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**Testimony**

Before the Subcommittee on the District of Columbia,  
Committee on Government Reform and Oversight, House  
of Representatives

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**DISTRICT OF COLUMBIA**

**Extent to Which Schools  
Receive Available Federal  
Education Grants**

Statement of Carlotta C. Joyner, Director  
Education and Employment Issues  
Health, Education, and Human Services Division



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# District of Columbia: Extent to Which Schools Receive Available Federal Education Grants

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Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to report our findings on the District of Columbia and the District of Columbia Public Schools' (DCPS) efforts to apply for and receive grant awards through the federal education grant programs available to them.

The federal government provides funds for hundreds of education programs, of which 103 are available for preschool, elementary, and secondary education. Most of these are administered by the Department of Education, although 12 other agencies also offer such programs. The biggest of these, outside Education, are the school nutrition programs administered by the Department of Agriculture and the Head Start program administered by the Department of Health and Human Services.

Concerns have been voiced in congressional hearings and the press about how well DCPS has taken advantage of available federal education dollars. You have asked us to comment today on (1) what federal education grant programs are available to the District of Columbia, (2) the status of its efforts to receive federal education grant programs, and (3) the District of Columbia offices responsible for the application process.

My statement is based primarily on our forthcoming report on this topic, which you requested. To obtain this information, we interviewed officials from the District of Columbia government, DCPS, and Education—including its Office of Inspector General (OIG)—and we reviewed supporting documentation, including the Catalog of Federal Domestic Assistance (CFDA).<sup>1</sup> Through computerized searches of the CFDA, we compiled a list of federal education grant programs available for preschool, elementary, and secondary education. The list of federal education grant programs was reviewed for accuracy and completeness by representatives of the federal agencies that administer the programs, DCPS, and the Office of Grants Management and Development (OGMD) in the District of Columbia government. They indicated which of those programs are available and not available to DCPS and identified programs available to DCPS that we added to our list. We identified the offices responsible for the application process by interviewing DCPS and District of Columbia officials.

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<sup>1</sup>The CFDA is a governmentwide compendium of federal programs, projects, services, and activities that provide assistance or benefits to the American public. It contains information on financial and nonfinancial assistance programs administered by departments and establishments of the federal government. Because the funds available to the District of Columbia in fiscal year 1998 come from federal 1997 and 1998 fiscal year appropriations, we used the 1997 and 1998 CFDA to compile the program list.

In summary, DCPS is eligible for 72 of the 103 fiscal year 1998 federal education grant programs available for preschool, elementary, and secondary education. In fiscal year 1998, the District of Columbia applied for 46 of the 72 federal programs. According to DCPS officials, DCPS did not apply for the remaining 26 programs because it lacked the resources to pursue these grants. For example, budgetary constraints precluded its applying for grants requiring matching funds, such as Even Start-Migrant Education, and DCPS said it had insufficient staff to apply for some grants or to implement the grant if received, such as Bilingual Education-Professional Development. The grant application process can vary by grant and involves several offices in DCPS and the District of Columbia government.

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## Background

Because of DCPS' location in the nation's capital, it has a unique administrative environment. Washington, D.C., is not located in a state, so that DCPS, unlike other school districts, does not receive the oversight and assistance often provided by states. Therefore, various administrative activities required by federal grants—such as oversight and program implementation management—that are frequently divided between state educational agencies and local educational agencies are divided among various offices within DCPS and the District of Columbia government. Furthermore, recent organizational changes in both the city and its school system—part of attempts to improve the management of both entities—have changed the administration of the schools. Frequent reorganizations of both DCPS and the District of Columbia government continue to shift responsibilities and accountability for grant application and management within each entity. Finally, DCPS has one set of responsibilities not normally assigned to a school district or state education agency: It has responsibility for federal nutrition programs, including those that are not operated in the public schools, such as the Temporary Emergency Food Assistance Program.

In 1995, after years of financial mismanagement and neglect had resulted in the District of Columbia's inability to provide effective and efficient services in a number of areas including education, the Congress passed legislation establishing the District of Columbia Financial Responsibility and Management Assistance Authority (Authority).<sup>2</sup> In November 1996, the Authority issued a report entitled "Children in Crisis: A Report on the Failure of D.C. Public Schools" in which it concluded that the deplorable

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<sup>2</sup>The District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104-8). The Authority is also known as the Control Board.

record of the District of Columbia's public schools by every important educational and management measure had left the system in a state of crisis.

