state received 14 earmarks totaling \$6.23 million from FIE and FIPSE. Consider that each furlough day was estimated to cost \$5.5 million.<sup>119</sup> The earmarks alone could have restored more than one day of learning for Hawaii's public school children, but instead funded low priority pork and added to the national debt Hawaiian students will one day inherit.

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<sup>113</sup> Hawai'i Department of Education webpage, "Furloughs and Hawaii's Public Schools," <http://doe.k12.hi.us/news/furlough/index.htm>, accessed August 1, 2010. See also Suzanne Roig's "How Hawaii's Budget Led to Furloughed Kids," *Time*, October 24, 2010.

<sup>114</sup> Louise Radnofsky, "Duncan Scolds Hawaii on School Furloughs," *Wall Street Journal*, October 24, 2009.

<sup>115</sup> Ian Quillen, "Hawaii Copes With Disruption From School Furloughs," *EdWeek*, November 4, 2009.

<sup>116</sup> Hawai'i Department of Education webpage, "FURLOUGHES: Frequently Asked Questions," updated June 10, 2010, <http://doe.k12.hi.us/news/furlough/FAQ/Furloughs/index.htm>, accessed August 1, 2010.

<sup>117</sup> The earmark was requested by Senator Inouye in FY 2009 and by Senators Inouye and Akaka in FY 2010.

<sup>118</sup> Polynesian Voyaging Society website, <http://pvs.kcc.hawaii.edu/>.

<sup>119</sup> Senator Clayton H.W. Hee, Opinion Editorial, "Restore Furlough Fridays with Llonger School Days," *Honolulu Advertiser*, April 5, 2010.

## Nye County School District, Nevada

On Tuesday, June 4, 2010, the Board of Trustees for Nevada's Nye County School District approved cuts to its 2010-2011 budget to make up for a nearly \$6.6 million funding shortfall.<sup>120</sup> The budget calls for the loss of 71 employees throughout the school district, including 23 elementary teachers.<sup>121</sup> As reported by *Pahrump Valley Times*, many parents told the trustees they were willing to personally sacrifice to save teaching positions.



GINA B. GOOD / *Pahrump Valley Times*

*Donnie Miller is held steady by his mother, a part-time teacher, as he stands on a chair to address the Nye County School District Board of Trustees at Monday night's budget meeting. He asked the board not to lay off any teachers so he wouldn't have to move away.*

Jeff Hammer, a parent and Assistant Principal of Rosemary Clarke Middle School, asked the trustees at a public meeting to think of the families of district employees whose "lives are being turned upside down so my son can benefit."

Hammer said he would give up his cell phone and satellite TV in order to pay for his son to participate in athletics "for these teachers to keep their jobs. My son needs academics to go to college."

Other parents seconded his commitment to make sacrifices to pay for athletics in order for the schools to keep teachers afraid of untenable student to teacher ratios.

Nevertheless, 71 employees throughout the school district, including 23 elementary teachers, face the chopping block.<sup>122</sup>

While the school district struggled to balance its budget, it was business as usual in Washington as elected officials continued to spend federal taxpayer dollars without restraint.

In fiscal year 2010, Washington politicians provided a nearly \$425,000 FIE pork project to the Nye County School District to purchase interactive science curriculum and equipment for several of its rural middle schools.<sup>123</sup>

The earmark is clearly a lower priority than the loss of educators in the school district. It also exemplifies the type of reckless spending that led to a \$13.5 trillion national debt that threatens the future standard of living for today's youth.

Taxpayers should not have to send their dollars to Washington, only to have it earmarked for the pet projects of elected officials and lobbyists.

<sup>120</sup> Gina B. Good, "School Budget Passes," *Pahrump Valley Times*, June 15, 2010, <http://www.pahrumpvalleytimes.com/2010/Jun-04-Fri-2010/news/36250486.html>, accessed June 4, 2010.

<sup>121</sup> Gina B. Good, "School Budget Passes," *Pahrump Valley Times*, June 15, 2010, <http://www.pahrumpvalleytimes.com/2010/Jun-04-Fri-2010/news/36250486.html>, accessed June 4, 2010.

<sup>122</sup> Gina B. Good, "School Budget Passes," *Pahrump Valley Times*, June 15, 2010, <http://www.pahrumpvalleytimes.com/2010/Jun-04-Fri-2010/news/36250486.html>, accessed June 4, 2010.

<sup>123</sup> "Nevada Appropriations Requests (2010)," website of Senator Harry Reid (D-NV), [http://reid.senate.gov/appropriations\\_requests\\_2010.cfm](http://reid.senate.gov/appropriations_requests_2010.cfm), accessed June 15, 2010.

## Boise, Idaho

In Boise Idaho, teachers may wonder how useful professional development is when educators are being fired.

In FY 2010 elected officials funneled a \$400,000 earmark from FIE to Boise State University for its “Idaho SySTEMic Solution program.”<sup>124</sup>



Idaho SySTEMic Solution, a joint project between the College of Engineering and the College of Education at Boise State, is a professional development effort. It employs research with the goal of better equipping elementary science, technology, engineering and math (STEM) teachers.<sup>125</sup>

Ironically, while Washington politicians sent \$400,000 from FIE to a teacher development program at a local college, the Boise School District made the decision to eliminate teaching positions.

In sum, the school district cut 33 instructional staff, 20 administrative positions, and one counseling position.

In addition to these cuts, the Boise School District also made the following cuts to balance its \$11 million budget deficit:

- Freezing salaries for all 3,900 full- and part-time employees;
- Adopting three furlough days for all employees;
- Hiring lower-paid employees to replace about 100 retirees;
- Eliminating budgets for new textbooks, library books and supplies;
- Adopting 9:15 a.m. start times (instead of 8:45 a.m.) at nine elementary schools to save up to \$500,000 in transportation costs. Bus routes will be combined and fewer buses will run; and
- Cutting athletic supplies, school supplies and department budgets by 10-50 percent.<sup>126</sup>

While the earmark’s cost is small relative to the overall budget deficit of the school district, funding a pork project for professional development when those who would benefit are being laid off is a waste of taxpayer dollars.

<sup>124</sup> The earmark was requested by Representative Mike Simpson (R-ID), and Senators Mike Crapo (R) Jim Risch (R). Conference Report 111-36, Departments of Transportation and Housing and Urban Development, and Related Agencies Appropriations Act, 2010.

<sup>125</sup> Boise State University website, “Temporary Associate Research Project Coordinator Idaho SySTEMic Solution,” <http://hrs.boisestate.edu/joblistings/professional/tp0184-90.shtml>, accessed July 27, 2010.

<sup>126</sup> Joe Estrella, “Boise School District Adopts Tight 2010-2011 Budget; Meridian up Next,” June 15, 2010, <http://www.idahostatesman.com/2010/06/15/1231621/boise-adopts-tight-2010-2011-budget.html#ixzz0uuG8lzO5>, accessed July 27, 2010.

## #2: JSU's Pointless Study

Requested by Representative Bennie Thompson (D-MS), Jackson State University received a \$478,941 earmark, using FIPSE funds in FY 2008, to establish a school of osteopathic medicine.”<sup>127</sup>

Jackson State University accepted the funds despite *having no intention of establishing the school*.

On April 18, 2008, *The Jackson Clarion-Ledger* reported that “Congress recently awarded JSU \$14.2 million in earmarks, including \$478,492 from the U.S. Department of Education to examine the feasibility of opening an osteopathic medical school” and that “Jackson State University is proceeding with conducting a feasibility study about opening an osteopathic medical school, but the commissioner of higher education said the school won’t open one.”<sup>128</sup>



According to Mississippi Commissioner of Higher Education, Dr. Thomas Meredith:

*“After discussion with Jackson State University President Dr. Ron Mason, it has become clear that Jackson State has no intention of pursuing such a school; it simply agreed to conduct a feasibility study for the state at the request of Mississippi’s 2<sup>nd</sup> District U.S. Rep. Bennie Thompson. The College Board appreciates the congressman’s interest in the real needs facing Mississippi in terms of quality health care and health-care providers. The College Board recently approved an expansion plan at the University of Mississippi Medical School; however, we do not have the resources to fully execute the plan.”*<sup>129</sup>

Dr. Meredith continued, stating that study:

*“is not a waste of taxpayer money. ...A congressman desires to have a feasibility study done, and he’s asking the university to do that. That’s not a problem.”*<sup>130</sup>

However, spending federal taxpayers’ funds, at the school’s own admission, without purpose is, in fact, problematic. Consider that the \$478,492 spent on a pointless study could instead have paid the full \$2,317 tuition for 205 undergraduates enrolled at JSU students during the fall 2009 semester.<sup>131</sup>

What’s more, in addition to the expansion at the University of Mississippi Medical School recently approved by the College Board, William Carey University, located in Hattiesburg, Mississippi, had also recently voted to open its own school of osteopathic medicine.<sup>132</sup>

<sup>127</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080081>.

<sup>128</sup> Brown, LaRaye, “JSU Continues Medical School Feasibility Study; But Commissioner of Higher Education Says University Won’t Open a Facility,” *Jackson Clarion Ledger*, April 18, 2008.

<sup>129</sup> Dr. Thomas C. Meredith. “JSU’ Feasibility Study’ Won’t Lead to Another Med School,” *Jackson Clarion-Ledger*, April 15, 2008.

<sup>130</sup> Brown, LaRaye, “JSU Continues Medical School Feasibility Study; But Commissioner of Higher Education Says University Won’t Open a Facility,” *Jackson Clarion Ledger*, April 18, 2008.

<sup>131</sup> Jackson State University website, Office of Financial Services, “Tuition and Fees, Fall 2009 In-State Undergraduate Charges,” accessed August 5, 2009, <http://www.jsu.edu/businessfinance/fees.htm>.



Efforts were made to recover the funds from Jackson State University. In 2008, U.S. Senator Tom Coburn wrote Jackson State’s president, Ronald Mason, to request that earmarked funds be returned to the U.S. Treasury.<sup>133</sup>

Also at this time, Senator Coburn wrote the U.S. Department of Education to share concerns about media reports that the agency was “choking on congressional pork,”<sup>134</sup> and to request that funds earmarked by Rep. Thompson for JSU be rejected, given its lack of intention to establish the school.

Despite these attempts to recoup taxpayer dollars, funds were not returned.

Since hiring a lobbying firm in 2000, Jackson State University secured over \$23 million in earmarks.

**Table 5: Jackson State University’s Lobbying Expenses vs. Earmarks Received<sup>135</sup>**

Fiscal Year	Lobbying Expenses	Total Earmarks Received
2010	\$30,000 <sup>136</sup>	\$3,456,000
2009	\$120,000	\$3,456,000
2008	\$110,000	\$4,373,000
2007	\$107,000	\$2,700,000
2006	\$120,000	\$2,000,000
2005	\$100,000	\$2,950,000
2004	\$80,000	\$1,000,000
2003	\$100,000	\$1,750,000
2002	\$80,000	\$2,450,000
2001	\$80,000	\$1,870,000
<b>TOTAL:</b>	<b>\$927,000</b>	<b>\$26,005,000</b>

<sup>132</sup> William Carey University website, “College of Osteopathic Medicine” webpage, <http://www.wmcarey.edu/COM/Home/1722/CollegeofOsteopathic.shtm>, accessed July 29, 2010.

<sup>133</sup> See Appendix 6.

<sup>134</sup> *The Washington Times*, “Education Earmarks Clog Budget Bill: Department Faces ‘Challenge’ to Handle \$400 Million in Pet Projects,” January 9, 2005, Section: Nation; Pg. A03.

<sup>135</sup> Information on lobbying expenses was obtained from the Center for Responsive Politics, OpenSecrets.org, <http://www.opensecrets.org/>, Accessed August 5, 2009. Information on earmarks awarded to Jackson State University obtained from the Citizens Against Government Waste Pig Book, <http://www.cagw.org/reports/pig-book/>.

<sup>136</sup> Total as of April 25, 2010, Center for Responsive Politics, OpenSecrets.org.

<http://www.opensecrets.org/lobby/clientsum.php?lname=Jackson+State+University&year=2010>, accessed May 28, 2010.



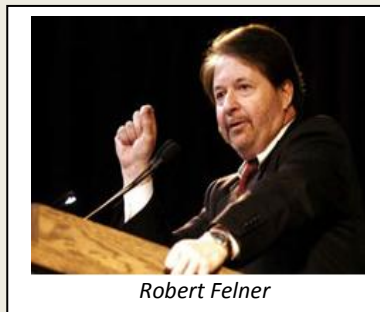
### #3: An Earmark and Its Indicted Manager

In May 2010, Robert Felner, former Dean of the University of Louisville's Department of Education and Human Development, was sentenced to serve 63 months in prison.<sup>137</sup> Felner was sentenced in connection to nine federal charges for which he plead guilty.<sup>138</sup> The sentencing is the result of a long storyline of fraud in which the Fund for the Improvement of Education played a key role.

#### The Story

In FY 2005, the University of Louisville obtained a \$700,000 FIE earmark to create the Center for Research-Based Educational Improvement and Assessment, also known as the *No Child Left Behind* (NCLB) Center.<sup>139</sup>

The University of Louisville's earmark was to support the continuous improvement of the NCLB Act's implementation in the State of Kentucky.



Robert Felner

On August 19, 2005, the Department approved the non-competitive application and informed officials at the University of Louisville that the grant period would span from September 2005 to August 31, 2006.<sup>140</sup>

However, nearly three years later, substantial fraud in connection to the earmark was uncovered. In June 2008, University of Louisville officials reported that the University's Education Dean, Robert Felner, and his colleague, Thomas Schroeder, stole \$2.3 million from various grants and contracts – including \$450,000 from Louisville's FIE NCLB implementation earmark.

Felner, who was responsible for overseeing the FIE earmark, ultimately plead guilty and was sentenced to 63 months in prison.<sup>141</sup>

Thomas Schroeder, Felner's co-defendant, plead *not* guilty to charges filed against him and stood trial in August 2010.<sup>142</sup> The following month, a federal jury convicted Schroeder of conspiring to impede the Internal Revenue Service, yet acquitted him on mail fraud and conspiracy to commit money laundering.<sup>143</sup> Schroeder now faces a maximum sentence of five years in prison and is scheduled to be sentenced on December 14, 2010.<sup>144</sup>

<sup>137</sup> Bill Alexander, "Former University Dean Sentenced in Federal Court," *Fox41News*, May 17, 2010.

<sup>138</sup> Nancy Rodriguez, "Former University of Louisville Dean Robert Felner Faces 63 Months in Prison, Restitution," *Louisville Courier-Journal* (Kentucky), January 8, 2010.

<sup>139</sup> House Report 108-792, Conference Report to Accompany H.R. 4818 - Consolidated Appropriations Act, 2005, <http://thomas.loc.gov/home/omni2005/index.htm>.

<sup>140</sup> *Louisville Courier-Journal* (Kentucky), "Felner Inquiry Timeline, accessible at <http://www.courier-journal.com/article/20081023/NEWS01/810230439/Felner-Inquiry-Timeline>.

<sup>141</sup> Robert Felner agreed to pay back money he pled guilty to stealing. In total: \$510,000 from the University of Louisville, \$1,646,000 to the University of Rhode Island and almost \$89,000 to the Rock Island Council on Addiction in Illinois. Bill Alexander, "Former University Dean Sentenced in Federal Court," *Fox41News*, May 17, 2010.

<sup>142</sup> Bill Alexander, "Former University Dean Sentenced in Federal Court," *Fox41News*, May 17, 2010, and Nancy Rodriguez, "Former University of Louisville Dean Robert Felner Faces 63 Months in Prison, Restitution," *Louisville Courier-Journal* (Kentucky), January 8, 2010.

<sup>143</sup> Charles Gazaway, "Schroeder Convicted on One Charge in UofL Stolen Money Case," *Louisville WAVE*, NBC 3, September 3, 2010, accessible at <http://www.wave3.com/Global/story.asp?S=13122512>, accessed September 13, 2010.

<sup>144</sup> Nancy Rodriguez, "Felner Associate 'Stunned' by Guilty Verdict on IRS Count," *Louisville Courier-Journal*, September 8, 2010.

U.S. Attorney David Huber credited the University of Louisville for bringing the allegations to light.<sup>145</sup> In bringing the corruption to light however, the University of Louisville also revealed the extended period of time that the U.S. Department of Education allowed corruption to go unnoticed. In the years before the University of Louisville's earmark was approved on August 19, 2005, the following occurred:

- **July 17, 2001 to February 12, 2004:** Several bank accounts are opened under a separate educational center's name located in the State of Illinois. Felner funneled \$1 million from the Atlanta Public Schools to the Illinois center. The funds were intended to go to a third and distinct education center founded by Felner at the University of Rhode Island.
- **July 2, 2002 to September 24, 2007:** Felner shifted \$326,000 from Buffalo, New York and New York Middle School Association to the Illinois center that was meant for the Rhode Island center.<sup>146</sup>
- **September 9, 2002 to December 20, 2004:** Authorities allege Felner and Tom Schroeder funneled \$375,000 from the Santa Monica/Malibu Unified School District to the Illinois center that was meant for the Rhode Island center.<sup>147</sup>

Despite the significant fraudulent activity occurring during the period spanning July 2001 – August 2005 (when the earmark was approved), no red flags seemed to be detected by the Department, and the earmark was funded despite this fraudulent activity.

Activity continued:

- **March 2006:** Faculty of the College of Education and Human Development initiated a no-confidence vote against Felner. The no-confidence vote passed 27-24.
- **April 2006:** Felner initiates a \$60,000 subcontract with the National Center on Public Education and Social Policy at the University of Rhode Island for research with the NCLB Center.
- **January 3, 2007:** Felner executes a memorandum of agreement with the Rhode Island center, which is paid with two \$15,000 checks sent by University of Louisville in March.
- **January 5, 2007:** Felner executes a \$250,000 personal-service contract with the National Center on Public Education and Prevention in Illinois. The contract is paid between March 15 and June 29. The money was deposited in a Louisville bank account controlled by Felner.<sup>148</sup>

While corruption continued to unfold, on July 27, 2007, almost a year after the grant authority expired, the Department approved **an extension** of Louisville's NCLB Center earmarked project.

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<sup>145</sup> Andrew Wolfson, "Ex-U of L Dean, Associate Face Charges: \$2.3 Million Misappropriated, Federal Indictment says," *Louisville Courier-Journal (Kentucky)*, October 23, 2008.

<sup>146</sup> Andrew Wolfson, "Ex-U of L Dean, Associate Face Charges: \$2.3 Million Misappropriated, Federal Indictment says," *Louisville Courier-Journal (Kentucky)*, October 23, 2008.

<sup>147</sup> Andrew Wolfson, "Ex-U of L Dean, Associate Face Charges: \$2.3 Million Misappropriated, Federal Indictment says," *Louisville Courier-Journal (Kentucky)*, October 23, 2008.

<sup>148</sup> Andrew Wolfson, "Ex-U of L Dean, Associate Face Charges: \$2.3 Million Misappropriated, Federal Indictment says," *Louisville Courier-Journal (Kentucky)*, October 23, 2008.

## #4: Cash for Rutgers's Law Students

Leave it to lawmakers to feel sorry for lawyers.

At the request of Rep. Robert Andrews (D-NJ), Rutgers University School of Law-Camden received numerous FIPSE earmarks during the decade: \$500,000 in FY 2010, \$428,000 in FY 2009, \$613,099 in FY 2008, \$640,000 in FY 2005, \$500,000 in FY 2003 and \$540,000 in FY 2002. In sum, Rutgers University School of Law-Camden has received \$3.2 million.<sup>149</sup>

The earmarked funds supported scholarships, student loan repayments, and secured internships for aspiring lawyers.

