

# Memorandum

## Knowledge Alliance Resource

### FY 2025 Appropriations Act IES Funding

This memo examines fiscal year (FY) 2025 Institute of Education Sciences (IES) funding under the Full-Year Continuing Appropriations and Extensions Act, 2025 (FY 2025 Appropriations Act) that is at risk of lapsing by the end of the fiscal year, September 30, 2026. Without these funds, educators are missing critical resources to help students succeed.

Our analysis indicates that FY 2025 Appropriations Act IES funding is not on track to be fully obligated within the available period based on public documents.<sup>1</sup> Nearly 36% (\$289 million) of 2025 IES appropriations could lapse on September 30, 2026 because the Office of Management and Budget (OMB) has not apportioned funds to individual IES programs (by the amounts shown in Table 1) nor does the most recent spend plan indicate intent to obligate this funding.

**Table 1. FY 2025 Appropriations Act IES Funding Status: Appropriation, Apportionments, and Funds at Risk of Lapsing by IES Program**

IES	FY 25 Appropriations Act IES Funding Available for 2 Years 10/1/2024 through 9/30/2026					
	Congress Appropriation	OMB Apportioned IES FY 25 Appropriations Act			IES FY 25 Funds at Risk of Lapsing on 9/30/2026	
		Year 1 (10/1/24-9/30/25)	Year 2 (10/1/25-9/30/26)	Total OMB Y1 and Y2 Apportionment	Total	Percentage
<b>Total IES</b>	<b>768</b>	<b>295</b>	<b>219</b>	<b>514</b>	<b>289</b>	<b>36%</b>
Research	245	79	30	109	136	55%
Statistics	122	41	32	73	49	40%
NAEP	185	109	85	194	-9	--
NAGB	8	4	8	12	-4	--
RELS	54	7	30	37	17	31%
Spec. Ed Research	64	10	1	11	53	82%
Spec. Ed Studies/Eval	13	1	0	1	12	92%
SLDS	29	3	20	23	6	21%
Program Admin	49	39	15	54	--	--

**Notes:** The total baseline appropriation for IES was reduced from \$793 million to \$768 million due to an approved rescission of IES Program Administration funds. The original appropriation for Program Administration was \$74 million, but \$25 million was rescinded in the 2026 appropriations statute. Per an IES Spend Plan posted on the OMB apportionment website, OMB has approved increased spending for the Statistics program, however the funds have not been apportioned. The spend plan provides Statistics \$34 million (+\$2m) and Special Ed Studies \$8.6 million (+\$7.6 m). Includes \$16 million in reimbursables and recoveries. The unallocated total and corresponding percentage could be reduced by the increased amounts in the spend plan once the funds are apportioned.

**Sources:** The apportionment data for year 1 are from the apportionment dated 8/8/25 and for year 2 are from the apportionment dated 2/27/26. These files can be downloaded here: <https://apportionment-public.max.gov/>

<sup>1</sup> The most recent apportionment data is from February 27, 2026. The most recent IES spend plan is from March 5, 2026.

This delay is notable compared to historical allocations and awards.<sup>2</sup>

### How to Read Table 1

Example 1: In the FY 2025 Appropriations Act, Congress directed the U.S. Department of Education (ED) to spend \$245 million on the education research program. This funding was available starting October 1, 2024, and must be spent no later than September 30, 2026. Based on publicly available data, only \$109 million has been allocated, while 55% (\$136 million) of the funding for the education research program is on the precipice of expiring.

Example 2: In the FY 2025 Appropriations Act, Congress directed ED to spend \$77 million for the special education research and evaluation program. This funding was available starting October 1, 2024 and must be spent no later than September 30, 2026. Based on publicly available data, only \$11 million has been allocated while 84% (\$65 million) of the funding for the special education research and evaluation program could lapse if not obligated by Sept 30, 2026.

### Additional Take Aways

- It is possible that even more IES funding is at risk of lapsing if the amounts currently allocated to programs are not fully spent.
- While IES funds are being withheld, crucial activities are not being funded, including research, data collections, technical assistance and support for States.

### What Will Be Lost if IES Funding Lapses?

- **State and district innovation efforts will lose access to Federal funding streams that support testing and scaling new approaches**, slowing progress on personalized learning.
- **New competitions to explore emerging questions—like the role of AI and social media in student learning—will not move forward**, leaving critical gaps in knowledge.
- **Research on pressing issues—like how to support students with disabilities in inclusive settings—will not advance**, as fewer awards are made.
- **Major national data collections—like the Early Childhood Longitudinal Study (ECLS)—have already been stopped, cutting off our visibility into how America’s youngest learners are doing;** if funding lapses, we will continue operating in the dark.

Without timely competitions and new awards, the pipeline of evidence dries up, weakening the ability to improve teaching and learning over time.