To help address these problems, the Authority subsequently ordered the restructuring of the DCPS, discharged the Superintendent, redesigned the position as the Chief Executive Officer/Superintendent (CEO), and delegated the responsibility to manage the District of Columbia's schools to a newly installed nine-member Emergency Transitional Education Board of Trustees. However, on January 6, 1998, the U.S. Courts of Appeals for the District of Columbia Circuit ruled that the delegation of powers to the Trustees was illegal. As a result, the CEO has the responsibility to manage the schools.

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## Federal Education Grants

The federal government lists 103 programs in the CFDA for preschool, elementary, and secondary education for fiscal year 1998.<sup>3</sup> These are operated by 12 federal agencies: the Departments of Education, Agriculture, Commerce, Defense, Health and Human Services, Interior, Justice, and Labor as well as the Corporation for National and Community Service, Environmental Protection Agency, National Science Foundation, and United States Information Agency. In fiscal year 1997, these agencies administered grant programs with funding totaling an estimated \$36.6 billion for preschool, elementary, and secondary education programs, with four agencies accounting for over 90 percent of the funds: Education (43 percent), Agriculture (24 percent), Health and Human Services (14 percent), and Labor (13 percent).

Most federal education grant dollars for preschool, elementary, and secondary programs are targeted to at-risk students, including those who are poor or disabled or have limited English proficiency. The number of poor students is determined by the number of children who apply and qualify for free and reduced-price lunches under the National School Lunch Program. Because over 80 percent of the District of Columbia's students qualify for free or reduced-price lunches, the District of Columbia is qualified for most federal education grants.

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<sup>3</sup>We have defined a program as a funding stream that has a unique number in the CFDA. State and local education agencies may think about subdivisions of these funding streams as separate projects; therefore, they may consider they have more "programs" than we have enumerated.

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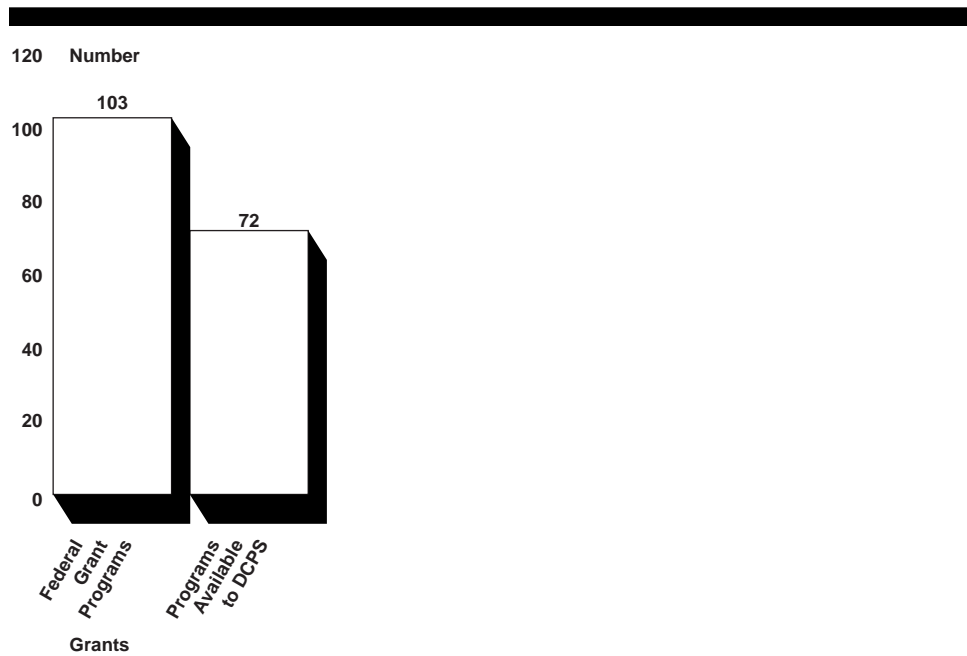
**D.C.'s Troubled Grant  
History**

DCPS and the District of Columbia government have a history of failure in optimizing access to educational grant funds. For example, the National Science Foundation revoked a \$13.3 million grant to DCPS in response to its fall 1996 finding that DCPS was not capable of properly implementing the grant program. A 1998 Education OIG report found that DCPS does not have policies and procedures to cover all aspects of grant management. A self-assessment of grant management in DCPS conducted by KPMG Peat Marwick for DCPS concluded in a January 1998 report that program managers do not adequately monitor their programs' financial activities.

## DCPS Is Eligible for Most Federal Education Programs for Preschool Through Grade 12

As figure 1 shows, DCPS is eligible for 72 of 103 federal education programs targeted to preschool, elementary, and secondary education, according to Education and other responsible agencies. These programs include those for at-risk students (poor, limited-English-proficient, migrant, and disabled), Head Start, school reform, school nutrition, and technology. The 31 other programs are predominantly for selected populations of students, such as Native Hawaiians, who do not generally reside in the District of Columbia, or for programs that were not openly available for competition in fiscal year 1998.