However, graduates of Rutgers Law earn impressive salaries following their graduation. For the class of 2009, the average starting salary of graduates entering private practice was \$115,000, with top graduates receiving an upwards of \$160,000. Graduates working in the business sector made an average of \$80,000 and up to \$200,000.<sup>150</sup>

### Rutgers School of Law- Camden: Class of 2009

Salaries By Job Type						
JOB TYPE	Average	Minimum	25 <sup>th</sup> percentile	Median	75 <sup>th</sup> percentile	Maximum
Private Practice	108,017	32,000	70,000	115,000	145,000	160,000
Judicial Clerkship	44,916	42,172	42,172	42,172	46,390	61,245
Government	49,000	43,000	n/a	n/a	n/a	55,000
Public Interest	n/a	n/a	n/a	n/a	n/a	n/a
Business	88,625	24,000	60,000	80,000	103,750	200,000
Academic	78,100	78,100	n/a	n/a	n/a	78,100
Military	55,000	55,000	n/a	n/a	n/a	55,000

Private Practice: Law Firm Size & Salaries							
Firm Size		Salary by Firm Size					
SIZE	% of reported	Average	Minimum	25 <sup>th</sup> Percentile	Median	75 <sup>th</sup> Percentile	Maximum
Solo	9.21	50,000	50,000	n/a	n/a	n/a	50,000
2 to 10 attorneys	23.68	67,400	50,000	57,500	60,000	77,500	100,000
11 to 25 attorneys	7.89	73,333	45,000	n/a	75,000	n/a	100,000
26 to 50 attorneys	5.26	84,250	60,000	n/a	71,000	n/a	135,000
51 to 100 attorneys	6.58	105,625	72,500	n/a	115,000	n/a	120,000
101 to 250 attorneys	14.47	106,182	32,000	80,000	110,000	135,000	135,000
251 to 500 attorneys	6.58	136,250	80,000	n/a	152,500	n/a	160,000
501 or more attorneys	26.32	141,325	60,000	138,250	145,000	148,750	160,000

<sup>149</sup> Staff analysis, based on annual Labor, Health and Human Services, Education appropriations, <http://thomas.loc.gov/>.

<sup>150</sup> "Career Planning Employment Data," Rutgers University School of Law-Camden website, <http://camlaw.rutgers.edu/sites/default/files/salaries%20and%20firm%20size.pdf>, accessed June 11, 2010.

The federal government already invests billions of dollars each and every year in the higher education system. Washington politicians should not create special scholarship programs, funded with taxpayer dollars, for law school graduates with the potential to secure high paying jobs.

In addition to federal student financial aid, Rutgers University School of Law-Camden lists on its website 36 separate scholarship program opportunities, funded with private and/or institutional money, for which its students may be eligible.<sup>151</sup>



The earmarks obtained for Rutgers Law-Camden have faced additional scrutiny due to Rep. Andrews' personal relationship with the school.

Besides being a Camden native, Rep. Andrew's wife, Camille currently serves as Associate Dean of Enrollment and Projects where she is in charge of admissions and special legal programs.<sup>152</sup>

Law School officials have stated they did not actively seek the earmarked funds, and that Representative Andrews took on that role himself.<sup>153</sup>

Despite the appearance of earmark nepotism, Rep. Andrews fully disclosed the earmarks and had the requests approved by a House ethics panel. The House Ethics Committee advised Rep. Andrews that his wife did not have a financial interest in the earmark, despite her position at the law school.<sup>154</sup>

<sup>151</sup> "Administration," Rutgers Law School-Camden website, <http://camlaw.rutgers.edu/directory/subtype/administration>, accessed June 11, 2010.

<sup>152</sup> "Tuition and Financial Aid," Rutgers Law School-Camden website, <http://camlaw.rutgers.edu/tuition-and-financial-aid>, accessed June 11, 2010.

<sup>153</sup> Elise Young, "Lawmaker Sent Funds to Wife's School," *Trenton Bureau*, May 14, 2008, <http://www.co.bergen.nj.us/PressClipsPDF/0514081.pdf>, accessed June 11, 2010.

<sup>154</sup> *Ibid.*

## #5: Politicians' Legacy Earmarks

When politicians think of education reform, they sometimes see their own names in lights. During the last decade, lawmakers secured over \$181 million from FIPSE and FIE in support of honorary programs named after themselves and other politicians.

These legacy earmarks also tend to be more generous than “regular” earmarks. For example, in FY 2008, nine FIPSE earmarks totaling over \$23 million went to college programs named in honor of current and former members of Congress.<sup>155</sup> These earmarks averaged nearly \$2.6 million – well above the average FIPSE earmark award of \$383,045 that year.<sup>156</sup>

### Sampling of Politician's Legacy Projects Funded This Decade

#### **Howard H. Baker Jr. Center for Public Policy, University of Tennessee<sup>157</sup>**

It is a common tradition in America to name schools and buildings after well known educators, community leaders and generous philanthropists. Then, there are the buildings named after politicians.

At the request of Senators Robert Byrd (D-WV), Thad Cochran (R-MS) and Tom Harkin (D-IA), the Baker Center received a \$5 million FIPSE earmark in FY 2008. Named after the former Senate Majority Leader Howard Baker (R-TN), the Center develops programs and promotes research of American government, and highlights the importance of public service.

The University was provided millions of taxpayer dollars despite having one of the largest endowments in the country at the time, estimated at \$1 billion.<sup>158</sup>

In 2001, the University secured a separate \$6 million FIPSE earmark to *establish* the Center.

Spring Break in Washington - Part 2



Students and staff meet with Kurt Schlieter, UT's Director of Federal Relations.

Spring Break in Washington - Part 2 < prev | next >



The group was able to see the Howard H. Baker Jr. Suite in the Capitol.

*Baker Center students during trip in Washington, which included a visit with the University's federal relations director and a tour of the Howard H. Baker, Jr. rooms in the Capitol. <http://bakercenter.utk.edu/>.*

<sup>155</sup> Based on data from <http://thomas.loc.gov/>. See appendix 1.

<sup>156</sup> Based on data from the FIPSE online grant database, <http://www.fipse.aed.org/>, accessed August 5, 2009.

<sup>157</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080261>.

<sup>158</sup> University of Tennessee website, accessed August 5, 2009, <http://www.utk.edu/tntoday/2007/10/15/Endowment-Reaches-1-Billion/>.



## Charles B. Rangel Center for Public Service, City College of New York

At the request of Representative Charlie Rangel (D-NY), a sitting member of Congress, the City College of New York received a FIPSE earmark totaling over \$1.9 million in FY 2008.<sup>159</sup> Without a doubt, the earmark is one of the decade's worst, and continues to make headlines as part of a broader House Ethics Committee probe into the conduct of Representative Rangel.<sup>160</sup>

Despite efforts by Rep. John Campbell (R-CA) to eliminate the earmark for the Rangel Center during the FY 2008 appropriations cycle, Congress opted to earmark funds to a center named after the then-Chairman of the Ways and Means Committee. According to a promotional brochure, funds were earmarked to refurbish the building that was to house the new Charles B. Rangel Center for Public Service; the Rangel Conference Center; a well-furnished office for Rep. Rangel; and the Charles Rangel Library that will house his papers and memorabilia.<sup>161</sup>



At the time, the earmark was questioned as a possible violation of the U.S. House of Representatives' Rules. According to House Rule XXI, Clause 6 (110<sup>th</sup> Congress): "*It shall not be in order to consider a bill, joint resolution, amendment or conference report that provides for the designation or re-designation of a public work in honor of an individual then serving as a Member, Delegate, Resident Commissioner or Senator.*"

The earmark was eventually cleared by the House parliamentarian, approved by Congress and funded. As noted by Rep. Campbell, however, while the earmark was found not to violate the letter of the House rule, it most certainly violated the spirit of the rule.

Controversy connected to the earmark continued to swirl following its funding. In July 2010, the House ethics panel alleged 13 violations of congressional ethics rules and federal law by Representative Rangel, and that it will prepare for a trial, likely beginning in September 2010.<sup>162</sup> As part of the trial, House Ethics will investigate whether or not Representative Rangel using congressional letterhead to solicit donations for a center for the Charles B. Rangel Center for Public Service at the City College of New York.

The allegations of corruption have reportedly prompted the City College to consider disassociating Representative Rangel's name from the Center. According to Mary Lou Edmondson, a City College spokesperson quoted by *The New York Daily News* in March 2010: "At the conclusion of the ethics investigation, we will review the results for any possible impact on the work of the center."<sup>163</sup>

<sup>159</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080074>.

<sup>160</sup> For example, see Susan Crabtree's "House ethics committee scolds Rangel over controversial Caribbean trips," *The Hill*, February 25, 2010.

<sup>161</sup> *Congressional Record*, July 17, 2007, H8133.

<sup>162</sup> Carol D. Leonning and Paul Kane, "Rep. Charles Rangel Broke Ethics Rules, House Panel Finds," *The Washington Post*, July 23, 2010. See also Larry Margasak and Laurie Kellman, "Ethics Panel Accuses Rangel of 13 Violations," *Associated Press*, July 29, 2010.

<sup>163</sup> Meredith Kolodner and Oren Yaniv, "CCNY may drop Rangel's name from Charles B. Rangel Center for Public Service," *The New York Daily News*, March 5, 2010.



## Edward M. Kennedy Institute for the Senate

As the economy headed south in 2008, schools and colleges across the nation began making tough fiscal choices. Yet in FY 2008 and FY 2010, Congress deemed it appropriate to earmark over \$38 million for one project: the Edward M. Kennedy Institute for the Senate.

Located on the campus of the University of Massachusetts, the Institute will be “dedicated to educating the general public, students, teachers, new Senators, and Senate staff about the role and importance of the Senate.”

In FY 2008, Congress gave the Institute a \$5.8 million FIPSE earmark to assist with the planning and design of a building and an endowment. In FY 2010, following the passing of Senator Edward Kennedy (D-MA) the prior year, the Institute received a second FIPSE earmark of \$13.6 million.

There was no stopping there, however. Lawmakers provided an additional earmark worth \$18.9 million in FY 2010 through the Department of Defense appropriations bill.

Since taxpayers have given over \$38 million in earmarks to support the late Senator’s legacy, there is added significance to Institute’s message that it will be a building “for and by the people.”<sup>164</sup> The Institute also accepts private donations.

## The Lott Legacy

Before resigning in December 2007, Senator Trent Lott (R-MS) ensured his namesake Institute received a \$2.4 million FIPSE earmark to support program development, start-up costs and curriculum development. Overall in FY 2008, Senator Lott secured 74 earmarks totaling \$242.7 million dollars.<sup>165</sup>



Established in 1999, the Lott Leadership Institute at the University of Mississippi<sup>166</sup> raised over \$8 million in May 2000 alone during an event, held at the Kennedy Center in D.C., featuring then-Senate Majority Leader Lott.<sup>167</sup>

To ensure *both* legacy programs received an extra boost in FY 2008, Senator Lott also secured a FIPSE earmark of \$811,570 for the Trent Lott National Center for Excellence in Economic Development and Entrepreneurship at the University of Southern Mississippi.<sup>168</sup> This earmark was to support curriculum development and the acquisition of equipment.

The former Majority Leader double dipped for the University of Southern Mississippi, also securing a second earmark of \$300,000 for the Trent Lott National Center through the FY 2008 Small Business Administration spending bill.

<sup>164</sup> Edward M. Kennedy Institute for the Senate website, “Support” page, accessed February 15, 2010, [https://secure.kennedyinstitute.org/page/contribute/support?\\_utma=1.971465623.1266351203.1266351203.1266351203.1&\\_utmb=1.2.10.1266351203&\\_utmc=1&\\_utmz=1.1266351203.1.1.utmcsr=&\\_utmv=-&\\_utmj=41137826](https://secure.kennedyinstitute.org/page/contribute/support?_utma=1.971465623.1266351203.1266351203.1266351203.1&_utmb=1.2.10.1266351203&_utmc=1&_utmz=1.1266351203.1.1.utmcsr=&_utmv=-&_utmj=41137826).

<sup>165</sup> “2008 Congressional Pig Book Member List,” Citizens Against Congressional Waste, accessed August 6, 2009, [http://www.cagw.org/site/DocServer/Senate\\_-\\_alpha.pdf?docID=3023](http://www.cagw.org/site/DocServer/Senate_-_alpha.pdf?docID=3023).

<sup>166</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080276>.

<sup>167</sup> Frank Bruni, “Donors Flock to University Center Linked to Senate Majority Leader,” *New York Times*, May 8, 1999.

<sup>168</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080212>.

## The Strom Thurmond Legacies

In fiscal years 2004 and 2005, the University of South Carolina received two FIPSE earmarks totaling \$10 million for the Strom Thurmond Fitness and Wellness Center, named after former South Carolina Governor and U.S. Senator Strom Thurmond.<sup>169</sup>



Already in existence at the time the earmarks were funded was the Solomon Blatt Physical Education Center. According to the University, “Both facilities feature open recreation areas for basketball, volleyball, badminton, racquetball, handball, and squash, as well as group exercise classes. The [Thurmond Center] also features an indoor climbing wall and Outdoor Recreation Office for trip planning.”<sup>170</sup>

In addition, Clemson received two FISPE earmarks totaling \$350,000 for its Strom Thurmond Institute which “conducts applied research and service in public policy areas at the local, regional, state and national levels.”<sup>171</sup>

## Robert Matsui Center, California at Berkeley<sup>172</sup>

At the request of Rep. Barbara Lee (D-CA), a \$1 million FIPSE earmark went to the Robert Matsui Center to establish an endowment and to catalog the former congressman’s papers. While a touching tribute, it is nevertheless inappropriate for the University to honor his legacy by using taxpayer funds, especially when the university’s endowment had a market value of \$3 billion at the time.<sup>173</sup>



About the Robert T. Matsui Center



At the time, the City Council of Berkeley had voted to oust Marine Corps recruiters from their downtown office, saying the Marines were “uninvited and unwelcome intruders.”

Berkeley officials also voted to give the radical protest group Code Pink space outside the recruitment office and urged them to “impede, passively or actively” the work of Marine Corps recruiters.

In April 2008, Senator Jim DeMint (R-SC) introduced legislation (S. 2596, the *Semper Fi Act*) to rescind the earmark and redirect funds to the Marine Corps.

Despite the insult to service members, the earmark to Berkeley was not rescinded.

<sup>169</sup> Staff analysis, based on data from <http://thomas.loc.gov/>.

<sup>170</sup> University of South Carolina website, “Campus Recreation” page, <http://campusrec.sc.edu/>, accessed February 19, 2010.

<sup>171</sup> Clemson University, Strom Thurmond Institute of Government and Public Affairs website, <http://www.strom.clemson.edu/>, accessed February 19, 2010.

<sup>172</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080072>.

<sup>173</sup> University of California-Berkeley Web site, “Facts at a Glance,” Accessed August 6, 2009, <http://berkeley.edu/about/fact.shtml>.

## The Harkin Grant Program

Since 1998, Senator Tom Harkin (D-IA) has secured thirteen FIE earmarks totaling over \$132 million for an education program in the State of Iowa bearing his own name.<sup>174</sup>

Harkin currently serves as chair of the Senate Appropriations Subcommittee on Labor, Health and Human Services, and Education – the committee that appropriates FIE funds.

Senator Harkin also serves as the Chairman of the Senate Committee on Health, Education, Labor and Pensions – the committee that authorizes education legislation.

Since 1998, Senator Tom Harkin (D-IA) has secured thirteen FIE earmarks totaling over \$132 million for an education program in the State of Iowa bearing his own name.

“The Harkin Grant Program” is designed to help school districts correct fire safety problems and also construct new schools, remodel, or to modernize existing buildings.<sup>175</sup>

As described by David Mastio, Senior Editor for online opinion at *The Washington Times*:

*“Since 1998, Senator Harkin has showered the state with more than \$100 million to build schools - officially dubbed the “Harkin Grants.” So every time an Iowa school gets remodeled or a new one built, the press releases and the news stories that follow mention the Harkin Grant.*

*“Harkin should be ashamed to use other people’s money to glorify himself, as if sitting in a lavishly appointed Washington committee room is some kind of sacrifice. Oh, no, he may have to sit through one more wine-soaked dinner with lobbyists. Now sitting down every winter in the first months of the year and doing your taxes, realizing that you have sent tens of thousands of dollars to Washington, is hard. Spending is easy. Ask anyone with a credit card.*

*“Every time that representatives and senators use that credit card, they owe taxpayers their best effort to put the national interest above all else. Spending that gets targeted to special interests or seems more about a politician’s self-interest than public service undermines faith in government. Harkin Grants are cheap and tawdry self-promotion.”<sup>176</sup>*

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<sup>174</sup> Iowa Department of Education, Iowa Demonstration Construction Grant Program (Harkin Grant),

[http://www.iowa.gov/educate/index.php?option=com\\_content&task=view&id=97&Itemid=1345](http://www.iowa.gov/educate/index.php?option=com_content&task=view&id=97&Itemid=1345), accessed September 12, 2009.

<sup>175</sup> Iowa Department of Education, Iowa Demonstration Construction Grant Program (Harkin Grant),

[http://www.iowa.gov/educate/index.php?option=com\\_content&task=view&id=97&Itemid=1345](http://www.iowa.gov/educate/index.php?option=com_content&task=view&id=97&Itemid=1345), accessed September 12, 2009.

<sup>176</sup> David Mastio, senior editor for online opinion at the *Washington Times*, “Mastio: Harkin Grants Himself Plenty of Publicity,” *Des Moines Register*, December 6, 2009. Others have echoed Mr. Mastio’s keen assessment. For example, in recognition of Senator Harkin’s most recent FIE earmark of \$7.3 million, the Citizens Against Government Waste “honored” him with its 2010 Narcissist Award. Citizens Against Government Waste, “2010 Congressional Pig Book Summary: The Book Washington Doesn’t Want You to Read,” pg 61, <http://www.cagw.org/assets/pig-book-files/2010/2010-pig-book-summary.pdf>, accessed May 27, 2010.

## #6: The *Hard Choices*<sup>SM</sup> Program

It might surprise some to learn that federal lawmakers opted to teach students a lesson in fiscal responsibility by providing a nearly million-dollar earmark to fund a special program at an Oklahoma university.

Oklahoma State University (OSU) received \$900,000 in FY 2001 from the Fund for the Improvement of Postsecondary Education to support *An Exercise in Hard Choices*<sup>SM</sup> program.<sup>177</sup>

A project of the non-profit and non-partisan Committee for a Responsible Federal Budget, the program was designed to allow participants to *role play as members of Congress* as they debate the current year's budget and negotiate budget decisions face-to-face.

OSU was not alone in using taxpayer dollars for the *Hard Choices* program.

In FY 2002 and FY 2004, Ohio's University of Akron received two earmarks, totaling \$1 million, to support the *Hard Choices* program on its campus. The FY 2002 earmark was funded through FIE<sup>178</sup> and the FY 2004 earmark was funded through FIPSE.<sup>179</sup>

**Ironically, it is the inability of members of Congress to make hard choices about spending that has led the country to its current record debt levels.**

The current national debt now tops \$13.5 trillion. Each man, woman and school-aged child is now responsible for a portion of the debt totaling \$42,700.