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<sup>2</sup> See Appendix B - Sample Timelines for Competitive Grants and Contracts: CC & REL Examples

## Additional Resources

**Appendix A:** Figures Illustrating Potential IES Funding Lapses

**Appendix B:** Sample Timelines for Competitive Grants and Contracts: CC & REL Examples

**Appendix C:** Other IES Funding Numbers and What they Mean

**Appendix D:** 2026 LHHs Appropriations Bill for IES

## Appendix A: Figures Illustrating Potential IES Funding Lapses

How to Read the Figures: The first figure shows that, under the FY 2024 LHHs Bill, there was no difference between the total amount the bill directed OMB to apportion to IES and the actual amount apportioned. Figure 2 shows that under the FY 2025 CR, \$289 million (36%) from the bill has not been apportioned into IES program accounts and is at risk of lapsing on September 30, 2026.

Figure 1

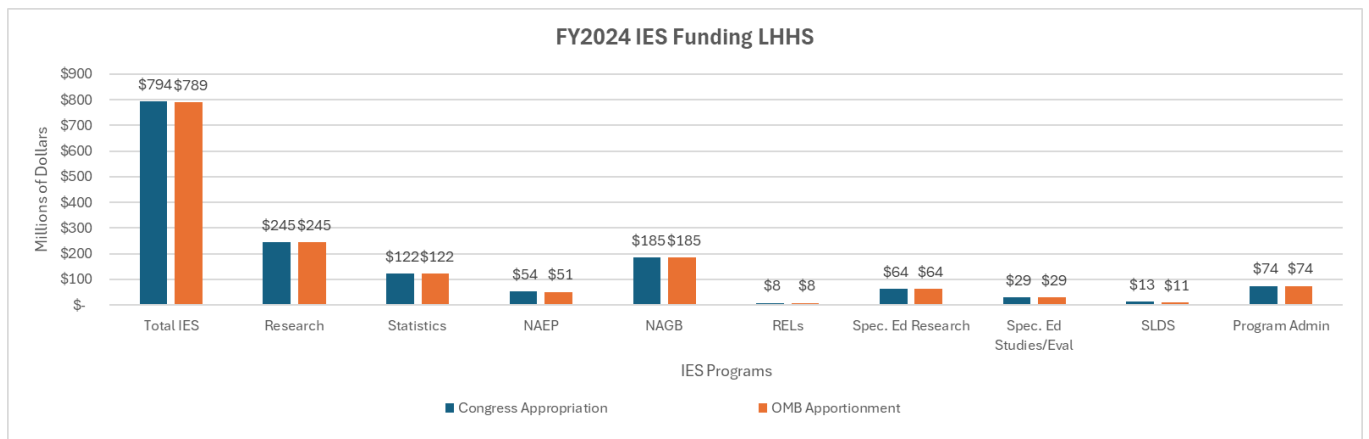
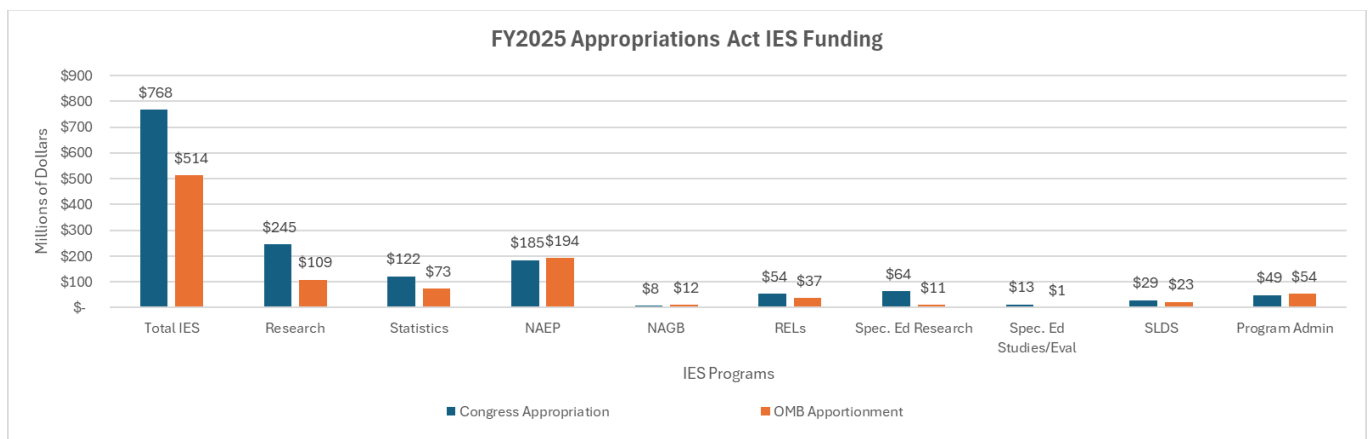


Figure 2



## Appendix B: Timelines for Competitive Grants and Contracts: CC & REL Examples

### For grants like the Comprehensive Centers (CCs):

Federal regulations impose procedural requirements on issuing new grants.

