

# WASTE WATCH


## EDUCATION EDITION

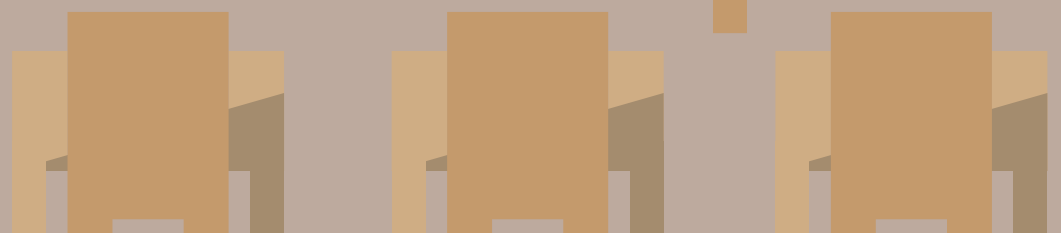
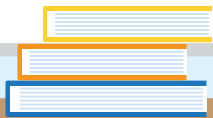
JUNE 2017

REP. STEVE RUSSELL

No. 7



  
\$ Pell Grant Subsidies - \$41,577,665  
Grant Surcharge Costs - OVER \$25 MILLION  
Academic Welfare \$115 MILLION/YEAR  
Gear Up Duplication - \$220 MILLION/YEAR





June 2017

To the Citizens of the United States:

As I begin my second term representing the people of Oklahoma's 5<sup>th</sup> Congressional District, I remain committed to stopping government waste, and looking for ways to protect the hard-earned money of the American taxpayer. In each of the last six editions of the Waste Watch series, I have reported on the wasteful nature of many government agencies on a variety of topics. Waste Watch No. 7 is unique in that it focuses on waste in an area that taxpayers fundamentally support – education.

All ten items in this report expose the enormity of waste related to education. I have highlighted roughly \$74,259,373,707 in wasted taxpayer money over the past 17 years. This list is far from exhaustive, and unfortunately, the actual amount of wasted tax dollars is far greater. Still, these items could serve as a blueprint to improve our educational system by closing ineffective programs, ending wasteful grants, and curbing administrative costs so tax dollars more effectively help our students.

For years, Americans have been paying more and getting less from our education system. Over the past decade, national high school student proficiency test scores in math have consistently met the minimum or were below proficient.<sup>1</sup> Reading scores for high school students over the past 20 years have been consistently substandard, with a continued downward trend.<sup>2</sup> As test scores remain low, available funding for education often is reduced. My home state of Oklahoma has seen a 27 percent decline in state education spending in inflation-adjusted dollars over the past nine years.<sup>3</sup>

The solution is not to simply spend more on education. We need to spend our dollars wisely, by eliminating educational waste and push these dollars to teachers and classrooms. Additionally, we must change the perception that more money spent always equals a better outcome. This report shows the flaw in that thinking. It is my hope that the items in Waste Watch No. 7 can create the motivation to protect taxpayers and assist in educating America's children with the resources available. For my part, I have already introduced, or will be introducing, multiple bills to address many of the items listed in this edition. It is not enough to point out the problems. We must work together to fix them so that we can make our nation stronger. Education is vital to our children and our future.

With respect,

Congressman Steve Russell  
Lt. Colonel, U.S. Army (Ret.)

## **Ooooh that smell. Can't you smell that smell? {\$3 million}**

**Researchers at Harvard University spent \$3 million to study if people were able to smell an unpleasant odor in their urine after eating asparagus, also known as “asparagus pee.” The research was funded through a research grant from the National Institute of Health (NIH). NIH uses federal tax dollars to fund its research and received \$30.07 billion in FY 2016.<sup>4</sup> NIH’s mission statement is to “enhance health, extend healthy lives, and reduce the burdens of illness and disability.”<sup>5</sup>**

The NIH has conducted life-saving research in the past and has been given broad authority in deciding how to spend that \$30 billion. NIH funds research grants to universities, and much of the NIH’s funding is well-justified and leads to life-saving research. Funding a study that doesn’t even explore the possible health benefits of eating asparagus but only if there is an odor in one’s urine after eating it, does not fit the NIH’s mission, and is akin to pissing the taxpayer’s money away, and that does stink.

