

NATIONAL SECURITY EDUCATION PROGRAM (NSEP)

REPORT TO THE UNITED STATES CONGRESS

SEPTEMBER 2003

**Report submitted by the Department of Defense to the United States Congress, August 26,
2003 in compliance with Section 334 of Public Law 107-306 (the Intelligence Authorization
Act for Fiscal Year 2003)**

EXECUTIVE SUMMARY

This report on the National Security Education Program (NSEP) is provided to the United States Congress in response to Section 334 of P.L.107-306, the Intelligence Authorization Act for FY 2003. The Act requests a report on 1) the effectiveness of the NSEP, 2) an assessment of the advisability of converting funding from the National Security Education Trust Fund to funding through appropriations, and 3) “on any matter covered by 1) or 2), such recommendations for legislation with respect to such matter as the Secretary considers appropriate”. In response, this report is divided into 4 sections: (1) background and major goals and achievements of NSEP; (2) NSEP’s program effectiveness; (3) recommendations for program modification and enhancement; and (4) conversion of funding.

1. Background and Major Goals and Achievements. The David L. Boren National Security Education Act (P.L. 102-183 (as amended.) directed the Secretary of Defense to create a program to award: 1) scholarships to U.S. undergraduate students; 2) fellowships to U.S. graduate students; 3) grants to U.S. institutions of higher education, all for study or program development in languages and regions critical to national security and under-represented in U.S. study. In 1998 the President of National Defense University was designated by the Secretary of Defense to oversee the program. The Senior Vice President of NDU chairs the statutory National Security Education Board, comprised of seven ex-officio members and six Presidential appointees. NSEP was created to address national needs for expertise in languages and areas critical to the broad national security community. Its major objectives are to: 1) develop a pool of language capable regional experts in various fields of study available for employment with federal national security agencies, and 2) enhance the capacity of U.S. universities to teach key languages and regional studies. NSEP legislation requires award recipients to seek work for the federal government in an area related to national security.

Since its inception in 1992 NSEP has:

- Provided awards to 1,650 undergraduates, 850 graduate students, and 65 grants to U.S. institutions of higher education;
- Worked to identify more applicants motivated to seek federal employment and place them in federal jobs;
- Established a program to certify language proficiency levels for all award recipients as a measure of effectiveness;
- Forged an effective strategic partnership between the federal national security community and higher education;
- Responded to the evolving needs of federal agencies by constantly reviewing language needs, and developing the National Flagship Language Initiative designed to produce professionals with superior level ability in languages most critical to U.S. national security.

2. Program Effectiveness. NSEP remains the only federally funded effort focused on the combined issues of language proficiency, national security, and the federal workforce. Taken together with other more technology-and research-oriented

investments, NSEP represents an integral component of a national security strategy to eliminate the serious language deficit. NSEP provides clear measures of performance, including detailed monitoring of award recipients, language proficiency testing, and job placement statistics. To better understand the particular contribution of NSEP, it is instructive to compare NSEP grantees with general trends in U.S. education.

-- Sixty-seven percent of all American students studying abroad in 2000-2001 enrolled in programs in Western Europe, Australia, Canada, and New Zealand -- areas that are not critical to U.S. national security. In 2002 NSEP awarded its largest number of scholarships and fellowships for study in the Near East. NSEP Undergraduate Scholars for 2002 will be studying in 37 different countries and 28 different languages; Graduate Fellows will be studying in 48 different countries and 31 languages.

--Fewer than 8 percent of all U.S. students studying abroad enrolled in full academic or calendar year programs, allowing insufficient time to acquire cultural and language skills. NSEP emphasizes long-term academic study. More than half of NSEP Undergraduate Scholars enroll in full academic year programs. Virtually all NSEP Graduate Fellows devote significant periods of time to overseas study and language immersion.

--Ninety-eight percent of higher education language enrollments in the U.S. are in Western European languages which are not critical to U.S. national security. NSEP does not fund study of Western European languages except in cases where advanced Spanish is an integral component of Latin American studies.

--The average U.S. college graduate reaches no more than an intermediate level in less commonly taught languages, which is insufficient to meet national security requirements. NSEP focuses on rigorous language study. NSEP award recipients are high aptitude language learners who on average reach higher levels in the course of their NSEP funded study than their cohorts in higher education.

Service to Federal Government. NSEP has become a significant component in the federal government's effort to address serious foreign language and area expertise shortfalls. All NSEP award recipients incur an obligation to seek employment with an agency or office of the federal government involved in national security affairs. NSEP's "hands on" approach ensures every grantee knows how to identify appropriate federal jobs, and that federal agencies know how to identify and recruit NSEP scholars. If such employment is not available, NSEP award recipients may then fulfill the requirement within higher education in an area related to their NSEP-supported study.

More than 300 NSEP award recipients have worked or continue to work in federal agencies, including the Department of Defense, the Intelligence Community, and the Departments of Commerce, Energy, State and Treasury. Of the 1011 undergraduates funded by NSEP since the service requirement was enacted in 1996, 203 have completed their service obligation in the federal government and 21 in higher

education. Of the 564 Graduate Fellows, 97 have been in the federal government and 99 in higher education. The program stipulates that Undergraduate Scholars are afforded 8 years and Graduate Fellows 5 years to begin their service. This stipulation, coupled with variations in length of time to degree completion, creates a pipeline of approximately 350 undergraduates and 60 graduate fellows who are, at any point in time, actively seeking to fulfill their service requirement. Assuming greater success in placement and a relatively stable number of annual awards, these numbers are likely to remain constant. The rate of placement in the federal government has increased steadily since 1996, with approximately two-thirds of all graduates, and more than ninety percent of all undergraduates, now entering federal service to fulfill their requirement. NSEP is committed to further expanding federal placement.

A primary objective of NSEP is to overcome the obstacles that exist within the federal hiring process by identifying, recruiting, training, and successfully placing highly talented professionals in federal government positions, particularly those in the national security arena. These efforts are yielding increasingly impressive results and have served as a model for other government programs. However, continuing and expanding success in federal placement will require a commitment to innovation and change both within the NSEP structure and in federal hiring practices.

Advanced Language Programs in Critical Languages. Since October 2002, NSEP has focused its institutional grants on the National Flagship Language Initiative (NFLI) Pilot effort, endorsed by Congress in P.L. 107-306, and designed to produce a stream of competent language professionals certified at level 3 (superior). NSEP, in close cooperation with the National Foreign Language Center at the University of Maryland, is working with several major universities to develop programs in Arabic, Mandarin Chinese, and Korean. Increased funding for the Flagship effort, as authorized in P.L. 107-306, would provide for more aggressive development of these programs, as well as additional programs in Hindi, Japanese, Persian/Farsi, Russian, and Turkish.

NSEP's Cost Effectiveness. NSEP's program and administrative expenses are both paid by the National Security Education Trust Fund. Although the Trust Fund was designed to support all activities, primarily from interest earned, Congressional reductions in the corpus have caused NSEP to draw down significantly from the balance of the Fund. Since 1997, approximately \$2.5 million of an annual obligation authority of \$8.0 million have been devoted to administrative costs. Based on current expenditure levels of \$8 million per year, the Trust Fund will be depleted no later than the end of Fiscal Year 2005.

NSEP is administered by a staff of five permanent employees and three nonprofit organizations that are contracted to administer various parts of the program: (1) the Institute of International Education (IIE) -- Undergraduate Scholarship program; (2) the Academy for Educational Development (AED) -- Graduate Fellowship Program; and (3) the National Foreign Language Center (NFLC)-- pilot National Flagship Language Initiative. Each of these organizations is involved in hands-on, labor-intensive work with award recipients.

NSEP's administrative / total costs ratio (less than 30 percent in 2002) compares favorably with similar organizations:

- Harry S. Truman Scholarship Foundation (40.6 percent)
- Morris K. Udall Foundation (37.8 percent)
- Barry M. Goldwater Scholarship Foundation (24.5 percent).

Each of these foundations is funded from a trust fund and grants scholarships like NSEP. This comparison is even more favorable given that NSEP has the added responsibility of monitoring hundreds of student programs abroad and actively assisting award recipients in finding federal positions.

3. Recommendations for Program Modification and Enhancement. NSEP has a strong and growing reputation within the federal sector and in higher education as a source of exceptional language-capable employees. NSEP recommends a number of important program modifications to further enhance its effectiveness.

- Focus NSEP resources on languages and areas most critical to U.S. national security
- Promote full academic year study programs for NSEP undergraduate scholars
- Revise Graduate Fellowship Application and Merit Review Process to further emphasize the importance of federal service
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- Reduce period of time during which undergraduate and graduate service is satisfied by implementing new procedures and practices
- Channel more undergraduate scholars directly to graduate programs by allowing undergraduate scholars to defer their service if they enroll in graduate school to include some continuation of study of the language and culture supported by NSEP
- Expand options within the existing statute for service to the federal government
- Create additional federal service options for scholars and fellows (This recommendation was incorporated into the Homeland Security Act of 2002 and is currently being implemented by NSEP.)
- Create a volunteer service corps
- Establish a civilian language reserve
- Modify the federal placement process
- Implement the aggressive National Flagship Language Initiative

4. Conversion of NSEP Funding. The National Security Education Trust fund is currently being depleted at a rate that will support NSEP for a maximum of two more fiscal years, through FY 2005. If NSEP programs are to be continued the trust fund would need to be replenished, or NSEP funding would need to be converted from a trust fund to an annual appropriation. Conversion would help ensure more predictability and certainty in the funding stream as NSEP programs continue to evolve over the years. In any case, the Congressionally authorized increase of \$10 million for FY2004 (811(a) of

P.L. 107-306) and thereafter, if appropriated, would enable implementation of the National Flagship Language Initiative and all NSEP activities.

SECTION I. INTRODUCTION AND BACKGROUND

This report on the National Security Education Program (NSEP) is provided to the United States Congress in response to Section 334 of P.L.107-306, the Intelligence Authorization Act for FY 2003. The Act requests a report on (1) the effectiveness of the NSEP; (2) an assessment of the advisability of converting funding from the National Security Education Trust Fund to funding through appropriations; and (3) “on any matter covered by (1) or (2), such recommendations for legislation with respect to such matter as the Secretary considers appropriate.”

In response, this report addresses four major areas: (1) background and major goals and achievements of NSEP; (2) NSEP’s program effectiveness; (3) recommendations for program modification and enhancement; and (4) conversion of funding.

The David L. Boren National Security Education Act (NSEA) was established by Congress in P.L. 102-183 (as amended) and signed into law by President George H.W. Bush on December 4, 1991 (Appendix 1 includes a copy of the legislation, as amended). The NSEA mandated the Secretary of Defense to create a program to award: (1) scholarships to U.S. undergraduate students to study abroad in areas critical to U.S. national security; (2) fellowships to U.S. graduate students to study languages and world regions critical to U.S. national security; and (3) grants to U.S. institutions to develop programs of study in and about countries, languages and international fields critical to national security, under-represented in U.S. study. A 13-Member National Security Education Board, including seven Cabinet level departments and six Presidential, Senate-confirmed appointments, provides the identification of these critical foci as well as major oversight. Appendix 2 includes a complete list of current members of the Board.

Section 1901 (c) of the NSEA outlines five major purposes for the program:

1. To provide the necessary resources, accountability, and flexibility to meet the national security education needs of the United States, especially as such needs change over time.
2. To increase the quantity, diversity, and quality of the teaching and learning of subjects in the fields of foreign languages, area studies, and other international fields that are critical to the Nation’s interests.
3. To produce an increased pool of applicants for work in the departments and agencies of the United States Government with national security responsibilities.
4. To expand, in conjunction with other Federal programs, the international experience, knowledge base, and perspectives on which the United States citizenry, Government employees, and leaders rely.
5. To permit the Federal Government to advocate the cause of international education.

As this report demonstrates, the program has successfully met and gone well beyond these objectives over the past ten years by:

- Demonstrating important levels of flexibility to address changing demands and requirements. NSEP responds to the needs of the national security community for language and area expertise by regularly surveying those needs and developing annual lists of emphasized languages and countries for funding. NSEP has consistently sought approaches to improve program performance and results through refinements and modifications.
- Establishing high standards for accountability and measurement in a federally funded program. Selecting award recipients based on merits and motivation to work for the federal government. Certifying language proficiency levels for all award recipients. Facilitating the placing of award recipients in federal jobs.
- Making it possible for a more diverse array of American students to undertake serious study of less familiar languages and cultures that are critical to U.S. national security. NSEP also makes it possible for students from non-traditional fields of study (e.g., applied sciences, engineering, law) to develop critical international skills.
- Providing the federal government with a pool of well-qualified applicants with demonstrated cultural knowledge and certified language skills critical to U.S. national security.
- Recognizing the importance of establishing a pipeline of students from undergraduate through graduate to address longstanding shortfalls in vital language expertise.
- Forging an effective strategic partnership between the federal national security community and higher education. Unlike other federal programs in international education, NSEP's locus within the Department of Defense provides it with an important mandate to directly address national security needs.
- Developing and implementing new and innovative programs and emphasizing the importance of international education coupled with rigorous language study.

The creation of NSEP demonstrated great foresight on the part of the U.S. Congress. Born out of after action analyses from Desert Storm, NSEP was designed to represent a post-cold war investment in vital expertise in languages and cultures critical to U.S. national security. The national emergency precipitated by the tragic events of September 11 has served to further underscore the importance of NSEP but this need had been well documented before those events. Official reports that have cited NSEP in their recommendations include the U.S. Commission on National Security/21st Century and, most recently, the Joint Intelligence Committee inquiry into the events of September 11.

The NSEA initially included an important “payback” provision, requiring all graduate fellowship recipients and those undergraduate scholarship recipients receiving assistance for 12 months or more to “work for the Federal Government or in the field of education in the area of study for which the scholarship or fellowship was awarded.” Undergraduates with 12 or more months of assistance were required to serve for the same period of time for which assistance was provided and graduates were required to serve a minimum of one year and no more than three years. This “payback” provision has evolved significantly since 1992. Section II provides a detailed description and analysis of the service provisions that have applied to all NSEP award recipients since 1996 and resulted in 300 NSEP Scholars and Fellows fulfilling service in national security positions to date.

The National Security Education Program (NSEP) made its first undergraduate scholarship and graduate fellowship awards in May 1994 and announced its first institutional grant awards in January 1995. Since 1994 NSEP has awarded: 1,650 Undergraduate Scholarships for study in 70 countries and 50 less commonly studied languages and 850 Graduate Fellowships for study in more than 100 countries and an equal number of critical languages. NSEP has also funded 60 institutional grants, including more than 150 U.S. institutions of higher education to develop and implement programs of study in cultures and languages critical to U.S. national security.

NSEP has compiled an impressive record of attracting extraordinary applicants dedicated to the study of difficult languages and highly motivated to work in the national security arena for the federal government. It remains the only federally funded scholarship and grant program whose focus is directed toward the combined issues of language proficiency, national security, and the federal workforce. NSEP remains unique in that it is an accountable program with clear measures of performance including detailed monitoring of its award recipients, language proficiency testing, and job placement statistics. Taken together with other more technology and research oriented investments, NSEP represents an integral component of a national security strategy to eliminate the serious language deficit.

The program has demonstrated remarkable flexibility and capacity to respond to new challenges and federal needs. Since 1994, a number of important changes have occurred that further sharpened the program’s focus, accountability, and responsiveness to national security needs:

- The Department of Defense worked with Congress, in 1996, to substantially revise the service requirement to expand payback to the federal sector. Revisions include service requirements for all undergraduate scholarship recipients (not just those receiving 12 or more months of assistance) and emphasize the priority to work for federal agencies and organizations involved in national security. These changes also restricted service in education to the post-secondary level only, thus excluding K through 12. These changes have successfully narrowed the applicant base for NSEP to those undergraduates and graduates motivated to seek federal employment.

- Beginning in 1996, NSEP initiated language proficiency testing for all Undergraduate Scholars and Graduate Fellows. NSEP is the only federally funded program in higher education that requires such testing. This provides important nationally recognized certification for NSEP award recipients when seeking employment based on their language competencies. Section II outlines results of language proficiency testing.
- Responding to needs increasingly articulated by federal agencies, NSEP proposed, in fall 2000, a *National Flagship Language Initiative (NFLI)* designed to forge a strategic partnership with higher education to produce professionals with superior level ability in languages most critical to U.S. national security (Arabic, Chinese, Farsi, Hindi, Korean, Japanese, Russian, Turkish). In September 2002, NSEP officially transitioned its institutional grants program to focus on an NFLI Pilot Program. Details on the NFLI are provided in Sections II and III.

SECTION II. PROGRAM EFFECTIVENESS

This section provides an overall assessment of the effectiveness of NSEP in meeting its primary goals and objectives as outlined in Section I. The section is divided into five parts.

- A. Undergraduate Scholarships and Graduate Fellowships: Developing an Elite Cadre of Language and Culturally Proficient Americans
- B. Service to Federal Government
- C. NSEP Support to Institutions of Higher Education
- D. Transitioning to Advanced Language Programs: National Flagship Language Initiative
- E. Assessing NSEP's Cost Effectiveness

A. Undergraduate Scholarships and Graduate Fellowships: Developing an Elite Cadre of Language and Culturally Proficient Americans

The establishment of NSEP represented an important recognition that the nation's colleges and universities were not producing the quantity or quality of professionals equipped with the language and cultural skills needed to effectively address complex issues confronted by the U.S. in the post-cold war environment. The acute shortages and deficiencies in expertise in the languages and cultures of countries critical to U.S. national security have been well chronicled, particularly in the aftermath of September 11. These major shortfalls have demonstrated, beyond question, that the federal sector can no longer rely solely on internal solutions to solve a serious and debilitating shortage of expertise.

NSEP represents a strategic investment in the competent language and cultural expertise base needed by our country to address the broad range of international and multinational issues that affect U.S. national security. The federal sector has always relied on the nation's education system to produce a highly educated cadre of professionals in all fields and disciplines. Yet, we have generally lacked the commitment, infrastructure and capacity to educate professionals who are also competent in diverse foreign cultures and able to communicate effectively in non-Western languages. The need for such analytic capacity is vital, and it has been underscored by practitioners and policymakers alike. In a January 2002 briefing on *Language and National Security* a representative from the U.S. European Command stated: “[The need is] for trained analysts who understand both what is being said and the context of its meaning. The latter requirement is an essential factor in our attempts to analyze information communicated in foreign languages so that it can effectively aid decision-makers.” These needs were further underscored by Under Secretary of Defense David Chu in September 2002 remarks to a group of fifty NSEP Graduate Fellows. Dr. Chu underscored the vital need, in the defense community, for highly trained professional analysts with foreign cultural and language skills.

The U.S. also remains the only industrialized nation without a language education policy in elementary and secondary school. We default to post-secondary education to

provide opportunities for international skill acquisition. The federal sector has relied, instead, only on internal training programs, sometimes ad hoc and reactive in nature, to provide such training. This training is most frequently language specific only and does not offer the opportunity to acquire critical cultural skills. More recently, many national security agencies have recognized the need for higher levels of proficiency in critical languages. The National Security Agency has officially raised the working standard to a superior (3) level. The Defense Language Institute has established a School for Continuing Education with a goal to produce higher level language capable professionals. Because no U.S. program outside the federal system programs language learning to the “superior” level, this expertise is not being produced in the U.S. education system.¹ The central problem remains that we continue to invest hundreds of thousands of dollars to train federal employees in languages because we cannot recruit them from outside. NSEP helps address this challenge by prioritizing targeted investments in a system that has and will continue to produce the language and culture expertise we need.