Yet, the same government that now borrows 42 cents for every dollar it spends and wastes transportation dollars building bridges to nowhere when bridges across the country, including in Oklahoma, are crumbling.

Students would be wise to choose better fiscal role models than members of Congress.



<sup>177</sup> House Report 106-1033, Omnibus Consolidated and Emergency Supplemental Appropriations for Fiscal Year 2001, Public Law No: 106-554.

<sup>178</sup> House Report 107-342, Appropriations for the Departments of Labor, Health and Human Services and Education for the fiscal year ending September 30, 2002, P.L. 107-116.

<sup>179</sup> House Report 108-401, Appropriations for Agriculture, Rural Development, Food and Drug Administration and Related Agencies for the fiscal year ending September 30, 2004, P.L. 108-199.

## #7: “Stuff” in High Definition

Congress frequently earmarks FIPSE and FIE funds for the acquisition of “equipment and materials.”

Over the decade, institutions spent these earmarks on air conditioners,<sup>180</sup> wine,<sup>181</sup> eyeglasses,<sup>182</sup> an embryo micromanipulators and computer-assisted sperm analysis system,<sup>183</sup> and whatever is needed to support an Equine Studies Program.<sup>184</sup>

Earmarks have purchased a Viper Doppler Radar Training System,<sup>185</sup> a large-capacity electrical generator to service the dining hall/student union building,<sup>186</sup> and, for an Automotive Technology Program, Veejer circuit boards, battery testers, auto diagnostics kits, scantools and software, meters, laptops to run the scantool, and relay workbooks.<sup>187</sup>



The *Education Sector*'s blog, *The Quick and the Ed*, put these equipment earmarks into perspective:

*“It would be easy to dismiss these FIPSE projects since they receive small amounts of money relative to the billions of dollars spent elsewhere by the federal government. But that would be a mistake. These projects with their vague descriptions, minimal oversight, and political patronage create opportunities for waste and abuse and directly siphon money away from real opportunities for reform. Unfortunately, Congress has yet again shown that it would rather dish out pork for ‘purchases of equipment’ and things ‘related to science’ than actually help foster competition and innovation.”<sup>188</sup>*

<sup>180</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080142>.

<sup>181</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080267>.

<sup>182</sup> This decade, Helen Keller Worldwide has received 7 FIE earmarks totaling \$8.389 million to expand the ChildSight Vision Screening Program and provide eyeglasses to children. Helen Keller Worldwide received \$1.25 million in FY 2001; \$1 million in FY 2002; \$1.5 million in FY 2003; \$1 million in FY 2005; \$1.25 million in FY 2008; \$1.189 in FY 2009; and \$1.2 million in FY 2010. Staff analysis, information obtained from <http://thomas.loc.gov/>.

<sup>183</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080060>.

<sup>184</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080144>.

<sup>185</sup> In FY 2005, Congress awarded a \$60,000 FIPSE earmark to Jacksonville State University in Jacksonville, Alabama for the acquisition of a Viper Doppler Radar Training System, H. Rept. 108-792 Conference Report to Accompany H.R. 4818 - Consolidated Appropriations Act, 2005.

<sup>186</sup> FIPSE online grant database, accessed February 17, 2010, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080316>.

<sup>187</sup> FIPSE online grant database, accessed February 17, 2010, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080182>.

<sup>188</sup> “Fuzzy Math on FIPSE Earmarks,” The Education Sector, *The Quick and the Ed* blog, accessed December 10, 2009, <http://www.quickanded.com/2009/12/fuzzy-math-on-fipse-earmarks.html>.



## High Def Craze

Colleges and universities have also put their lobbyists to work securing earmarks to assist with high definition upgrades.

For example, Mississippi State University received a \$957,967 FIPSE earmark to make the first comprehensive upgrade to its Wise Center Broadcast Facility Television Center.<sup>189</sup>



According to the University, “Student and professional video producers will be able to produce television programming from initial acquisition through to the end product in a digital high definition production environment for the first time.”

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The Wise Center also received a FIPSE earmark in FY 2005 totaling \$312,480 to buy digital production equipment.

Since first hiring a lobbyist since 1999, Mississippi State University has spent \$1.3 million on its lobbying expenses and received in return \$98.8 million in taxpayer money.<sup>190</sup>

Massachusetts’s Emerson College<sup>191</sup> joined Mississippi State University and numerous other schools in tapping FIPSE to support its high def goals.



Emerson received \$325,217 in FY 2008 to upgrade its core television production studio to High Definition to become compatible with new industry standards.

Emerson College also received \$95,000 in FY 2009 and \$250,000 in FY 2010 for related equipment costs.

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These earmarks are in addition to \$1.3 million Emerson College received for the Tuft Performance Center (fiscal years 2003, 2004, and 2005) and \$1 million for curriculum development in the performing arts in FY 2001.

Since hiring a lobbying firm in 2001, Emerson College has spent \$908,000 Emerson College on lobbying expenses and has received \$2.7 million in return.<sup>192</sup>

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<sup>189</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080038>.

<sup>190</sup> Center for Responsive Politics, OpenSecrets.org, accessed August 5, 2009, <http://www.opensecrets.org/> and Center for Responsive Politics, OpenSecrets.org, accessed August 5, 2009, <http://www.opensecrets.org/>.

<sup>191</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080110>.

<sup>192</sup> Center for Responsive Politics, OpenSecrets.org, accessed August 5, 2009, <http://www.opensecrets.org/>.



## #8: Reading, Writing and Orangutans?

Money intended to improve education in the classroom is literally going to the monkeys.

If the word “education” is included in the earmark request, some politicians believe it appropriate to give the applicant an FIE earmark. Unquestionably, zoos play an important role in the cultural life of the nation, helping to educate visitors about wildlife, and also the need to preserve the world’s wildlife treasures.

Nevertheless, educational programs at zoos are dubious national spending priorities that divert funds away from crumbling, needy schools and the children trying to learn there. Yet, in the last decade, 15 earmarks, costing \$2.7 million, were directed to zoos from FIE, the fund designed to improve elementary and secondary education.<sup>193</sup>

**Table 6. FIE Earmarks Obtained By Zoos, 2001-2010**

<b>FY</b>	<b>Total</b>	<b>Description</b>
2001	\$250,000	Philadelphia Zoo in Philadelphia, Pennsylvania to create, develop and implement a high school science learning program
2002	\$26,000	Bay County School District, Florida, for technology equipment, supplies, teacher training, and student transportation for a science education project in partnership with ZooWorld
2002	\$200,000	Pittsburgh Zoo and Aquarium
2002	\$100,000	Potter Park Zoological Society, Lansing, Michigan, Expanding Educational Programming ‘The BIG Zoo Lesson’
2003	\$250,000	Utica Zoological Society, Utica, New York, to update the educational facilities and Teacher Resource Center and update equipment
2003	\$250,000	Philadelphia Zoo, for the Zoo School Education program and the Junior Zoo Apprentice New Ventures program to provide at-risk students with access to science and environmental classes
2004	\$250,000	Philadelphia Zoo, for the Zoo Home School Education programs and the Zoo Apprentice programs
2004	\$100,000	Cincinnati Zoo and Botanical Garden, Cincinnati, Ohio, for fiber optic data transmission system equipment
2005	\$200,000	Akron Zoological Park, Akron, Ohio for educational programs
2005	\$250,000	Cincinnati Zoo and Botanical Garden for educational programs
2005	\$250,000	Cleveland Metroparks Zoo, Cleveland, Ohio for educational programs
2005	\$250,000	Philadelphia Zoo, for the Zoo Home School Education programs and the Zoo Apprentice programs
2005	\$200,000	Rosmond Gifford Zoo, Syracuse, New York for an educational program
2005	\$50,000	Toledo Zoo, Toledo, Ohio for Thinking Works
2008	\$97,000	Houston Zoo, Houston, Texas, for educational programming
<b>TOTAL:</b>	<b>\$2.7 million</b>	

<sup>193</sup> Data obtained from <http://thomas.loc.gov/>.

## The Philadelphia Zoo

The Philadelphia Zoo received taxpayer subsidies for its “Zoo Home School Education” and “Zoo Apprentice” programs during a time when the Philadelphia schools were suffering from significant financial difficulties.

A 2003 study examined how Philly schools were “confronted with ongoing (\$200 million plus) deficits in projected district budgets.”<sup>194</sup>

The financial problems facing the district were so severe that in 2001 the state announced plans to take over the district due to both financial and academic achievement failures.<sup>195</sup>

Yet, the Philadelphia Zoo received four FIE earmarks totaling \$1 million in fiscal years 2001, 2003, 2004 and 2005.<sup>196</sup> The Zoo also received four earmarks totaling \$450,000 this decade from elsewhere in the federal budget.<sup>197</sup>

The Philadelphia Zoo had fiscal resources to draw upon, however, making the necessity and prudence of a taxpayer handout questionable.

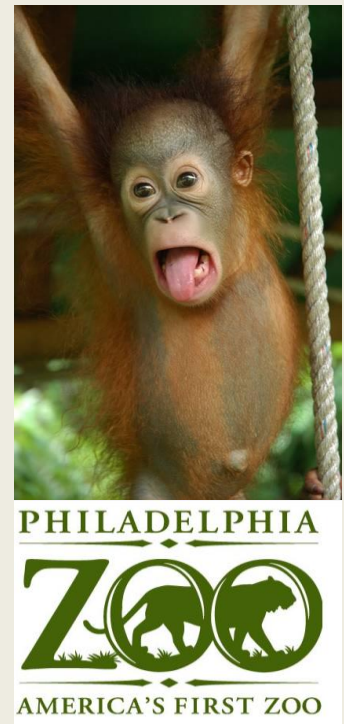
For example, according to the Philadelphia Zoo’s 2007 IRS filing, it has:

- ❖ \$43.5 million in annual revenue;
- ❖ \$14 million leftover in savings and temporary cash investments at year’s end; and
- ❖ \$95 million in assets.

In addition, the Zoo also has numerous means of raising cash, including:

- ❖ admission fees (earned nearly \$6.9 million in 2007);
- ❖ concessions (earned nearly \$4 million in 2007); and
- ❖ membership dues and fees (nearly \$6.2 million in 2007).<sup>198</sup>

The Zoo’s 2007 IRS filing also shows that \$912,521 was available to the Zoo’s education programs.



<sup>194</sup> Eva Travers, “Philadelphia School Reform: Historical Roots and Reflections on the 2002-2003 School Year Under State Takeover,” initially presented at The Friends Association of Higher Education and Friends Council on Education Conference at Swarthmore College and Pendle Hill, June 28, 2003.

<sup>195</sup> Ibid. As part of Pennsylvania’s efforts to revamp its educational system, especially troubled school districts, the Pennsylvania State Department of Education received two earmarks in fiscal years 2003 and 2004 totaling \$40 million from the Fund for the Improvement of Education. Some of these funds went to the Philadelphia school district.

<sup>196</sup> Information obtained from Thomas.loc.gov.

<sup>197</sup> Philadelphia also received, in FY 2002, \$250,000 through the Institute of Museum and Library Services (IMLS); in FY 2002, \$100,000 through HUD to expand construction of the Children’s Zoo; and in FY 2003, \$100,000 through IMLS for educational programs for elementary and secondary students.

<sup>198</sup> Zoological Society of Philadelphia, 2007 Federal Tax Form 990, <http://www.guidestar.org/FinDocuments//2008/231/352/2008-231352298-049c10c1-9.pdf>, accessed February 22, 2010.

In addition to the \$2.7 million in taxpayer dollars that were directed to zoos, numerous FIE earmarks, costing over \$5.7 million, went to wildlife and marine organizations for similar purposes.

**Table 7. FIE Earmarks Obtained by Wildlife and Marine Entities, 2001-2010**

<b>FY</b>	<b>Total</b>	<b>Description of FIE Earmark<sup>199</sup></b>
2001	\$340,000	Wildlife Conservation Society, Bronx New York, to develop a distance learning education project for after school programs
2001	\$691,000	Mote Marine Laboratory, Sarasota, Florida for technology-based education programs
2001	\$425,000	Virginia Marine Science Museum Science Camp in Virginia Beach, Virginia to expand educational programs and outreach to schools
2002	\$500,000	Ellijay Wildlife Rehabilitation Sanctuary, Ellijay, Georgia, to provide educational programs for at-risk youth
2002	\$150,000	'Shake-A-Leg' Miami to develop curriculum and provide equipment for its educational programs including its Marine Trade Sea School and marine environmental education programs for students with and without disabilities from Miami-Dade County public schools
2004	\$975,000	Mote Marine Laboratory, Sarasota, Florida, for curriculum and technology enhancements
2005	\$250,000	Alaska SeaLife Center in Seward, Alaska for a Marine Ecosystems Education Program
2005	\$625,000	International Center for the Preservation of Wild Animals, Cumberland, Ohio, for an educational program
2008	\$350,000	Wildlife Information Center, Inc., Slatington, Pennsylvania for an environmental education initiative
2008	\$250,000	Alaska Sealife Center, Seward, Alaska, for a marine ecosystems education program
2008	\$975,000	Mote Marine Laboratory, Sarasota, Florida, for curriculum and technology enhancements
2008	\$50,000	Virginia Aquarium and Marine Science Center, Virginia Beach, Virginia, to expand education outreach
2009	\$143,000	Wildlife Conservation Society, Bronx, New York for recruitment and training of science teachers, which may include curriculum development and scholarships
<b>TOTAL:</b>	<b>\$5,724,000</b>	

<sup>199</sup> Data obtained from <http://thomas.loc.gov/>.

## #9: Congressional Hall of Shame

A number of earmarks paid for through FIE have nothing to do with efforts to reform the American education system. Over the last decade, taxpayers sent their money to Halls of Fame they may never visit...and may never heard of either!

### National Baseball Hall of Fame

Americans love their national pastime: baseball.

Politicians share this passion for baseball and have shown support by earmarking taxpayer dollars intended for educational improvement to the National Baseball Hall of Fame and Museum in Cooperstown, New York.

In FY 2005, \$450,000 of FIE funds were earmarked to the Baseball Hall of Fame for “educational outreach using baseball to teach students through distance learning technology.”<sup>200</sup>

It is unclear how this will promote systematic reform of the American educational system, as the FIE program intends.

The Baseball Hall of Fame has adequate finances and does not need taxpayer funds. According to its 2007 IRS filing, the Baseball Hall of Fame had:

- ❖ Total assets of \$41.4 million;
- ❖ Non-interest bearing cash of \$1.3 million;
- ❖ Savings and temporary cash investments \$1.3 million; and
- ❖ Annual revenue of \$20.8 million.<sup>201</sup>



### Alabama Sports Hall of Fame

Politicians also doled out money to a *state* hall of fame. In FY 2005, taxpayers gave \$35,000 to the Alabama Sports Hall of Fame to expand student outreach programs and promote good sportsmanship.<sup>202</sup>

Instead of billing federal taxpayers, perhaps the Alabama Sports Hall of Fame should have considered charging more than its current \$5 dollar admission fee.<sup>203</sup>

<sup>200</sup> Information obtained from <http://thomas.loc.gov/>, H.R. 4818 - Consolidated Appropriations Act 2005, H. Rept. 108-792, P.L. 108-447.

<sup>201</sup> National Baseball Hall of Fame and Museum 2007 federal tax form 990, <http://www.guidestar.org/FinDocuments/2007/150/572/2007-150572877-04a644b0-9.pdf>, accessed February 22, 2010.

<sup>202</sup> Information obtained from <http://thomas.loc.gov/>, H.R. 4818 - Consolidated Appropriations Act 2005, H. Rept. 108-792, P.L. 108-447.

<sup>203</sup> Alabama Sports Hall of Fame, “About Us” webpage states: “The Hall of Fame is open Monday through Saturday from 9 a.m. to 5 p.m. Admissions are \$5 for adults, \$4 for senior citizens (60 and over), \$3 for any students, families \$14. Groups of 10 or more get \$1 off each admission,” <http://www.ashof.org/index.php?submenu=AboutUs&src=gendocs&link=AboutUs>, accessed May 14, 2010.

## Philadelphia Foundation

While not a hall of fame, taxpayers might be left scratching their heads to learn that their money went to the Philadelphia Foundation to provide “pro sports outreach.”

The Philadelphia Foundation received \$50,000 from FIE in each of the fiscal years 2003, 2004, and 2005 to expose high school students to career opportunities in the sports industry.

## Rock and Roll Hall of Fame

The Rock and Roll Hall of Fame received a \$200,000 FIE earmark in FY 2002 for curriculum development, educational materials, and outreach activities to expand the ‘Rockin’ the Schools’ music education program.<sup>204</sup>

As is the case with other federal earmark recipients, the Rock and Roll Hall of Fame did not require taxpayer money.

According to its 2007 IRS filing, the Rock and Roll Hall of Fame has total assets of \$81 million; savings and temporary cash investments of \$13.6 million; and annual revenue totaling \$22.4 million.<sup>205</sup>

The federal government, by comparison, is \$13.5 trillion in debt.

## National Aviation Hall of Fame

Another frequent earmark recipient is the National Aviation Hall of Fame in Dayton, Ohio.

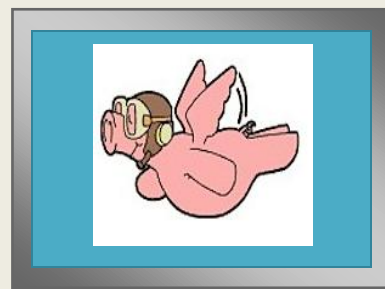
In FY 2001, the National Aviation Hall of Fame received a \$400,000 earmark for curriculum development, technology upgrades and programmatic improvements for educational programs offered to students.

That same year, the National Aviation Hall of Fame received \$500,000 the Housing and Urban Development appropriations bill for the development of exhibits.

In FY 2005, the National Aviation Hall of Fame received a \$200,000 FIE earmark for “Project Sky Reach.” According to the Hall of Fame’s website, Project SkyReach is a nationwide initiative geared toward using aviation themes to energize students toward traditional classroom curriculum.<sup>206</sup>



*A Pig Standing Outside the Rock and Roll Hall of Fame in Cleveland, Ohio*



<sup>204</sup> House Committee Report 107-342, to accompany the FY 2002 Labor, Health and Human Services Appropriations Bill.

<sup>205</sup> Rock and Roll Hall of Fame 2007 federal tax *Form 990*, <http://www.guidestar.org/FinDocuments//2007/341/520/2007-341520995-04a52b97-9.pdf>, accessed February 22, 2010.

<sup>206</sup> National Aviation Hall of Fame website, <http://www.dayton.com/dayton/attractions/welcome-to-the-national-aviation-hall-of-fame/>, accessed February 17, 2010.



## #10: Cash for Carnegie Hall

Some entities play a vibrant role in the nation’s cultural life and, by consequence, garner tremendous support from private sources. When an entity merits strong private backing, however, it is reasonable not to expect taxpayers to subsidize for the same enterprise.

Consider the Carnegie Hall Corporation and its receipt of \$15.6 million in FIE earmarks.

On May 5, 1891, the hall, founded by Andrew Carnegie, opened with a concert featuring the American debut of PyotrIlyich Tchaikovsky. Designed by William B. Tuthill, the building was a self-contained performing arts complex with three auditoriums, and it quickly became known simply as “Carnegie Hall.”



Tchaikovsky’s opening-night appearance set an auspicious precedent for the array of classical musicians and conductors for whom the Hall would become the essential venue in the United States. As Carnegie Hall appropriately notes, the Hall would be the litmus test of artistic greatness.<sup>207</sup>

The earmarks collected from FIE over the last decade supported the Isaac Stern Education Legacy Project, an effort to integrate distance learning and educational technology with music education.