- Under 2 C.F.R. § 200.202, agencies “must design a program and create an Assistance Listing before” soliciting applications.
  - The program design must address things like the grant goals, eligibility requirements and performance metrics.
- Once that’s completed, under 2 C.F.R. § 200.204, the agency must draft and publish a “Notice of Funding Opportunity” that solicits applications, which must contain all sorts of information.
- That same regulation provides that agencies “should make all funding opportunities available for application for at least 60 calendar days,” and “no funding opportunity should be available for less than 30 calendar days unless the Federal agency determines that exigent circumstances justify this.”
- In 2024, it took ED 4.5 months from the time it posted the notified of funding opportunity for the Comprehensive Centers to the time it awarded grants.

### For contracts like the Regional Educational Laboratories (RELs):

The regulatory process is even more complex, as it’s governed by a labyrinth of regulations in the Federal Acquisition Regulation (FAR).

- The agency must first post a “notice of proposed contract action” at least 15 days before issuing the actual solicitation for the contracts. 48 C.F.R. § 5.203(a).
- The agency then must provide at least 30 or 45 days for bidders to respond to the solicitation, depending on the type of contract. 48 C.F.R. § 5.203. It’s not clear to us which of those timelines apply for the RELs here.
- Once those proposals are submitted, the agency then reviews the proposals using selection methods like sealed bidding or negotiated contracting, which can take additional time.
- Although the FAR does allow for agencies to use less than full and open competition in certain circumstances, Federal law bars agencies from doing so based on “lack of advance planning” or “funds will expire.” FAR § 6.301(c); 41 U.S.C. § 3304(e)(5)
- The last time that ED awarded REL contracts it took about a year from the time they solicited bids to when they awarded them.

## Appendix C: Other IES Funding Levels and What They Mean

The Administration has provided additional figures on IES spending, outlined below.

However, these figures reflect spending within a single fiscal year and combine funds from different appropriations with overlapping availability periods. As a result, they do not clearly show how much of the FY 2025 Appropriations Act funding remains available to be spent before September 30, 2026.

## **2025 Obligations**

The 2025 obligations numbers available on the apportionments website reflect spending within a single fiscal year and combine funds from different appropriations with overlapping availability periods. As a result, they do not clearly show how much of the FY 2025 Appropriations Act funding remains available to be spent before September 30, 2026. Because IES funding is available for two fiscal years, in any given year, a portion of the spent funds is from the previous year's appropriation (its second year of availability) and a portion is from the first of two years of availability.

Historically, IES obligates approximately 70–75% of its funding in the first year of availability, with the remaining 25–30% obligated in the second year.

OMB recently posted a document titled “FY 2025 Final Obligation Spend Plan,” which shows spending in FY 2025 from the second year of 2024 LLHS appropriation and the first year of the 2025 appropriation act. (We note that these numbers are different, and generally lower, than amounts apportioned for those same time periods.)

## **President's 2027 Budget**

Normally, the previous year's appropriation is the comparison point for the new President's Budget. However, in the 2027 President's Budget and ED's congressional justifications, there is no 2026 column, and instead, a 2025 column is included, titled “2025 Actual.” It represents what was spent from the first year of the 2025 appropriation. This is unusual and does not provide meaningful data. It is essentially a way for the Administration to make the cuts in IES programs appear smaller than they are.

## **Appendix D: 2026 LHHS Appropriations Bill for IES**

The FY 2026 LHHS appropriations law provides \$789.6 million for IES, with funding available through September 30, 2027. The law directs that these funds be allocated according to the programmatic levels specified in the explanatory statement accompanying the Act.

Appendix Table 1 (below) shows how FY 2026 LHHS IES funding—appropriated by Congress and available over two years (October 1, 2025 through September 30, 2027)—has been apportioned by OMB to date. While Congress provided approximately \$790 million and directed that funds be apportioned according to specified program levels, OMB has only apportioned 26% (\$205 million for Year 1. As a result, 74% (\$584 million) remains unapportioned.

**Appendix Table 1. FY 2026 LHHS IES Funding Status: Appropriation, Apportionments, by IES Program**

IES	FY 26 LHHS IES Funding Available for 2 Years 10/1/2025 through 9/30/2027			
	Congress Appropriation	OMB Apportioned IES FY 26 LHHS		
		Year 1 (10/1/25-9/30/26)	Unapportioned IES FY 26 Funding	
			Total	Percentage
<b>Total IES</b>	<b>790</b>	<b>205</b>	<b>584</b>	<b>74%</b>
Research	245	0	245	100%
Statistics	122	0	122	100%
NAEP	185	185	0	0%
NAGB	8	8	0	0%
REs	54	0	54	100%
Spec. Ed Research	64	0	64	100%
Spec. Ed Studies/Eval	13	0	13	100%
SLDS	29	0	29	100%
Program Admin	74	12	62	84%

**Note: The 2026 LHHS bill directed OMB to apportion IES funding for the purposes and in the amounts specified in the “Final Bill” column for IES.**