In order to understand the accomplishments of the graduates of NSEP programs it is important to contrast them with general trends and demographics of U.S. study abroad and language study involving non-NSEP students.

American students generally do not study abroad and do not focus on areas of the world outside Western Europe, Australia, Canada and New Zealand critical to U.S. national security.

NSEP’s sole focus is on areas critical to national security where U.S. students generally do not study.

Approximately one of every hundred U.S. students enrolled in higher education studies in another country during their post-secondary career.

Of the 154,000 U.S. students studying abroad in 2000-2001, 67 per cent studied in Western Europe, Australia, Canada and New Zealand. One of every five U.S. students studying abroad chose to study in the United Kingdom. One percent studied in the Middle East; 2.9% studied in all Africa (East, Central, North, South and West); 4.4% in East Asia and just over 1% in South/Central and Southeast Asia.

¹ NSEP funded a set of studies at leading universities on their ability to graduate 3-level students, confirming this assertion. The Foreign Service Institute (FSI) does provide programming to the “superior” (3) level in some languages. However, The FSI program requires two years – one year of in-house training and one year abroad, to produce a “3” in diplomatic language. The Defense Language Institute (DLI) programs require 63 weeks of training, five days a week, six hours a day with two hours a day of homework to produce the advanced (2) level in Arabic.

NSEP supports students who are eager to study in and about areas of the world critical to U.S. national security and outside Western Europe, Canada, Australia, and New Zealand. Destinations for NSEP award recipients include Egypt, Israel, Indonesia, Russia, Turkey, Uzbekistan, etc. NSEP's focus on these critical and understudied world regions remains indispensable to the future American capacity to address major national security needs. **Figures 1 and 2** contrast the general characteristics of U.S. study abroad and those of NSEP Undergraduate Scholars and Graduate Fellows.

NSEP awards in 2002 serve to further underscore the important contributions of the program. In the post-September 11 environment, NSEP undergraduate applications increased by 53 percent and graduate applications by 36 percent. Reflecting national security needs, NSEP awarded its largest number of scholarships and fellowships in its nine-year history for study in the Near East (47 Undergraduate Scholarships of 194 awards; 17 Graduate Fellowships of 91 awards). Overall, NSEP Undergraduate Scholars for 2002 will be studying in 37 different countries and 28 languages; Graduate Fellows will be studying in 48 different countries and 31 languages.

These understudied world regions remain indispensable to the future American capacity to address major national security needs. NSEP funding of highly motivated undergraduates represents a vital investment in the expertise base in language and culture. Many Undergraduates have already made a significant contribution to the federal national security effort. NSEP Graduate Fellowships not only build on a talent pool developed at the undergraduate level but also represent more immediate professional expertise available for employment in the federal sector.

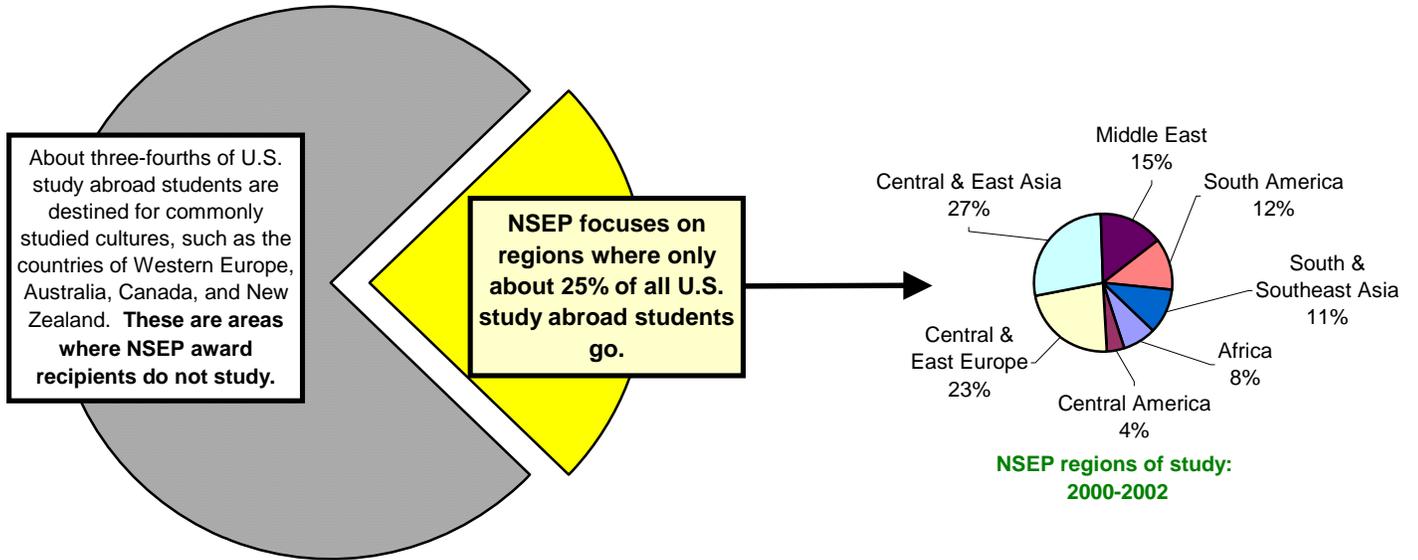
American students increasingly opt to study abroad for shorter periods of time.

NSEP emphasizes long-term, in-country immersion study programs.

The acquisition of cultural and language skills is enhanced only by longer periods of study abroad. However, the trend in higher education is toward a proliferation of short-term international study opportunities that provide brief cultural familiarity but limited opportunity for language or culture immersion. Fewer than 8 percent of all U.S. students studying abroad enroll in full academic or calendar year programs. Approximately half study for periods of 8 weeks or less. The implications of this trend are troublesome. While it is important for more American students to experience another culture, gains in language and cultural competency are highly restricted when the period of study abroad is limited to several weeks.

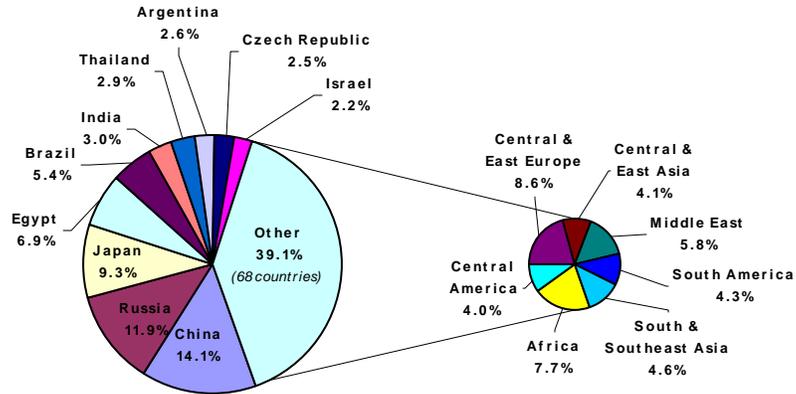
NSEP emphasizes longer-term academic study for all of its Scholars and Fellows. More than half of NSEP 2002-03 Undergraduate award recipients opt to enroll in academic year programs and almost 40 percent in semester long programs. Only about 10 percent are enrolled in summer-long programs which are reserved for students in the sciences or underclassmen (freshman and sophomores). These students frequently return for longer periods of study later in their undergraduate academic careers. Virtually all NSEP Graduate Fellows devote significant periods of time to overseas study including language immersion. Only a dearth of academic year long programs in many study abroad destinations supported by NSEP prevents an even larger percentage of undergraduates from studying for that length of time.

Figure 1. NSEP Scholars and Fellows Study Where Most Americans Do Not

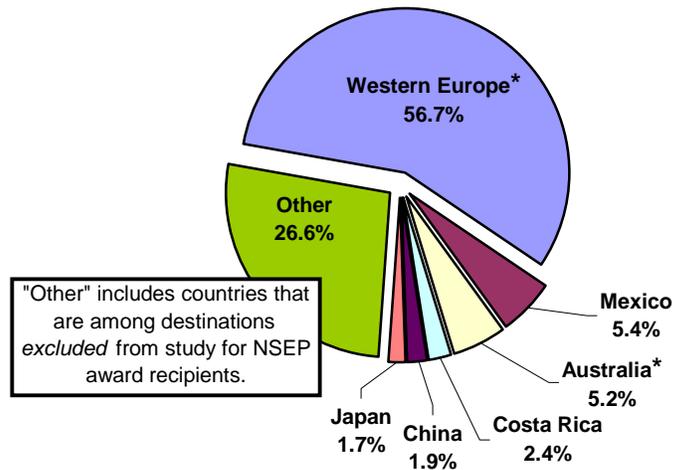


Information on the host regions and countries of U.S. study abroad students for the 2000-2001 academic year includes data on 154,168 students and is from the Institute of International Education (IIE). (IIE Network-Open Doors website, January 2003: http://opendoors.iienetwork.org/file_depot/0-10000000/0-10000/3390/folder/14677/All+Destinations.htm). ****These are the most recent statistics available regarding U.S. study abroad students.**

Figure 2. Countries of Study
NSEP Graduate Fellows and Undergraduate Scholars
(2000-2002)



Top Destinations of All U.S. Study Abroad Students, Academic Year 2000-2001**



*Destinations excluded from study for NSEP award recipients.

**These are the most recent statistics available regarding U.S. study abroad students. Information on the host countries of U.S. study abroad students includes data on 154,168 students and is from the Institute of International Education (IIE), Open Doors 2002.

U.S. students in higher education do not generally study languages other than Spanish and other romance languages.

NSEP Scholars and Fellows study more than seventy-five languages critical to U.S. national security.

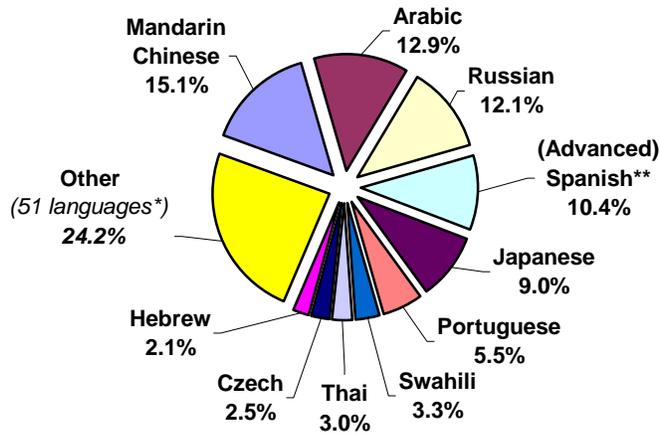
Language enrollments in U.S. education remain static. Ninety-nine percent of our high school language enrollments are in 6 languages, including Latin. In higher education, 98 percent are in a dozen languages, including Greek and Latin. Fewer than 10 percent of U.S. students in higher education enroll in a language course during their post-secondary career. Most of these students are fulfilling language requirements and are not studying toward any proficiency in the language. Of the approximately 1.2 million enrollments, almost 90 percent are captured by Spanish (56 percent), other Romance languages, German, and classical languages. Only 10 percent of the 1.2 million enrollments are in other languages. Other than Japanese, Chinese and Russian, these enrollments account for less than one per cent of the total.² Few students go beyond introductory course work in these languages; historical data suggest a 50 percent attrition rate from year one to year two and another 50 percent attrition from year two to year three.

NSEP emphasizes study of non-Western European languages critical to U.S. national security, such as Arabic, Chinese, Hindi, Indonesian, Korean, Russian, and Turkish.³ NSEP award recipients, at both undergraduate and graduate levels, represent outstanding students and high aptitude language learners who have demonstrated prior and ongoing commitment to language study and a motivation to learn languages well outside the boundaries of Europe and Latin America. They are likely to have some prior experience in the language and are also likely to continue their language study following their NSEP supported program. Many NSEP Scholars and Fellows have demonstrated proficiency levels in their languages prior to receiving NSEP support; yet because so few Americans have an opportunity to learn less commonly studied languages, NSEP also seeks to identify highly motivated undergraduates to study such languages. The importance of establishing this vital pipeline from undergraduate through graduate school should not be underestimated in its long-term importance to national security. **Figure 3** contrasts language enrollments in the U.S. with language study by NSEP supported Scholars and Fellows.

² For example, the most recent (1998) foreign language enrollment data made available from the Modern Language Association indicates that there were only 4 enrollments nationwide in Uzbek and 1 in Kazakh. Even in Hindi there were only 831 enrollments across the entire country. Of note, enrollments do not correlate to proficiency; they only indicate that a student took a course in that language.

³ NSEP will support, on a case-by-case basis, study of advanced Spanish for a limited number of award recipients studying in Central and South America. Many NSEP Scholars and Fellows also include the study of a second (indigenous) language as part of their program.

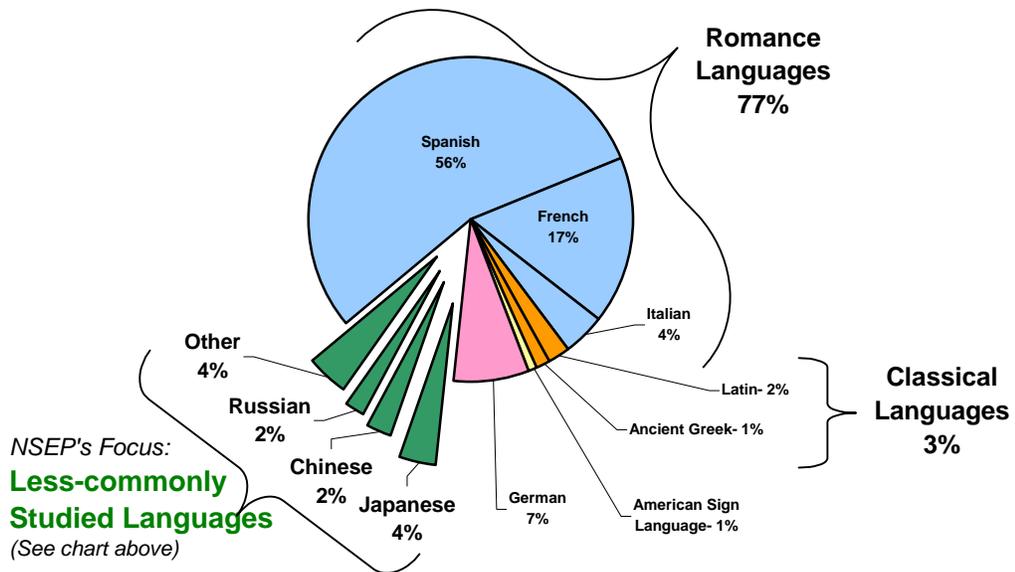
**Figure 3. Languages Studied
NSEP Graduate Fellows and Undergraduate Scholars
(2000-2002)**



*Some of the "other" languages studied by NSEP Scholars and Fellows include: Vietnamese, Hindi, Korean, Hungarian, Polish, Serbo-Croatian, Turkish, Indonesian, Urdu, Tajik, Macedonian, and Uzbek.

**NSEP funds only advanced Spanish for students who are studying in countries in Latin America critical to national security.

**Top Foreign Language Registrations of All U.S. Students in Higher Education -
Fall 1998***



*These are the most recent statistics available and are based on Fall 1998 foreign language enrollments of 1,193,830 U.S. students in higher education. Association of Departments of Foreign Languages (ADFL) Website, September 2002: www.adfl.org/projects/index.

U.S. students enrolled in post-secondary language education do not achieve significant levels of proficiency.

NSEP Scholars and Fellows represent highly dedicated language learners who achieve remarkable levels of proficiency in difficult-to-learn languages.

Most U.S. students do not achieve levels of language proficiency that enable them either to satisfy most work requirements or communicate effectively in that language. The average U.S. college graduate (including language and literature majors) reaches no more than an intermediate (basic survival needs) level in less commonly taught non-Western European languages. It is estimated that it would take eight years in a traditional university language program (without extended immersion and study abroad) to achieve the minimal functional level in more difficult to learn languages (e.g., Arabic, Chinese, Russian). The needs are for what the U.S. government calls “advanced (level 2),” “superior (level 3),” and “distinguished (level 4).” Reaching these language levels is a daunting task; it is relatively easy to move from a beginning or “novice” level to an “intermediate” but it often takes twice as long to move from “intermediate” to “advanced” and four times as long to move from “advanced” to “superior.” Most government agencies are not able to identify or hire individuals with language skills at the advanced or superior levels. Furthermore, the default system – training the federal government’s own workforce – cannot be expected to keep up with the demand for quantity and quality of professionals with competent language skills. Both government and the national media have noted the major consequences of not having professionals with higher-level language skills.

NSEP focuses on rigorous language study among its Scholars and Fellows and is the only federal program that mandates language proficiency testing for all of its award recipients.⁴ **Figures 4 and 5** illustrate the outstanding levels of language proficiency gained by NSEP Scholars and Fellows. These results underscore that NSEP Scholars and Fellows achieve proficiency levels well beyond those achieved by most U.S. students. These proficiency levels are gained because NSEP award recipients represent a pool of motivated, high aptitude and experienced language learners who engage in extensive in-country language immersion. NSEP Undergraduate Scholars are selected based on the rigor of their proposed study abroad program, including the quality of language instruction in that program. Many undergraduates are studying a less commonly taught language for the first time and still achieve remarkable levels of proficiency. NSEP Graduate Fellows develop highly customized and intensive programs of study that include intensive language learning in immersion environments.

⁴ All NSEP award recipients are pre- and post-tested for oral language proficiency by ACTFL (American Council of Teachers of Foreign Languages). The ACTFL oral proficiency test is a nationally accredited test. It is available in many but not all less commonly taught languages. Appendix 2 provides an overview of language testing and the ACTFL proficiency scale.

Figure 4.