Yet, education dollars went to Carnegie Hall despite strong private financial backing. Carnegie Hall benefits from private donations and membership funds,<sup>208</sup> and also benefits from major private gifts. For example, in 2007, investor giant Ronald O. Perelman pledged \$20 million to Carnegie Hall in support of education and artistic programs. The organization named the stage in the Isaac Stern Auditorium for Perelman, established the Ronald O. Perelman Family Music Endowment for elementary and secondary music-education students, and started the Perelman American Roots program, an effort to bring music education to New York public schools.<sup>209</sup>

Carnegie Hall also receives support from the City of New York. According to its website, “As a member of the New York City Cultural Institutions Group, Carnegie Hall enjoys close working relationships with the City of New York. The City at all levels of government has provided leadership support for the construction of Carnegie Hall’s Third Stage, Judy and Arthur Zankel Hall, which opened in September 2003. In addition, the City provides annual operating and energy support, as well as support for the Hall’s artistic presentations, and programs of the Weill Music Institute, including Neighborhood Concerts, Family Concerts, and CarnegieKids.”<sup>210</sup>

Despite extensive private backing and local governmental support, the Carnegie Corporation has sought and received earmarks from Congress. From FIE alone, the Carnegie Corporation has received \$15.6 million in earmarks – providing a significant return on the \$720,000 it paid in lobbying expenses over the last decade.

<sup>207</sup> “The Carnegie Trusts and Institutions,” 2007, Carnegie Corporation of New York, [http://www.carnegieendowment.org/about/pdfs/carnegie\\_trusts.pdf](http://www.carnegieendowment.org/about/pdfs/carnegie_trusts.pdf).

<sup>208</sup> Carnegie Hall website, “Support” page, [http://www.carnegiehall.org/article/support\\_the\\_hall/art\\_supportthehall.html](http://www.carnegiehall.org/article/support_the_hall/art_supportthehall.html), accessed February 17, 2010.

<sup>209</sup> Slate, “The 2006 *Slate* 60: Pledges: The 60 largest American charitable contributions of the year,” Compiled by the *Chronicle of Philanthropy*, February 15, 2007.

<sup>210</sup> “Government page,” Carnegie Hall website, accessed February 17, 2010, [http://www.carnegiehall.org/article/support\\_the\\_hall/art\\_government.html](http://www.carnegiehall.org/article/support_the_hall/art_government.html).



**Table 8. Education Earmarks Awarded to Carnegie Hall Corporation**

<b>Fiscal Year</b>	<b>FIE Earmark</b>	<b>Description</b>	<b>Lobbying Expenses<sup>211</sup></b>
2001	\$4,000,000	Funds to integrate distance learning and educational technology with music education programs through the Isaac Stern Legacy Project.	\$60,000
2002	\$2,000,000	Funds to integrate distance learning and educational technology with music education programs through the Isaac Stern Legacy Project.	\$120,000
2003	\$4,123,024	Funds to integrate distance learning and educational technology with music education programs through the Isaac Stern Legacy Project.	\$120,000
2004	\$149,115	Funds to integrate distance learning and educational technology with music education programs through the Isaac Stern Legacy Project.	\$120,000
2005	\$438,4000	Funds to integrate distance learning and educational technology with music education programs through the Isaac Stern Legacy Project.	\$120,000
2008	\$383,187	Funds in support of its National Music Education Program	\$100,000
2009	\$315,000	Funds in support of its National Music Education Program	\$80,000
2010	\$300,000	Funds in support of its National Music Education Program	<i>TBD</i>
<b><u>TOTAL:</u></b>	<b><u>\$15,654,326</u></b>		<b><u>\$720,000</u></b>

Taxpayers may also be concerned about whether their money is spent efficiently.

In 2009, *Bloomberg* news reported on exorbitant labor costs at Carnegie Hall that result from the work of Local One of the International Alliance of Theatrical Stage Employees, musing that “it’s almost better to move music stands than actually play the piano.”<sup>212</sup>

*Bloomberg* reported: “Depending on wattage, a star pianist can receive \$20,000 a night at the 118-year-old hall, meaning he or she would have to perform at least 27 times to match the income of Dennis O’Connell, who oversees props at the New York concert hall. O’Connell made \$530,044 in salary and benefits during the fiscal year that ended in June 2008.”<sup>213</sup>

There is no questioning the cultural importance of Carnegie Hall or its unique educational offerings, however, any institution of such stature should not have to resort to raiding federal funds intended to improve the American educational system when it already boasts of significant resources from which it could rely upon.

<sup>211</sup> Center for Responsive Politics, <http://www.opensecrets.org/lobby/clientsum.php?Iname=Carnegie+Hall+Corp&year=2009>, accessed February 17, 2010.

<sup>212</sup> Philip Boroff, “Carnegie Hall Stagehand Moving Props Makes \$530,044 (Update1),” *Bloomberg*, October 20, 2009.

<sup>213</sup> Philip Boroff, “Carnegie Hall Stagehand Moving Props Makes \$530,044 (Update1),” *Bloomberg*, October 20, 2009.

## #11: The National Labor College

Over the 2001-2010 timeframe, the National Labor College in Silver Spring, Maryland received nearly \$4.3 million in FIPSE earmarks to expand and enhance its curriculum and train future leaders of the labor movement.<sup>214</sup>

The earmarks came at the request of Senator Tom Harkin (D-IA) who chairs the Senate Appropriations Subcommittee on Labor, Health and Human Services, and Education – the committee that appropriates FIPSE funds. Senator Harkin also serves as the Chairman of the Senate Committee on Health, Education, Labor and Pensions – the committee that authorizes labor-related legislation.

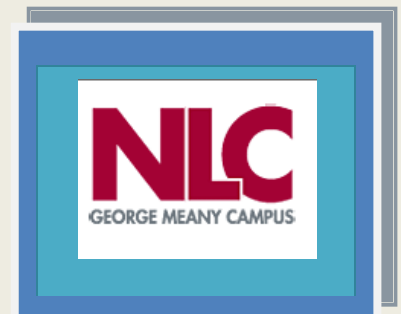
The National Labor College was established as a training center by AFL-CIO in 1969, and is the nation’s only accredited college devoted exclusively to educating union leaders, members and activists.<sup>215</sup>

It is questionable whether earmarks in support of Big Labor’s agenda should qualify as national spending priorities, or how the earmarks will help the FIPSE program achieve its purpose of improving the American higher education system.<sup>216</sup>

While federal taxpayers can decide that for themselves, it is clear the National Labor College is grateful for efforts Washington politicians made on its behalf.<sup>217</sup>

In 2007, the College bestowed an honorary doctorate on Senator Harkin, the sponsor of the earmarks awarded to the National Labor College. Speaking at the June 23, 2007 ceremony, Senator Harkin remarked:

*“During World War II, the graduates of West Point and Annapolis reported directly to the front lines; they went right into battle against the fascists in Europe and Asia. Similarly, the graduates here today will be reporting directly to the front line in the fight to lead and energize the labor movement in the United States.”<sup>218</sup>*



<sup>214</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080266>.

<sup>215</sup> National Labor College website, “Who We Are” webpage, <http://www.nlc.edu/about/who-we-are>, accessed May 26, 2010.

<sup>216</sup> For a history of FIPSE, see Immerwahr, John, et. al. “The Fund for the Improvement of Postsecondary Education: The Early Years,” National Center for Public Policy and Higher Education, Introduction by Virginia Smith, June 2002.

<sup>217</sup> Over the 2001-2010 timeframe, the National Labor College received six FIPSE earmarks totaling \$1 million in FY 2001; \$750,000 in FY 2004; \$900,000 in FY 2005; \$717,229 in FY 2008; \$476,000 in FY 2009; and \$400,000 in FY 2010, data from Council for Citizens Against Government Waste, accessible at <http://councilfor.cagw.org/>, accessed May 26, 2010.

<sup>218</sup> James Parks, AFL-CIO BlogNow, “109 National Labor College Graduates Report to Front Lines—of Union Movement,” June 25, 2007.

## #12: One Very Expensive Mariachi Class

Under the U.S. Constitution, education is exclusively delegated as a local and state responsibility. In spite of the Constitution, Nevada federal lawmakers steered taxpayer money to the Clark County School District in Las Vegas.

This decade, the school district received 22 earmarks totaling over \$9 million.<sup>219</sup>



Perhaps the most notorious of the earmarks received by the school district was a FY 2005 FIE earmark worth \$25,000 to pay for mariachi music.<sup>220</sup>

School officials defended using federal funds to teach Mexican folk music as a unique way to provide outreach to low-income, disadvantaged and first-generation students.<sup>221</sup>

The mariachi music earmark was one of 22 special projects taxpayers living outside Las Vegas have paid for this decade for Las Vegas schools.<sup>222</sup>

And as reported by the *Las Vegas Review-Journal*, the Clark County School District spends federal dollars on a number of non-traditional educational expenses.

The school district \$12.5 million in the 2008-2009 school year on consulting firms and outside contractors – 90 percent of which was “covered with federal funds.”<sup>223</sup>

The expenses included \$67,740 on Mad Science, a program for low-income schools that uses bubbling potions, rocket launches and other “fun” experiments to engage students’ interest in science. Taxpayers paid \$170,000 for Flying Monkeys, consultants who specialize in teacher training who, like the flying monkeys in the Wizard of Oz, swoop down on schools serving mostly low-income students.<sup>224</sup>

The good news for federal taxpayers: the County reported that the \$38,600 it spent on mariachi music in the 2008-2009 school year was paid with local funds.<sup>225</sup>

<sup>219</sup> Data based on annual Labor, Health and Human Services, Education appropriations bills, <http://thomas.loc.gov/>. See appendix 2.

<sup>220</sup> House Report 108-792, <http://thomas.loc.gov/cgi-bin/cpquery/T?&report=hr792&dbname=108&>, accessed May 28, 2010.

<sup>221</sup> Susannah Rosenblatt, “Mariachi Has Them Playing Different Tune: Classes on the Mexican Folk Music Strike a Chord for Students in a Nevada District. ‘It gives kids a connection to their culture,’ a principal says,” *Los Angeles Times*, February 06, 2005.

<sup>222</sup> See Appendix 2.

<sup>223</sup> James Haug, “District Leans on Outside Programs,” *Las Vegas Review-Journal* (Nevada), July 6, 2009.

<sup>224</sup> James Haug, “District Leans on Outside Programs,” *Las Vegas Review-Journal* (Nevada), July 6, 2009.

<sup>225</sup> James Haug, “District Leans on Outside Programs,” *Las Vegas Review-Journal* (Nevada), July 6, 2009.

## #13: Wine Class at Central Washington University

In FY 2008, a \$191,593 FIPSE earmark was secured for Central Washington University (CEW) in support of “curriculum development.”<sup>226</sup>

In support of its *Quality Wine Initiative*, the University received earmarked money to purchase Washington State wines, test wine faults, and develop a curriculum based on its research results.<sup>227</sup>

But as Central Washington University itself points out, “The wine industry in the United States is expanding rapidly, with wine sales more than doubling from \$10.9 billion in 1991 to \$23.2 billion in 2004.”<sup>228</sup>

Domestic wine sales have steadily increased since 1991; increasing from 466 million gallons to 745 million gallons and over \$28 billion in sales in 2007.<sup>229</sup>

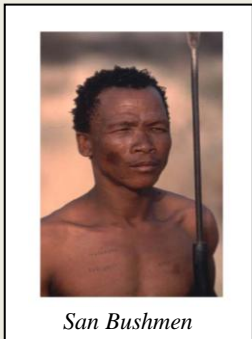
American taxpayers should not pay to develop what the wine industry can fund with its profit margins.

In all 12 of the regular appropriations bills in FY 2008 alone, lawmakers awarded \$7.5 million in earmarks for grape and wine research. In 2009, over \$2 million was earmarked for wine research.<sup>230</sup>



## #14: Taxpayers’ Documentary of the Most Studied People in the World

In FY 2004, the University of Hawaii - West Oahu received a \$200,000 FIPSE earmark to produce “*Primal Quest*,” a film documentary.



San Bushmen

According to the University, *Primal Quest* is a “feature length (120 minutes), high definition television (HDTV) documentary looked at our world through the eyes of present-day hunter-shaman of the San people.”<sup>231</sup>

The University explains, “The first anthropological expedition of Africa’s San Bushmen to the United States drives the *Primal Quest* story. *The San are among the most studied and photographed people in the world.* A San hunter-shaman asks our filmmakers ‘*Why do so many people come to film us?*’” (emphasis added).<sup>232</sup>

<sup>226</sup> Consolidated Appropriations Act of 2008, Public Law 110-161.

<sup>227</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080267>. The earmark was secured by Representative Doc Hastings (R-WA) and Senator Maria Cantwell (D-WA).

<sup>228</sup> “Wine Quality Initiative,” Central Washington University website, accessed May 14, 2010, <http://www.cwu.edu/wine-education/wqi.pdf>.

<sup>229</sup> Matt Rank, “Feds Spend \$10+ Million for Wine Research Over 2-year Period,” opinion, *NewsFlavor*, May 20, 2010.

<sup>230</sup> Matt Rank, “Feds Spend \$10+ Million for Wine Research Over 2-year Period,” opinion, *NewsFlavor*, May 20, 2010.

<sup>231</sup> University of Hawaii website, accessed February 17, 2010

<http://socrates.uhwo.hawaii.edu/SocialSci/louisher/images/PQPercent20ONEPercent20SHEETPercent20NPercent20TIMESPercent20PDFPercent2006Percent2004Percent2003.pdf>.

<sup>232</sup> University of Hawaii website, accessed February 17, 2010,

<http://socrates.uhwo.hawaii.edu/SocialSci/louisher/images/PQPercent20ONEPercent20SHEETPercent20NPercent20TIMESPercent20PDFPercent2006Percent2004Percent2003.pdf>.

## #15: La Sierra's Branding Initiative



In FY 2008, La Sierra University in California received a \$200,436 FIPSE earmark to develop and implement a *comprehensive branding initiative*.

Earmarked dollars were meant to help the university “...consistently tell La Sierra’s story and demonstrate clear direction for marketing across campus.” The University said the earmark was also “necessary in order to clarify institutional priorities and purposes.”<sup>233</sup>

La Sierra University also received FIPSE earmarks for “equipment acquisition” in: FY 2001 (\$92,000), FY 2004 (\$133,000), FY 2005 (\$99,000); and FY 2009 (\$143,000).<sup>234</sup>

## #16: Earmarks for a Taxpayer-Subsidized Agency

The Iowa Student Aid Commission (ISAC) is a state agency that also serves as Iowa’s designated student loan guaranty agency.<sup>235</sup>

Under law, student loan guaranty agencies are paid by the federal government to perform a number of administrative functions: disbursing federal default insurance, preventing federal student loan default, and collecting or rehabilitating loans student borrowers have failed to repay.

According to the Department, guaranty agencies received \$1.57 billion in FY 2008 for work with defaulted loans, the most recent data available. Guaranty agencies also ended FY 2008 with an additional \$1.63 billion in a federal fund that reimburses lenders for losses on defaulted loans.<sup>236</sup>

In FY 2008, the Iowa Student Aid Commission received: \$5.7 million for collection and rehabilitation work; \$2.7 million to cover the cost of processing and issuing the initial default guarantee on new loans; \$2.2 million for maintaining existing loan accounts; and \$600,000 for helping keep borrowers out of default.<sup>237</sup>

Despite its receipt of annual federal subsidies, the Iowa Student Aid Commission secured five FIPSE earmarks totaling \$4.5 million this decade to support a student loan forgiveness program for teachers.<sup>238</sup>

<sup>233</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080315>. The earmark was secured at the request of Representative Ken Calvert (R-CA).

<sup>234</sup> Data based on annual Labor, Health and Human Services, Education appropriations bills, <http://thomas.loc.gov/>.

<sup>235</sup> For more information on the Student Aid Commission, go to <http://www.iowacollegeaid.org/>.

<sup>236</sup> U.S. Department of Education, <http://www.fp.ed.gov/fp/attachments/publications/GAsFederal&Opfunds06-08withoutpercentdiff.pdf>, accessed February 16, 2010.

<sup>237</sup> U.S. Department of Education, <http://www.fp.ed.gov/fp/attachments/publications/GAsFederal&Opfunds06-08withoutpercentdiff.pdf>, accessed February 16, 2010.

<sup>238</sup> The Iowa Student Aid Commission received \$1 million in FY 2001, \$2 million in FY 2002, \$500,000 in FY 2003, \$500,000 in FY 2004, and \$500,000 in FY 2005.



## #17: A RazzaMaTazz and All those Jazz Programs

There is no doubt music can and should play an important role in the lives of children.

Yet, through the Fund for the Improvement of Education, Jazz at Lincoln Center in New York City secured six earmarks in the last decade totaling \$2.581 million.<sup>239</sup>

As schools across the nation struggle to balance budgets and to retain programs and staff, Washington politicians saw fit to provide Jazz at Lincoln Center \$800,000 in FY 2010.

Jazz at Lincoln Center receives regular taxpayer subsidies despite the strong private sponsorship it enjoys. Currently, the Center sponsored by MasterCard, Bank of America, BET, The Coca-Cola Company, Brooks Brothers, Entergy Nuclear, Merrill Lynch, Time Warner and Sirius XM.<sup>240</sup>

Other jazz programs funded by FIE during the last decade:

- ❖ FY 2001, \$250,000 for the Philadelphia Pops' educational outreach program called "Jazz in the Schools;"
- ❖ FY 2001, \$340,000 to the Smithsonian Institution for a jazz music education program in Washington, D.C.;
- ❖ FY 2003, \$100,000 to Encore Series, Inc., Philadelphia, Pennsylvania for a Jazz in the Schools music education program;
- ❖ FY 2004, \$100,000 to Encore Series, Inc., Philadelphia, Pennsylvania for a Jazz in the Schools music education program; and
- ❖ FY 2004, \$75,000 to the Thelonious Monk Institute of Jazz, Washington, D.C. for development of its National Jazz curriculum and teacher training workshops.<sup>241</sup>

## #18: \$50,000 for Positive Kids in Louisville

Washington politicians also used federal taxpayer dollars to instill more positive attitudes in children.

Instead of reforming broken schools, in FY 2004 Congress earmarked \$50,000 to *deter negativity*.

These frivolous earmarked FIE funds were given to the Temple Community Development Corporation in Louisville, Kentucky for the "Children Against Negativity (CAN)" program.<sup>242</sup>



<sup>239</sup> Jazz at Lincoln Center received the following FIE earmarks: \$250,000 in FY 2002; \$350,000 in FY 2003; \$400,000 in FY 2005; \$400,000 in FY 2008; \$381,000 in FY 2009; and \$800,000 in FY 2010. Staff analysis, based on annual Labor, Health and Human Services, Education appropriations bills, <http://thomas.loc.gov/>.

<sup>240</sup> "Sponsors" webpage, Jazz at Lincoln Center website, [http://jalc.org/about/a\\_sponsors09.html](http://jalc.org/about/a_sponsors09.html), accessed May 14, 2010.

<sup>241</sup> Data based on annual Labor, Health and Human Services, Education appropriations bills, <http://thomas.loc.gov/>.

<sup>242</sup> House Report 108-401, Consolidated Appropriations Bill for FY 2004, <http://thomas.loc.gov/>.



## #19: The Grammy Foundation



Over the last decade, Congress gave four FIE earmarks totaling \$3 million to the GRAMMY Foundation, an organization comprised of millionaire singers, producers and Hollywood executives.

