

## **Proposed Appropriation Language**

### **ISRAELI ARAB SCHOLARSHIP PROGRAM**

For necessary expenses of the Israeli Arab Scholarship Program, as authorized by section 214 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2452), all interest and earnings accruing to the Israeli Arab Scholarship Fund on or before September 30, [2013]2014, to remain available until expended.

# ISRAELI ARAB SCHOLARSHIP PROGRAM

## *Resource Summary Detail*

(\$ in thousands)

Appropriations	FY 2012 Actual <sup>(1)</sup>	FY 2013 CR <sup>(2)</sup>	FY 2014 Request	Increase/Decrease From FY2012
Positions - Enduring	0	0	0	0
Enduring Funds	375	377	13	(362)

(1) The FY 2012 level reflects the amount provided in the conference report to the FY 2012 Appropriations Act. Actual net interest earned in FY 2012 is \$5,597.

(2) The FY 2013 CR is based on the annualized continuing resolution calculation for FY 2013 (P.L. 112-175).

### *Program Description*

The Israeli Arab Scholarship Program (IASP) funds scholarships for Israeli Arabs to attend institutions of higher education in the United States. This program was authorized by Section 214 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (P.L. 102-138). The Israeli Arab Scholarship Program Fund (Fund) consists of a permanent endowment of \$4,978,500 was established in 1992 with funds made available under Section 556(b) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act of 1990 (as amended by Section 551 of the Foreign Operations, Export Financing, and Related Programs Appropriation Act, 1991).

IASP funds are invested only in interest-bearing obligations of the United States or in obligations guaranteed by the United States as to both principal and interest. The interest from such investments is credited to the Fund and made available subject to annual appropriation to carry out the scholarship program.

### *Performance*

This indicator links to the goal of the IASP: to offer scholarships to a more diverse audience within Israel by providing scholarships to the underserved population of Israeli Arabs.

## ISRAELI ARAB SCHOLARSHIP PROGRAM

Strategic Goal 6: Advance U.S. interests and universal values through public diplomacy and programs that connect the United States and Americans to the world								
Strategic Priority		Expand and Strengthen People to People Relationships						
Active Performance Indicator		NEW APP INDICATOR: Number of underserved Israeli-Arabs who have successfully completed their studies via the scholarship.						
Prior Year Results and Ratings					FY 2012		Planned Targets	
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Target	Result and Rating	FY 2013	FY 2014
N/A	N/A	N/A	N/A	N/A	89%	89% ◀▶ On Target	92%	90%
Impact		N/A						
Methodology		Grantees who completed program as a percentage of all grantees. The 2014 target is expected to be slightly lower, given the declining interest in the original IASP trust.						
Data Source and Quality		Data is sourced from the Fulbright Office for the NEA region. Data quality based on the actual completion of program by participants.						

### *Justification of Request*

The FY 2014 Request seeks authority for \$12,500 in estimated interest earnings. This request is consistent to the earned interest reported in the most recent Treasury Combined Statement. Due to the low interest earned by this trust fund, the Department intends to allow for the accumulation of interest and earnings over time to effectively implement the scholarship program. In addition, opportunities for highly qualified Israeli-Arab graduate students to attend institutions of higher education in the U.S. will be executed as part of the Fulbright program.

### *Funds by Object Class*

(\$ in thousands)

Israeli Arab Scholarship Program (IASP)	FY 2012 Actual	FY 2013 CR	FY 2014 Request	Increase/Decrease From FY2012
4100 Grants, Subsidies & Contributions	375	377	13	(362)
<b>Total</b>	<b>375</b>	<b>377</b>	<b>13</b>	<b>(362)</b>

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