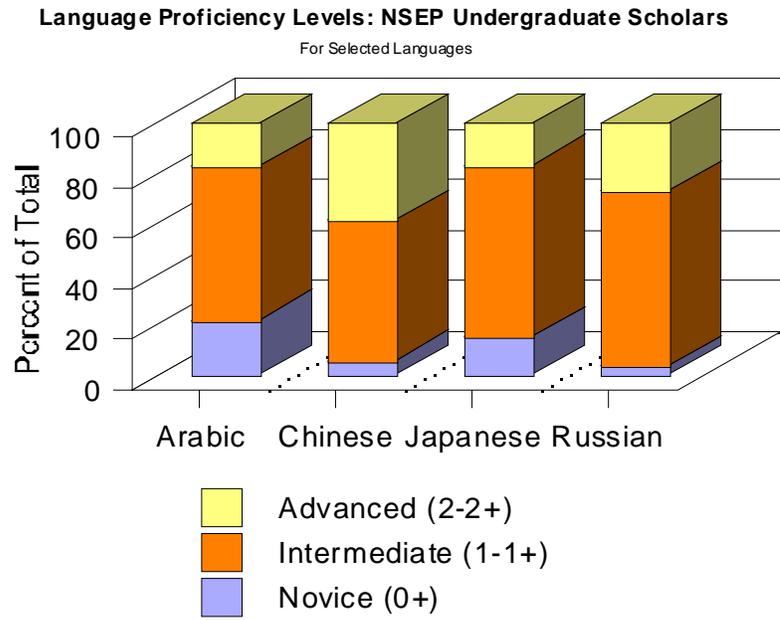
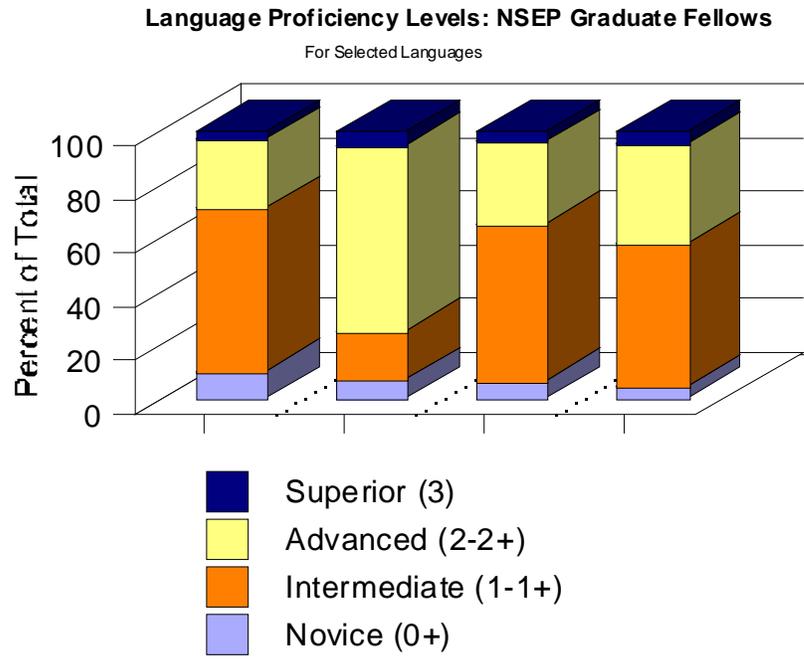


Figure 5.



B. Service to Federal Government

NSEP's general contribution to a national expertise base in languages and cultures critical to national security is coupled with the more specific and vital mandate to provide this expertise directly to the federal sector. The previous section addressed NSEP's important role in helping change the overall paradigm in language and culture study in U.S. higher education by shifting the balance toward critical and less studied areas defined as vital to national security. NSEP has, over the years, come to represent an important component in the federal government's effort to address the serious shortfalls in foreign language and area expertise in the national security arena. As of January 31, 2003 (NSEP updates its service data three times a year: January, June, September) more than 300 federal positions have been filled with NSEP Scholars and Fellows. NSEP Scholars and Fellows represent an invaluable resource to the federal government: outstanding professional credentials coupled with international skills and certified competencies in languages critical to national security. This section describes the process for placing NSEP Scholars and Fellows in federal service and assesses its effectiveness. Detailed recommendations provided in Section III serve to insure that the continued and accelerated placement of NSEP award recipients in federal positions represents a strong return on the NSEP investment.

Defining the service requirement. The 1996 amendment to the NSEA stipulates that all NSEP award recipients incur an obligation to seek employment with an agency or office of the federal government involved in national security affairs. If such employment is not available, NSEP award recipients may then fulfill the requirement within higher education in an area related to their NSEP-supported study. The requirement is generally time-for-time, with most Undergraduate Scholars incurring a short-term service requirement (3-6 months) and Graduate Fellows a general one-year minimum.⁵ Undergraduate Scholars must begin fulfilling their requirement within 8 years from the completion of their NSEP-funded study abroad program; Graduate Fellows must begin fulfilling their requirement within 5 years of degree completion (or termination of studies before degree completion). All award recipients must file annual Service Agreement Reports to certify activities toward fulfillment of the obligation and to receive credit. Since passage of the NSEA, federal needs have changed and grown, and more immediate service has become a higher priority. NSEP has devoted increasing attention and resources toward more immediate placement of award recipients, hence a recommendation for modification in Section III of this report, which is a proposal to dramatically reduce the time frame during which Scholars and Fellows must complete their service.

Federal Placement Activities. NSEP has, since 1996, implemented aggressive efforts to identify applicants motivated to work for the federal government and to build mechanisms to assist them to enter the federal workforce. It is important to note that the

⁵ Section 802 of the NSEA stipulates that the period of service for Undergraduate Scholars "shall be no longer than the period for which scholarship assistance was provided" and for Graduate Fellows "not less than one and not more than three times the period for which the fellowship was provided." NSEP has established specific criteria based on the length of the NSEP-supported study program and the amount of funding received.

federal hiring process remains quite opaque to the outside job-seeker. NSEP has adopted a distinctly “hands on” approach to make sure that every NSEP Scholar and Fellow is equipped with the knowledge and tools to successfully identify jobs, consistent with their skills and career objectives, in the federal sector. The federal placement process is regularly reviewed by NSEP, and recommendations for modifications and refinements to this process are routinely implemented. Section III of this report includes extensive recommendations for further enhancing the federal placement performance.

- NSEP’s application process emphasizes the importance of federal service. All applications, both undergraduate and graduate, include important information on the applicants’ career goals and their motivation to seek federal employment. This information plays a major role in merit-review decisions for awards. All NSEP Scholars and Fellows make a serious commitment to federal employment.
- NSEP has engaged the active involvement of the Office of Personnel Management (OPM) to develop regulations and processes to facilitate federal placement of award recipients. Under a regulation (Code of Federal Regulations, Title 5, 213.3102(r)), established by OPM in 1997, all NSEP award recipients may be hired by any federal agency under a special hiring authority that allows a federal entity to hire NSEP award recipients without regard to any hiring restrictions.
- NSEP has received important Congressional assistance in the Homeland Security Act of 2002. This legislation includes changes in federal hiring practices by requiring the federal government to advertise and open all Federal positions to United States citizens who receive federal funding and, as a condition of that funding, incur a federal service obligation. This important change will result in numerous opportunities previously unavailable to NSEP award recipients because of restricted hiring practices of federal hiring managers.
- Since 1997 NSEP has aggressively and innovatively pursued the intent of the changes in the service requirement by establishing procedures to insure that every NSEP award recipient, both undergraduate and graduate, has full access to information on federal employment opportunities. NSEP has also aggressively implemented procedures to insure that all award recipients would follow through on thorough and good-faith efforts to identify federal employment.
- NSEP has taken full advantage of advanced internet technology to assist its award recipients in their job searches and to provide federal agencies with access to the resumes of all Scholars and Fellows who are actively seeking employment (*NSEP-NET*; www.nsepnet.org) Each NSEP award recipient is required to register information, including a resume, to this system. All students must activate resumes at least 12 months before they expect to be available for federal employment. Federal professionals and hiring managers are provided access to a searchable database of resumes. NSEP staff routinely work with federal organizations to brief this system and insure that they are aware of its availability to them. NSEPNET also includes a number of highly useful tools for award recipients including a bulletin board where NSEP displays current job opportunities, links to federal agencies and automated job announcement systems

(e.g., USAJOBS), and valuable information on how to seek federal employment and how to apply for federal jobs. NSEPNET has become an important tool for many federal agencies.

- NSEP employs a full-time professional staff member to work directly with all NSEP award recipients on their job searches. Other members of the NSEP staff and NSEP administrative agents devote considerable time to job placement efforts.
- NSEP has sponsored national forums for Graduate Fellows where they have an opportunity to come to Washington DC and meet with federal agency representatives.
- NSEP has recently implemented a series of introductory sessions for new recipients of Undergraduate Scholarships to introduce them to issues related to their service requirement and finding federal employment.

Service Placement Results. To fully appreciate NSEP's success in job placement and impact on the federal sector, requires a broad and long-term vision. The most immediate return on investment is, of course, the NSEP award recipient who gains federal employment, in the national security arena, immediately following degree completion. As our statistics demonstrate, a substantial number of NSEP award recipients do find federal jobs immediately upon graduation. However, NSEP's contribution to national security should not only be measured by this immediate payoff, nor should it be assumed that completion of the service requirement represents the total contribution to the federal sector. A large percentage of NSEP award recipients express strong interest in longer-term careers with the federal sector. However, job mobility is a critical aspect of the 21st century career. Most professionals will work in no fewer than five different jobs during their career. Many NSEP award recipients will complete their service requirement in the federal government, leave federal service and return at a future date. Others leave to gain new experience with the intent to return to federal service in the future. One Graduate Fellow, for example, taught Geography at the University of Tennessee and is now working at the National Imagery and Mapping Agency. Still others complete their service requirement outside the federal government and join the federal sector, at a later point in their career, with additional expertise. Thus, the statistics on immediate federal job placement do not reflect the overall impact of NSEP on U.S. national security. The outstanding, highly dedicated and motivated undergraduates and graduates will continue to contribute to overall national security in many ways. The challenge we must accept is to identify additional approaches to maximizing the return on investment.

NSEP works on a routine basis with its award recipients when they reach a point where they are seeking employment. Since 1996, when the new service requirement took effect, NSEP has awarded 1011 Undergraduate Scholarships and 564 Graduate Fellowships. Based on estimates of the degree status of these award recipients and accounting for those who are already completing their service requirement, approximately 350 Undergraduate Scholars and 60 Graduate Fellows are actively "in the pipeline" seeking to fulfill their service requirement. Given current placement trends and assuming a relatively stable number of annual awards, these numbers are likely to remain constant. Since 1996, of the Undergraduate Scholars funded by NSEP, 224 have

completed or are completing their service requirement, 203 in the federal government and 21 in higher education. Of the Graduate Fellows funded by NSEP, 196 have completed or are completing their service requirement, 97 in the federal government and 99 in higher education. The rate of placement in the federal government, among Graduate Fellows has increased steadily since 1996 with approximately two-thirds of all Fellows now entering the federal service to fulfill the service requirement.

NSEP collects official data on service by its award recipients through the annually submitted Service Agreement Report (SAR). Because the SAR is required only once each year, our placement data do not reflect all job placements. All NSEP award recipients are asked to provide more timely information on job activities and records are unofficially updated based on these notifications. In addition, numerous NSEP award recipients are in the federal job pipeline, awaiting official security clearance notification. They cannot be counted among federal placements until they notify us that they have officially been hired.⁶ Appendix 4 includes a listing of positions held by Undergraduate Scholars and Graduate Fellows between 1996 and November 2002. These data provide an overall positive evaluation of NSEP placement in the federal sector. Active engagement of NSEP personnel with federal agencies has led to increased success in placement. Agencies that have hired NSEP Scholars or Fellows have, based on their outstanding records, have sought to hire additional NSEP award recipients. Examples include the Defense Threat Reduction Agency, Library of Congress, Department of Commerce (International Trade Administration), and State Department. Numerous federal agencies have testified to the qualifications and performance on these individuals. Based on limited data available to NSEP, we can assert that many NSEP award recipients remain with the federal sector well beyond the duration of their service requirement. Although not part of the program's statutory authority, NSEP is developing approaches to track Scholars and Fellows after they have completed their service by supporting a recently established alumni association.

Through the innovative application of placement efforts, together with aggressive implementation of major recommendations to improve federal placement outlined in Section III, the Department of Defense remains confident that NSEP will achieve even greater levels of success in the coming months and years meeting the national security community needs for professionals with advanced international competencies.

⁶An additional number of NSEP award recipients are serving in positions in the U.S. intelligence community. Due to security requirements, their SARs might not indicate their actual place of employment.

NSEP SCHOLARS AND FELLOWS IN THE FEDERAL GOVERNMENT

The following provides some examples of the contributions made by NSEP Scholars and Fellows to U.S. national security.

NSEP Undergraduate Scholars

A 2000 NSEP Scholar is deployed overseas with the U.S. Army in support of Operation Enduring Freedom. As a criminal justice major at Penn State University – Lehigh Valley, the scholar used his NSEP scholarship to study during the summer at Universidad Central de Venezuela in Caracas, Venezuela.

A 1997 NSEP Scholar is an intelligence specialist with the U.S. Air Force. The Scholar completed her undergraduate studies in comparative politics at the University of Texas at San Antonio, with previous studies at the Defense Language Institute. While enrolled at the University of Texas, her NSEP Scholarship funded study for a year at the American University in Cairo. She is currently fulfilling her service requirement as she continues work related to policy and acquisition matters.

A 1996 NSEP Scholar is a foreign service officer for the U.S. Department of State. As an East Asian international studies major at the College of William and Mary, he used the NSEP scholarship to study for a semester and summer at Beijing Normal University in China. Upon graduating, he completed his service requirement while in Foreign Service officer training. Since completing his training, he has fulfilled a two-year tour of duty as a Foreign Service officer in Syria, and is currently serving a tour in Taiwan. He achieved “advanced” proficiency (level 2) in Chinese.

A 1999 NSEP Scholar is an analyst in the U.S. national security community. As a business major and Chinese minor at the University of California, Riverside, he used his NSEP scholarship to study Mandarin at Beijing Normal University in the summer and fall of 1999. He began completing his service requirement January 2002, and continues to serve in this permanent position.

A 1996 NSEP Scholar is an analyst in the U.S. national security community. A Slavic language and literature major at the University of Kansas, she used her NSEP scholarship to study at the Virtus Institute in Russia in the winter and spring of 1997. With a goal of working for the Department of Defense, she Hood realized that “in the next few years our government will require employees who have lived, interacted and understood the Russian people on a personal level.” She has already fulfilled her service requirement and continues to serve in the federal government through this position.

A 1999 NSEP Scholar is a Middle East military analyst in the U.S. national security community. As a double major in biology and Middle Eastern studies at Emory University, she used the NSEP scholarship to study Arabic at the American University in Cairo, Egypt in the summer of 1999. Using the experience she gained from her NSEP funded study abroad program, she has completed her service requirement and continues to contribute to U.S. national security as an intelligence analyst. She achieved an “advanced-mid” (level 2) proficiency in Arabic.

A 1999 NSEP Scholar is an environmental engineer with the U.S. Department of Energy’s National Nuclear Security Administration. As an engineering major at the University of Massachusetts Amherst, his NSEP scholarship funded his environmental engineering program at

the Indian Institute of Technology in New Delhi, India, for the 1999-2000 academic year. He has fulfilled his requirement and continues to work for the Department of Energy. He achieved an “intermediate-mid” (level 1) in Hindi with no prior study of that language before his NSEP funding.

A 1997 NSEP Scholar is a research specialist with the Federal Bureau of Investigation. She majored in economics at the University of Kentucky and used the NSEP scholarship to study for an academic year at the Beijing Language and Culture University in China. With a goal of working in intelligence analysis and a realization that “good intelligence analysis requires an understanding of how the other party thinks,” she set out to gain knowledge of the Chinese societal mindset and cultural influences that combine to form different points of view. Upon graduation, she accepted an internship on the China Desk at the U.S. Department of Defense. She completed her internship and has obtained a permanent position as an intelligence research specialist with the FBI.

A 1997 NSEP Scholar is a foreign affairs officer at the U.S. Department of State. As a post-Soviet and Eastern European studies major at the University of Texas at Austin, she used the NSEP scholarship at Moscow Linguistic University in Russia to elevate her “speaking abilities and understanding of the Russian culture while concurrently observing the rapid political and economical changes of a country during an extremely critical transition in its foreign policies and economic market.” She completed her service requirement as a foreign affairs officer and continues to serve in this position. Using experience gained from her NSEP-supported study abroad program, she is involved in policy decision-making covering issues such as regional security, nonproliferation and counter-terrorism in the former Soviet Union.

A 1999 NSEP Scholar completed his service as a debriefer for the Defense Intelligence Agency. As an international affairs major at Boston College, he used his NSEP scholarship to study Balkan security issues and Serbo-Croatian for a semester at the Institute for Foreign Students in Sofia, Bosnia. Using experience gained from his NSEP-supported study abroad program, he has worked for the Defense Intelligence Agency as a debriefer, supporting military operations in the Balkans region and interviewing individuals who may have had information relating to a particular locality that would be useful to U.S. military personnel.

NSEP Graduate Fellows

A Graduate Fellow is currently fulfilling her service requirement as an analyst with the Government Accounting Office International Affairs and Trade team. She is currently working on rightsizing issues in the embassies in Senegal, Mauritania, and The Gambia. Her nine-month fellowship took her to Uganda, where she studied the Luganda language. She completed her master’s degree in International Affairs at the Monterey Institute of International Studies.

A Graduate Fellow fulfilled his service requirement and continues to work at the Defense Threat Reduction Agency (DTRA) in the Cooperative Threat Reduction Office, which helps the Russian government improve the safety and security of strategic weapons. He now works in DTRA’s anti-terrorism office, and also took part in operation Enduring Freedom with the Army National Guard. He sought an NSEP Fellowship as a master’s degree candidate at the Fletcher School of Law and Diplomacy at Tufts University in order to enhance his Russian language skills and to learn about the country. As an NSEP Fellow he traveled to Russia, Kyrgyzstan, and Kazakhstan.

A Graduate Fellow is currently putting her knowledge of Russia to work at the Defense Threat Reduction Agency in the Nuclear Weapons Safety and Security office. Her NSEP fellowship provided the opportunity for her to study the agri-business sector in Russia and the country's business climate in general. She was awarded an NSEP Fellowship in 2001 while a student of agricultural economics at the University of Wyoming.

A Graduate Fellow received an NSEP Fellowship in 2001 as a student of international studies at the University of Michigan. The fellowship supported 10 months of study in Cairo on the role of Islamic law on economic development. She is accepting a government position related to her Middle East expertise. She has achieved an advanced-low (2) level of proficiency in Arabic.

A Graduate Fellow works as an Asian analyst at the Defense Intelligence Agency, where he is a specialist in Asian political and security analysis. He was awarded an NSEP Fellowship as a master's degree student in international affairs at the Monterey Institute of International Studies. His NSEP Fellowship supported 14 months of language study and research at Yonsei University in Seoul, South Korea. He also gained critical insights on Korean culture and how the nation sees itself in relation to the U.S. and in the entire geopolitical framework.

A Graduate Fellow works as an international trade specialist at the Commerce Department's International Trade Administration. She received an NSEP Fellowship while pursuing a master's degree in International Relations at the Fletcher School of Law and Diplomacy at Tufts University. Her fellowship supported nearly two years in China, where she studied Mandarin at Beijing University and conducted research on US-China trade policy at the China World Trade Center in Beijing.

A Graduate Fellow works at the Treasury Department's Office of Middle East and South Asia as an International Economist. In this position, she fulfilled her service requirement by monitoring structural reform and market developments in these regions. Her NSEP fellowship allowed her to perfect her Indonesian language skills and study Indonesia's rural banking sector over a one-year period. She graduated with a master's degree in economics from Johns Hopkins School of Advanced International Studies and achieved an advanced-high level of proficiency in Indonesian.