As is the case with many other FIE and FIPSE award recipients, the Grammy Foundation enjoys strong corporate support. Official sponsors currently include: Delta, Hilton, People, MasterCard, T-Mobile Sidekick, *USA Today*, Westwood One, CBS Interactive, Nokia, and Harman International.<sup>243</sup>

The Grammy Foundation received earmarks in support of arts and education programs totaling \$850,000 in FY 2001, \$1.2 million in FY 2002, \$800,000 in FY 2003, and \$150,000 in FY 2005.<sup>244</sup>

## #20: Goth Be Gone, Paid for By Taxpayers

In FY 2002, the Youth Outreach Unit in Blue Springs, Missouri received a \$273,000 FIE earmark that quickly became the poster child for government waste. At the request of Representative Sam Graves (R-MO), Blue Springs' Youth Outreach Unit received over a quarter million for educational training in combating Goth culture.



As summarized by Citizens Against Government Waste: "Rep. Sam Graves had requested the funds to study Goth culture in Blue Springs because he claimed his constituents had asked him to fight for it. At that time, some newspaper editorials suggested the federal government could save a lot of money by simply buying Goth kids bright clothes and happy music."

Representative Graves himself commented in a press release that "It is my hope that this funding will give the officers in the Youth Outreach Unit the tools they need to identify Goth culture leaders that are preying on our kids."<sup>245</sup> However, taxpayers overwhelmingly disagreed and took issue with the project.<sup>246</sup>

Officials eventually determined the problem was not as big of a deal as originally thought, and funds totaling \$132,000 were returned.<sup>247</sup> While the earmarked funds were returned after significant public outcry over the project, the now notorious "Goth" earmark provides an essential lesson in the power of transparency: taxpayers empowered with information about how their money is misspent will inevitably hold lawmakers accountable.

<sup>243</sup> The Grammy Foundation website, <http://www2.grammy.com/Sponsors/>, accessed January 3, 2009.

<sup>244</sup> Data based on annual Labor, Health and Human Services, Education appropriations bills, <http://thomas.loc.gov/>.

<sup>245</sup> Erik W. Robelen, "Spending Plan for 2002 Laden With 'Earmarks,'" *Education Week*, January 30, 2002. See also Casey Logan, "Oh My Goth Vampires Aren't Half as Scary as Blue Spring's War on Dregs," *The Pitch Kansas City*, May 30, 2002.

<sup>246</sup> See: Citizens Against Government Waste, *2002 Pig Book*; Erik W. Robelen, "Spending Plan for 2002 Laden With 'Earmarks,'" *Education Week*, January 30, 2002; Casey Logan, "Oh My Goth: Vampires Aren't Half as Scary as Blue Spring's War on Dregs," *The Pitch*, May 30, 2002, <http://www.pitch.com/2002-05-30/news/oh-my-goth/>, accessed June 01, 2010; *Excellent Online*, "Goths Are People, Too!," <http://www.excellentonline.com/story/goths-are-people-too-696>, May 6, 2002; accessed June 01, 2010;

<sup>247</sup> Hearing before the Federal Financial Management, Government Information and International Security Subcommittee of the Committee on Homeland Security and Governmental Affairs, 109<sup>th</sup> Congress, Second Session, March 16, 2006. S. Hrg. 109-684, "Earmark Reform: Understanding the Obligation of Funds Transparency Act," <http://bulk.resource.org/gpo.gov/hearings/109s/27752.pdf>.

## #21: The Half-Million Dollar Vitamin Study

Taxpayers might reasonably question dollars intended for education reform funded a half-million easily answered with common sense.

In FY 2002, the Healthy Foundation in Murrieta, California received a \$500,000 FIE earmark to conduct a study of the impact of vitamin intake and the school performance of at-risk youth.<sup>248</sup>



Instead of giving taxpayer money to a private foundation to conduct a study on vitamin intake, the Murrieta Valley Unified School District could have used the \$500,000 to *actually feed* needy students.

## #22: More Program Duplication

Over the last decade, at least 130 FIE and FIPSE earmarks totaling over \$53 million supported state and local early childhood programs.<sup>249</sup>

While the Constitution grants the federal government absolutely no jurisdiction over educational matters, the government nevertheless heavily funds early education and 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 – not including earmarks for this purpose.<sup>250</sup>

Regrettably, these substantial federal investments have not translated into meaningful results. Take for example the Head Start program, the largest of the federal early childhood education and care programs. For years, evaluations have demonstrated the program to be ineffective.<sup>251</sup> Most recently, in January 2010, HHS issued the results of a longitudinal study demonstrating that Head Start *failed to provide lasting* benefits to participating children.<sup>252</sup>

Despite this, lawmakers gave the program \$2.1 billion in stimulus funding in FY 2009, in addition to its regular appropriation of \$7.2 billion.<sup>253</sup> Federal lawmakers should be working to eliminate ineffective and duplicative early education and child care programs. Yet, year after year, Congress opts to ignore problems such as program ineffectiveness and duplication and pile on earmarks.

<sup>248</sup> House Report 107-342, Appropriations for the Departments of Labor, Health and Human Services and Education for the fiscal year ending September 30, 2002, P.L. 107-116.

<sup>249</sup> Information obtained from <https://thomas.loc.gov>.

<sup>250</sup> “Reforming and Improving Federal Preschool and Child Care Programs Without Increasing the Deficit,” *Backgrounder*, The Heritage Foundation, July 13, 2009.

<sup>251</sup> See: Government Accountability Office [GAO/HEHS-97-59], “Head Start: Research Provides Little Information on Impact of Current Program,” April 1997; Government Accountability Office [GAO/T-HEHS-98-126], “Head Start: Research Insufficient to Assess Program Impact,” Statement of Carlotta C. Joyner, Director, Education and Employment Issues, Health, Education and Human Services Division, before the Senate Subcommittee on Labor and Human Resources, March 26, 1998; Government Accountability Office [GAO/HEHS-00-78], “Early Education and Child Care: Overlap Indicates Need to Assess Crosscutting Programs,” April 2000; Government Accountability Office [GAO-02-348], “Head Start and Even Start: Greater Collaboration Needed on Measures of Adult Education and Literacy,” March 2002; Government Accountability Office [GAO-03-840T], “Education and Care: Head Start Key Among Array of Early Childhood Programs, but National Research on Effectiveness Not Completed,” July 22, 2004; Government Accountability Office [GAO-05-678R], “GAO Update on the Number of Prekindergarten Care and Education Programs,” June 2, 2005; U.S. Department of Health and Human Services, “Head Start Research” page, [http://www.acf.hhs.gov/programs/opre/hs/impact\\_study/](http://www.acf.hhs.gov/programs/opre/hs/impact_study/), accessed February 22, 2010.

<sup>252</sup> U.S. Department of Health and Human Services, “Head Start Research” page, [http://www.acf.hhs.gov/programs/opre/hs/impact\\_study/](http://www.acf.hhs.gov/programs/opre/hs/impact_study/), accessed February 22, 2010.

<sup>253</sup> U.S. Department of Health and Human Services, Administration for Children and Families, “Head Start Program Fact Sheet, Fiscal Year 2008,” <http://www.acf.hhs.gov/programs/ohs/about/fy2008.html>, accessed June 01, 2010; FY 2010 Consolidated Appropriations Act, P.L. 111-117; American Recovery and Reinvestment Act, Public Law 111-5.

## #23: Sargent Shriver Peace Institute

The late Robert Sargent Shriver, Jr., spouse to the late Eunice Shriver, was an active figure in American politics. Shriver was the first leader of the Peace Corps under President John F. Kennedy, his brother-in-law, and is credited with having “inspired, directed, or founded numerous social programs and organizations, including Head Start, VISTA, Job Corps, Community Action, Upward Bound, Foster Grandparents, Special Olympics, the National Center on Poverty Law, Legal Services.”<sup>254</sup>

In FY 2002, taxpayers shelled out a \$10 million FIPSE earmark to establish the Sargent Shriver Peace Institute.

According to its website, the three-pronged mission of the Institute is to: “to enhance public awareness and knowledge of Sargent Shriver as a public servant and master peacebuilder; to advance critical and applied thinking about the method of peacebuilding; and to foster the development of a framework for collaborative creativity that will help peacebuilders to respond constructively and effectively to the conflicts and challenges facing America and the world today.”<sup>255</sup>

Students deserve better than to have lawmakers spend their education dollars financing costly institutes more appropriately funded with private money.

## #24: Andre Agassi College Prep Academy

Charter schools infuse competition into the public educational system, and the Andre Agassi College Prep Academy offers Las Vegas families an important choice to offer their children a better education.



However, those same children deserve a government that does not recklessly spend its future. The Andre Agassi Charitable Foundation does well without taxpayer support.

As noted on the Academy’s website, “Charter schools must provide their own facilities, so the Andre Agassi Charitable Foundation became a fundraising powerhouse, raising funds to construct the \$40 million school campus.”<sup>256</sup>

Nearly \$5.5 million came from taxpayers through seven FIE earmarks.<sup>257</sup>

Given its ability to raise money through private means, the Academy should not add to the debt obligations of the students it serves by racking up the federal debt.

<sup>254</sup> Sargent Shriver Peace Institute website, accessed February 17, 2010, <http://www.sargentshriver.com/>.

<sup>255</sup> Ibid.

<sup>256</sup> The Andre Agassi College Preparatory Academy website, “Our History,” <http://www.agassiprep.org/our-history>, accessed May 31, 2010.

<sup>257</sup> Information obtained from <http://thomas.loc.gov/>. The Andre Agassi College Prep Academy received five FIE earmarks: \$1.5 million in FY 2002; \$1 million in FY 2003; \$800,000 in FY 2004; \$1 million in FY 2005; \$500,000 in FY 2008; \$262,000 in FY 2009; \$400,000 in FY 2010.

## #25: Earmarks Honoring Former Capitol Hill Staff

At the request of Senator David Inouye (D-HI), the Chairman of the Senate Appropriations Committee, the University of Hawaii at Manoa received a FIPSE earmark totaling \$191,593 in FY 2008.<sup>258</sup> The earmarked funds were to support a legacy program of Senator Inouye's former Chief of Staff.

After nearly a decade of military service, Henry Kuualoha Giugni came to Washington, D.C. to serve as Senator Inouye's senior executive assistant and later as chief of staff for more than 20 years. In 1987, Mr. Giugni was appointed the first Polynesian U.S. Senate Sergeant-at-Arms.

Earmarked funds were to help the University hire a consultant, and to develop an implementation plan for the establishment of the Henry Ku'ualoha Giugni Archives – a high definition, digital and material archive that perpetuates and shares the special history and culture of Native Hawaiians and the people of Hawaii.<sup>259</sup>



*Henry K. Giugni*

This was not the end of the story, however.

When the Higher Education Act was reauthorized on August 14, 2008, the updated statute created a brand new “program” to support the Archives.<sup>260</sup> The statute now authorizes the U.S. Secretary of Education to award grants to the University of Hawaii's Academy for Creative Media for the establishment, maintenance, and periodic modernization of the Henry Kuualoha Giugni Kupuna Memorial Archives at the University of Hawaii.

Following its addition to the list of FIPSE authorized “programs,” the Archives received \$238,000 in FY 2010.<sup>261</sup>

Given the pressing problems facing the American educational system, it is a wonder that lawmakers took the time to authorize the Henry Kuualoha Giugni Kupuna Memorial Archives as a freestanding program so that it can continue to enjoy taxpayer subsidy years into the future.

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<sup>258</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080328>.

<sup>259</sup> FIPSE online grant database, accessed August 5, 2009, <http://www.fipse.aed.org/grantshow.cfm?grantNumber=P116Z080328>.

<sup>260</sup> Higher Education Act, Title VIII, Part Z.

<sup>261</sup> House Report 111-366, Departments of Transportation and Housing and Urban Development and Related Agencies, Appropriations Act 2010.

# C onclusion & Recommendations

*Pork 101: How Education Earmarks School Taxpayers* demonstrates that education slush funds are not fiscal priorities of the nation, but are instead narrowly focused pet projects of lobbyists and politicians, funded at the expense of students and the financial well-being of the nation.

It is clear that the FIPSE and FIE programs have failed to demonstrate the results necessary to justify their continuation. Both programs illuminate what happens when politics through earmarking overtakes merit, science and demonstrated, high priority federal needs in determining the selection of projects to be funded.

While the U.S. Constitution provides no role for the federal government in education, over the last decade Washington politicians nevertheless obtained 5,563 earmarked projects costing nearly \$2.3 billion through these programs. In the decade to come, paying off the national debt must be a higher priority than earmarked projects of Washington politicians. These projects merely add to the national debt that today's youth will one day inherit.

Consequently, Congress should immediately consider:

1. Prohibiting the funding of earmarks in both FIPSE and FIE so as not to further add to the national debt in the next decade.
2. Prohibiting FIPSE and FIE program funds from being used to honor the legacy programs of sitting and former members of Congress or congressional staff, or entities that are either well-endowed or the beneficiaries of significant private financial backing.
3. Eliminating and consolidating duplicative federal programs. FIE and FIPSE are among 35 federal innovation and improvement programs.<sup>262</sup> Both programs notably duplicate other federal educational reform and innovation efforts, including the newest federal innovation initiatives: *Race to the Top*<sup>263</sup> and *Investing in Innovation* ("I3").
4. Narrowing the statutory goals of each program, should Congress continue the FIPSE and FIE programs, in order to give each program a defined and measurable purpose.
5. Ensuring that the awarding of funds is determined by a peer review panel instead of being determined by lobbyists and politicians.
6. Increasing oversight and accountability to deter waste, fraud and abuse, and to ensure the best use of taxpayer dollars. Both the U.S. Department of Education and Congress need to be active participants in oversight efforts.

It is only appropriate that as families across the nation prioritize spending, that the federal government lead by example and do likewise. Congress simply must make the difficult choices necessary to rein in its \$13.5 trillion dollar national debt.

<sup>262</sup> U.S. Department of Education, Office of Innovation and Improvement webpage, <http://www2.ed.gov/about/offices/list/oi/index.html>, accessed June 11, 2010.

<sup>263</sup> U.S. Department of Education website, accessible at <http://www2.ed.gov/programs/racetothetop/index.html>, accessed May 20, 2010.



## Appendix 1.

### Lawmakers' Legacy Programs Funded through FIPSE and FIE, 2001 - 2010<sup>264</sup>

<b><u>FY 2001</u></b>	<b><u>Amount</u></b>
Iowa Department of Education to continue a demonstration of public school facilities (more commonly known as the "Harkin Grant Program"). The grant program is named after sitting Iowa Senator Tom Harkin.	9,000,000
Castleton State College in Castleton, Vermont to establish the Robert T. Stafford Center for the Support and Study of the Community and to establish an endowment for the Robert T. Stafford Center. The Center is named after former Robert T. Stafford, former Vermont Governor, U.S. Senator and member of the U.S. House of Representatives.	\$1,000,000
University of Tennessee to establish the Howard Baker School of Government. The Center is named after Howard Baker, former Senate Majority Leader and U.S. Senator for the State of Tennessee.	\$6,000,000
Pennsylvania State University to establish the William F. Goodling Institute for Research in Family Literacy and to establish an endowment fund for the William F. Goodling Institute for Research in Family Literacy. The Institute is named after former U.S. Representative William Goodling (PA).	\$6,000,000
Salve Regina University in Newport, Rhode Island to support program and curriculum development associated with the Pell Center for International Relations and Public Policy, including the purchase of equipment. The Pell Center is named after the late Claiborne deBorda Pell, the former U.S. Senator for the State of Rhode Island.	\$425,000
Southern Illinois University Public Policy Institute in Carbondale, IL for the endowment for the Paul Simon Chair. The Institute is named after the late Paul Simon, the former Senator and U.S. House of Representative for the State of Illinois.	\$1,000,000
<b><u>FY 2002</u></b>	
Iowa Department of Education to continue a demonstration of public school facilities (more commonly known as the "Harkin Grant Program"). The grant program is named after sitting Iowa Senator Tom Harkin.	\$50,000,000
Tougaloo College, Mississippi, for establishment of the Leadership Institute to address socioeconomic disparities within the Mississippi Delta	\$440,000
University of California at Santa Barbara, California, for the Walter H. Capps Center for the Study of Religion and Public Life for research, fellowships, lecture series and community outreach	\$500,000
University of Michigan Gerald R. Ford School of Public Policy, Ann Arbor, Michigan, for curriculum development and training	\$2,000,000
Portland State University, Portland, Oregon, to support public service programs at the Mark O. Hatfield School of Government in the College of Urban and Public Affairs. The School of Government is named after Mark O. Hatfield, the former U.S. Senator for the State of Oregon.	\$250,000
<b><u>FY 2003</u></b>	
Iowa Department of Education to continue a demonstration of public school facilities (more commonly known as the "Harkin Grant Program"). The grant program is named after sitting Iowa Senator Tom Harkin.	\$7,000,000
Suffolk University, Boston, MA, for the John Joseph Moakley Archives and the John Joseph Moakley Institute on Public Policy and Political History. The Institute and Archives are named after the late John Joseph Moakley, former member of the U.S. House of Representatives for the State of Massachusetts.	\$250,000

<sup>264</sup> Information obtained from <https://thomas.loc.gov>. No FIPSE or FIE earmarks were awarded in FY 2006 or FY 2007.