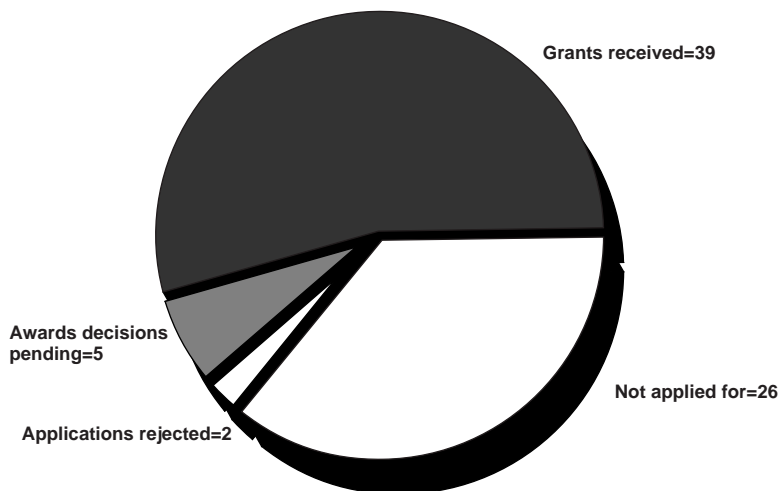
Figure 1: Available Preschool, Elementary, and Secondary Education Grants, Fiscal Year 1998



## District of Columbia Received More Than Half of Available Federal Grants

The District of Columbia applied for funds through 46 of the 72 education programs and received funds through 39 programs in fiscal year 1998.<sup>4</sup> Figure 2 provides more detail about the application status for the 72 available programs. Of the seven programs for which DCPS applied but has not received funding, it received rejection notices for two, and award decisions are still pending on the remaining five. DCPS did not apply for the 26 other available programs because it lacked the resources to pursue these grants, according to DCPS officials. For example, DCPS said budgetary constraints precluded it from applying for grants requiring matching funds, such as Even Start-Migrant Education. For other programs such as Bilingual Education-Professional Development, DCPS said it had insufficient staff to prepare and submit grant applications or to implement the grant if received. In addition, the director of categorical grants cited the problem of time constraints that required prioritization of which grants to apply for when deadlines caused conflicts.

Figure 2: Application Status of Available Federal Education Grants, Fiscal Year 1998



## Responsibility for Grant Applications Is Shared by More Than One Office

DCPS may gain access to education program grants through applications submitted by DCPS, the D.C. Department of Human Services, the D.C. OGMD, or another agency for which DCPS is a subgrantee. The CEO of DCPS signs and submits all grant applications for which DCPS is the primary grantee. The grant applications are prepared for CEO signature and review by the DCPS office responsible for administering the grant award. Applications for

<sup>4</sup>Of these 39 grants received, the application for one was submitted by an agency outside the District of Columbia, but DCPS received the funds as a subgrantee.



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Education's TRIO programs are prepared by the D.C. Office of Postsecondary Education Research and Assistance and submitted through the D.C. Department of Human Services.<sup>5</sup> Applications for two other federal education grants—administered by Justice—are the responsibility of OGMD in the Office of the Chief Financial Officer in the District of Columbia government.<sup>6</sup> DCPS may also gain access to federal education grants by being a subgrantee or by being part of a consortium.<sup>7</sup>

Because of ongoing reorganization in DCPS, the responsibilities for the grant application process changed during this review and will continue to change, according to DCPS officials. For example, before July 23, 1998, nutrition grant applications went directly from the Office of Food and Nutrition Programs to Agriculture; special education programs and some adult education programs and vocational education programs went directly to the CEO from the respective program offices; all other grant applications went through the Office of Categorical Programs.<sup>8</sup> During our review, the state director of food and nutrition programs was replaced and the new acting director of food and nutrition programs told us that in the future nutrition grants would be going through her office to the CEO. See figure 3.