This particular study was the result of a grant provided by the NIH to Harvard’s T.H. Chan School of Public Health. Its purpose was to discover whether people could smell their own “asparagus pee.” The researchers at Harvard received more than \$3 million in 2016 to survey 6,909 people of European-American descent to find if these peoples’ urine smelled funny after eating asparagus, and the results were published in the British Medical Journal.<sup>6</sup>

The results concluded that “large proportion of individuals of European-American descent cannot smell ‘asparagus pee.’”<sup>7</sup> Sixty percent of the people surveyed, 58 percent of men and 62 percent of women, stated that they could not smell the urinary metabolites produced after asparagus consumption.<sup>8</sup> However, Angus Chen, a



reporter for NPR, stated in his report on this study that these 4,161 people “were confused by the question.”<sup>9</sup>

The Harvard researchers maintain that this study could provide scientists with “future research directions to uncover the genetic determinants of people’s overall sense of smell.” They also state that eating asparagus can reduce the risk of cancer, cognitive impairment, and cardiovascular-related diseases, so they encourage people to continue eating asparagus, regardless of the odor<sup>10</sup>. Furthermore, Lorelei Mucci, a senior epidemiologist at Harvard and the lead researcher of the study, stated that further studies need to be done to answer the question, “First and foremost perhaps is: why such a delicious delicacy as asparagus results in such a pernicious odor, and what are the selective pressures driving genetic variations that lead to asparagus anosmia?”<sup>11</sup>

So, after spending \$3 million, taxpayers could be called upon to fund another \$3 million, or more, to answer the follow-up questions on “asparagus pee.” In reality, this study needs to be flushed.



## **Post 9/11 GI Bill {\$2,200,000,000}**

**In 2008, Congress passed the *Post 9/11 GI Bill*, updating the *GI Bill* from 1944, creating new benefits for service-members, such as lengthening the expiration date following separation from the armed forces or retirement, and offering living expenses as well as tuition.<sup>12</sup> Another change made the benefits paid directly to the school of choice for the veteran.<sup>13</sup> Initially, benefits from the *GI Bill* were paid directly to the service-member for them to decide how and where to invest in their education.<sup>14</sup> This change has not come without its problems.**

An audit conducted from 2013-2014 by the Office of the Inspector General (OIG) for the US Department of Veteran Affairs, found a 13 percent error rate in payments by the Veterans Benefits Administration (VBA) to the schools of choice for service-members. To conduct this audit, the OIG looked into 650 payments for 225 students to 50 schools. The OIG found \$128,000 in improper payments, and eight students who withdrew from their classes received \$2,400 in stipends, and this money was not recovered by the VBA. Extrapolating these numbers to the full class of students, OIG estimated that over five years VBA would process about \$205 million in improper payments.<sup>15</sup>

In a follow up audit conducted last year, the OIG found that out of the more than \$5.2 billion in tuition and fee payments made to schools during the academic year 2013–2014, VBA once again had about a five percent error rate leading to roughly \$247.6 million in improper payments. OIG also noted that the VBA did not recoup an estimated \$205.5 million annually. As a result, OIG estimated that during the next five academic years, VBA would make \$1.2 billion in improper payments, and also not collect from those who improperly received those payments an estimated \$1 billion from students and schools. This equates to an estimated \$2.2 billion in improper tuition and fee payments and missed recoupments.<sup>16</sup>

OIG made the claim that these improper payments were part of the program design, but also made recommendations to fix the problem. In order to strengthen its controls on the *Post-9/11 G.I. Bill* to reduce improper payments and missed payment collections, OIG suggested that VBA should do the following:

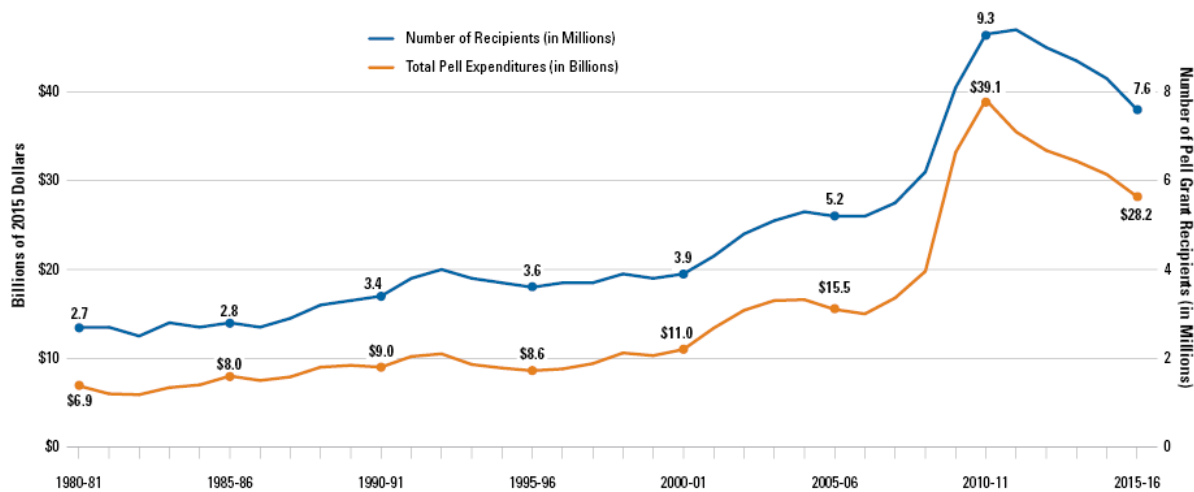
- Improve the VBA’s School Certifying Official Handbook’s awareness of program requirements related to the submission of accurate and complete enrollment certifications for payment
- Refine the school selection process and ensure the completion of required compliance
- Surveys to improve the verification and monitoring of tuition and fee certifications
- Develop adequate guidance regarding allowable book fees and repeated classes
- Verify and obtain supporting documentation for mitigating circumstances

It is important that VBA follow these recommendations, because even a five percent error rate of billions of dollars ends up costing American taxpayers millions of dollars.



# **Colleges and Universities Charge the Government to Take its Money!**

## **{\$41,577,665}**



Total Pell Grant Expenditures and Number of Recipients, 1980-81 to 2015-16<sup>1</sup>

**The Pell Grant was created in the 1970s and has since become the basic mechanism for the federal government to assist lower income families with higher education costs. The legislation mandates that students receiving the funds must be admitted and enrolled in an institution of higher learning. While the Pell Grant provides a great opportunity for students who might not otherwise be able to attend college, the waste comes from a stipulation within the law that requires the federal government to pay the postsecondary institution \$5 per recipient to accept the Pell Grant!<sup>17</sup> The \$5 payment goes directly to participating schools and is intended to help offset the cost of servicing the Pell Grant. While it is true that there are administrative costs involved in servicing Pell Grants, schools should accept those costs as a part of doing business, like when a student pays tuition, rather than look to the federal government to cover them.**

For 2015-2016, the maximum Pell Grant available to an undergraduate student was \$5,775.<sup>18</sup> Based on the latest reports from the U.S. Department of Education, for 2014-2015, the nation's taxpayers provided \$30,626,469,239 to 8,315,533 students. The average Pell Grant received by students was \$3,863.<sup>19</sup>

While \$5 does not seem like a significant waste, consider that there were more than 8 million recipients for the Pell Grant for 2014-2015. At \$5 per recipient, if every institution of higher learning that offers Pell Grants takes advantage of this payment, it will cost the American taxpayers as much as \$41,577,665<sup>20</sup> to pay administrative costs to these colleges and universities just to accept funds from the U. S. Department of Education.

If Congress redirected the funds used for the administrative subsidy to support student tuition, more students would be helped in their pursuit of a college degree, and the growth of the higher education bureaucracy could be curtailed. According to the Center for College Affordability and Productivity, the bureaucracy of higher education has grown by almost 300 percent since 1976.<sup>21</sup> In spite of the technology that could create reductions in staffing levels and increase efficiencies, the bloat of bureaucracy that began in the 1970s continues to be pervasive in higher education and much of it is the result of federal money.