Shenandoah University, Winchester, VA, to expand and enhance the programming of the John O. Marsh Institute for Government and Public Policy. The Institute is named after John O. Marsh, former Secretary of the Navy and member of the U.S. House of Representatives for the State of Virginia.	\$250,000
Dakota Wesleyan University, Mitchell, SD, to acquire technology and equipment to serve the George McGovern Library. The Library is named after George McGovern, former U.S. Senator and member of the U.S. House of Representatives for the State of South Dakota.	\$1,000,000
University of Michigan, Ann Arbor, Michigan, for the Gerald R. Ford School of Public Policy. The School of Public Policy is named after the late Gerald R. Ford, the 38 <sup>th</sup> president of the United States and former member of the U.S. House of Representatives for the State of Michigan where he also served as House Minority Leader.	\$2,000,000
<b><u>FY 2004</u></b>	
Iowa Department of Education to continue a demonstration of public school facilities (more commonly known as the “Harkin Grant Program”). The grant program is named after sitting Iowa Senator Tom Harkin.	\$6,958,699
Clinton School of Public Service at the University of Arkansas for curriculum development. The Clinton School is named after William Jefferson Clinton, the 42 <sup>nd</sup> President of the United States and former Arkansas Governor.	\$1,000,000
Georgia College and State University, Milledgeville, GA, for the Paul Coverdell Institute and Archives. The Institute and Archives are named after the late Paul Coverdell, the former Senator for the State of Georgia.	\$100,000
Strom Thurmond Institute, Clemson University, Clemson, SC, for the Campbell Leadership Project. The Institute is named after the late Strom Thurmond, the former Governor and Senator for the State of South Carolina.	\$100,000
Syracuse University in New York to establish the Daniel Patrick Moynihan Global Affairs Institute, including support for an endowment. The Institute is named after the late Daniel Patrick Moynihan, former U.S. Senator for the State of New York.	\$5,000,000
University of Southern Mississippi, National Center for Excellence in Economic Development and Entrepreneurship for purposes including equipment, technology infrastructure, and telecommunications systems in support of the center’s programs. The Center is named after Trent Lott, the former Senator and member of the U.S. House of Representatives for the State of Mississippi.	\$4,000,000
Clinton School of Public Service at the University of Arkansas, for endowment scholarships and curriculum development. The Clinton School is named after William Jefferson Clinton, the 42 <sup>nd</sup> President of the United States and former Arkansas Governor.	\$1,000,000
New York University, New York, NY, for the John Brademas Center for the Study of Congress, which may include student scholarships and an endowment. The Center is named for John Brademas, former member of the U.S. House of Representatives for the State of New York.	\$1,300,000
Southern Illinois University, Carbondale, IL, for the Paul Simon Public Policy Institute, including an endowment. The Institute is named after the late Paul Simon, the former Senator and U.S. House of Representative for the State of Illinois.	\$1,000,000
University of Central Florida, Orlando, FL for the Lou Frey Institute of Politics. The Institute is named after former U.S. House of Representative Lou Frey (FL).	\$250,000
University of Southern Mississippi, Hattiesburg, MS to enhance economic development teaching, training, and research opportunities. The earmark supported the Trent Lott National Center for Excellence in Economic Education, named after Trent Lott, the former Senator and member of the U.S. House of Representatives for the State of Mississippi.	\$2,000,000

University of Texas, Austin, TX for the Bill Archer Center. The Center is named after Bill Archer, a former member of the U.S. House of Representative for the State of Texas.	\$500,000
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**FY 2005**

Iowa Department of Education to continue a demonstration of public school facilities (more commonly known as the “Harkin Grant Program”). The grant program is named after sitting Iowa Senator Tom Harkin.	\$14,880,000
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Loyola University, New Orleans, for the Lindy Boggs National Center on Community Literacy. Lindy Boggs was a former member of the U.S. House of Representatives (LA).	\$350,000
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Syracuse University in New York to establish the Daniel Patrick Moynihan Global Affairs Institute, including support for an endowment. The Institute is named after Daniel Patrick Moynihan, former U.S. Senator for the State of New York.	\$5,000,000
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Marquette University, Milwaukee, WI, for service learning and community outreach programs at The Les Aspin Center for Government in Washington, D.C. The Center is named after Les Aspin, former Secretary of Defense and member of the U.S. House of Representatives for the State of Wisconsin.	\$200,000
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Lucille Beserra Roybal Youth and Family Center, Los Angeles, CA, for computers and technology. Lucille Beserra Roybal is a sitting member of the U.S. House of Representatives (CA).	\$75,000
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**FY 2008**

Iowa Department of Education to continue a demonstration of public school facilities (more commonly known as the “Harkin Grant Program”). The grant program is named after sitting Iowa Senator Tom Harkin.	\$4,694,034
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City College of New York, NY for the Charles B. Rangel Center for Public Service to prepare individuals for careers in public service, which may include establishing an endowment, library and archives for such center. The Center is named after Charlie Rangel, sitting member of the U.S. House of Representatives for the State of New York.	\$2,000,000
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South Dakota State University, Brookings, SD, for the Thomas Daschle Center for Public Service & Representative Democracy. The Center is named after Tom Daschle, former South Dakota Senator and Senate Majority Leader.	\$1,000,000
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University of Southern Mississippi, for the Trent Lott National Center for Excellence in Economic Development and Entrepreneurship. The Center is named after Trent Lott, named after Trent Lott, the former Senator and member of the U.S. House of Representatives for the State of Mississippi.	\$811,570
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University of Mississippi, Oxford, MS, for program development, start-up costs and curriculum of the Lott Leadership Institute. The Institute is named after Trent Lott, named after Trent Lott, the former Senator and member of the U.S. House of Representatives for the State of Mississippi.	\$2,542,500
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University of Central Florida, Orlando, FL for the Lou Frey Institute of Politics. The Institute is named after former U.S. House of Representative Lou Frey (FL).	\$250,000
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University of Tennessee, Knoxville, TN, for the Baker Center for Public Policy. The Center is named after Howard Baker, former Senate Majority Leader and U.S. Senator for the State of Tennessee.	\$5,000,000
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University of California at Berkeley, Berkeley, CA for the Matsui Center for Politics and Public Service, which may include establishing an endowment, and for cataloguing the papers of Congressman Robert Matsui. The Center is named after the late Robert Matsui, former member of the U.S. House of Representatives for the State of California.	\$1,000,000
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Edward M. Kennedy Institute for the Senate, Boston, MA, for the planning and design of a building and may include support for an endowment. The Institute is named after former Massachusetts Senator Edward Kennedy.	\$5,813,000
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**FY 2009**

Iowa Department of Education to continue a demonstration of public school facilities (more commonly known as the “Harkin Grant Program”). The grant program is named after sitting Iowa Senator Tom Harkin. \$5,471,000

**FY 2010**

Edward M. Kennedy Institute for the Senate, Boston, MA, for facilities, equipment, and program development, and may include support for an endowment. The Institute is named after former Massachusetts Senator Edward Kennedy. \$13,602,000

Iowa Department of Education to continue a demonstration of public school facilities (more commonly known as the “Harkin Grant Program”). The grant program is named after sitting Iowa Senator Tom Harkin. \$7,287,000

Simpson College, Indianola, IA, for the creation of the John C. Culver Public Policy Center. The Center is named after John Culver, a former member of the U.S. Senate and the U.S. House of Representatives for the State of Iowa. \$500,000

Marymount Manhattan College, New York, NY for academic programs at the Geraldine Farraro Center for Educational Excellence in Science, Technology, and Math, which may include equipment and technology. The Center is named for Geraldine Farraro, a former member of the U.S. House of Representatives for the State of New York and the first female Vice Presidential candidate. \$400,000

**TOTAL: \$181,199,803**

**Appendix 2.**  
**Earmarks to Clark County School District, Las Vegas, Nevada**

<b>Fiscal Year</b>	<b>FIE Earmark</b>	<b>Description</b>
2001	\$425,000	For an after-school community learning center
2001	\$65,000	For educational technology enhancements
2001	\$425,000	For a comprehensive bilingual education program
2002	\$160,000	For a program to provide students who do not plan to attend college with instruction in nursing and home health aid
2002	\$900,000	For a literacy intervention program
2003	\$496,750	For after school programs
2005	\$496,000	For undisclosed equipment
2004	\$99,410	Intensive math and reading intervention programs and equipment
2004	\$1,491,150	Teacher quality improvements
2004	\$74,558	Academic enrichment activities
2004	\$149,115	Intensive English language instruction and testing services
2005	\$386,880	Alternative drop-out prevention programs
2005	\$496,000	Equipment
2005	\$198,400	Dropout prevention
2005	\$198,400	“Advancement via Individual Determination” program
2008	\$238,755	For a Newcomer Academy
2008	\$383,187	Education Executive Leadership Program
2009	\$190,000	Family Leadership Institute
2009	\$238,000	Urban Teacher Mentor Program
2009	\$856,000	School counseling and dropout prevention services
2010	\$600,000	To create a school for highly gifted students
2010	\$600,000	To expand instructional support for English-language learners
<b>TOTAL:</b>	<b><u>\$9,167,605</u></b>	



**Appendix 3.**  
**FIE Earmarks Provided to Hawaii, FY 2009 & 2010<sup>265</sup>**

<b>Fiscal Year/Source</b>	<b>Project Description</b>	<b>Amount</b>	<b>Sponsor</b>
FY 2009, FIE	Hawaii Public Radio, Honolulu, HI for music education programs, which may include equipment	\$95,000	Representative Abercrombie
FY 2009, FIE	Polynesian Voyaging Society, Honolulu, HI, for educational programs	\$238,000	Senator Inouye
FY 2009, FIE	Bishop Museum, Honolulu, HI, for educational programming	\$190,000	Senator Inouye
FY 2009, FIE	Partners In Development Foundation, Honolulu, HI for a mobile parent education program	\$500,000	Representative Hirono
FY 2009, FIPSE	Hawaii Community College, Waipahu, HI, to provide cultural education	\$190,000	Senator Inouye
FY 2009, FIPSE	Henry Kuualoha Giugni Archives, University of Hawaii, Honolulu, HI, for cultural education	\$238,000	Senators Inouye and Akaka
FY 2009, FIPSE	Sustain Hawaii, Honolulu, HI for the interdisciplinary Center of Excellence in Island Resiliency and Climate Policy, which may include curriculum development, stipends, and equipment	\$190,000	Representative Abercrombie
FY 2009, FIPSE	University of Hawaii at Hilo Clinical Pharmacy Training Program, Hilo, HI, for clinical pharmacy training program and applied rural science program	\$951,000	Senators Inouye and Akaka
FY 2009, FIPSE	University of Hawaii School of Law, Honolulu, HI, for health policy center	\$238,000	Senator Inouye
FY 2010, FIPSE	Hawaii Community College, Hilo, HI, for supportive services and classroom courses to prepare students unprepared for postsecondary education	\$500,000	Senators Inouye and Akaka
FY 2010, FIPSE	University of Hawaii at Hilo	\$1,500,000	Senators Inouye and Akaka

<sup>265</sup> Information obtained from <http://thomas.loc.gov/>.

	Clinical Pharmacy Training Program, Hilo, HI, for clinical pharmacy training program and applied rural science program		and Representative Abercrombie
FY 2010, FIPSE	University of Hawaii School of Law, Honolulu, HI, for the health policy center	\$400,000	Senators Inouye and Akaka
FY 2010, FIE	Hawaii Department of Education, Honolulu, HI for its Assistance to Low Performing Schools Project, which may include equipment and technology	\$700,000	Representative Hirono
FY 2010, FIE	Polynesian Voyaging Society, Honolulu, HI, for educational programs	\$300,000	Senators Inouye and Akaka
<b>TOTAL:</b>	<b>N.A.</b>	<b>\$6,230,000</b>	<b>N.A.</b>

## **Appendix 4.**

**U.S. Department of Education Office of Inspector General, Final  
Inspection Report, Inspection of Active Congressional Earmarks in  
Fiscal Year 2005, Control Number ED-OIG/I13H0004**



**UNITED STATES DEPARTMENT OF EDUCATION**  
OFFICE OF INSPECTOR GENERAL

The Inspector General

September 25, 2007

**Memorandum**

**TO:** Ray Simon  
Deputy Secretary

**FROM:** John P. Higgins, Jr. /s/

**SUBJECT:** Final Inspection Report  
Inspection of Active Congressional Earmarks in Fiscal Year 2005  
Control Number ED-OIG/I13H0004

This final inspection report presents the results of our Inspection of the Department of Education's Active Congressional Earmarks in Fiscal Year (FY) 2005.

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**BACKGROUND**

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Congressional earmarks are funds provided by Congress for projects or programs where the congressional direction is included in bill or report language. The Department is required to ensure that recipients of earmark funds use them in accordance with congressional intent, and applicable laws and regulations.

Budget Service in the Office of Planning, Evaluation, and Policy Development (OPEPD) reviews congressional bills and report language and then provides a list of the earmarks to the appropriate Department program office. Budget Service works with the program offices and the Office of the General Counsel (OGC) to ensure that the intended recipients are located and the congressional language is clearly understood.

Once the program offices receive the list of earmarks from Budget Service, the offices assign individual earmarks to program staff. The intended earmark recipient must submit an application through the program office. Because congressional earmarks do not result from formal solicitations for proposals, the application process is non-competitive. The assigned program staff reviews the applications to ensure that the earmark funds are proposed to be used for the purpose stated by Congress in the legislation. Once the application meets the conditions set by Congress, the program office approves the application and the earmarks are funded. Program staff is responsible for monitoring these earmarks.

The two programs that administer the majority of congressional earmarks are the Fund for the Improvement of Postsecondary Education (FIPSE) within the Office of Postsecondary Education

(OPE) and the Fund for the Improvement of Education (FIE) within the Office of Innovation and Improvement (OII).

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## INSPECTION RESULTS

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The objectives of our inspection were to determine the (1) total number and cost of congressional earmarks within the Department in FY 2005, including the cost of the earmark and related costs such as staff time and administration, (2) adequacy of the oversight conducted on congressional earmarks in FIPSE and FIE, and (3) overall impact of FIPSE and FIE congressional earmarks on advancing the primary mission and goals of the Department. We developed these objectives based on a request from Senator Tom Coburn, received by OIG on January 16, 2007.

### **Total Number and Cost**

We identified 2,594 active earmarks<sup>1</sup> in FY 2005. The total amount drawn down by these earmark recipients during FY 2005 was \$369,655,366.

### **FY 2005 Active Earmarks by Office/Program**

<b>Office/Program</b>	<b>Number of Active Earmarks during FY 2005</b>	<b>Percentage of Total FY 2005 Active Earmarks</b>	<b>Total Drawn Down During FY 2005</b>	<b>Percentage of Total Drawdowns</b>
FIE	1,234	47.57%	\$176,661,780	47.79%
FIPSE	1,202	46.34%	\$166,932,160	45.16%
Office of Special Education Programs (OSEP)	80	3.08%	\$9,461,960	2.56%
Rehabilitation Services Administration (RSA)	58	2.24%	\$6,213,964	1.68%
Office of Elementary and Secondary Education (OESE)	20	0.77%	\$10,385,502	2.81%
<b>TOTAL</b>	<b>2,594</b>	<b>100%</b>	<b>\$369,655,366</b>	<b>100%</b>

We determined that the total cost associated with administering active earmarks during FY 2005 was \$2,137,997. The cost includes but is not limited to pre-award activities, awarding, monitoring, close-out activities, and archiving. The total amount drawn down and the amount spent to administer active earmarks during FY 2005 was \$371,793,363.

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<sup>1</sup> We use “active earmarks” to refer to earmarks that were open at some point during FY 2005 (opened either before or during FY 2005). Active does not mean that the recipients have been actively drawing down funds; it means only that the grants were not closed out.



## **Oversight**

The Department experienced a significant increase in the number of congressional earmarks in FY 2005. In the two programs with the majority of earmarks, FIPSE and FIE, the number of earmarks increased 42.47 percent and the congressional appropriations related to earmarks rose 28.02 percent. Although the number increased significantly, Congress did not provide the Department with any additional funding for the costs associated with administering earmarks. In the Department's 2005 Management Challenges, OIG reported the Department's assertion that it does not have enough staff to administer and properly monitor the recipients of congressional earmarks.

To answer our second objective we concentrated our work on FIPSE and FIE, because, as shown in the chart above, active earmarks from FIPSE and FIE represented 93.91 percent of all active earmarks and 92.95 percent of the total drawdowns in FY 2005. The average amount of staff time spent on all activities related to administering earmarks (including pre-award activities, awarding, monitoring, close-out activities, and archiving) in FIPSE and FIE during FY 2005 was 21.10 hours per earmark for the entire fiscal year. We found that the approach toward monitoring earmarks for the two offices was not consistent.

The earmark coordinator for FIPSE during FY 2005 stated that FIPSE employees do not focus on monitoring earmarks, but they do review applications (including evaluation plans) closely and require final reports. He stated that OPE does not have the funds, staff, or encouragement to monitor earmarks and make site visits. He further stated that the focus of the office is on monitoring the regular, merit-based projects in FIPSE. Our review of a sample of FIPSE earmark files supported the coordinator's statements showing evidence of application review, but little evidence of ongoing monitoring. FIPSE offers an optional two-hour workshop to train earmark recipients on grant management. FIPSE's guidance for earmark recipients states that the program office's role in monitoring earmarks is limited to the review of progress and final reports. During FY 2005, FIPSE had 15 staff members working on 1,202 active earmarks; therefore staff was unable to dedicate significant time to each grantee. We determined that the average amount of staff time spent administering earmarks in FIPSE during FY 2005 was approximately 6 hours per earmark for the entire fiscal year.

The sample of earmark files that we reviewed from FIE showed more evidence of ongoing monitoring than the files from FIPSE. Some of the earmark files included e-mail communications between Department staff and grantees and documented phone conversations. Additionally, OII developed a Monitoring Handbook specifically for FIE earmarks, trained its staff on the specifics of the handbook, and communicated to its staff an expectation that earmarks are to be monitored. However, some FIE monitors were responsible for over 100 earmark projects during FY 2005, and therefore, were unable to dedicate significant time to each grantee. We determined that the average amount of staff time spent administering earmarks in FIE during FY 2005 was approximately 35 hours per earmark for the entire fiscal year.

## **Mission and Goals**

To determine the overall impact of FIPSE and FIE congressional earmarks on advancing the primary mission and goals of the Department, we compared the earmark projects' stated goals

and objectives from our sample with the Department's goals and objectives as outlined in the Department's Strategic Plan for 2002-2007.<sup>2</sup>

The Strategic Plan describes how the Department intends to accomplish its mission. Using the goals and objectives in the Strategic Plan as our criteria, we are 90 percent confident that at least 82.7 percent (2,014 grants) of the 2,436 total active earmarks from FIPSE and FIE were aligned with the Department's goals and objectives.

While earmarks generally appear to be aligned with the Department's goals and objectives on an individual basis, they are not awarded on a competitive basis, and the Department is limited to evaluating whether the projects conform to the congressional language. The Department does not assess whether the earmark projects do or do not further the Department's mission. According to the Department, the diversity of the earmark projects assigned to the Department by Congress makes it difficult to measure the collective impact earmark projects have on the Department's mission.

### **Recommendation**

We recommend that the Deputy Secretary develop a methodology to ensure that earmark recipients are held accountable for the Federal funds they receive.

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## **DEPARTMENT COMMENTS**

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On August 2, 2007, we provided the Department with a copy of our draft report for comment. We received the Department's comments to the report on September 24, 2007. The Department generally concurred with the findings and recommendation of our report, but stated that the report did not fully recognize the efforts the Department has made in the area of earmarks. The Department's response also outlined five steps that the Department is taking in response to our recommendation. The response from the Department mainly focused on issues in our report related to FIPSE. It was not our intent to imply that the monitoring in FIE was adequate. The Department should ensure that all offices that administer earmarks are included in their corrective action plan. We have summarized the Department's comments and provided our responses below. The Department's response, in its entirety, is attached.

### *Department Comment*

The Department stated that OPE has made significant efforts to ensure that earmark recipients are accountable for the Federal funds they receive. The Department stated that the report includes a statement from an OPE staff member that does not accurately reflect OPE's monitoring policies and practices, or OPE's focus on appropriate accountability.

### *OIG Response*

The OPE staff member referenced in the report was the Earmark Coordinator for FIPSE during FY 2005. We were referred to him by the Deputy Director of FIPSE.

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<sup>2</sup> We selected a random sample of 72 congressional earmarks from a total of 2,436 FIPSE and FIE earmark grants. We examined the full grant files for all 72 of the earmarks.

*Department Comment*

The Department stated that it takes the responsibility to monitor earmarks appropriately very seriously. The Department cited recent examples of aggressive monitoring and oversight of two OPE earmarks, which resulted in designating one grantee as a “high risk” grantee, and only allowing reimbursement payments to be made to the grantee when proper documentation of allowable expenditures was provided. The Department delayed the release of payments to the other earmark grantee until compliance issues were fully addressed.

*OIG Response*

Neither of the two earmark grants cited by the Department were included as part of our random sample of 72 earmarks from a total of 2,436 FIPSE and FIE earmark grants and therefore information related to the monitoring of these two earmark grants was not included in our report. One of the earmark grants cited by the Department was the subject of a prior OIG audit (ED-OIG/A09F0020).

*Department Comment*

The Department stated it appreciated that the report acknowledged the significant increase in the number of earmarks the Department received in 2005 without additional funding for the costs of administering earmarks. The Department stated that the report does not adequately characterize the workload of OPE staff that worked on the 1,202 earmarks nor does it convey the time that the staff devoted to work on earmarks. The Department further stated that the report does not convey that the monitoring of earmarks was in addition to staff responsibilities to review applications and to award and monitor grants made through the regular FIPSE competitive grant process.