A Graduate Fellow is currently a program officer in the State Department Bureau of International Narcotics and Law Enforcement Affairs, Afghanistan and Middle East Bureau. She traveled to India and Pakistan as an NSEP Fellow to study the conflict between the two countries and to perfect her Hindi language skills. Upon graduating from Syracuse University, she became an Afghanistan analyst for the State Department's Bureau of Intelligence and Research, which fulfilled her service requirement. She subsequently worked on UN peacekeeping missions in Africa, the Middle East and Central Asia.

The federal government faces a serious human capital crisis in the coming decade. The *Partnership for Public Service* has reported, "in the next five years more than half the federal workforce could be eligible to retire. The government is filled with competent,

talented people. But we need to make sure that we are drawing from the largest talent pool available. If nothing is done to bring talented, mid-career professionals into federal service, government will face a serious skills gap in the near future.”

Federal agencies have been slow to respond to this impending crisis and the federal hiring process has remained cumbersome and difficult to penetrate from the outside. The Partnership, again, cites that “professionals from outside of government were unable to apply for nearly half of the vacant mid-level civil service jobs in 2001, the study found, since 47 percent of all federal job vacancies at this level were not open to outside competition. In 2000, only 13 percent of mid-career hires were candidates who did not already hold federal jobs.” The lack of competitiveness in federal salaries coupled with negative images of lack of advancement opportunities has further handicapped federal agencies. . In addition, the security clearance review process may take 12 to 18 months.

A primary objective of NSEP is to overcome these obstacles by identifying, recruiting, training, and successfully placing highly talented professionals, with skills vitally needed by the federal sector, to work for the federal government, particularly in the national security arena. The federal national arena is both broad and deep. It touches many agencies across the federal spectrum as evidenced by the composition of the newly created Department of Homeland Security. President Bush, in his 2002 National Security Strategy Report to Congress, cites the importance of issues that include such threats as international disease (AIDS) and the importance of the Peace Corps. NSEP’s efforts are directed toward insuring that the maximum number of Scholars and Fellows make an effective contribution to U.S. national security.

NSEP aggressive placement efforts, both with its post-1996 award recipients and federal agencies, are yielding increasingly impressive results.⁷ More than 300 federal positions have already been secured by NSEP award recipients in agencies including the Department of Defense, agencies of the intelligence community, Departments of Commerce, Energy, State, and Treasury. NSEP’s federal service requirement and placement efforts have served as a model for other programs to attract the types of high level professional expertise needed by the federal government. **Continuing and expanding success in federal placement will require a commitment to innovation and change both within the NSEP structure and in federal hiring practices.**

C. NSEP Support to Institutions of Higher Education.

NSEP Grants to Institutions of Higher Education, consistent with the mandate of NSEP legislation, have supported projects offering innovative approaches to increasing the quantity, diversity, and quality of learning opportunities related to languages, cultures, and regions of the world critical to U.S. national security. Based on careful review of the status of foreign language instruction and international education in the U.S., the NSEP has provided grants for the development of needed language-related

⁷ NSEP award recipients in both 1994 and 1995 incurred a different service requirement obligating graduate students to work anywhere in the federal government or in the field of education as well as undergraduate students who received at least 12 months of NSEP support.

materials and resources, and supported programmatic approaches to internationally oriented curricula and corresponding study abroad. These have made a profound and sustainable impact on numerous institutions of higher education throughout the U.S.; created changes in the way that students, faculty, and administration participate in and view international education and less-commonly taught languages; and contributed to the development of a national capacity in international education.

From 1994 to 2002 the NSEP Institutional Grants Program considered more than 1300 preliminary and 276 final proposals from U.S. institutions of higher education for projects designed to improve opportunities for U.S. students to study languages and cultures critical to national security. Since 1994 NSEP has funded 62 programs committing more than \$18 million to efforts that have had far reaching impact on at least 400 colleges and universities throughout the U.S. NSEP grantees have developed language learning materials and expertise among students and faculty in 70 less-commonly studied languages (including Arabic, Chinese, Hindi, and Persian), all non-Western areas of the globe (Africa, Asia, Eastern Europe, the Near East, Latin America), and all major fields of study critical to U.S. national security including science, engineering, law, and medicine. Grantees also represent a diverse set of higher educational institutions including six minority-serving institutions (4 Historically Black Institutions, 2 Hispanic-serving institutions), two community colleges, and four liberal arts colleges.⁸ Furthermore, seven grants projects have focused on improving the participation of minority students and science and engineering students in overseas experiences.

Concrete examples of several NSEP-supported projects include:

1. Montana State University provided distance-based instruction in Arabic to college students throughout the United States followed by one or two semesters of continued language and culture study at Al-Akhawayn University in Morocco.
2. The University of Illinois at Champaign-Urbana is leading a project with Carnegie Mellon University and the University of Georgia at Athens focused on arms control, disarmament, and international security through content instruction related to Pakistan and India, language and culture instruction in Hindi, and overseas study in India.
3. Brigham Young University is developing web-based instructional language and culture materials in Arabic, Hindi, Korean, Spanish, Swahili, and Ukrainian.

D. Transitioning to Advanced Language Programs: National Flagship Language Initiative. NSEP has, since its inception, continually examined and reexamined its role in the federal sector and in higher education in order to maximize the return on investment. After extensive consultations with national security agencies in the federal government and based on feedback from NSEP award recipients, NSEP concluded that more could and should be done to produce higher proficiency levels in critical languages in the United States. In September 2000, the Director of NSEP was invited to testify to

⁸A significant number of diverse institutions served as partners with NSEP grantees including 22 minority- serving institutions, 30 two-year institutions, and 22 partner liberal arts/four-year institutions.

the Senate Committee on Governmental Affairs during hearings on *The State of Language Capabilities in National Security and the Federal Government* (September 19-20, 2000). This testimony included a recommendation to begin a major effort, the *National Flagship Language Initiative (NFLI)*, designed to develop programs in key U.S. universities designed for higher levels of language proficiency in critical languages. NSEP began focusing a portion of its grant resources on the development and implementation of pilot programs that directly support this goal.

NFLI represents the nation's first effort to develop programs in higher education designed to achieve competence at the superior level in languages critical to national security. Responding to a renewed national imperative for advancing proficiencies in languages critical to U.S. national security, NSEP began focusing a portion of its grant resources to the development and implementation of pilot programs that directly support this goal and engaged the National Foreign Language Center (NFLC) at the University of Maryland as its partner in executing this agenda.⁹ Together with other new and important investments in research and technology, virtual translation, and computer-assisted learning, *NFLI* represents an integral and vital investment in human capacity.

In October 2002, with the unanimous endorsement of the National Security Education Board, NSEP announced a formal and complete transition of its current program of institutional grants to focus directly on serious national deficiencies in advanced language competency in the U.S. NSEP is currently embarked upon the accelerated implementation of a pilot National Flagship Language Initiative (*NFLI*). *NFLI*'s major goal is to focus on (1) critical languages; (2) a reliable stream of competent language professionals certified at the level 3 (superior); and (3) the federal workforce. In 2001, a review of leading language programs by the NFLC revealed that only a very few higher education institutions in the U.S. were capable of developing curriculum and programming to the 3 level. NSEP, in close cooperation with the NFLC, has begun the pilot effort by identifying four major U.S. flagship institutions:

- University of Washington and a coalition of overseas and domestic programs in **Arabic**;
- Brigham Young University in **Mandarin Chinese**; and
- University of Hawaii and UCLA in **Korean**.

The new pilot grants were awarded after a merit review process conducted by NFLC between April and July 2002. NFLC, together with a panel of language experts, reviewed more than 15 proposals for programs in six different languages. NFLC is currently working closely with each institution to refine project direction and final funding levels. The first year of the program focuses on curriculum design and development as well as diagnostic testing. NSEP has targeted summer and fall 2003 for enrollment of first students in the pilot programs. These will include a limited number of NSEP-designated fellowships for outstanding students who will join the federal government upon successful completion of the language program.

⁹ Additional information on the National Foreign Language Center at the University of Maryland is included in section D.

NSEP and NFLC have begun preliminary discussions on additional flagship languages, including Persian, Hindi, Russian, and Turkish. However, significant additional funding will be required both to add these languages and to expand the capacity in Arabic, Chinese, and Korean.

E. Assessing NSEP'S Cost Effectiveness

NSEP's programmatic and administrative expenses are derived from the National Security Education Trust Fund. The Trust Fund was established by Congress as part of the David L. Boren National Security Education Act of 1991. Although the Trust Fund was designed to support all program activities, primarily from interest earned, Congressional reductions in the corpus, made during 1994-95, have caused NSEP to draw down the balance of the fund. Appendix 5 includes the most recent valuation of the Trust Fund. Based on current expenditure levels of \$8 million per year the Trust Fund will be depleted no later than the end of Fiscal Year 2005. NSEP is a highly accountable program that routinely and systematically tracks all programmatic and administrative obligations and expenditures. Section IV of this report provides additional details of the current status and holdings of the National Security Education Trust Fund.

Program Costs. Since 1997 NSEP has annually allocated approximately \$5.5 million per year to its undergraduate scholarships, graduate fellowships and institutional grants. During FY 2002 NSEP committed \$1,836,832 to 194 Undergraduate Scholarships (average of \$9,468 per award), \$1,516,860 to 90 Graduate Fellowships (average of \$16,854 per award), and \$1,578,159 to 6 institutional grants. An additional \$260,000 was allocated to support "option years" of previously awarded institutional grants.¹⁰ The remaining \$308,000, taken from institutional grants funding, was instead committed to efforts in support of the pilot National Flagship Language Initiative. Fiscal Year 2003 funding projections are similar for Undergraduate Scholarships and Graduate Fellowships. However, most of the approximately \$2 million in institutional grants funding will be made available to advance efforts to implement pilot National Flagship Language Initiative efforts in Arabic, Chinese, and Korean while funding preliminary planning efforts in at least one additional language (Persian/Farsi or Turkish).

Administrative Costs. NSEP receives no Department of Defense appropriated funds to support its administrative operations. All administrative expenses, including salaries and benefits of staff, office rent, ADP expenses, printing, contract services, and other costs are paid from the Trust Fund. NSEP, unlike most appropriated programs, maintains, evaluates and reports administrative expense information including salaries and benefits of staff, office rent, ADP expenses, printing, contract services, and other costs.

NSEP is administered by a small staff of five permanent employees including a Director, Deputy Director, Management Analyst, Secretary, and Administrative Assistant. The NSEP Director and Deputy Director oversee the entire conduct of the program, establish guidelines for the application and awards process, review all regulations and procedures, manage the federal service placement process, and review all Service Agreement Reports. The Director and Deputy Director also represent NSEP within the federal government and in higher education. The Management Analyst

¹⁰ Each Institutional Grant awarded by NSEP after 1998 included a provision for third and fourth year funding for project dissemination and sustainment. These years were specified as "option years" and funding was reserved pending the submission to NSEP of an acceptable plan for these tasks.

oversees the entire NSEP administrative effort that includes, among other tasks, ADP, contracting, printing, financial management and general office support. The one full-time secretary is responsible not only for everyday administrative duties but arranging for travel and reimbursement for NSEP staff as well as NSEP Board and Advisory Group members. The staff is augmented by two temporary hires: one is currently overseeing the NSEP Institutional Grants program and the other collects and analyzes all information related to federal service. The NSEP staff, originally authorized at fifteen in FY 94, has overseen an aggressive and effective program. The staff not only performs overall administrative and management tasks for the program but also administers the Institutional Grants program as well as managing the federal placement effort.

NSEP's efforts are supported by two nonprofit organizations – the Institute of International Education (IIE), and the Academy for Educational Development (AED) -- that administer the Undergraduate Scholarship and Graduate Fellowship programs, respectively, under contract to NSEP. Both IIE and AED have worked with NSEP since 1994 and their outstanding performance is an integral component of NSEP's success. These two organizations perform important work for NSEP that includes: (1) providing an invaluable buffer between the Department of Defense and student award recipients that protects the integrity of the program and avoids direct association between award recipients and the Department of Defense while students are studying abroad; (2) managing the entire application and award process; (3) issuing prompt payments to award recipients during their study programs; (4) providing advice and consultation to award recipients during their programs including potential evacuation plans should conflicts occur in their regions of study; and (5) monitoring and evaluating award recipient performance during their study programs and during their service requirement periods. It should also be noted that each organization not only awards and monitors the current scholarship and fellowship award recipients, but oversees the progress of hundreds of prior award recipients as they work toward degree completion and compliance with the service requirement.

NSEP has routinely assessed the requirement for two contractors to oversee these efforts. It has been determined that marginal savings, if any, would be achieved from merging the effort to one contractor. Most of the costs associated with these efforts are labor intensive and there would be few economies, in personnel, from merging the two programs with one contractor.

This section provides a detailed overview of the workload and tasks of each contractor to administer the program.

The **Institute of International Education** (IIE) administers the Undergraduate Scholarship program with two full-time and three part-time employees. The staff administers a program to recruit students, respond to thousands of inquiries, process hundreds of applications, and conduct a thorough, three-tiered merit review process to select scholars of high academic achievement committed to the goals of the program and to maintaining America's security. IIE staff nurtures and maintains the active support of hundreds of campus representatives, who promote the program on campus. IIE staff provides counseling and insight to student applicants directly on campus, as well. Between September and November 2002, IIE staff visited 38 campuses and met with 280

potential student applicants and dozens of campus administrators and faculty. IIE regional centers also contribute to the NSEP outreach and selection efforts.

Following the selection process, IIE staff reviews study abroad program cost information and student financial need to determine appropriate individualized scholarship amounts. While labor intensive, individualizing scholarship awards allows more students to participate in the program at less cost to the federal government, ensuring that government funds are leveraged by other funds. On average, NSEP provides about two-thirds of the cost of each award recipient's study abroad program.

IIE notifies each scholar of the award and outlines the program's terms and conditions. Before any scholar receives a check, IIE ensures that the scholar has signed the terms and conditions and agrees to the service requirement and language testing conditions. IIE collects proof of citizenship, academic status, insurance, and acceptance into the study abroad program. IIE also ensures that scholars comply with the Fly America Act.

IIE sets scholarship distribution and reporting schedules, and monitors scholars closely while they are abroad. Because academic calendars vary across the globe, and because scholars embark on their programs throughout the year, each payment schedule is individualized. Undergraduate scholars are required to submit preliminary, interim, and final reports. IIE also requires scholars to provide contact information for themselves and a program representative in-country, so that they can be reached in an emergency.

In order to promote longer periods of study, NSEP encourages scholars who originally are awarded a scholarship for a semester to consider remaining abroad for an entire academic year. Scholars request extensions throughout the year. IIE reviews the requests, and often seeks additional information on the academic and language program of study. As programs are extended, IIE recalculates award amounts, distribution schedules, and reporting requirements.

IIE plans and conducts orientations and awards convocations for all recipient scholars and interested parents. In 2002, four IIE-convened convocations across the country included information to prepare the scholars for an academic experience outside the United States; health and safety information for travelers abroad; and a session on the NSEP service requirement, which included presentations from NSEP alumni currently serving in the federal government.

IIE facilitates pre- and post-program language testing for all scholars, serving as a liaison between the scholars and Language Testing International. IIE is in contact with all scholars prior to and following their study abroad program to monitor compliance.

In addition to serving the 194 scholarship recipients during the grant year, IIE also administers the NSEP's Service Agreement Reporting process for more than 600 program alumni who have not completed their service. Each year IIE mails Service Agreement Report forms to program alumni who owe service. To facilitate this required process, IIE staff must research alumni contact information, and constantly update alumni databases. The SAR reporting process is not a once a year enterprise; they are submitted

on a rolling basis. In addition, IIE works with the NSEP Office to provide support to alumni seeking federal employment.

IIE develops and maintains electronic data and print information to serve the program. Application guidelines and materials are reviewed each year to ensure that the application process identifies students according to NSEP objectives. IIE maintains a state of the art database to track applicants, recipients, alumni, program sponsors, and participating universities. IIE has also developed a user-friendly on-line application system in conjunction with the database, to promote the program to the largest number of possible applicants, and to ensure efficient application processing and administration.

The **Academy for Educational Development (AED)** administers the NSEP Graduate Fellowship program, engaging a dedicated staff in a wide range of activities that carry through every aspect of the program. The four full-time and two part-time staff who comprise the NSEP/AED team work to ensure that the program is recognized as an outstanding opportunity for graduate students to develop international competencies and that the NSEP Graduate Fellows maximize the benefits of their fellowship experience.

The administration of any fellowship program is labor intensive; the NSEP Graduate Fellowship Program is especially so. AED is responsible for conducting the technical and merit review of all eligible applications, typically about 300 per year. Because the Graduate Program targets students from as many as 30 different disciplines each year, the merit review process requires that the composition of the review committees must be equally diverse and wide-ranging. The merit review process is two-tiered, with a first level review by academics and practitioners covering the applicant pool, and a second level review by a national panel with expertise in a range of disciplines and areas of the world. The recruitment of these review committees is labor intensive. AED staff facilitate the review meetings, working with the panelists to assure a diverse finalist pool that responds to the program's priorities.

Because graduate students typically develop their own individualized programs for NSEP funding, AED staff are in frequent conversation with students, advising them during the application process and supporting them throughout their fellowship experience. Each year, AED receives over 2,000 phone calls and e-mails requesting information about the program and asking specific questions about eligibility and application procedures. Once fellows are selected, AED informs all applicants of the award decisions in writing. AED sends the 90 award recipients an award package that includes the terms of the fellowship and orientation materials for the program. In addition, AED staff review each awardee's budget and decide on the final amount the awardee is to receive.

AED advises students throughout their fellowship experience, monitors their compliance with program requirements, and disburses their fellowship funds. The service requirement necessitates a significant level of staff support, as AED works to ensure that each Fellow understands and complies with the terms of the service requirement. NSEP Graduate Fellows are required to submit an annual report on their service agreement compliance. There are some 350 Fellows who are required to submit service reports at any one time, a process that AED tracks, sending reminders when

necessary. AED also manages the disbursement of funds to the approximately 250 Fellows conducting their programs at any one time. Disbursements are made three times a year, through electronic deposits directly to the Fellows' designated bank accounts. In the event a Fellow defaults on his/her NSEP obligation, whether by failing to complete the degree work or comply with the service requirement, AED handles the Fellow's repayment of the fellowship monies.

The ongoing monitoring of Fellows is also intensive, as staff are in contact with an average of 10 Fellows each day about their current program, changes they might wish to make, questions about conditions within certain countries, and ensuring their compliance with required progress and final reports. Graduate Fellows' programs take them to unusual locations throughout the world, without a local support structure or an institutionally organized program. AED therefore monitors them more closely, and is alert to any events that might cause concern regarding a student's safety. In the event of a political disturbance or natural disaster in a particular country, AED is in contact with all Fellows who are in that country to develop contingency plans.

AED is responsible for maintaining contact with each student until he/she has fulfilled the service obligation. Graduate fellowships are awarded over a two-year period, and graduate students stay in the pipeline far longer while completing their programs. At any given time, therefore, AED is actively monitoring some 600 students.