In order for the United States to remain competitive, it is imperative that it has a well-educated workforce, ready to

compete within a global economy. The solution to how we create that workforce may be debated, but certainly higher education is an important part of the solution. However, it seems wasteful that in 2017, with a national debt close to \$20 trillion, the federal government pays a college or university to accept money.

It is for this reason that I have introduced legislation that will remove the language authorizing administrative cost allowances relating to Pell Grants. This simple and straightforward legislation will save American taxpayers millions of dollars by discontinuing the unnecessary administrative fees paid out to colleges and universities. This is the least these institutions can do to help eliminate our \$20 trillion debt.

## **Researching Ways to Milk the Government {\$55,753,827,000}**

**A practice in higher education grant-making that is not widely known or understood by the American public is the practice of charging indirect costs as a part of a grant. Indirect costs can be included in National Science Foundation (NSF) grants and practically any other grant submitted by a higher education institution to a federal agency. The typical grant will have direct costs, such as the researchers' salaries, and travel associated with the research. Beyond that, universities are able to claim additional funds in the form of indirect costs, arguing that the infrastructure of the institution also is the responsibility of the federal government to support. The Office of Management and Budget defines indirect costs as the expenses an organization incurs indirectly in the form of facilities and administration.<sup>22</sup>**

According to information from NSF, the National Center for Science and Engineering Statistics, and the Higher Education Research and Development Survey, higher education institutions received more than \$11 billion from the federal government in 2015 alone in indirect costs. The total indirect costs recovered by these institutions since 2011 is \$55,753,827,000.<sup>23</sup> To put that into perspective, the average yearly tuition for a public four-year college is \$23,890.<sup>24</sup> This money could have paid for 583,443 students to finish their four year degree.

How do indirect costs work? When a higher education institution submits a federal grant request, a budget is also submitted. The budget will have direct costs, but institutions then add a surcharge, calling it indirect costs. These surcharges can be quite drastic. For example, in 2016 the University of Oklahoma Health Sciences Center requested a grant to study the pathogen that causes Lyme disease. The total funding for the project was \$329,475 of which \$104,475 was set aside for indirect costs.<sup>25</sup>

Charging the government for indirect costs is expensive and unfortunately a common practice among institutions of higher learning. Here are the indirect cost rates for the schools of the Big 12:

- The University of Oklahoma adds a 55 percent surcharge for research on the campus.<sup>26</sup>
- Oklahoma State University adds a 45.8 surcharge on research, a 54.8 percent surcharge for instruction

grant projects, and 38.7 percent for on-campus extension grants.<sup>27</sup>

- The University of Texas adds a 56.5 percent surcharge for research.<sup>28</sup>
- Texas Tech University adds a 49 percent facilities and administration surcharge.<sup>29</sup>
- Texas Christian University charges a 54 percent surcharge for research.<sup>30</sup>
- Baylor University adds a 38.5 percent indirect cost surcharge to campus research.<sup>31</sup>
- The University of Kansas charges a surcharge of 51.5 percent to on-campus research.<sup>32</sup>
- Kansas State University charges the federal government a 52 percent surcharge on campus-based research.<sup>33</sup>
- West Virginia University charges a 50 percent facilities and administration surcharge.<sup>34</sup>
- Iowa State University charges a 52 percent surcharge for research.<sup>35</sup>

(Note: There are not currently 12 members in the Big 12):

Higher education officials rarely talk about indirect costs, enjoying the ongoing federal funds which support institutions beyond what the direct research is costing. A recent George Washington University student newspaper article revealed a higher education official's thoughts about the indirect costs when he overtly referred to them as subsidies. The GW Hatchet quoted Leo Chalupa, Vice President for Research that "research is bringing in money to the University." However, Chalupa is not just referring

to the direct dollars used to conduct research but the indirect \$25 million in subsidy for fiscal year 2016.<sup>36</sup> If one school benefitted from \$25 million in added federal expenditures, it is easy to see how the federal government spends close to, or more than, \$11 billion a year perpetuating this practice.

Tax credits and corporate welfare are criticized. Perhaps it is also time we evaluate academic welfare. It is for this reason that I am introducing legislation that prohibits federal agencies from awarding discretionary grants to institutions of higher education that include indirect costs. This legislation will go a long way in ending academic welfare in order to free up money that could be better spent on needy students.