*OIG Response*

The average staff time spent administering earmarks in FIPSE during FY 2005 was approximately 6 hours per earmark for the entire fiscal year based on the responses to our survey of FIPSE staff responsible for administering and monitoring earmarks during FY 2005. We recognize that the monitoring of earmarks was done in addition to staff responsibilities related to the regular FIPSE competitive grant process and have included a statement to that effect from the FIPSE earmark coordinator in the report. Additionally, during our fieldwork, the Deputy Director of FIPSE informed us that FIPSE did not have a competition for the comprehensive program in 2005 and as a result staff would not have spent much time making new awards for the comprehensive program. As a result of the Department’s comment we have clarified that the “100” projects referenced in the OII section of the report referred to earmark projects.

*Department Comment*

The Department stated that the report does not recognize the significant efforts that OPE made to provide support and assistance to earmark grantees at the early stages of the grant process. The Department stated that in addition to providing earmark grantees written materials on grantee responsibilities and requirements, OPE holds an orientation workshop each year for in-person grant management training and hosts a Web page with information specifically for earmark grantees.

*OIG Response*

We recognize these efforts to provide support and assistance to earmark grantees and have added language to the report to this effect. We would add that it is important to have ongoing monitoring to ensure that grantees are complying with the requirements and responsibilities presented to them in the early stages of the grant process.

*Department Comment*

The Department stated it was somewhat puzzled by the report's conclusion that 83 percent of the earmarks were aligned with the Department's primary mission and goals and the statement that the Department does not assess whether the earmarks further the mission of the Department. The Department noted that it has little discretion in determining whether to fund an earmark or whether it should require that an earmark be aligned with the Department's goals and objectives. The Department stated that it is not clear what purpose such an assessment would serve and what the benefit would be to advancing the Department's goals and objectives. The Department also stated that it believes earmarks are an inefficient use of taxpayer dollars and that, by their very nature, earmarks limit the ability of the Department to direct funds where they are most needed to address the Department's goals, objectives, and priorities and where the funds have the greatest potential for achieving successful outcomes.

*OIG Response*

We reported that earmarks are not awarded on a competitive basis and that the Department is limited to evaluating whether the projects conform to the congressional language. The Department's policy position that earmarks are an inefficient use of taxpayer dollars does not alleviate the responsibility of the Department to hold grantees accountable. We did not recommend that the Department perform such an assessment of earmarks in our report. Our only recommendation is that the Department develop a methodology to ensure that earmark recipients are held accountable for the Federal funds they receive.

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## **OBJECTIVES, SCOPE, AND METHODOLOGY**

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The objectives of our inspection were to determine the (1) total number and cost of congressional earmarks within the Department in FY 2005, including the cost of the earmark and related costs such as staff time and administration, (2) adequacy of the oversight conducted on congressional earmarks in FIPSE and FIE, and (3) overall impact of FIPSE and FIE congressional earmarks on advancing the primary mission and goals of the Department.

We began our fieldwork on February 13, 2007. We interviewed Department staff in OII, OPE, OPEPD, and OGC.

We defined earmarks as specifically identified revenues, often supplemented by other financing sources, which remain available over time for designated activities, benefits, or purposes.

We requested that the Department provide us an electronic listing of congressional earmarks that would include:

- All congressional earmarks awarded in FY 2005,
- All other congressional earmarks active in FY 2005,
- Award date for each earmark,
- Amount originally awarded for each earmark, and
- Amount dispersed during FY 2005 for each earmark.

We attempted to verify the listing against the appropriations language from FY 2005 and found that the earmarks listed under “Rehabilitation Services and Disability Research” were missing from the Department’s list. The Department revised its original listing to include these earmarks. We were then able to verify the revised listing as complete.

To determine staff time and administration costs associated with congressional earmarks during FY 2005, we requested that RSA, OSEP, FIE, FIPSE, and OESE provide us a listing of all individuals who were involved with all congressional earmarks that were active in FY 2005, including earmarks that were awarded in FY 2005 and earmarks from past years that were still active during FY 2005.

We conducted a survey of these individuals requesting that they provide us with the percentage of their time that they spent working on congressional earmarks in FY 2005 and their pay grade and series at the beginning of FY 2005 (October 1, 2004). We asked that their responses include time spent on activities including but not limited to pre-award, awarding, monitoring, administering, close-out, and archiving. We had a response rate of 71.94 percent. For employees who did not respond or were no longer with the Department, we estimated time spent based on the averaged responses for their respective program offices.

We selected a random sample of 72 congressional earmarks from a total of 2,436 FIPSE and FIE earmark grants and compared the earmark projects’ stated goals and objectives with the Department’s goals and objectives as outlined in the U.S. Department of Education’s Strategic Plan for 2002-2007. We examined the full grant files for all 72 of the earmarks. Based on our review of earmark recipients’ stated goals and objectives, we concluded that eight of the earmarks in our sample did not align with at least one of the goals or objectives from the Department’s Strategic Plan for 2002-2007.

Our inspection was performed in accordance with the *2005 President’s Council on Integrity and Efficiency Quality Standards for Inspections* appropriate to the scope of the inspection described above.

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## ADMINISTRATIVE MATTERS

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An electronic copy of this final inspection report has been provided to your Audit Liaison Officer. We received your comments, which generally concurred with our findings and recommendation.

Corrective actions proposed (resolution phase) and implemented (closure phase) by your offices will be monitored and tracked through the Department’s Audit Accountability and Resolution



Tracking System (AARTS). Department policy requires that you enter your final corrective action plan (CAP) for our review in the automated system within 30 days of the issuance of this report.

In accordance with the Inspector General Act of 1978, as amended, the Office of Inspector General is required to report to Congress twice a year on the audits that remain unresolved after six months from the date of issuance.

In accordance with the Freedom of Information Act (5 U.S.C. §552), reports issued by the Office of Inspector General are available to members of the press and general public to the extent information contained therein is not subject to exemptions in the Act.

Electronic cc: Morgan Brown, Assistant Deputy Secretary, OII  
Diane Auer Jones, Assistant Secretary, OPE  
Wendy Tada, Chief of Staff, ODS  
Liza Araujo, Audit Liaison, OII  
Dottie Kingsley, Audit Liaison, OPE



UNITED STATES DEPARTMENT OF EDUCATION

THE DEPUTY SECRETARY

September 24, 2007

Honorable John P. Higgins, Jr.  
Inspector General  
Department of Education  
Washington, D.C. 20202

Dear Mr. Higgins:

The purpose of this letter is to provide comments on the Draft Inspection Report (Draft Report) entitled *Inspection of Active Congressional Earmarks in Fiscal Year 2005*, ED-OIG/I13-H0004 (August 2, 2007). I would like to thank you and your staff for your work in compiling this report.

The Department agrees that monitoring grants, including earmarks, is an important responsibility and, in recent years, has taken a number of steps to strengthen its monitoring of grants to help ensure that grant funds are spent in accordance with all applicable requirements. However, while we thus generally concur with the findings and the recommendation in the Draft Report, the report does not fully recognize the efforts that the Department has made in this area.

As discussed at the exit conference, for example, we believe that the Draft Report includes several statements that mischaracterize the monitoring of earmarks funded through the Fund for the Improvement of Postsecondary Education (FIPSE) program administered by the Office of Postsecondary Education (OPE). OPE has made significant efforts to ensure that earmark recipients are accountable for the Federal funds they receive. The Draft Report includes a statement from an OPE staff member that does not accurately reflect OPE's monitoring policies and practices, or OPE's focus on appropriate accountability.

As noted at the exit conference, OPE and the Department take very seriously the responsibility to monitor earmarks appropriately, as evidenced by the amount of technical assistance and guidance provided to earmark applicants by both OPE, with regard to FIPSE, and the Office of Innovation and Improvement (OII), with regard to the Fund for the Improvement of Education, to help ensure that funds are spent appropriately, and appropriate documentation is maintained by the grantee. The Department also provided recent examples of aggressive monitoring and oversight of two OPE earmarks, which resulted in designating one grantee as a "high risk" grantee, and only allowing reimbursement payments to be made to the grantee when proper documentation of allowable expenditures was provided. The Department delayed the release of payments to the other earmark grantee until compliance issues were fully addressed. There are other examples in OII's administration of earmarks.

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We appreciate that the Draft Report acknowledges the significant increase in the number of earmarks the Department received in 2005 without additional funding for the costs of administering the earmarks. As noted at the exit conference, however, we continue to believe that the Draft Report does not adequately characterize the workload of the OPE staff that worked on 1,202 earmarks, nor does it convey the time that the staff devoted to work on the earmarks. For example, it does not convey that the monitoring of these 1,202 earmarks was in addition to staff responsibilities to review applications, and to award and monitor grants made through the regular FIPSE competitive grant process. We believe a more accurate statement would be that OPE employees working on FIPSE earmarks in 2005 were responsible for monitoring an average of 160 grantees. We believe this statement more accurately reflects the responsibilities of OPE staff and is consistent with the statement in the report acknowledging that OII staff were not able to devote significant time to each grantee because they were responsible for monitoring over 100 projects.

Finally, while the Draft Report recognizes that OII developed a monitoring handbook specifically for earmarks, the report does not recognize the significant efforts that OPE made to provide support and assistance to earmark grantees at the early stages of the grant process. In addition to the excellent written materials on grantee responsibilities and requirements, including proper fiscal management, that OPE provides to these grantees, OPE also holds an orientation workshop each year for in-person grant management training and hosts a Web page with information specifically for earmark grantees. Such proactive guidance and technical assistance helps ensure that grantees understand the process from the beginning so that grantees implement the programs funded through earmarks in accordance with applicable requirements.

As a final note, we continue to be somewhat puzzled by the report's conclusion for the inspection's third objective, which was to determine the overall impact of the earmarks on advancing the Department's primary mission and goals. The report notes that 83% of the earmarks were aligned with the Department's goals and objectives, and states that the Department does not assess whether the earmarks further the mission of the Department. Since the Department has little discretion in determining whether to fund an earmark or whether it should require that an earmark be aligned with the Department's goals and objectives, it is not clear what purpose such an assessment would serve and what the benefit would be to advancing the Department's goals and objectives. We believe earmarks to be an inefficient use of taxpayer dollars. By their very nature, earmarks limit the ability of the Department to direct funds where they are most needed to address the Department's goals, objectives, and priorities, and where the funds would have the greatest potential for achieving successful outcomes.

In terms of the report's recommendation to develop a methodology to ensure that earmark recipients are accountable for the Federal funds they receive, the Department has already taken the following steps:

1. OII is updating and revising its monitoring handbook for earmarks and has shared the handbook with OPE. OPE is reviewing the handbook to determine if it is appropriate for OPE staff, and OII is examining guidance that OPE issues to earmark

grantees to determine whether OII's handbooks should be revised accordingly. Overall, the Department is considering whether it would be beneficial to develop a standard monitoring handbook for earmarks to be used across the Department.

2. OPE has a new Assistant Secretary who has made overseeing the work on FIPSE, including FIPSE earmarks, one of her priorities. Among other things, she is focusing on improving the coordination, monitoring, and evaluation of all OPE grant programs, including earmarks.

3. OPE is in the process of hiring additional staff to help increase its focus on monitoring and evaluation of grant programs, including earmarks.

4. OPE is increasing its emphasis on a risk assessment process for its grants, which will be part of its new electronic monitoring system. The risk assessment will identify grantees that need additional or different monitoring/supervision. OPE expects a new Grants Electronic Monitoring System (GEMS) to be fully operational by the end of 2007.

5. In conjunction with training on the new GEMS system, OPE will instruct staff on the monitoring process, including following up with grantees and better documenting its monitoring efforts. OPE will place an emphasis on ensuring that OPE staff monitor earmarks in the same manner as other grants.

Thank you again for the opportunity to review the Draft Report. I appreciate the care you have taken in preparing this draft and the courtesy shown by your staff in working with the Department.

Sincerely,

A handwritten signature in black ink that reads "Raymond Simon". The signature is written in a cursive style with a large, stylized 'R' and 'S'.

Raymond Simon

## **Appendix 5**

**Letter to Education Secretary Margaret Spellings Concerning an  
Earmark to Jackson State University from Senator Tom A. Coburn,  
April 22, 2008**

# United States Senate

Senator Tom Coburn, MD  
Russell Senate Office Building, Room 172  
Washington, DC 20510-3604  
Phone: 202-224-5754  
Fax: 202-224-6008

April 22, 2008

Honorable Margaret Spellings  
Secretary  
U.S. Department of Education  
400 Maryland Avenue, SW  
Washington, D.C. 20202

Dear Secretary Spellings,

As a member of the Senate Health, Education, Labor, and Pensions Committee, I am very concerned about the impact of Congressional earmarks on the federal budget and real education priorities.

The Department had previously noted that it "is choking on congressional pork, struggling with mandates to spend" millions of dollars earmarked by Congress. According to Susan Aspey, the department's press secretary, it is "a significant challenge to process and monitor all of these earmarks." *The Washington Times* found that "in addition to lacking enough staff to administer and oversee properly the large increase in directed federal grants, 'Congress hasn't given us the authority to ask a lot of questions of earmark recipients,' said Michael J. Petrilli, the department's associate assistant deputy secretary for innovation and improvement."<sup>1</sup>

On September 25, 2007 the Department of Education's Office of the Inspector General released a report, "Final Inspection Report on the Inspection of Active Congressional Earmarks in Fiscal Year 2005," noting a general lack of oversight in how earmarks further the Department's mission and recommending that recipients of earmarks be held more accountable. The OIG recommended that "the Deputy Secretary develop a methodology to ensure that earmark recipients are held accountable for the Federal funds they receive."<sup>2</sup>

I bring to your attention an earmark for Jackson State University (JSU) that I would strongly urge you to reject and seek a rescission of funding from Congress, if necessary.

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<sup>1</sup> George Archibald. "Education earmarks clog budget bill; Department faces 'challenge' to handle \$400 million in pet projects," *The Washington Times*, January 9, 2005, page A3.

<sup>2</sup> U.S. Department of Education, Office of the Inspector General. John P. Higgins, Jr. Final Inspection Report on the Inspection of Active Congressional Earmarks in Fiscal Year 2005. Control Number ED-OIG/I13H0004, September 25, 2007: <http://www.ed.gov/about/offices/list/oig/aireports/i13h0004.doc>



*The Jackson Clarion Ledger* reported this week that “Congress recently awarded JSU \$14.2 million in earmarks, including \$478,492 from the U.S. Department of Education to examine the feasibility of opening an osteopathic medical school” and that “Jackson State University is proceeding with conducting a feasibility study about opening an osteopathic medical school, but the commissioner of higher education said the school won’t open one.”<sup>3</sup>

The Mississippi Commissioner of Higher Education, Dr. Thomas C. Meredith, wrote last week that “After discussion with Jackson State University President Dr. Ron Mason, it has become clear that Jackson State has no intention of pursuing such a school; it simply agreed to conduct a feasibility study for the state at the request of Mississippi’s 2nd District U.S. Rep. Bennie Thompson. The College Board appreciates the congressman’s interest in the real needs facing Mississippi in terms of quality health care and health-care providers. The College Board recently approved an expansion plan at the University of Mississippi Medical School; however, we do not have the resources to fully execute the plan.”<sup>4</sup>

Earlier this month, JSU “sent a proposal to the U.S. Department of Education outlining its plans for the study, a required step toward getting the money. The feasibility study will involve consultants, as well as faculty, staff and students.” *The Jackson Clarion Ledger* notes that “JSU’s study comes a few months after the University of Mississippi Medical Center announced plans to expand its medical program and after William Carey University last month announced plans to open its own osteopathic medical school.”<sup>5</sup>

Despite the fact that no school will be established as a result of this federally funded study, Dr. Meredith claims that “the study is not a waste of taxpayer money.” “A congressman desires to have a feasibility study done, and he’s asking the university to do that. That’s not a problem,” Dr. Meredith said.<sup>6</sup>

Consider that the \$478,492 being spent on this pointless study could pay the full \$2,216 tuition for 216 JSU students during the Spring Semester.<sup>7</sup>

Or consider that there are approximately 88,000 uninsured children living in poverty in the state of Mississippi.<sup>8</sup> The \$478,492 for this study could be better spent to

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<sup>3</sup> LaRaye Brown. “JSU continues medical school feasibility study; But commissioner of higher education says university won't open a facility,” *Jackson Clarion Ledger*, April 18, 2008:

<http://www.clarionledger.com/apps/pbcs.dll/article?AID=/20080418/NEWS/804180347/1001/news>

<sup>4</sup> Dr. Thomas C. Meredith. “JSU 'feasibility study' won't lead to another med school,” *Jackson Clarion Ledger*, April 15, 2008: <http://www.clarionledger.com/apps/pbcs.dll/article?AID=2008804150313>

<sup>5</sup> LaRaye Brown. “JSU to study med school idea; Federal grant to fund study on need, costs of program,” *Jackson Clarion-Ledger*, April 7, 2008, page 1B.

<sup>6</sup> LaRaye Brown. “JSU continues medical school feasibility study; But commissioner of higher education says university won't open a facility,” *Jackson Clarion Ledger*, April 18, 2008:

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<sup>7</sup> Jackson State University website, “Tuition and Fees, Spring 2008 Tuition Charges, Undergraduate Tuition,” accessed April 21, 2008: <http://www.jsu.edu/fees.php>

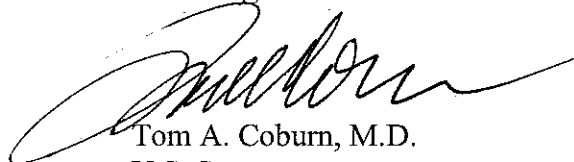
purchase private health insurance more than 350 of these children who currently lack access to basic health care.<sup>9</sup>

Incoming Mississippi College Board member Scott Ross noted “We have issues with properly funding the medical school that we have.”<sup>10</sup> Likewise, I believe most American taxpayers struggling to pay rising medical and education costs for their own families would have issues with funding a pointless study that will result in nothing but wasted time and money.

I would again urge you to reject funding for this earmark from Congress and seek a rescission, if necessary.

Thank you for your attention to this matter. I look forward to hearing what actions the Department takes to stop this wasteful spending initiative and is taking to hold other earmark recipients accountable for the Federal funds they receive.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Coburn", written over a horizontal line.

Tom A. Coburn, M.D.  
U.S. Senator

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<sup>8</sup> U.S. Census Bureau, Housing and Household Economic Statistics Division. “Low Income Uninsured Children by State,” accessed April 21, 2008: <http://www.census.gov/hhes/www/hlthins/liuc06.html>

<sup>9</sup> The average premium for single coverage of those under 18 years of age is approximately \$1,355, according to Scott Styles, Senior Vice President of Federal Affairs, America’s Health Insurance Plans. July 31, 2007 e-mail.

<sup>10</sup> LaRaye Brown. “JSU to study med school idea; Federal grant to fund study on need, costs of program,” *Jackson Clarion-Ledger*, April 7, 2008, page 1B.