Each NSEP Fellow is required to take language proficiency tests prior to and subsequent to the Fellow's NSEP-supported language study. AED is responsible for contacting each Fellow to ensure that he/she has taken all tests, and AED is the liaison with Language Testing International, which administers the tests.

AED designs and conducts the annual symposium of NSEP Boren Graduate Fellows, an event for Fellows who have recently completed their programs. Approximately 50 Fellows and representatives from the federal government and higher education convene for a two-day meeting in Washington, where Fellows discuss their work and are introduced to career and employment opportunities with the federal government. AED makes the programmatic, travel, and logistical arrangements for this meeting. The symposium is also essential to the establishment of an alumni network, which is now in its formative stages. AED maintains a listserve of NSEP graduate alumni and works closely with the new NSEP Alumni Association, sending out invitations to events and notifications of meetings to some 250 Fellows who have completed their service.

AED also plays an extensive role in education and outreach about the NSEP program. This begins with designing and disseminating program announcements and application materials, in both print and electronic formats. AED distributes over 9,000 program announcements and 5,000 application forms annually. Staff also communicate extensively with hundreds of colleges and universities to ensure that they understand program policies and the application process. During October and November 2002, AED staff visited 35 universities and met with over 400 potential applicants, campus administrators, and professors. Staff also attend and make presentations at a wide variety

of professional meetings, including those of the area studies associations and meetings of international educators and the higher education community.

As administrator of the graduate program, AED prepares material for the NSEP Board and Advisory Group on each cohort of award recipients, the overall demographics of the program, and other information that would help to inform their deliberations.

NSEP is also working with the National Foreign Language Center, University of Maryland to implement the National Flagship Language Initiative (NFLI). The NFLC is the nation's leading policy institute working in the assessment of national language requirements and in developing innovative solutions to meet these language requirements. Founded in 1986, the NFLC has developed a comprehensive network of expertise in second language acquisition at advanced levels, advanced distributed learning, less commonly taught languages, and national language needs and requirements as they relate to national security, economic competitiveness, and social welfare.

The NFLC has published several analyses of language and national security, has worked regularly with executive branch agencies on language requirements, and has extensive, in-depth experience in research on advanced second language acquisition. Through its projects, the NFLC has worked with more than 500 campus-based language programs nationwide. In addition to the NFLI, NFLC activities include: *LangNet*, the Language Network, an internet-based language learning support system; the *EELIAS Project*, a system to gather data on and to assess the contribution of Title VI of the Higher Education Act in strengthening national foreign language capacity, and the *National Council of Organizations of Less Commonly Taught Languages*, which brings together the nation's teachers of more than 30 critical languages. Working with the NSEP, the NFLC has administered two previous contracts related to the NFLI. The first, in 1999 – 2000, was a feasibility and design study for the production of FILR 3-level graduates in critical languages from the nation's universities. This contract resulted in a comprehensive design for the NFLI as well as a set of campus feasibility studies. The second, from 2000-2002, was a collaborative effort with UCLA and the University of Hawaii to develop sound research findings and diagnostic procedures for student placement into flagship language curricula. That contract produced a comprehensive set of research studies on the affective, cognitive, and linguistic variables relevant to student selection and placement and curricular design for flagship language programs.

NSEP efforts are also supplemented by two additional contracts to provide additional expertise for federal job placement and to develop and manage the NSEP service placement website (NSEP-NET).

NSEP maintains detailed records of obligations made against the Trust Fund as well as disinvestments made from the Fund for program and administrative expenses. Table 1 provides a summary of major NSEP program and administrative costs during Fiscal Year 2002:

| Program Costs | Unadjusted | Adjusted* |
|--|--------------------|--------------------|
| Undergraduate Scholarships | \$1,836,832 | \$1,934,977 |
| Graduate Fellowships | \$1,516,860 | \$1,626,310 |
| Institutional Grants | \$1,578,159 | \$1,578,159 |
| Institutional Grants/Option years | \$ 260,000 | \$ 260,000 |
| NFLI Planning Grants | \$ 418,000 | \$ 418,000 |
| Total Program Costs | \$5,609,851 | \$5,817,446 |
| Administrative Costs | | |
| NSEP Salaries and Benefits | \$ 590,000 | \$ 590,000 |
| NSEP Rent | \$ 110,000 | \$ 110,000 |
| NSEP Travel & Transportation | \$ 80,000 | \$ 80,000 |
| NSEP Printing and Supplies | \$ 80,000 | \$ 80,000 |
| Undergraduate Scholarship Administration | \$ 625,000 | \$ 526,855 |
| Graduate Fellowship Administration | \$ 615,000 | \$ 505,550 |
| Flagship Pilot Administration | \$ 125,000 | \$ 125,000 |
| Other Contracts | \$ 175,000 | \$ 175,000 |
| Total Administration | \$2,400,000 | \$2,192,405 |
| Total Program + Administrative | \$8,009,851 | \$8,009,851 |
| Total Administrative as a percent of total NSEP | 29.96% | 27.37% |

***Unadjusted program and administrative expenses include costs legitimately characterized as “program costs” for tasks such as merit-review panels, scholar and fellow orientation meetings and symposia. Programs similar to NSEP ordinarily identify and categorize these costs as “programmatic,” not “administrative.” The adjusted totals account for estimated amounts reallocated from administrative to program: \$98,145 for Undergraduate Scholarships and \$109,450 for Graduate Fellowships.**

NSEP’s “overhead” rate is only appropriately calculated for the program as a whole. Each of the contractors contributes to all areas of program development and there is significant overlap across program efforts. For example, the Institute of International Education, in its outreach programs, provides information on Graduate Fellowships; the Academy for Educational Development does the same for Undergraduate Scholarships. Both contractors also work extensively on programmatic issues such as language testing and service requirement monitoring and performance. NSEP staff and administrative expenses are allocated across all three program component areas as well as general program management and administration.

NSEP has routinely compared its administrative structure and costs with similar programs. Three programs provide an important basis for comparison: Barry M.

Goldwater Scholarship Foundation, Harry S. Truman Scholarship Foundation, and the Morris K. Udall Foundation. The missions and objectives of each of these three Foundations are comparable to NSEP. The table below provides a summary of each of these Foundation’s financial reports for 2002. Program and administrative costs have been aggregated into categories to facilitate comparison. Because disaggregated data are not available for other programs, there are no adjustments made to administrative or program costs.

| | Goldwater Foundation | Truman Foundation | Udall Foundation | NSEP |
|---|----------------------|-------------------|------------------|---------------|
| Scholarship, Fellowship Awards | \$2,600,000 | \$1,426,037 | \$ 718,493 | \$5,609,851 |
| Personnel Costs | 568,072 | 341,392 | 163,986* | \$ 590,000 |
| Rent, Travel, Printing, Other | 209,952 | 283,963 | | \$ 270,000 |
| Consulting & Other Services | 66,237 | 347,407 | 271,675 | \$1,540,000 |
| Total Administrative Costs | 844,261 | 972,762 | 435,661 | 2,400,000 |
| Administration as a percentage of program total | 24.5% | 40.6% | 37.8% | 29.96% |

*The Udall Foundation annual report does not include further breakdowns of administrative costs.

NSEP’s administrative expenses compare favorably to these three similar organizations. NSEP’s administrative requirements are significantly more labor intensive than any of these three organizations, involving monitoring of hundreds of student programs abroad and implementation of an extensive effort to place award recipients in federal positions. The comparison demonstrates that, in spite of these considerable tasks, NSEP’s administrative expenses are considerably less than two of three comparable organizations.

SECTION III. RECOMMENDATIONS FOR PROGRAM MODIFICATION AND ENHANCEMENT

NSEP has been anything but a static enterprise since its inception in 1992. It has routinely adjusted to changing priorities for languages and areas for program emphasis. It has recruited consistently high quality students across a diverse array of U.S. colleges and universities, supporting innovative efforts in study abroad and language acquisition, and pursued new avenues to federal employment. NSEP has established an outstanding reputation within the federal sector and with U.S. higher education community and has received praise for its innovative and aggressive efforts. NSEP has received strong support throughout the federal sector, and its award recipients have already made significant contributions to the missions of organizations ranging from the Departments of Commerce, Defense, Energy, State, and Treasury, to NASA, USAID, and the intelligence community.

Major changes in many aspects of the program, from application guidelines, to areas and languages for program emphasis, to language proficiency certification and federal service requirements, were implemented during 1997. These modifications have been routinely analyzed and adjusted to improve program performance. During 2001, NSEP initiated a follow-up review of all program elements and has developed a performance plan to include recommendations to implement extensive modifications and refinements. The recommendations are grouped in several categories and will be outlined in detail in this section:

- A. Refining the undergraduate scholarship and graduate fellowship application and award process
- B. Modifying the NSEP Service Requirement
- C. Modifying the NSEP Federal Placement Process
- D. Implementing an aggressive National Flagship Language Initiative

A. Refining the Undergraduate Scholarship and Graduate Fellowship Application and Award Process

NSEP has developed and refined a recruitment, application, and application review process that annually yields an extraordinary group of award recipients. Based on an internal program review during 2001-2002, NSEP has focused on a number of recommendations to further improve upon both the targeting of valuable program resources and the quality of programs of study supported by its funding.

A.1 Focusing NSEP resources on languages and areas most critical to U.S. national security. NSEP has, since 1995, annually surveyed the national security community to identify critical countries, languages, and fields of study. Application guidelines include these areas of emphasis and stress their importance in the application review process. NSEP strives to balance several language needs. A significant investment should be made in those languages and world regions where both current and

long-term needs are clearly established (e.g., Arabic, Chinese, Korean, Russian). An additional investment should be made in languages currently identified as critical. It should be recognized that these needs change over time. Finally, an investment should be made in languages that may be critical in the future. Clearly, a major failure on the part of the federal government and identified in numerous federal reports has been the lack of investment in expertise that may be needed in the future.

In order to address these two objectives, NSEP aims to focus approximately 75 percent of its student-funding resources on the ten languages (and associated cultures) currently identified by the national security community as most critical. These languages were recently identified based on input from the Departments of Commerce (International Trade Administration); Defense; State; the National Intelligence Council, and the FBI. In alphabetical order these languages are: Arabic (plus dialects), Chinese (Mandarin), Dari, Farsi, Hindi, Japanese, Korean, Pashto, Russian, Turkish, Urdu. The remaining 25 percent of NSEP student-funding resources will be devoted to other languages and world regions that are identified by the national security community as currently or potentially important.

An analysis of current funding patterns indicates that approximately 60 percent of NSEP resources are already focused on these languages. Consequently, the application review process for 2003-2004 awards will include instructions to merit-review panels to work toward the 75 percent objective in their award decisions without, however, compromising the quality or integrity of the review process.

A.2 Promote full academic year study programs for NSEP Undergraduate Scholars. Section I of this report noted that more than 50 percent of NSEP Undergraduate Scholars enroll in full academic year study abroad programs. Compared with trends to shorter periods of overseas study within the general student population, NSEP remains dedicated to supporting undergraduate students whose programs are rigorous and intensive and result in higher levels of language and cultural proficiency only gained through longer periods of study abroad. NSEP will continue to seek to fund an increasing number of undergraduates who study abroad for the full academic year, working toward a 75 percent goal. NSEP remains constrained, however, by the lack of high quality, full academic year study abroad programs in many countries. NSEP will work closely with the U.S. study abroad community to stress the importance of full academic year study coupled with rigorous and intensive language immersion components. The application guidelines for 2003-04 will continue to stress the emphasis on full academic year study and, in the review process, merit-panels will work toward the 75 percent objective in their award decisions without, however, compromising the quality or integrity of the review process.

This recommendation will also impact the length of NSEP service requirement. With longer periods of study abroad, more NSEP undergraduates will incur longer periods of service.

A.3 Revise Graduate Fellowship Application and Merit Review Process to further emphasize the importance of Federal Service. The current NSEP recruitment,

application, and merit-review process stresses the importance placed by the program on the intent of award recipients to work for the federal government. During the last five years, NSEP has increasingly attracted applicants who are motivated by the opportunity to work for the federal sector. Moreover, in its program review NSEP has identified strategies to move more aggressively in this direction by requiring more definitive responses in the application to questions about identifying agencies for service and more detailed essay questions about career plans.

B. Modifying the NSEP Service Requirement

The current service requirement was established by modifications to the NSEA in 1996 that were directed at strengthening the federal service component of the requirement. A review of these modifications suggests that additional procedures should be put in place to streamline the requirement and channel even more Scholars and Fellows toward the federal sector.

B.1 Reduce period of time during which Undergraduate and Graduate service is satisfied. Current provisions of the Boren Act provide that Undergraduate Scholars must begin completion of their service within 8 years from the completion of their NSEP study abroad program and Graduate Fellows within 5 years from date of degree completion (or termination of graduate studies). Data and experience gathered by NSEP since the implementation of this requirement shows that Scholars and Fellows prefer to address the service requirement as soon as possible after degree completion. NSEP has begun to initiate a number of practices that encourage Scholars and Fellows to begin their federal employment searches as early as possible in their education. More proactive efforts on the part of NSEP to assist in job placement are already resulting in earlier completion of the requirement. Continued efforts in this direction are likely to accelerate this trend.

B.2 Deferral of Service

NSEP also proposes to channel more Undergraduate Scholars to graduate programs that continue their international curriculum, including language study. **Undergraduate Scholars may defer their service if they enroll in graduate school to include some continuation of study of the language and culture supported by NSEP.** The effect of this practice will support streamlining of the placement process by moving undergraduates either directly into the placement mode or encouraging them to further their education and then enter the job market. This also supports the NSEP pipeline concept, where investments are made in expertise at important stages of the NSEP funding process. NSEP will also encourage Undergraduate Scholars to seek NSEP Graduate Fellowship support.

B.3 Expand options, outside of federal government, for fulfillment of service requirement. The current provisions of the Boren Act provide that NSEP Scholars and Fellows can complete their service requirement by working in the field of higher education (in an area related to their NSEP supported study) if they satisfy a good faith effort to seek federal employment and fail to find a federal job. While there is strong reason to continue to support work in higher education as one option to fulfill the

requirement, other secondary options should also be made available. Emphasis clearly remains on federal employment. Accordingly, within the definition of federal service and consistent with the NSEA, students should be allowed to seek employment with organizations that provide direct support to the federal government, especially contractors whose work is specifically dedicated to U.S. national security. This is particularly important as the federal sector continues to move toward privatization of critical functions. A current example might be working with a federal contractor on Iraqi reconstruction efforts.

B.4 Create Additional Federal Service Options for Scholars and Fellows. The clear intent and objective of NSEP is to fund U.S. students who will join the federal government and contribute to U.S. national security. Until December 2002, the service requirement provision stipulated that award recipients must first seek employment in a federal organization involved in national security and then, as a second priority, in higher education. This provision was impractical and disadvantageous to the federal government. It resulted in the loss of important talent if the award recipient was unable to find a position in national security. In December 2002 the NSEA was modified to provide an additional option for NSEP Scholars and Fellows: should they not be able to identify a national security position in the federal sector during a reasonable period of time, they can now satisfy the requirement anywhere in the federal government. This modification will become effective during 2003 and will insure that a vastly increased percentage of NSEP Scholars and Fellows contribute to broader federal service. It is not intended to dilute the pool available for national security positions but to strengthen the overall federal workforce. Furthermore, with the ongoing efforts to develop a federal skills registry and the potential for a Civilian Linguist Reserve, NSEP is anxious to work within the federal system to insure that all valuable language and area skills, within the system, are an asset to the system.

This recommendation was incorporated into the Homeland Security Act of 2002 (P.L. 107-296) and is currently being implemented by NSEP.

Two additional recommendations address longer-term solutions to the inability of the federal sector to identify and mobilize expertise in critical languages and cultures. These recommendations, if implemented, will assist in developing and maintaining core competencies in languages and cultures available to the federal sector on an “as needed” basis. They will also insure that the federal investment represented by NSEP and other programs results in the development of human resources that serve the national interest.

B.5 Create a Volunteer Service Corps. Recommendation B.3 referred to the importance of developing mechanisms whereby all NSEP Scholars and Fellows could make an important contribution to our national security. NSEP recommends that a Volunteer Service Corps, modeled on the smaller but highly effective **Global Expertise Reserve** program, developed by the National Intelligence Council, represents an approach to making valuable expertise available and accessible by the federal government. NSEP Scholars and Fellows would be given an option to enroll in a Volunteer Corps where they would receive basic clearances and in return make themselves available to the government for short periods of time. This recommendation,

coupled with the Civilian Language Reserve, outlined in B.6 below, represent innovative longer-term approaches to insure that the national security community will have access to the best expertise available where and when it is needed.

B.6 Establish a Civilian Language Reserve. The Civilian Language Reserve, referenced by Congress in P.L. 107-306, the Intelligence Authorization Act of 2002, would provide for NSEP award recipients, among others, with advanced level competencies in critical languages to make themselves available to the federal government when this expertise is required and not available. Consistent with the requirements stated in P.L. 107-306, NSEP will continue to seek to develop approaches that provide the federal sector with more immediately available expertise that is generally not available. NSEP will also work closely with the Defense Language Institute to develop approaches to maintain language skills among reservists.

C. Modifying the Federal Placement Process. The NSEP federal job placement enterprise is a highly hands on and labor intensive effort. Like most employment searches, opportunities are created when talented individuals know how to identify and apply for positions. Unfortunately, the federal hiring process is unique and knowledge gained from job searches in other sectors does not necessarily apply to the federal environment. NSEP's assistance in working with both the federal sector and its award recipients is vital in insuring a successful placement record. NSEP is currently implementing a number of procedures and "best practices" to improve upon the placement of Scholars and Fellows in the federal sector:

1. Provide more in-depth advice and information to NSEP award recipients on federal job searches. NSEP will work more directly with all of its award recipients to assist in the job search, prepare applications, and follow-up on positions.
2. Develop an alumni network for NSEP Scholars and Fellows that will promote closer interaction between current NSEP award recipients and NSEP alumni who are working for the federal government.
3. Provide enhanced information on security clearance issues for NSEP award recipients to ensure that they are more likely to receive clearances without problems created by their extensive overseas experiences. NSEP award recipients present extraordinary credentials for federal employment including competencies in critical cultures and languages. However, their overseas experiences and contacts sometimes mitigate against them in the security clearance process. NSEP will work closely with Scholars and Fellows to advise them on records they should keep in order to expedite the clearance process.
4. Work with individual federal organizations to establish permanent positions for NSEP award recipients. A pilot initiative is being established at National Defense University and other opportunities are under discussion in the Departments of Defense, Commerce, Energy and State.
5. Develop tailored recruitment initiatives by creating opportunities for NSEP Scholars and Fellows to meet with federal recruiters.

D. Implementing an Aggressive National Flagship Language Initiative

P.L. 107-306 authorizes NSEP to establish the National Flagship Language Initiative designed to “train students in programs in a range of disciplines to achieve advanced levels of proficiency in those languages that the Secretary identifies as being the most critical in the interests of the national security of the United States.” This program could become an integral component of a language education system in the U.S., both federal and academic, which would also include: (1) strengthening the Federal language training system; (2) increasing investments in the K-12 system; and (3) strengthening Title VI/ Fulbright-Hayes programs to ensure adequate infrastructure in less commonly taught languages.