## **More Indirect Costs - Campus Based Administrative Allowance? More Like Academic Welfare! {\$2,140,572,593}**

The Center for College Affordability and Productivity reports a variety of distressing items about the state of American higher education in its December 2014 report titled *Thirty-Six Steps: The Path to Reforming American Education*. The report highlights the dramatic increase in the size of higher education administration from 1976 to 2011.<sup>37</sup> While the number of university staff increased, automation and technology have generally led to a declining number of staff in most other sectors of American society.<sup>38</sup> It is important to note that the Center's measure is not addressing instructional staff, but refers to administrative staff. The bureaucracy of higher education has increased 300 percent since 1976, and grew at a rate of expansion twice as much as professors and teachers.

Education certainly needs support, but for education to be successful, it primarily needs two things: motivated and talented teachers and motivated students. While the size of administrative bloat is a concern, it might be argued by higher education leaders that those are things beyond the purview of Congress. It is interesting that those who take that position also are quick to communicate to federal and state legislators, that there is a dire need for more funds or the American educational enterprise is at risk.<sup>39</sup>

Institutions of higher education have been using a provision of the *Higher Education Act of 1965* to divert millions away from students to support administrative bloat. Taxpayers and lawmakers provide funds to institutions through a variety of programs. One of those programs includes the Federal Work Study Program, the Federal Supplemental Educational Opportunity Grant Program, and the Federal Perkins Loan Program. When appropriations are made and the public learns how much funding is being provided for student aid, most people would assume the funds go to support students. Unfortunately, that is not entirely true.

The following table is taken from the 2016: [Federal Campus-Based Programs Data Book](#):

INSTITUTION TYPE & CONTROL	FSEOG	FWS	Perkins
Public 2-Year	\$4,481,626	\$7,142,621	\$436,079
Public 4-Year	4,400,524	22,580,805	25,261,879
Proprietary 2-Year	101,161	212,851	5,714
Proprietary 4-Year	3,314,775	14,673,554	27,917,072
Private 2-Year	962,062	594,676	90,905
Private 4-Year	1,263,649	3,416,132	325,973
<b>Total</b>	<b>\$14,523,797</b>	<b>\$48,620,639</b>	<b>\$54,037,622</b>
<i>Institutions</i>	1,557	1,866	802

Higher education institutions used \$117,182,058 in funds that could have been provided to students to support administrative costs! Unfortunately, 2014-2015 was not an anomaly.<sup>40</sup>

Campus-Based Programs - Administrative Cost Allowance for Award Year 2013-14			
Institution Type & Control	FSEOG	FWS	Federal Perkins Loan
Public 2-Year	\$4,099,812	\$6,990,549	\$492,089
Public 4-Year	4,605,069	20,744,780	25,177,151
Private 2-Year	44,793	57,040	6,989
Private 4-Year	2,675,492	13,880,253	26,511,750
Proprietary 2-Year	1,117,599	709,307	203,135
Proprietary 4-Year	1,057,419	3,621,456	303,878
<b>Total</b>	<b>\$13,600,184</b>	<b>\$46,003,385</b>	<b>\$52,694,992</b>
<i>Institutions</i>	1,539	1,871	785

Consider the year before:

For 2013-2014, institutions used \$112,298,561 to prop up administrative costs rather than providing those funds to students. These years were far from the highest amount, as 2004-2005 and 2003-2004 the costs were \$148,754,403 and \$150,489,982 respectively. These costs are also hardly a new occurrence as higher education institutions used more than \$115 million for 1997-1998 rather than deliver those

ordinary Americans and find ways to be efficient, not cultivate the administrative creep that has become typical for American higher education.