## **Appendix 6**

**Letter to Jackson State University President, Dr. Ronald Mason, Jr.  
Concerning its Earmark from Senator Tom A. Coburn, April 22,  
2008**

# United States Senate

Senator Tom Coburn, MD  
Russell Senate Office Building, Room 172  
Washington, DC 20510-3604  
Phone: 202-224-5754  
Fax: 202-224-6008

April 22, 2008

Dr. Ronald Mason Jr.,  
President  
Jackson State University  
1400 John R. Lynch Street  
Administration Tower  
Jackson, MS 39217-0280

Dear President Mason,

As a practicing physician from Oklahoma, I understand the importance of ensuring access to affordable quality medical care in rural areas. With our nation facing a dire fiscal situation, including a \$9 trillion debt and the looming insolvency of Medicare, I also understand the importance of proper stewardship of our nation's budget.

I would, therefore, request that Jackson State University (JSU) return to the federal Treasury any amount received for the study or creation of an osteopathic medical school.

*The Jackson Clarion Ledger* reported this week that "Congress recently awarded JSU \$14.2 million in earmarks, including \$478,492 from the U.S. Department of Education to examine the feasibility of opening an osteopathic medical school" and that "Jackson State University is proceeding with conducting a feasibility study about opening an osteopathic medical school, but the commissioner of higher education said the school won't open one."<sup>1</sup>

The Mississippi Commissioner of Higher Education, Dr. Thomas C. Meredith, wrote last week that "After discussion with Jackson State University President Dr. Ron Mason, it has become clear that Jackson State has no intention of pursuing such a school; it simply agreed to conduct a feasibility study for the state at the request of Mississippi's 2nd District U.S. Rep. Bennie Thompson. The College Board appreciates the congressman's interest in the real needs facing Mississippi in terms of quality health care and health-care providers. The College Board recently approved an expansion plan at the

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University of Mississippi Medical School; however, we do not have the resources to fully execute the plan.”<sup>2</sup>

Earlier this month, JSU “sent a proposal to the U.S. Department of Education outlining its plans for the study, a required step toward getting the money. The feasibility study will involve consultants, as well as faculty, staff and students.” *The Jackson Clarion Ledger* notes that “JSU’s study comes a few months after the University of Mississippi Medical Center announced plans to expand its medical program and after William Carey University last month announced plans to open its own osteopathic medical school.”<sup>3</sup>

Despite the fact that no school will be established as a result of this federally funded study, Dr. Meredith claims that “the study is not a waste of taxpayer money.” “A congressman desires to have a feasibility study done, and he’s asking the university to do that. That’s not a problem,” Dr. Meredith said.<sup>4</sup>

The reality is that it is a problem. Wasteful spending is the reason why our nation faces bankruptcy and why real national priorities are often shortchanged.

Consider that the \$478,492 being spent on this pointless study could pay the full \$2,216 tuition for 216 JSU students during the Spring Semester.<sup>5</sup>

Or consider that there are approximately 88,000 uninsured children living in poverty in the state of Mississippi.<sup>6</sup> The \$478,492 for this study could be better spent to purchase private health insurance more than 350 of these children who currently lack access to basic health care.<sup>7</sup>

Incoming Mississippi College Board member Scott Ross noted “We have issues with properly funding the medical school that we have.”<sup>8</sup> Why then would a state university fritter away nearly half a million dollars on a pointless study that will result in nothing but wasted time and money?

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<sup>2</sup> Dr. Thomas C. Meredith. “JSU ‘feasibility study’ won’t lead to another med school,” *Jackson Clarion Ledger*, April 15, 2008: <http://www.clarionledger.com/apps/pbcs.dll/article?AID=2008804150313>

<sup>3</sup> LaRaye Brown. “JSU to study med school idea; Federal grant to fund study on need, costs of program,” *Jackson Clarion-Ledger*, April 7, 2008, page 1B.

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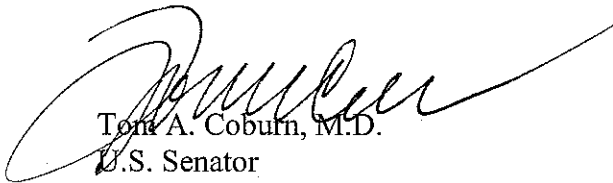
<sup>6</sup> U.S. Census Bureau, Housing and Household Economic Statistics Division. “Low Income Uninsured Children by State,” accessed April 21, 2008: <http://www.census.gov/hhes/www/hlthins/liuc06.html>

<sup>7</sup> The average premium for single coverage of those under 18 years of age is approximately \$1,355, according to Scott Styles, Senior Vice President of Federal Affairs, America’s Health Insurance Plans. July 31, 2007 e-mail.

<sup>8</sup> LaRaye Brown. “JSU to study med school idea; Federal grant to fund study on need, costs of program,” *Jackson Clarion-Ledger*, April 7, 2008, page 1B.

Thank you for your consideration of this request. I look forward to hearing your decision.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Coburn", written in a cursive style. The signature is positioned above the printed name and title.

Tom A. Coburn, M.D.  
U.S. Senator



## **Appendix 7**

**Letter to Senator Tom A. Coburn from U.S Department of  
Education then Acting Assistant Secretary Cheryl Oldham, August  
12, 2008**



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF POSTSECONDARY EDUCATION

THE ASSISTANT SECRETARY

August 12, 2008

Honorable Tom Coburn, M.D.  
United States Senate  
Washington, DC 20510

Dear Senator Coburn:

Thank you for your recent letter regarding the earmark made as part of the FY 2008 Department of Education Appropriations Act for Jackson State University in Mississippi. The Department shares your concerns regarding wasteful spending and the large number of projects for which Congress has earmarked funding in connection with appropriations legislation. We believe that Federal grants are most effectively made through a competitive award process, rather than specified in legislation.

The Fund for the Improvement of Postsecondary Education (FIPSE), the program for which funds have been earmarked for Jackson State University, is designed to support exemplary, locally developed projects that are models for innovative reform and improvement in postsecondary education. In the fiscal year 2008 Appropriations Act for the Department of Education, Congress earmarked \$98,909,330 for 333 projects under the FIPSE program, leaving approximately \$21 million for competitively awarded projects.

In response to your specific concerns regarding the earmark to Jackson State University, the earmark requires that the institution use the funds provided "for establishment of an osteopathic medical school." Like you, I am concerned to see quotes in the media, attributed to officials from Jackson State University, stating that the university does not intend to establish an osteopathic medical school. Please know that the Department requires recipients of congressional earmarks to submit an application in which the scope of work must be clearly defined and in alignment with the purpose of the earmark. In addition, projects supported through earmarks are subject to the same monitoring and oversight requirements as grants awarded through the peer-review process. As a result, the Department will work with Jackson State University, through the application and oversight processes, to ensure that the funds are used for the purpose specified in the earmark. If we were to learn, through either of these processes, that the institution did not intend or does not use the funds for the establishment of an osteopathic medical school, then the institution would not be entitled to receive the funds.

1990 K ST. N.W., WASHINGTON, DC 20006  
[www.ed.gov](http://www.ed.gov)

*The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.*

If you have any further questions or need any additional information regarding this matter, please have your staff contact the Office of Legislation and Congressional Affairs, at (202) 401-0020.

Sincerely,

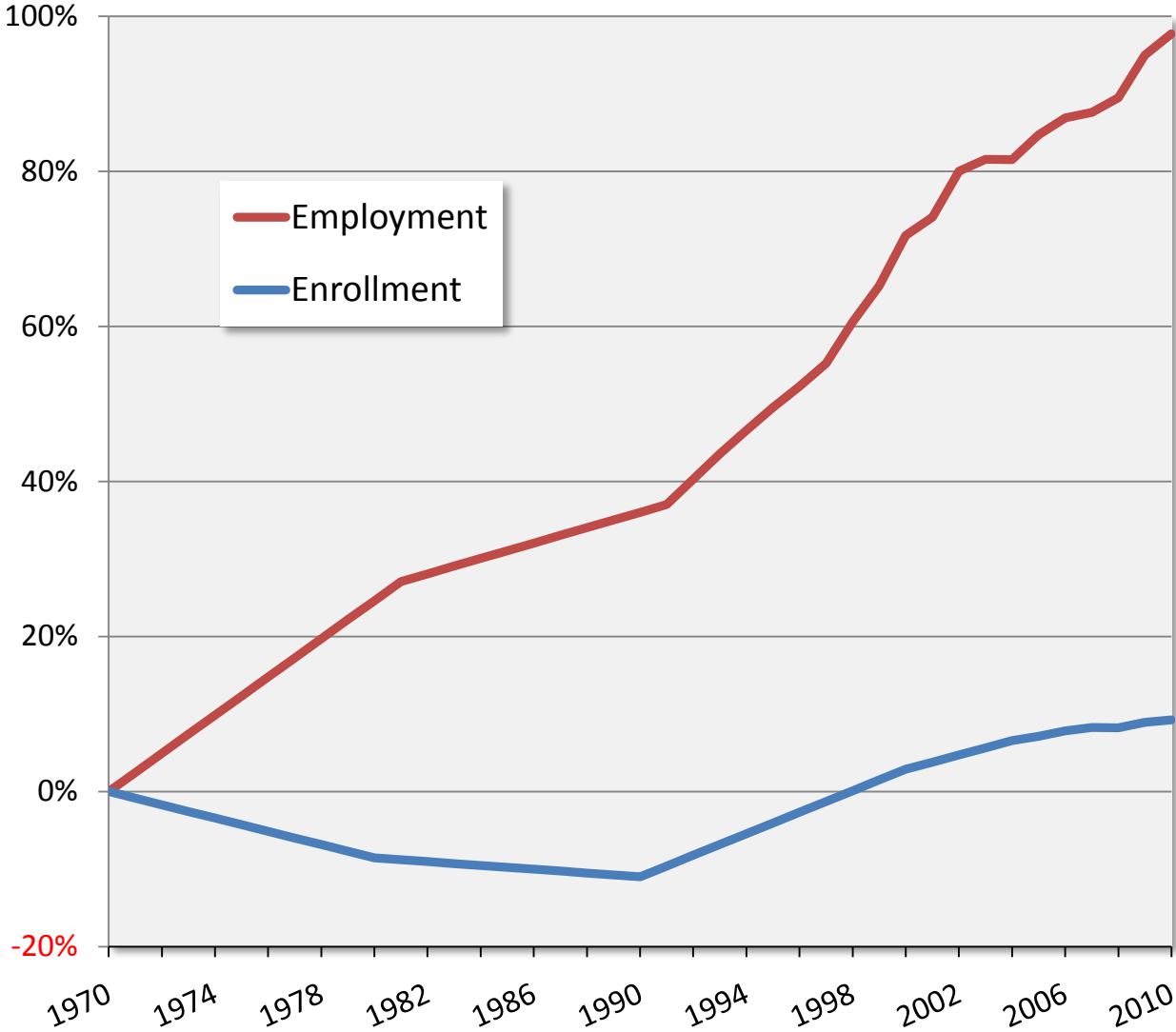
A handwritten signature in black ink, appearing to read "C. Oldham", with a long horizontal flourish extending to the right.

Cheryl Oldham  
Acting Assistant Secretary

## **Appendix 8**

**Cato Institute – Chart 1, ED Spending vs. Achievement (Coulson, May 2010); Chart 2, ED Employment vs. Enrollment (Coulson, May 2010)**

# Percent Change in Public School Employment and Enrollment, Since 1970



## Cato Institute

**Data source:**  
National Center for Education Statistics, *Digest of Education Statistics 2009* (April, 2010), Tables 33, 34, 80. Missing values linearly interpolated or extrapolated.

**Prepared by:**  
Andrew J. Coulson  
Director, Center for Educational Freedom

# Inflation-Adjusted Cost of a K-12 Public Education and Percent Change in Achievement of 17-Year-Olds, since 1970

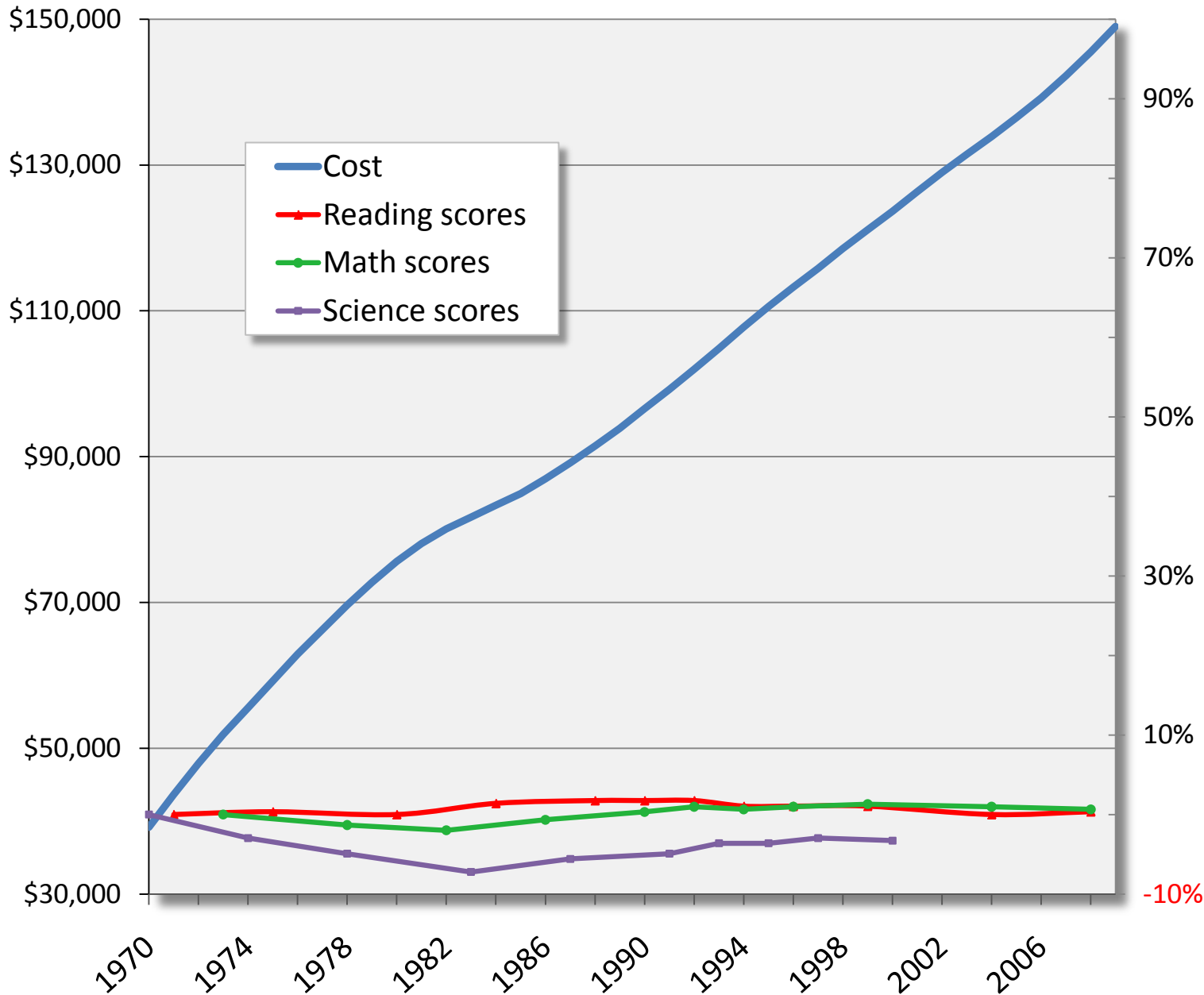
**Cato Institute**

**Data sources:**

NCES, *Digest of Education Statistics 2009*, Table 182, BLS adjusted to constant \$2009. Missing values linearly interpolated or extrapolated. Running 13yr total (i.e., K-12) spending per pupil. NAEP, *Long Term Trends* reports.

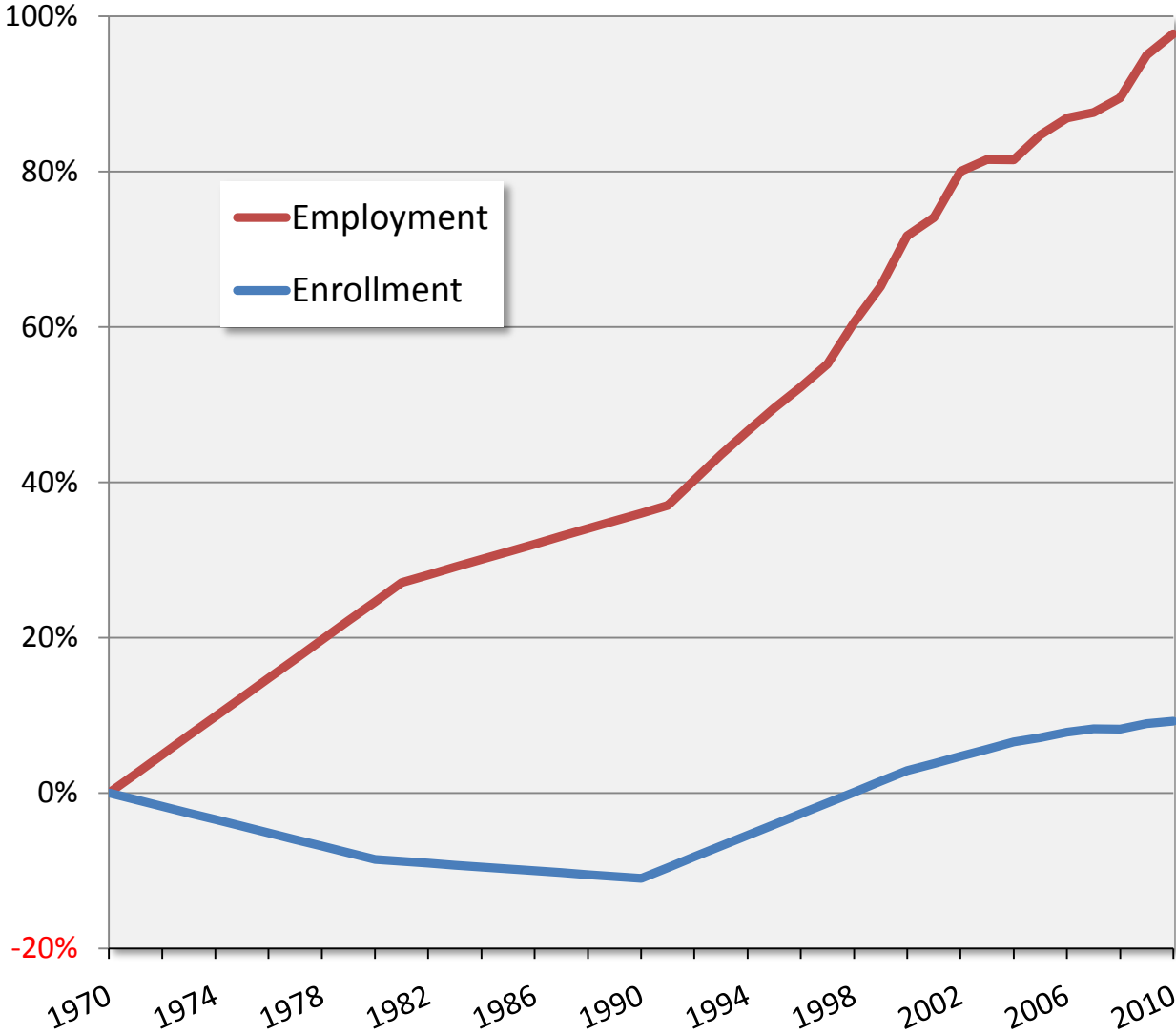
**Prepared by:**

Andrew J. Coulson,  
Director, Center for Educational Freedom





# Percent Change in Public School Employment and Enrollment, Since 1970



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Andrew J. Coulson  
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