The National Flagship Language Initiative (*NFLI*) represents a major partnership between the federal government and higher education to implement a national system of programs designed to produce advanced language competency in languages critical to the nation’s security. The *NFLI* seeks to establish national flagship programs across the United States. These Flagship Programs, coupled with directed and targeted fellowships for individual students, will produce significant numbers of graduates, many of whom will be candidates for employment with agencies and offices of the federal government, across a broad range of disciplines with advanced levels of proficiency in languages critical to national security. The *NFLI* will focus on the following critical languages:

- Arabic (including dialects)
- Chinese (Mandarin)
- Hindi
- Japanese
- Korean
- Persian/Farsi
- Russian
- Turkish

Initial work in the NSEP NFLI Pilot is now underway and focused on Arabic, Chinese, and Korean.

Goals. Foreign language programs in the U.S., both federal and academic with few exceptions aim toward a “limited working proficiency” (level 2) goal. This level of language is generally insufficient in more complex and sophisticated work-related tasks.

The *NFLI* will address the urgent and growing need for significantly higher levels of language competency among a broader cross-section of professionals, particularly for those who will join Federal agencies. The goal is to produce students with **professional proficiency** (level 3) in critical foreign languages, where the individual is capable of, for example, reading the most sophisticated texts, understanding formal as well as colloquial and dialectal speech, and speaking with sufficient structural accuracy and vocabulary to participate effectively in most formal and informal conversations on practical, social, and professional topics.

Structure of the Initiative. Properly charged and appropriately funded, elements of the higher education system are capable of producing higher-level proficiencies in languages critical to U.S. national security. The *NFLI* is aimed at creating a permanent national capacity for advanced programming in critical languages.

The proposed initiative will unite the federal sector with the higher education community by utilizing NSEP management and structure, drawing upon Defense Language Institute experience, capitalizing on the experience of the National Foreign Language Center (the nation's principal institutional resource for strategic planning in language learning), and exploiting the resources of several of the nation's leading universities.

- *Overall management* of the initiative will be provided for NSEP by the National Foreign Language Center (NFLC) at the University of Maryland. The NFLC will, through institutional grants, establish working relationships with a set of flagship programs which will commit to specific goals and objectives.
- *Institutional capacity development and program evaluation*, including program selection, will be managed by the NFLC, with particular attention to national infrastructure development and ongoing formative evaluation.
- *Student testing* for proficiency certification at graduation will be subcontracted to the Defense Language Institute working in association with Language Testing International.
- *Distributing/Distance Learning* efforts will be integral to learners for language maintenance and enhancement and will be developed and overseen by the NFLC in close collaboration with the Defense Language Institute.

Support for Institutional Infrastructure. Specific National Flagship programs will be identified within leading institutions across the nation. Some institutions may host multiple flagship language programs, while others may be single-language oriented.

National Flagship Language Programs will:

- Be recognized as among the very best programs in the U.S., based on the quality of the faculty and program;
- Have substantial upper division language programming (beyond basic third- and fourth-year language instruction);
- Have significant enrollments at all levels;
- Have heritage enrollments in the program and on the campus;
- Be located at a campus which recruits students nationally;
- Have extensive ties to other campus programs, in particular in the professional schools;
- Have experience in network assisted/distance learning for foreign languages;
- Have strong second language acquisition expertise among the faculty;
- Have strong pedagogical expertise among the tenure track faculty; and,
- Have ties to high quality study abroad and summer intensive programs in the language.

Supported Activities: The NSEP intends to make investments that will enable institutions to produce highly proficient graduates for the long term. These investments will focus on elements of programs which are critical to that capability and are the most difficult for institutions to fund and maintain. Potential program components for funding might include:

1. Staff, including permanent faculty (for curriculum design, program administration, teaching, and research); language instructors (for teaching, in-country immersion mentoring); as well as tutors, conversation partners, and the like.
2. Programming, including: (a) development of programming for specific purposes (e.g., engineering, business negotiations); (b) development of individualized and independent language programming for upper levels; (c) development of upper-level, advanced language (fifth and sixth year) language programming; and (d) pre- and post-study abroad programs.
3. Applied Research and Development, including research on second language acquisition at upper levels, heritage language development, study abroad, diagnosis and assessment, etc.
4. Recruitment capabilities, including PR efforts; liaison with admissions office, campus heritage clubs, heritage community; recruitment of non-majors into upper division language classes; building high school-to-college pipelines, etc.
5. Support of innovative study abroad programming, including partnerships with national exchange organizations; in-country and domestic coordinators; domestic consortial support; and internships/externships.
6. Support of summer intensive programming at nationally recognized programs.
7. Support for Community Enhanced Language Learning, in partnership with local heritage communities, heritage language schools, and local/regional elementary and secondary school partners.
8. Technology: Network Enhanced Language Learning.

Programs may undertake other innovative activities in support of the production of highly proficient graduates. Collaboration between and among flagship programs will be required.

Support for National Infrastructure. The Flagship Language Initiative will support national infrastructure in critical languages by:

1. Establishing a system of cooperative and truly national flagship programs;
2. Supporting nationally recognized summer-intensive/immersion programs in critical languages;

3. Supporting nationally and internationally recognized study abroad programs with high quality control systems, longstanding institutional ties abroad, and established access to qualified students nationwide;
4. Supporting a national language recruitment drive from the central management of the Initiative; and,
5. Linking flagship programs to local higher, secondary, and heritage education partners in real and virtual consortia.

Support for these activities may take the form of collaborative/consortial projects with national organizations, other flagship programs, or special projects with other grantees.

Institutional Student Funding. The major focus of this initiative is to establish the field-wide and institutional infrastructure that will support the production of advanced language proficient students in languages critical to U.S. national security. Critical to this objective is the recruitment and development of language proficient candidates for employment with the federal government. Flagship programs will be expected to develop and implement plans that attract students from multiple constituencies, including:

1. *Matriculated Degree Students at Flagship Institution.* The flagship institution will recruit students from its own campus, targeting, among others, professional degree students. These students would be eligible for any campus-based financial assistance made available by the flagship institution as well as other funding, including NSEP.
2. *Non-matriculated Local/Regional Students.* The flagship institution will recruit students from the geographically proximate region who wish to benefit from the flagship opportunity. These students will register through continuing education or any other special student vehicle made available to them by the flagship institution. These students will be responsible for paying tuition and fees to the flagship institution to attend the language program.
3. *U.S. Degree Students from Other Institutions Across the Country.* As national and regional resources, the flagship institutions will also accept students from other U.S. institutions of higher education. These students will apply for admission to the flagship program. They will be responsible for paying tuition and fees associated with the language program.
4. *Federal employees* from offices and agencies with foreign language requirements and responsibilities. Current federal employees will be able to register as matriculated or special students and their expenses will be paid by the sending federal organization.

NSEP Flagship Fellowships. In addition to the institutional student funding, direct student funding to attend flagship programs will be provided through a separate category under NSEP's current Undergraduate Scholarship and Graduate Fellowship Programs. The distinguishing factor in this direct NSEP funding is the obligatory service requirement component that commits an NSEP award recipient to seeking employment with an agency or organization of the federal government involved in national security (broadly defined). NSEP will seek to identify students interested in obtaining advanced language proficiency and employment with the federal government. These students must

meet current qualifications for Scholarship and Fellowship support and, in addition, must already be certified at a minimum of 2-level proficiency. Applicants for NSEP Flagship direct funding will apply concurrently for admission to an institutional flagship program and their NSEP funding will be contingent upon acceptance and matriculation into that flagship program. Recipients of NSEP Flagship Fellowships will be individuals who indicate a strong preference for longer-term careers with the federal government.

In addition to the immediate goals of the Flagship Initiative, it is also anticipated that the programs will seek to attract and serve a number of other constituencies. These include *adult learners* from the corporate and government sectors who, as working professionals, seek advanced language competencies, and *distance learners* who cannot attend flagship programs, but who would benefit from advanced technological applications.

Strategic Plan. NSEP is uniquely positioned within the federal government to implement immediately a strategic plan to yield short-term results and long-term payoff. NSEP recommends immediate and full support for implementation of NFLI. A fully implemented NFLI is outlined below.

Institutional Support:

- Based on national merit-based competition
- Initial Program of 10 national programs: Arabic (2); Chinese (2); Japanese (1); Korean (1) Russian (1); Hindi (1); Persian/Farsi (1), Turkish (1)
- Potential Expansion to 15 national programs with added programs in Arabic, Chinese, Hindi, Russian, Turkish as well as focus on other critical languages
- Annual funding renewal and level of funding contingent on quality of program output.

Student Support:

- 12 NSEP/NFLI National Fellowships per initial program with total enrollments of approximately 40 students per program. Potentially increasing to approximately 25 NSEP/NFLI Fellows per program with full funding.
- All recipients of NSEP Flagship Fellowships incur NSEP federal service obligation

Output Goals:

- Initial Program: 40 graduates per national program certified at Federal Interagency Language Roundtable “3” level (i.e., professional proficiency) including 12 NSEP/NFLI Fellows with federal service obligation
- Expanded Program: 50 graduates per national program including up to 25 NSEP/NFLI Fellows per program with full funding.

It is estimated that the maximum cost, per Flagship student, will be approximately \$30,000. This assumes two years of study for a student entering the program at “level 2.” For many students, particularly for those entering the program at a higher level, the costs will be considerably less. It is likely that higher demand languages, such as Arabic and Chinese, will reflect somewhat lower per student costs while lower demand languages (e.g., Persian, Hindi) might incur somewhat higher per student costs. This cost compares

most favorably with average costs per student at government language institutions where it is estimated that Foreign Service Institute costs for level “3” training are approximately \$290,000 per student. Defense Language Institute costs are approximately \$100,000 per student. Section IV provides more detailed information on cost estimates for implementation of NFLI.

The Flagship Initiative represents a unique partnership between the federal sector and higher education. Acting as NSEP’s administrative agent, the NFLC will negotiate flexible and accountable agreements with each flagship program institution. The agreements will be for long-term relationships and will include annual target numbers of language proficient graduates. NFLC will work closely with each flagship program to identify and resolve obstacles and to ensure that the programs are effectively administered and that goals are achieved.

SECTION IV. CONVERSION OF FUNDING

This section of the report responds to § 334 (b) (2) of P.L. 107-306 requiring an assessment of the advisability of converting funding of the National Security Education Trust Fund from funding through the National Security Education Trust Fund (under § 804 of 50 U.S.C. 1904) to funding through appropriations.

Background. The National Security Education Trust Fund was initially established by Congress to support all activities for (a) awarding scholarships fellowships, and grants, and (b) properly allocable costs of the Federal Government for administration of the program. The Trust Fund, initially established at \$150 million, was subsequently reduced by Congressional actions to approximately \$68 million. The National Security Education Board unanimously endorsed a 1996 recommendation to continue the program at no less than \$8 million per year, including program administration. Since 1996, the program has been executed at the \$8 million per year level. This has resulted in a drawdown of the Trust Fund corpus. As of November 30, 2002, Trust Fund valuation (book value) is placed at approximately \$32 million. Based on projected disbursements of \$8 million per year the Trust Fund will, at best, only support operations of the program through Fiscal Year 2005.

Conversion of Funding. This report references conversion of funding for the National Security Education Program from the Trust Fund to an annual appropriation as an option for consideration in future budget submissions.

If NSEP programs are to be continued, the trust fund would need to be replenished, or NSEP funding would need to be converted from a trust fund to an annual appropriation. Conversion would help ensure more predictability and certainty in the funding stream as NSEP programs continue to evolve over the years. In any case, the Congressionally authorized increase of \$10 million for FY2004 (811(a) of P.L. 107-306) would enable implementation of the National Flagship Language Initiative. The recently authorized annual level of \$18 million total, if appropriated, would mean we could effectively continue to support all NSEP activities.

**APPENDIX 1. NATIONAL SECURITY EDUCATION ACT OF 1991
(as amended)**

U.S. Code Title 50, Sections: 1901-1910

Sec. 1901. - Short title, findings, and purposes

(a) Short title

This chapter may be cited as the "David L. Boren National Security Education Act of 1991".

(b) Findings

The Congress makes the following findings:

(1) The security of the United States is and will continue to depend on the ability of the United States to exercise international leadership.

(2) The ability of the United States to exercise international leadership is, and will increasingly continue to be, based on the political and economic strength of the United States, as well as on United States military strength around the world.

(3) Recent changes in the world pose threats of a new kind to international stability as Cold War tensions continue to decline while economic competition, regional conflicts, terrorist activities, and weapon proliferations have dramatically increased.

(4) The future national security and economic well being of the United States will depend substantially on the ability of its citizens to communicate and compete by knowing the languages and cultures of other countries.

(5) The Federal Government has an interest in ensuring that the employees of its departments and agencies with national security responsibilities are prepared to meet the challenges of this changing international environment.

(6) The Federal Government also has an interest in taking actions to alleviate the problem of American undergraduate and graduate students being inadequately prepared to meet the challenges posed by increasing global interaction among nations.

(7) American colleges and universities must place a new emphasis on improving the teaching of foreign languages, area studies, counterproliferation studies, and other international fields to help meet those challenges.

(c) Purposes

The purposes of this chapter are as follows:

(1) To provide the necessary resources, accountability, and flexibility to meet the national security education needs of the United States, especially as such needs change over time.

(2) To increase the quantity, diversity, and quality of the teaching and learning of subjects in the fields of foreign languages, area studies, counterproliferation studies, and other international fields that are critical to the Nation's interest.

- (3) To produce an increased pool of applicants for work in the departments and agencies of the United States Government with national security responsibilities.
- (4) To expand, in conjunction with other Federal programs, the international experience, knowledge base, and perspectives on which the United States citizenry, Government employees, and leaders rely.

(5) To permit the Federal Government to advocate the cause of international education

Sec. 1902. - Scholarship, fellowship, and grant program

(a) Program required

(1) In general

The Secretary of Defense shall carry out a program for -

(A) awarding scholarships to undergraduate students who -

(i) are United States citizens in order to enable such students to study, for at least one academic semester or equivalent term, in foreign countries that are critical countries (as determined under section 1903(d)(4)(A) of this title) in those languages and study areas where deficiencies exist (as identified in the assessments undertaken pursuant to section 1906(d) of this title); and

(ii) pursuant to subsection (b)(2)(A) of this section, enter into an agreement to work in a national security position or work in the field of higher education in the area of study for which the scholarship was awarded;

(B) awarding fellowships to graduate students who -

(i) are United States citizens to enable such students to pursue education as part of a graduate degree program of a United States institution of higher education in the disciplines of foreign languages, area studies, counterproliferation studies, and other international fields relating to the national security interests of the United States that are critical areas of those disciplines (as determined under section 1903(d)(4)(B) of this title) and in which deficiencies exist (as identified in the assessments undertaken pursuant to section 1906(d) of this title); and

(ii) pursuant to subsection (b)(2)(B) of this section, enter into an agreement to work in a national security position or work in the field of education in the area of study for which the fellowship was awarded; and

(C) awarding grants to institutions of higher education to enable such institutions to establish, operate, or improve programs in foreign languages, area studies, counterproliferation studies, and other international fields that are critical areas of those disciplines (as determined under section 1903(d)(4)(C) of this title).

(2) Funding allocations

Of the amount available for obligation out of the National Security Education Trust Fund for any fiscal year for the purposes stated in paragraph (1), the Secretary shall have a goal of allocating -

(A) 1/3 of such amount for the awarding of scholarships pursuant to paragraph (1)(A);

(B) 1/3 of such amount for the awarding of fellowships pursuant to paragraph (1)(B); and

(C) 1/3 of such amount for the awarding of grants pursuant to paragraph (1)(C).

(3) Consultation with National Security Education Board

The program required under this chapter shall be carried out in consultation with the National Security Education Board established under section 1903 of this title.

(4) Contract authority

The Secretary may enter into one or more contracts, with private national organizations having an expertise in foreign languages, area studies, counterproliferation studies, and other international fields, for the awarding of the scholarships, fellowships, and grants described in paragraph (1) in accordance with the provisions of this chapter. The Secretary may enter into such contracts without regard to section 5 of title 41 or any other provision of law that requires the use of competitive procedures. In addition, the Secretary may enter into personal service contracts for periods up to one year for program administration, except that not more than 10 such contracts may be in effect at any one time.

(b) Service agreement

In awarding a scholarship or fellowship under the program, the Secretary or contract organization referred to in subsection (a)(4) of this section, as the case may be, shall require a recipient of any fellowship or any scholarship to enter into an agreement that, in return for such assistance, the recipient -

(1) will maintain satisfactory academic progress, as determined in accordance with regulations issued by the Secretary, and agrees that failure to maintain such progress shall constitute grounds upon which the Secretary or contract organization referred to in subsection (a)(4) of this section may terminate such assistance;

(2) will -

(A) not later than eight years after such recipient's completion of the study for which scholarship assistance was provided under the program, and in accordance with regulations issued by the Secretary -

(i) work in a national security position for a period specified by the Secretary, which period shall be no longer than the period for which scholarship assistance was provided; or

(ii) if the recipient demonstrates to the Secretary (in accordance with such regulations) that no national security position is available, work in the field of higher education in a discipline relating to the foreign country, foreign language, area study, counterproliferation study, or international field of study for which the scholarship was awarded, for a period specified by the Secretary, which period shall be determined in accordance with clause (i); or

(B) upon completion of such recipient's education under the program, and in accordance with such regulations -

(i) work in a national security position for a period specified by the Secretary, which period shall be not less than one and not more than three times the period for which the fellowship assistance was provided; or

(ii) if the recipient demonstrates to the Secretary (in accordance with such regulations) that no national security position is available upon the completion of the degree, work in the field of higher education in a discipline relating to the foreign country, foreign language, area study, counterproliferation study, or international field of study for which the fellowship was awarded, for a period specified by the Secretary, which period shall be established in accordance with clause (i); and

(3) if the recipient fails to meet either of the obligations set forth in paragraph (1) or (2), will reimburse the United States Government for the amount of the assistance provided the recipient under the program, together with interest at a rate determined in accordance with regulations issued by the Secretary.

(c) Evaluation of progress in language skills

The Secretary shall, through the National Security Education Program office, administer a test of the foreign language skills of each recipient of a scholarship or fellowship under this chapter before the commencement of the study or education for which the scholarship or fellowship is awarded and after the completion of such study or education. The purpose of these tests is to evaluate the progress made by recipients of scholarships and fellowships in developing foreign language skills as a result of assistance under this chapter.

(d) Distribution of assistance

In selecting the recipients for awards of scholarships, fellowships, or grants pursuant to this chapter, the Secretary or a contract organization referred to in subsection (a)(4) of this section, as the case may be, shall take into consideration

(1) the extent to which the selections will result in there being an equitable geographic distribution of such scholarships, fellowships, or grants (as the case may be) among the various regions of the United States, and

(2) the extent to which the distribution of scholarships and fellowships to individuals reflects the cultural, racial, and ethnic diversity of the population of the United States.

(e) Merit review

The Secretary shall award scholarships, fellowships, and grants under the program based upon a merit review process.