I will be introducing legislation to remove the authority of institutions to divert government allocations to support administrative costs. The result would be more funds flowing to students.

taxpayer-provided funds to students.<sup>41</sup> The U.S. Department of Education has made the fiscal tables available to the public going back to 1997, and during the past 17 years, the total amount of administrative allowance adds up to \$2,140,572,593<sup>42</sup>

Taxpaying Americans struggle each month to balance their household budget; responsible American education leaders avoid doing the same. Sadly, the costs of administrative bloat have been passed onto taxpayers and students. It is time that higher education leaders in America become more efficient. Higher education must take lessons from

## **Obama Administration Wastes \$7 Billion on Education With Nothing To Show For It {\$7,000,000,000}**

Few Americans will argue that the nation's schools do not need improvement. Whether one looks at test scores or compares American outcomes with other nations, it is easy to see that many of our K-12 schools are languishing. One recent report evaluated testing outcomes for American students against other industrialized nations and America's students finished 17<sup>th</sup> out of 34 nations.<sup>43</sup> This led President Obama to direct more money at the issue, rather than looking at underlying systemic concerns.



While increased funding can be a component of solutions, it is often not the most vital of the components. Without proper policy driving the expenditures, the money spent can become one more example of how inefficient federal intervention can be. Between 2010 and 2015, President Obama's U. S. Department of Education (DOE) directed \$7 billion into the School Improvement Grants Program into what the DOE named 21<sup>st</sup> Century Community Learning Centers.<sup>44</sup> The funds were directed to the states with

instructions that the funds be directed to the poorest-performing schools.

The measures used to identify the underperforming schools were graduation rates and readiness scores in reading or mathematics. Then-Secretary of Education Arne Duncan said in 2009, "We could really move the needle, lift the bottom, and change the lives of tens of millions of underserved children." The School Improvements Grant



Program built on the Race to the Top efforts undertaken during the Bush administration, and the Obama administration efforts doubled the funds for the program.<sup>45</sup> The Department of Education described the purpose of the 21<sup>st</sup> Century Community Learning Centers in the following way:

*This program supports the creation of community learning centers that provide academic enrichment opportunities during non-school hours for children, particularly students who attend high-poverty and low-performing schools. The program helps students meet state and local student standards in core academic subjects, such as reading and math; offers students a broad array of enrichment activities that can complement their regular academic programs; and offers literacy and other educational services to the families of participating children.*<sup>46</sup>

The funds came with federal expectations of changes in leadership, longer school days, different instructional techniques, new teacher evaluations, becoming a charter school, or simply closing schools that did not perform well. The U. S. Department of Education recently released a report analyzing the impact of the funding. The Department did not track the way funds were spent but only tracked the changes made. Three percent of the schools became charter

institutions, and one percent closed. The remaining 96 percent chose less invasive “transformation” efforts. However, the data does not support that any transformation happened.<sup>47</sup>

According to a report released by the DOE just a few days before the end of the Obama administration, test scores, graduation rates and college enrollment were no different in schools that had received funds from the School Improvement Grants efforts than those that did not.<sup>48</sup>

A Washington Post article detailing the report quoted Andy Smarick, a fellow at the American Enterprise Institute, “Think of what all that money could have been spent on instead.” Indeed, Mr. Smarick is correct. \$7 billion in taxpayer funds were spent without careful oversight. Congress must reexamine the role of the federal government in education, because what is being done now is not working.<sup>49</sup>

There are proven approaches to improving education. Returning education control to parents, teachers and local school boards is a good first step. Giving parents educational choice is a vital part of the solution. These School Improvement Grants are just one example of a failed and expensive effort by the federal government to solve America’s education challenges. Perhaps this example gives us 7 billion reasons why we should strengthen local decisions and parent-guided school choice.

## **Moving in the Wrong Direction – “Let’s Move” Program**

**{\$7,000,000,000}**



**In 2010, with the assistance of First Lady Michelle Obama, the “Let’s Move” project began with the hope of reducing childhood obesity in America. The program, costing as much as \$1 billion per year, focused heavily on impressing upon children the need for proper exercise, as well as bringing healthier food options into schools. Many school caterers agreed to cut fat and salt content, and offer more grains and fresh fruit in their meals.<sup>50</sup> Additionally, food manufacturers were required to change their food labels to list added sugars.<sup>51</sup>**