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<sup>5</sup>The TRIO programs fund activities to encourage and motivate youth with the potential for postsecondary education to continue in and graduate from secondary school and to successfully enter and graduate from college

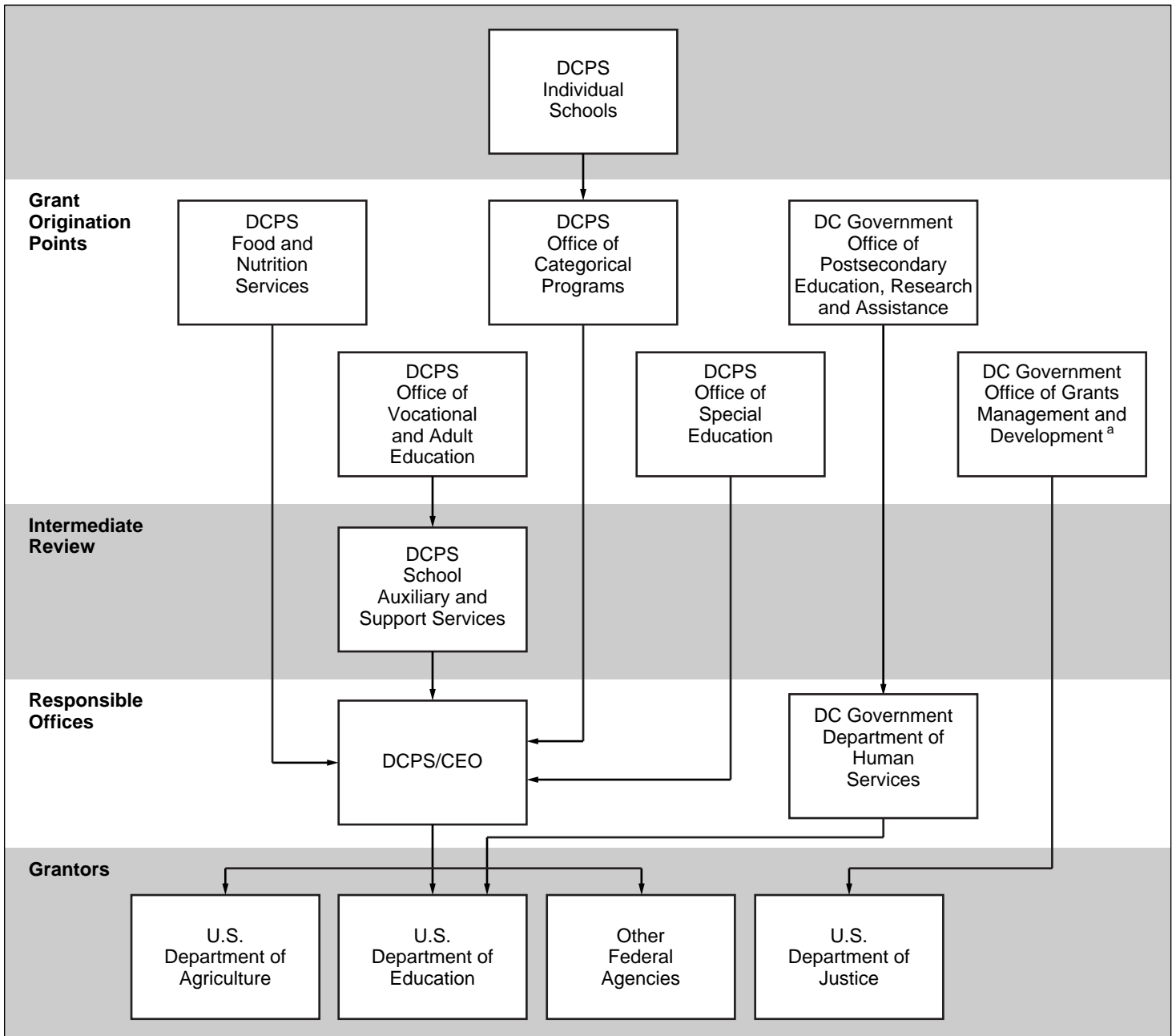
<sup>6</sup>This office has also assumed responsibility for identifying all federal grant opportunities for the District of Columbia by monitoring the CFDA and Federal Register notices, according to the Director. The office forwards appropriate information to the various DCPS officials, tracks due dates for applications, and sends reminders to the DCPS offices with responsibility for the application. This office also can identify or facilitate opportunities for DCPS to pursue funds as part of a consortium. This office has initiated a database to track grant applications, awards, and rejections.

<sup>7</sup>DCPS receives funds as a subgrantee to the Los Angeles Unified School District for the STAR schools program (CFDA 84.203) and as a subgrantee to the District of Columbia's Department of Employment Services for the Job Training Partnership Act (CFDA 17.250).

<sup>8</sup>The director of the Office of Food and Nutrition Programs was the designated "state director" of food and nutrition programs; Agriculture regulations require that funding applications be signed by the state director.

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**Figure 3: Responsibilities for Applying for Federal Education Grants as of July 31, 1998**



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<sup>a</sup>This office is within the office of the Chief Financial Officer (CFO) but would submit any grant applications directly to Justice without needing the signature of the CFO.

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**Mr. Chairman, this concludes my prepared statement. I would be pleased to respond to any questions you or members of the Subcommittee may have.**

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