(f) Limitation on use of program participants

No person who receives a grant, scholarship, or fellowship or any other type of assistance under this chapter shall, as a condition of receiving such assistance or under any other circumstances, be used by any department, agency, or entity of the United States Government engaged in intelligence activities to undertake any activity on its behalf during the period such person is pursuing a program of education for which funds are provided under the program carried out under this chapter.

(g) Determination of agencies and offices of Federal Government having national security responsibilities

(1) The Secretary, in consultation with the Board, shall annually determine and develop a list identifying each agency or office of the Federal Government having national security responsibilities at which a recipient of a fellowship or scholarship under this chapter will be able to make the recipient's foreign area and language skills available to such agency or office. The Secretary shall submit the first such list to the Congress and include each subsequent list in the annual report to the Congress, as required by section 1906(b)(6) of this title.

(2) Notwithstanding section 1904 of this title, funds may not be made available from the Fund to carry out this chapter for fiscal year 1997 until 30 days after the date on which the Secretary of Defense submits to the Congress the first such list required by paragraph (1)

Sec. 1903. - National Security Education Board

(a) Establishment

The Secretary of Defense shall establish a National Security Education Board.

(b) Composition

The Board shall be composed of the following individuals or the representatives of such individuals:

- (1) The Secretary of Defense, who shall serve as the chairman of the Board.
- (2) The Secretary of Education.
- (3) The Secretary of State.
- (4) The Secretary of Commerce.
- (5) The Director of Central Intelligence.
- (6) The Chairperson of the National Endowment for the Humanities.
- (7) Six individuals appointed by the President, by and with the advice and consent of the Senate, who shall be experts in the fields of international, language, area, and counterproliferation studies education and who may not be officers or employees of the Federal Government.

(c) Term of appointees

Each individual appointed to the Board pursuant to subsection (b)(6) of this section shall be appointed for a period specified by the President at the time of the appointment, but not to exceed four years. Such individuals shall receive no compensation for service on the Board but may receive reimbursement for travel and other necessary expenses.

(d) Functions

The Board shall perform the following functions:

- (1) Develop criteria for awarding scholarships, fellowships, and grants under this chapter, including an order of priority in such awards that favors individuals expressing an interest in national security issues or pursuing a career in a national security position.

(2) Provide for wide dissemination of information regarding the activities assisted under this chapter.

(3) Establish qualifications for students desiring scholarships or fellowships, and institutions of higher education desiring grants, under this chapter, including, in the case of students desiring a scholarship or fellowship, a requirement that the student have a demonstrated commitment to the study of the discipline for which the scholarship or fellowship is to be awarded.

(4) After taking into account the annual analyses of trends in language, international, area, and counterproliferation studies under section 1906(b)(1) of this title, make recommendations to the Secretary regarding -

(A) which countries are not emphasized in other United States study abroad programs, such as countries in which few United States students are studying and countries which are of importance to the national security interests of the United States, and are, therefore, critical countries for the purposes of section 1902(a)(1)(A) of this title;

(B) which areas within the disciplines described in section 1902(a)(1)(B) of this title relating to the national security interests of the United States are areas of study in which United States students are deficient in learning and are, therefore, critical areas within those disciplines for the purposes of that section;

(C) which areas within the disciplines described in section 1902(a)(1)(C) of this title are areas in which United States students, educators, and Government employees are deficient in learning and in which insubstantial numbers of United States institutions of higher education provide training and are, therefore, critical areas within those disciplines for the purposes of that section; and

(D) how students desiring scholarships or fellowships can be encouraged to work for an agency or office of the Federal Government involved in national security affairs or national security policy upon completion of their education.

(5) Encourage applications for fellowships under this chapter from graduate students having an educational background in any academic discipline, particularly in the areas of science or technology.

(6) Provide the Secretary biennially with a list of scholarship recipients and fellowship recipients, including an assessment of their foreign area and language skills, who are available to work in a national security position.

(7) Not later than 30 days after a scholarship or fellowship recipient completes the study or education for which assistance was provided under the program, provide the Secretary with a report fully describing the foreign area and language skills obtained by the recipient as a result of the assistance.

(8) Review the administration of the program required under this chapter

Sec. 1904. - National Security Education Trust Fund

(a) Establishment of Fund

There is established in the Treasury of the United States a trust fund to be known as the "National Security Education Trust Fund". The assets of the Fund consist of

amounts appropriated to the Fund and amounts credited to the Fund under subsection (e) of this section.

(b) Availability of sums in Fund

Sums in the Fund shall, to the extent provided in appropriations Acts, be available -

(1) for awarding scholarships, fellowships, and grants in accordance with the provisions of this chapter; and

(2) for properly allocable costs of the Federal Government for the administration of the program under this chapter.

(c) Investment of Fund assets

The Secretary of the Treasury shall invest in full the amount in the Fund that is not immediately necessary for expenditure. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired on original issue at the issue price or by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under chapter 31 of title 31 are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt, except that where such average rate is not a multiple of 1/8 of 1 percent, the rate of interest of such special obligations shall be the multiple of 1/8 of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchases of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States or original issue or at the market price, is not in the public interest.

(d) Authority to sell obligations

Any obligation acquired by the Fund (except special obligations issued exclusively to the Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

(e) Amounts credited to Fund

(1) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

(2) Any amount paid to the United States under section 1902(b)(3) of this title shall be credited to and form a part of the Fund.

(3) Any gifts of money shall be credited to and form a part of the Fund

Sec. 1905. - Regulations and administrative provisions

(a) Regulations

The Secretary may prescribe regulations to carry out the program required by this chapter. Before prescribing any such regulations, the Secretary shall submit a copy

of the proposed regulations to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives. Such proposed regulations may not take effect until 30 days after the date on which they are submitted to those committees.

(b) Acceptance and use of gifts

In order to conduct the program required by this chapter, the Secretary may -

(1) receive money and other property donated, bequeathed, or devised, without condition or restriction other than that it be used for the purpose of conducting the program required by this chapter; and

(2) may use, sell, or otherwise dispose of such property for that purpose.

(c) Voluntary services

In order to conduct the program required by this chapter, the Secretary may accept and use the services of voluntary and noncompensated personnel.

(d) Necessary expenditures

Expenditures necessary to conduct the program required by this chapter shall be paid from the Fund, subject to section 1904(b) of this title

Sec. 1906. - Annual report

(a) Annual report

The Secretary shall submit to the President and to the Congress an annual report of the conduct of the program required by this chapter. The report shall be submitted each year at the time that the President's budget for the next fiscal year is submitted to Congress pursuant to section 1105 of title 31.

(b) Contents of report

Each such report shall contain -

(1) an analysis of the trends within language, international, area, and counterproliferation studies, along with a survey of such areas as the Secretary determines are receiving inadequate attention;

(2) the effect on those trends of activities under the program required by this chapter;

(3) an analysis of the assistance provided under the program for the previous fiscal year, to include the subject areas being addressed and the nature of the assistance provided;

(4) an analysis of the performance of the individuals who received assistance under the program during the previous fiscal year, to include the degree to which assistance was terminated under the program and the extent to which individual recipients failed to meet their obligations under the program;

(5) an analysis of the results of the program for the previous fiscal year, and cumulatively, to include, at a minimum -

(A) the percentage of individuals who have received assistance under the program who subsequently became employees of the United States Government;

(B) in the case of individuals who did not subsequently become employees of the United States Government, an analysis of the reasons why they did not become employees and an explanation as to what use, if any, was made of the assistance by those recipients; and

(C) the uses made of grants to educational institutions;

(6) the current list of agencies and offices of the Federal Government required to be developed by section 1902(g) of this title; and

(7) any legislative changes recommended by the Secretary to facilitate the administration of the program or otherwise to enhance its objectives.

(c) Submission of initial report

The first report under this section shall be submitted at the time the budget for fiscal year 1994 is submitted to Congress.

(d) Consultation

During the preparation of each report required by subsection (a) of this section, the Secretary shall consult with the members of the Board specified in paragraphs (1) through (7) of section 1903(b) of this title. Each such member shall submit to the Secretary an assessment of their hiring needs in the areas of language and area studies and a projection of the deficiencies in such areas. The Secretary shall include all assessments in the report required by subsection (a) of this section

Sec. 1907. - General Accounting Office audits

The conduct of the program required by this chapter may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. Representatives of the General Accounting Office shall have access to all books, accounts, records, reports, and files and all other papers, things, or property of the Department of Defense pertaining to such activities and necessary to facilitate the audit

Sec. 1908. - Definitions

For the purpose of this chapter:

(1) The term "Board" means the National Security Education Board established pursuant to section 1903 of this title.

(2) The term "Fund" means the National Security Education Trust Fund established pursuant to section 1904 of this title.

(3) The term "institution of higher education" has the meaning given that term by section 1001 of title 20.

(4) The term "national security position" means a position -

(A) having national security responsibilities in an agency or office of the Federal Government that has national security responsibilities, as determined under section 1902(g) of this title; and

(B) in which the individual in such position makes their foreign language skills available to such agency or office

Sec. 1909. - Fiscal year 1992 funding

(a) Authorization of appropriations to Fund

There is hereby authorized to be appropriated to the Fund for fiscal year 1992 the sum of \$150,000,000.

(b) Authorization of obligations from Fund

During fiscal year 1992, there may be obligated from the Fund such amounts as may be provided in appropriations Acts, not to exceed \$35,000,000. Amounts made available for obligation from the Fund for fiscal year 1992 shall remain available until expended

Sec. 1910. - Funding

(a) Fiscal years 1993 and 1994

Amounts appropriated to carry out this chapter for fiscal years 1993 and 1994 shall remain available until expended.

(b) Fiscal years 1995 and 1996

There is authorized to be appropriated from, and may be obligated from, the Fund for each of the fiscal years 1995 and 1996 not more than the amount credited to the Fund in interest only for the preceding fiscal year under section 1904(e) of this title.

APPENDIX 2. NATIONAL SECURITY EDUCATION BOARD

Current Board Members

Ambassador Robin Raphel - Chairman
Vice President,
National Defense University
Washington, DC
[Secretary of Defense Representative]

Cornelius P. O'Leary, Esq
Associate Vice President
Central Connecticut State University
New Britain, CT
[Presidential Appointee]

Mr. Fulton T. Armstrong
National Intelligence Officer for Latin
America
National Intelligence Council
Washington, DC
[DCI Representative]

Dr. Manuel T. Pacheco
President,
University of Missouri System
Columbia, MO
[Presidential Appointee]

Dr. Bruce Cole
Chairman
National Endowment for the Humanities
Washington, DC

Honorable Robert N. Shamansky
Former Member, U.S. House of
Representatives
Attorney at Law
Columbus, OH
[Presidential Appointee]

Mr. Arthur James Collingsworth

Honorable Sally Stroup
Assistant Secretary for Postsecondary
Education
Office of Postsecondary Education
U.S. Department of Education

Ms. JoAnne Phipps
Director, Office of International Operations
Office of Defense Nuclear Nonproliferation
U.S. Department of Energy

Honorable Patricia de Stacy Harrison
Assistant Secretary for Education and
Cultural Affairs
U.S. Department of State

Governor Bruce Sundlun
Former Governor, State of Rhode Island
[Presidential Appointee]

Mr. Timothy J. Hauser
Deputy Under Secretary for International
Trade
International Trade Administration
U.S. Department of Commerce

Board Executive Director:

Dr. Robert O. Slater
Director, National Security Education
Program

*Note: There is currently one vacancy
(Presidential appointee) on the Board*

APPENDIX 3. Language Proficiency Guidelines, American Council of Teachers of Foreign Languages (ACTFL)

All NSEP award recipients are required to take a pre- and post-test in oral language proficiency administered by the American Council of Teachers of Foreign Languages (ACTFL). This Oral Proficiency Instrument (OPI) is not available in all languages. Consequently, the language testing requirement is waived for any Scholar or Fellow who is studying a language where a test is not available.

The ACTFL OPI is a standardized procedure for the global assessment of functional language ability. It measures spoken language production holistically by determining patterns of strengths and weaknesses and establishes a candidate's level of consistent functional ability as well as the clear upper limitations of that ability. It is a criterion-referenced testing method that measures how well a person functions in a language by comparing the individual's performance of specific language tasks with the criteria for each of the ten proficiency levels described in the ACTFL Proficiency Guidelines-Speaking (Revised 1999). Since the OPI is an assessment of functional language skills, it is irrelevant when, where, why and under what conditions the person being tested acquired his or her language ability. The OPI is a face-to-face or telephonic interview conducted between a certified ACTFL tester and language candidate, that lasts between ten and thirty minutes. A ratable sample is elicited from the interviewee through a series of personalized questions that follow established ACTFL protocol of warm-up, repeated level checks and probes, and wind-down. Test candidates are often asked to take part in a role-play which presents the opportunity for them to perform linguistic functions that cannot be elicited through the conversation format. The speech sample is then compared to the criteria for the ten proficiency levels, and a rating is assigned. Each recorded interview is evaluated and rated by a second certified tester and an official certificate is issued. .

Levels of Oral Language Proficiency

SUPERIOR

Speakers at the Superior level are able to communicate in the language with accuracy and fluency in order to participate fully and effectively in conversations on a variety of topics in formal and informal settings from both concrete and abstract perspectives. They discuss their interests and special fields of competence, explain complex matters in detail, and provide lengthy and coherent narrations, all with ease, fluency, and accuracy. They explain their opinions on a number of topics of importance to them, such as social and political issues, and provide structured argument to support their opinions. They are able to construct and develop hypotheses to explore alternative possibilities. When appropriate, they use extended discourse without unnaturally lengthy hesitation to make their point, even when engaged in abstract elaborations. Such discourse, while coherent, may still be influenced by the Superior speakers' own language patterns, rather than those of the target language.

Superior speakers command a variety of interactive and discourse strategies, such as turn-taking and separating main ideas from supporting information through the use of syntactic and lexical devices, as well as intonational features such as pitch, stress and tone. They demonstrate virtually no pattern of error in the use of basic structures. However, they may make sporadic errors,

particularly in low-frequency structures and in some complex high-frequency structures more common to formal speech and writing. Such errors, if they do occur, do not distract the native interlocutor or interfere with communication.

ADVANCED HIGH

Speakers at the Advanced-High level perform all Advanced-level tasks with linguistic ease, confidence and competence. They are able to consistently explain in detail and narrate fully and accurately in all time frames. In addition, Advanced-High speakers handle the tasks pertaining to the Superior level but cannot sustain performance at that level across a variety of topics. They can provide a structured argument to support their opinions, and they may construct hypotheses but patterns of error appear. They can discuss some topics abstractly, especially those relating to their particular interests and special fields of expertise, but in general, they are more comfortable discussing a variety of topics concretely.

Advanced-High speakers may demonstrate a well-developed ability to compensate for an imperfect grasp of some forms with confident use of communicative strategies, such as paraphrasing, circumlocution, and illustration. They use precise vocabulary and intonation to express meaning and often show great fluency and ease of speech. However, when called on to perform the complex tasks associated with the Superior level over a variety of topics, their language will at times break down or prove inadequate or they may avoid the task altogether, for example, by resorting to simplification through the use of description or narration in place of argument or hypothesis.

ADVANCED MID

Speakers at the Advanced-Mid level are able to handle with ease and confidence a large number of communicative tasks. They participate actively in most informal and some formal exchanges on a variety of concrete topics relating to work, school, home, and leisure activities, as well as to events of current, public, and personal interest or individual relevance. Advanced-Mid speakers demonstrate the ability to narrate and describe in all major time frames (past, present, and future) by providing a full account, with good control of aspect, as they adapt flexibly to the demands of the conversation. Narration and description tend to be combined and interwoven to relate relevant and supporting facts in connected, paragraph-length discourse.

Advanced-Mid speakers can handle successfully and with relative ease the linguistic challenges presented by a complication or unexpected turn of events that occurs within the context of a routine situation or communicative task with which they are otherwise familiar. Communicative strategies such as circumlocution or rephrasing are often employed for this purpose. The speech of Advanced-Mid speakers performing Advanced-level tasks is marked by substantial flow. Their vocabulary is fairly extensive although primarily generic in nature, except in the case of a particular area of specialization or interest. Dominant language discourse structures tend to recede, although discourse may still reflect the oral paragraph structure of their own language rather than that of the target language. Advanced-Mid speakers contribute to conversations on a variety of familiar topics, dealt with concretely, with much accuracy, clarity and precision, and they convey their intended message without misrepresentation or confusion. They are readily understood by native speakers unaccustomed to dealing with non-natives. When called on to perform functions or handle topics associated with the Superior level, the quality and/or quantity of their speech will generally decline. Advanced-Mid speakers are often able to state an opinion or cite conditions; however, they lack the ability to consistently provide a structured argument in extended discourse. Advanced-Mid speakers may use a number of delaying strategies, resort to

narration, description, explanation or anecdote, or simply attempt to avoid the linguistic demands of Superior-level tasks.

ADVANCED LOW

Speakers at the Advanced-Low level are able to handle a variety of communicative tasks, although somewhat haltingly. They participate actively in most informal and a limited number of formal conversations on activities related to school, home, and leisure activities and, to a lesser degree, those related to events of work, current, public, and personal interest or individual relevance.

Advanced-Low speakers demonstrate the ability to narrate and describe in all major time frames (past, present and future) in paragraph length discourse, but control of aspect may be lacking at times. They can handle appropriately the linguistic challenges presented by a complication or unexpected turn of events that occurs within the context of a routine situation or communicative task with which they are otherwise familiar, though at times their discourse may be minimal for the level and strained. Communicative strategies such as rephrasing and circumlocution may be employed in such instances. In their narrations and descriptions, they combine and link sentences into connected discourse of paragraph length. When pressed for a fuller account, they tend to grope and rely on minimal discourse. Their utterances are typically not longer than a single paragraph. Structure of the dominant language is still evident in the use of false cognates, literal translations, or the oral paragraph structure of the speaker's own language rather than that of the target language.

While the language of Advanced-Low speakers may be marked by substantial, albeit irregular flow, it is typically somewhat strained and tentative, with noticeable self-correction and a certain 'grammatical roughness.' The vocabulary of Advanced-Low speakers is primarily generic in nature.

Advanced-Low speakers contribute to the conversation with sufficient accuracy, clarity, and precision to convey their intended message without misrepresentation or confusion, and it can be understood by native speakers unaccustomed to dealing with non-natives, even though this may be achieved through repetition and restatement. When attempting to perform functions or handle topics associated with the Superior level, the linguistic quality and quantity of their speech will deteriorate significantly.

INTERMEDIATE HIGH

Intermediate-High speakers are able to converse with ease and confidence when dealing with most routine tasks and social situations of the Intermediate level. They are able to handle successfully many uncomplicated tasks and social situations requiring an exchange of basic information related to work, school, recreation, particular interests and areas of competence, though hesitation and errors may be evident.

Intermediate-High speakers handle the tasks pertaining to the Advanced level, but they are unable to sustain performance at that level over a variety of topics. With some consistency, speakers at the Intermediate High level narrate and describe in major time frames using connected discourse of paragraph length. However, their performance of these Advanced-level tasks will exhibit one or more features of breakdown, such as the failure to maintain the narration or description semantically or syntactically in the appropriate major time frame, the disintegration of connected discourse, the misuse of cohesive devices, a reduction in breadth and appropriateness of vocabulary, the failure to successfully circumlocute, or a significant amount of hesitation.