At first glance, it would appear that the “Let’s Move” program produced positive results. In 2008, US childhood obesity rates nationally were around 16.2 percent,<sup>52</sup> and during the next 3 years, 18 states saw those rates begin a modest decline, falling in some states by as much as 5.5 percent.<sup>53</sup> This reduction could be attributed to the

effectiveness of the program, but it should be noted that this decline had already begun by the time “Let’s Move” was enacted. Overall, US childhood obesity rates did not decline, and in fact have risen slightly, reaching an all-time national high of 17.2 percent in 2014.<sup>54</sup>

Even while emphasizing exercise, over the life of the “Let’s Move” program, middle and high school aged children appear to be exercising less, not more. In 2008, NIH noted the decline in childhood activity and by age 15, only 31 percent met the recommended activity levels.<sup>55</sup> That number fell to 27 percent by 2015.<sup>56</sup>

From an economic standpoint, the changes made to school lunches have come at a cost. The National Review reported that California and New York were two of the states that dropped the healthy-lunch program because children refused to eat their new low-fat lunches.<sup>57</sup> A New York school district food service manager, Nicky Boehm, said that in 2012-2013 her district went \$100,000 in the red because of the food restrictions placed upon them after years of being in the black.<sup>58</sup>

The mandates placed upon food manufacturers have had a cost as well. The Washington Free Beacon reported that the cost for companies to comply with the new label requirements was \$640 million. The change was forced upon manufacturers in order to inform consumers about how much sugar is added during the processing of foods. These mandates were imposed even though many scientists offered data to show that the new labels were “misleading” and were based upon guidelines that were created without any expert opinion on sugars.<sup>59</sup>

At best, it is questionable whether the “Let’s Move” program should have even been in the purview of the federal government. Individual school districts and their parents should decide what children eat at school. At its worst, the federal government has spent roughly \$7 billion dollars enacting a mandate that has failed to produce substantial improvements in childhood obesity rates.

## **The National Science Foundation – Higher Education Misuse of Funds (\$5,843,159)**

**The National Science Foundation’s (NSF) mission, according to its website, is to advance the progress of science and to advance national health, wealth and prosperity. It functions as an independent federal agency, and had an annual budget for Fiscal Year 2016 of \$7.5 billion. NSF reports that it funded 24 percent of all federally supported research done by America’s colleges and universities.<sup>60</sup>**



National Science Foundation Building

Like most federal entities, the National Science Foundation has an Office of the Inspector General (OIG). The OIG is charged with monitoring and auditing the activities of the NSF and operates as an ongoing “watchdog” for the NSF itself and its grantees. A review of the last 12 months of OIG reports, or independent audits provided to the OIG, provides shocking details about how some American colleges and universities are wasting federal funds. Here are some highlights from just the last six months:<sup>61</sup>

- An audit of the University of California-Davis reported that the University had charged \$382,646 in equipment to a grant not allowed by NSF, \$83,488 in unallowable cost transfers, \$14,164 of improper purchase card transactions against the grant, \$39,578 in unallowable entertainment costs, and \$1,810,627 in salaries and benefits charged to the grant but not allowed for by NSF rules.<sup>62</sup>
- An external audit of the University of Michigan provided to the Office of Inspector General revealed

that \$2,710,238 in expenditures by UM were questioned. Of that total \$2,242,477 in salaries had been charged against the NSF but was neither allowable nor could be attributed to the purpose of the grant. More shocking is the unallowable use of federal funds for entertainment costs or upgraded travel (\$8,905).<sup>63</sup>

- Georgetown University was audited and expenses totaling \$110,547 were questioned. Expenses not consistent with NSF guidelines included items such as \$54,722 in expenses not allowed for reimbursement under NSF guidelines but nonetheless charged to the grant. The total also included \$4,797 in travel not related to the NSF grant.<sup>64</sup>

- Columbia University was audited and \$1,201,755 in charges made by the university against NSF funds that were not allowable. The total included \$774,976 in salaries beyond the limits allowed by the NSF, and \$343,794 in equipment purchases using federal funds but the equipment could not be linked to the grant purpose.<sup>65</sup>

In six months, several universities totaled nearly \$6 million in expenditures, which were not permitted based on the NSF grants' purpose, went beyond the scope of the grant, or were just not allowed by NSF rules. While the total wasted in the last six months that OIG found amounts to \$5,843,159, it is possible that the true total could be much greater than that.

## **National Science Foundation Supports Community College Program in Winemaking {\$853,290}**



Northwest Wine Academy 2013 Riesling harvest

**The National Science Found (NSF) provided a consortium of three community colleges in the state of Washington with a grant for \$853,290 to fund a program to train technicians for the winemaking industry. The three community colleges include Yakima Valley Community College, South Seattle Community College, and Wenatchee Valley College. South Seattle Community College's existing Northwest Wine Academy was founded in 2004 and its website boasts that its students have already produced "award winning wines" since the first vintages were released in 2005. Academic Certificates and Associate in Applied Science degrees have been offered by South Seattle Community College's Northwest Wine Academy since its founding.<sup>66</sup>**

While this effort may seem like a good idea, it might not actually be needed. Agribusiness consultants in Prosser,

Washington completed a study of the workforce needs of the wine industry in the state. The report is revealing about



labor needs in vineyards and wineries. It is estimated that 97.7 percent of the jobs in vineyards will not need an associate degree or higher. For wineries, 88.7 percent of the jobs will require less than an associate degree. While it is true that there are labor needs in the industry, the \$853,000 grant is like a physician writing a prescription for a malady that does not exist.

The abstract for the NSF project indicates that the funding will be used to “share resources and develop new online and hybrid curricula” for vineyard and winemaking technology. It appears that federal money is now supporting the transition of the art of winemaking to an online program. The project abstract even indicates that the project will link the community college programs with pipelines from high

school for the vineyard and winemaking technology programs. The abstract further reports that the community colleges are working with industry partners for practicums and internships.<sup>67</sup> South Seattle Community College’s program has existed since 2004. It would seem there has been ample time for that institution to collaborate with the wine industry in the state of Washington. Even if this is not the case, this task should not be the responsibility of the federal taxpayer.<sup>68</sup>

Making wine hardly is part of the mission statement of NSF. In addition most of the jobs in vineyards don’t need college degrees. This begs the question why the NSF would issue such a grant to junior colleges.

## **“Get Fruved” - with What Effects? {\$14,700,000}**

**In 2014, former Senator Tom Coburn highlighted in his yearly *Wastebook* a \$5 million program at the University of Tennessee that attempted to promote healthy eating choices by having students dress up as fruits and vegetables in the “Get Fruved” Project.<sup>69</sup> Not only is this program still being funded, but this practice is occurring at more than one school.**

The U. S. Department of Agriculture (USDA) awarded \$4.9 million a year for an initiative led by students and researchers at four American universities: The University of Tennessee, South Dakota State University, West Virginia University, and the University of Florida. Faculty from Syracuse University; Kansas State University; the University of Maine; and Auburn University are also listed as participating but not recipients of the USDA grant. The goal: *encouraging young adults to eat more fruits and vegetables.*<sup>70</sup> The universities have titled the program “Get Fruved.” The name derives from the mission of the project—to encourage young adults to eat FRUits and VEgetables.<sup>71</sup> The “Get Fruved” campaign has already launched a website and YouTube account where one can watch videos supported in part with federal resources, and a “College Toolkit” is available to provide curriculum and projects for other institutions.<sup>72</sup>

The “Fruved” website reports its goals as:

*“We believe our students are the best teachers. That is why Fruved has sophomores and juniors at each school peer mentoring first year students, helping them live a healthier life during their first*

*year of college. Ultimately, down the road, high school students would work with middle school students, and then the middle school students would work with*



Students from San Diego State University

*students in elementary schools. Creating a sort of “chain reaction” or what we like to call... a FRUVEMENT!”<sup>73</sup>*

An example of the project would be its expansion to include the West Virginia University’s Lifestyle Intervention Olfert Research Lab. Students at West Virginia University can apply to be peer mentors, social marketers, or food mascots. Since the introduction of the “basic food groups” into American culture, Americans have known (and been told) that eating fruits and vegetables supports health. The core question: *How much more do federal taxpayers need to provide to communicate this message?* Higher education’s message to the taxpayer: “get fruved.” The shelf life for this program, if there were one, has long expired.



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