Intermediate-High speakers can generally be understood by native speakers unaccustomed to dealing with non-natives, although the dominant language is still evident (e.g. use of code-switching, false cognates, literal translations, etc.), and gaps in communication may occur.

INTERMEDIATE MID

Speakers at the Intermediate-Mid level are able to handle successfully a variety of uncomplicated communicative tasks in straightforward social situations. Conversation is generally limited to those predictable and concrete exchanges necessary for survival in the target culture; these include personal information covering self, family, home, daily activities, interests and personal preferences, as well as physical and social needs, such as food, shopping, travel and lodging.

Intermediate-Mid speakers tend to function reactively, for example, by responding to direct questions or requests for information. However, they are capable of asking a variety of questions when necessary to obtain simple information to satisfy basic needs, such as directions, prices and services. When called on to perform functions or handle topics at the Advanced level, they provide some information but have difficulty linking ideas, manipulating time and aspect, and using communicative strategies, such as circumlocution.

Intermediate-Mid speakers are able to express personal meaning by creating with the language, in part by combining and recombining known elements and conversational input to make utterances of sentence length and some strings of sentences. Their speech may contain pauses, reformulations and self-corrections as they search for adequate vocabulary and appropriate language forms to express themselves. Because of inaccuracies in their vocabulary and/or pronunciation and/or grammar and/or syntax, misunderstandings can occur, but Intermediate-Mid speakers are generally understood by sympathetic interlocutors accustomed to dealing with non-natives.

INTERMEDIATE LOW

Speakers at the Intermediate-Low level are able to handle successfully a limited number of uncomplicated communicative tasks by creating with the language in straightforward social situations. Conversation is restricted to some of the concrete exchanges and predictable topics necessary for survival in the target language culture. These topics relate to basic personal information covering, for example, self and family, some daily activities and personal preferences, as well as to some immediate needs, such as ordering food and making simple purchases. At the Intermediate-Low level, speakers are primarily reactive and struggle to answer direct questions or requests for information, but they are also able to ask a few appropriate questions.

Intermediate-Low speakers express personal meaning by combining and recombining into short statements what they know and what they hear from their interlocutors. Their utterances are often filled with hesitancy and inaccuracies as they search for appropriate linguistic forms and vocabulary while attempting to give form to the message. Their speech is characterized by frequent pauses, ineffective reformulations and self-corrections. Their pronunciation, vocabulary and syntax are strongly influenced by their first language but, in spite of frequent misunderstandings that require repetition for rephrasing, Intermediate-Low speakers can generally be understood by sympathetic interlocutors, particularly by those accustomed to dealing with non-natives.

NOVICE HIGH

Speakers at the Novice-High level are able to handle a variety of tasks pertaining to the Intermediate level, but are unable to sustain performance at that level. They are able to manage successfully a number of uncomplicated communicative tasks in straightforward social situations. Conversation is restricted to a few of the predictable topics necessary for survival in the target language culture, such as basic personal information, basic objects and a limited number of activities, preferences and immediate needs. Novice-High speakers respond to simple, direct questions or requests for information; they are able to ask only a very few formulaic questions when asked to do so.

Novice-High speakers are able to express personal meaning by relying heavily on learned phrases or recombinations of these and what they hear from their interlocutor. Their utterances, which consist mostly of short and sometimes incomplete sentences in the present, may be hesitant or inaccurate. On the other hand, since these utterances are frequently only expansions of learned material and stock phrases, they may sometimes appear surprisingly fluent and accurate. These speakers' first language may strongly influence their pronunciation, as well as their vocabulary and syntax when they attempt to personalize their utterances. Frequent misunderstandings may arise but, with repetition or rephrasing, Novice-High speakers can generally be understood by sympathetic interlocutors used to non-natives. When called on to handle simply a variety of topics and perform functions pertaining to the Intermediate level, a Novice-High speaker can sometimes respond in intelligible sentences, but will not be able to sustain sentence level discourse.

NOVICE MID

Speakers at the Novice-Mid level communicate minimally and with difficulty by using a number of isolated words and memorized phrases limited by the particular context in which the language has been learned. When responding to direct questions, they may utter only two or three words at a time or an occasional stock answer. They pause frequently as they search for simple vocabulary or attempt to recycle their own and their interlocutor's words. Because of hesitations, lack of vocabulary, inaccuracy, or failure to respond appropriately, Novice-Mid speakers may be understood with great difficulty even by sympathetic interlocutors accustomed to dealing with non-natives. When called on to handle topics by performing functions associated with the Intermediate level, they frequently resort to repetition, words from their native language, or silence.

NOVICE LOW

Speakers at the Novice-Low level have no real functional ability and, because of their pronunciation, they may be unintelligible. Given adequate time and familiar cues, they may be able to exchange greetings, give their identity, and name a number of familiar objects from their immediate environment. They are unable to perform functions or handle topics pertaining to the Intermediate level, and cannot therefore participate in a true conversational exchange.

**APPENDIX 4. FEDERAL POSITIONS FILLED BY NATIONAL SECURITY
EDUCATION PROGRAM UNDERGRADUATE SCHOLARS AND GRADUATE
FELLOWS**

The following tables include a list of federal positions filled by NSEP Undergraduate Scholars and Graduate Fellows. This information is obtained from their annual Service Agreement Reports (SARs). Each position has been certified by NSEP as consistent with the program's national security mission. A number of additional NSEP Scholars and Fellows are, at any given point, also likely to be engaged in federal service but have not yet filed a SAR. NSEP only records service after it is reported on the SAR.

NSEP Undergraduate Scholars – Positions Held in Federal Government
(1996-January 2003)

| | <u>Service Requirement Employer</u> |
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| 1 | Dept. of Defense - Dept. of Army/Logistics and Supply Specialist |
| 2 | Dept. of Defense - Air Intelligence Agency/Intern |
| 3 | Dept. of Defense - Asia-Pacific Center for Security Studies/Researcher |
| 4 | Dept. of Defense - Defense Contract Management Agency/Intern |
| 5 | Dept. of Defense - Defense Information Systems Agency (DISA)/Defense Technical Information Center (DTIC)/Program Analyst Intern |
| 6 | Dept. of Defense - Defense Intelligence Agency (DIA)/Debriefing/Balkans |
| 7 | Dept. of Defense - Defense Language Institute |
| 8 | Dept. of Defense - Dept. of Air Force/Active Duty/Counterterrorism* |
| 9 | Dept. of Defense - Dept. of Air Force/Chief, Relocations, and Employment |
| 10 | Dept. of Defense - Dept. of Air Force/Intelligence Officer |
| 11 | Dept. of Defense - Dept. of Air Force/Intelligence Specialist |
| 12 | Dept. of Defense - Dept. of Army* |
| 13 | Dept. of Defense - Dept. of Army/Army Reserve Officer Training Corps (ROTC)/Recruiting Assistant |
| 14 | Dept. of Defense - Dept. of Army/National Defense University/National Security Education Program/Fellowship Program Assistant |
| 15 | Dept. of Defense - Dept. of Army/National Defense University/National Security Education Program/Research Specialist |
| 16 | Dept. of Defense - Dept. of Army/National Defense University/National Security Education Program/Research Specialist |
| 17 | Dept. of Defense - Dept. of Army/Specialist |
| 18 | Dept. of Defense - Dept. of Army/Specialist |

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| 19 | Dept. of Defense - Dept. of Army/Staff Sergeant/Signals Intelligence Analyst |
| 20 | Dept. of Defense - Dept. of Army/Training Support Center-Ft. Leavenworth, Kansas/Instructional Aid Specialist |
| 21 | Dept. of Defense - Dept. of Military Affairs/Disaster and Emergency Services |
| 22 | Dept. of Defense - Dept. of Navy/Ensign/Information Systems Officer |
| 23 | Dept. of Defense - Dept. of Navy/Seaman* |
| 24 | Dept. of Defense - Dept. of Navy/Space and Naval Warfare Systems Center/Technicians Aide |
| 25 | Dept. of Defense - Dept. of Navy/U.S. Marine Corps/Officer |
| 26 | Dept. of Defense - Dept. of Navy/U.S. Marine Corps/Second Lieutenant* |
| 27 | Dept. of Defense - Drug Enforcement Policy Support/Translation Intern |
| 28 | Dept. of Defense - International Security Affairs Office/China Desk/Intern Analyst |
| 29 | Dept. of Defense - Military/Korea* |
| 30 | Dept. of Defense - Military/Kosovo* |
| 31 | Dept. of Defense - MIT Lincoln Laboratory* |
| 32 | Dept. of Defense - National Imaging and Mapping Agency/Imagery Analyst |
| 33 | Dept. of Defense - National Security Agency (NSA)** |
| 34 | Dept. of Defense - National Security Agency (NSA)/Analyst |
| 35 | Dept. of Defense - National Security Agency (NSA)/Intelligence Analyst |
| 36 | Dept. of Defense - National Security Agency (NSA)/Language Analyst Intern* |
| 37 | Dept. of Defense - National Security Agency (NSA)/Mathematics Research |
| 38 | Dept. of Defense - National Security Agency (NSA)/Mathematics Research |
| 39 | Dept. of Defense - Naval Medical Research Center/Malaria Department/Research Assistant |
| 40 | Dept. of Defense - Office of Gulf War Illnesses/Investigations and Analysis Directorate/Analyst |
| 41 | Dept. of Defense - Office of the Secretary of Defense (OSD)/International Security Affairs/Staff Support Specialist |
| 42 | Dept. of Defense - Office of the Secretary of Defense (OSD)/Science and Technology Policy/Global Change Research Program/Office Assistant |
| 43 | Dept. of Defense - Office of the Secretary of Defense (OSD)/Strategy and Threat Reduction/Action Officer |
| 44 | Dept. of Defense - Office of the Secretary of Defense (OSD)/Strategy and Threat Reduction/Russia, Ukraine, Eurasia/Intern Writer |
| 45 | Dept. of Defense - Walter Reed Army Institute of Research/Biomedical Research/Research Technician |
| 46 | Central Intelligence Agency (CIA) - Directorate of Intelligence/Military Analyst |

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| 47 | Central Intelligence Agency (CIA) - Finance Intern |
| 48 | Central Intelligence Agency (CIA) - Political Analyst |
| 49 | Dept. of State - American Institute in Taiwan/Foreign Commercial Service Officer Assistant |
| 50 | Dept. of State - Biosafety Protocol/Biosafety Initiative/Foreign Affairs Officer |
| 51 | Dept. of State - Bureau of Administration/Information Analyst* |
| 52 | Dept. of State - Bureau of Consular Affairs/Fraud Prevention Officer Intern |
| 53 | Dept. of State - Bureau of Democracy, Human Rights, and Labor/Office of Country Reports & Asylum Affairs/Intern* |
| 54 | Dept. of State - Bureau of European & Eurasia Affairs/Foreign Affairs Officer |
| 55 | Dept. of State - Bureau of European Affairs/Office of European Security and Political Affairs/Political Analyst Intern |
| 56 | Dept. of State - Bureau of International Organization Affairs* |
| 57 | Dept. of State - Bureau of Near Eastern Affairs* |
| 58 | Dept. of State - Bureau of Western Hemisphere Affairs* |
| 59 | Dept. of State - Bureau of Western Hemisphere Affairs/Assistant Program Officer/Intern |
| 60 | Dept. of State - Bureau of Western Hemisphere Affairs/Office of the Exec. Director/Brazilian and S. Cone Affairs/Post Management Officer |
| 61 | Dept. of State - Consulate, Monterrey, Mexico/Junior Foreign Service Officer/Vice Consul |
| 62 | Dept. of State - Domestic Security Branch/Special Agent/Trainee |
| 63 | Dept. of State - Embassy, Beijing, China/American Center for Educational Exchange/Educational Exchange Assistant |
| 64 | Dept. of State - Embassy, Beijing, China/Foreign and Commercial Service/Economic Analysis Intern |
| 65 | Dept. of State - Embassy, Belarus* |
| 66 | Dept. of State - Embassy, Bishkek, Kyrgyzstan /Attache/Vice Consul |
| 67 | Dept. of State - Embassy, Budapest, Hungary/Intern |
| 68 | Dept. of State - Embassy, Chile* |
| 69 | Dept. of State - Embassy, Costa Rica/Western Hemisphere Affairs/Staff Assistant |
| 70 | Dept. of State - Embassy, Damascus, Syria/Junior Foreign Service Officer |
| 71 | Dept. of State - Embassy, France* |
| 72 | Dept. of State - Embassy, Hanoi, Vietnam/Economic Section/Economic Analyst Intern |
| 73 | Dept. of State - Embassy, Istanbul, Turkey/Consular Office/Economic Section Staff Intern |
| 74 | Dept. of State - Embassy, Kathmandu, Nepal/Environmental Hub Office/Intern |

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| 75 | Dept. of State - Embassy, Kuwait/Intern |
| 76 | Dept. of State - Embassy, London, United Kingdom/Office of Emerging Diseases/Researcher |
| 77 | Dept. of State - Embassy, Managua, Nicaragua/Consular Section/Political and Economic Researcher |
| 78 | Dept. of State - Embassy, Mexico City, Mexico/Consular Affairs/Vice Consul |
| 79 | Dept. of State - Embassy, Mexico/Political Section/Staff Research & Reporting Intern |
| 80 | Dept. of State - Embassy, Moscow* |
| 81 | Dept. of State - Embassy, Moscow, Russia/Cultural Affairs Intern |
| 82 | Dept. of State - Embassy, Nicaragua/Political Section Intern |
| 83 | Dept. of State - Embassy, Panama/Narcotics Affairs Section/Research Writer |
| 84 | Dept. of State - Embassy, Phnom Penh, Cambodia/Policy Section/Policy Analysis Intern |
| 85 | Dept. of State - Embassy, San Salvador, El Salvador/Consular Section Intern |
| 86 | Dept. of State - Embassy, San Salvador, El Salvador/Foreign Language Fellow* |
| 87 | Dept. of State - Embassy, Sofia, Bulgaria/Political/Economic Section Intern |
| 88 | Dept. of State - Embassy, Tbilisi, Georgia/Assistant General Services Officer |
| 89 | Dept. of State - Embassy, Tegucigalpa, Honduras/Economic Section/Reporting Officer |
| 90 | Dept. of State - Embassy, Tokyo, Japan/Public Affairs Staff Intern |
| 91 | Dept. of State - Embassy, Tokyo, Japan/Public Affairs Staff Intern |
| 92 | Dept. of State - Embassy, Warsaw, Poland/Consular Section/Visa Processor Intern |
| 93 | Dept. of State - Embassy, Zagreb, Croatia/Political Section/Political/Economic Intern |
| 94 | Dept. of State - Foreign Language Fellow* |
| 95 | Dept. of State - Foreign Language Fellow* |
| 96 | Dept. of State - Foreign Service Institute/School of Language Studies/Arabic Department/Language Training Assistant |
| 97 | Dept. of State - Foreign Service Institute/Specialist |
| 98 | Dept. of State - Foreign Service Institute/Staff Assistant to Regional Director |
| 99 | Dept. of State - International Information Programs/Political Security Team Intern |
| 100 | Dept. of State - Junior Foreign Service Officer |
| 101 | Dept. of State - National Foreign Affairs Training Center/Foreign Service Institute/Instructional Assistant |
| 102 | Dept. of State - Office of Caucasus and Central Asia/Desk Officer Assistant |

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| 103 | Dept. of State - Office of Emerging Diseases/Researcher |
| 104 | Dept. of State - Office of Foreign Relations/Administrative Assistant* |
| 105 | Dept. of State - Embassy, Thailand/Intern |
| 106 | Dept. of State - Summit of the Americas/Researcher |
| 107 | Dept. of State - U.S. Information Agency (USIA)/World Net/Writer |
| 108 | Dept. of State - U.S. Information Service (USIS)/Hanoi, Vietnam |
| 109 | Dept. of State* |
| 110 | Dept. of State* |
| 111 | Dept. of Agriculture - Food Safety and Inspection Service (FSIS)/Administrative Assistant |
| 112 | Dept. of Agriculture - Foreign Agricultural Service/Embassy Minister Consular for Agricultural Affairs/Mexico City, Mexico/Research Assistant |
| 113 | Dept. of Agriculture - Foreign Agricultural Service/Food Industry Division/Marketing Intern |
| 114 | Dept. of Agriculture - Forest Service/Integrated Resource Inventory/Botany Researcher |
| 115 | Dept. of Commerce - Business Information Service for Newly Independent States (NIS)/Staff Intern |
| 116 | Dept. of Commerce - Economic Development Administration/Intern |
| 117 | Dept. of Commerce - International Trade Admin. (ITA)/Central Asia and Eastern Europe Business Information Center/Research Intern |
| 118 | Dept. of Commerce - International Trade Admin. (ITA)/Chemicals, Pharmaceuticals, and Biotechnology Section/International Trade Specialist |
| 119 | Dept. of Commerce - International Trade Admin. (ITA)/Export Assistance Center/Market Researcher |
| 120 | Dept. of Commerce - International Trade Admin. (ITA)/Import Compliance Specialist |
| 121 | Dept. of Commerce - International Trade Admin. (ITA)/Industrial Trade/Research Analyst Intern |
| 122 | Dept. of Commerce - International Trade Admin. (ITA)/Industrial Trade/Research Analyst Intern |
| 123 | Dept. of Commerce - International Trade Admin. (ITA)/Intern |
| 124 | Dept. of Commerce - International Trade Admin. (ITA)/Office of Eastern Europe, Russia, NIS/Russia Desk/Intern |
| 125 | Dept. of Commerce - National Oceanic & Atmospheric Administration (NOAA)/National Marine Fisheries Service/Research Assistant |
| 126 | Dept. of Commerce - Office of Chief Counsel for International Commerce/Intern |
| 127 | Dept. of Commerce - Seoul, Korea/U.S. Embassy Commercial Service* |
| 128 | Dept. of Commerce - U.S. Chamber of Commerce, Taipei/Legislative Assistant |
| 129 | Dept. of Commerce - U.S. Commercial Service/Export Assistance Center/International Trade Assistant |
| 130 | Dept. of Energy - Argonne National Laboratory/Advanced Photon Source Operations/Technician III |

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| 131 | Dept. of Energy - Lawrence Berkeley National Laboratory/Research Associate |
| 132 | Dept. of Energy - National Nuclear Security Administration/Environmental Engineer |
| 133 | Dept. of Energy - Oak Ridge National Laboratory/Hybrid Lighting Project/Research Assistant |
| 134 | Dept. of Energy - Oak Ridge National Laboratory/Research Assistant Intern |
| 135 | Dept. of Energy - Sandia National Laboratory/National Solar Thermal Test Facility/Mechanical Engineering Co-op |
| 136 | Dept. of Energy - Stanford Linear Accelerator Laboratory/Research Assistant |
| 137 | Dept. of the Interior - Office of Environmental Policy & Compliance/Alaska/Disaster Response Planning Assistant |
| 138 | Dept. of the Interior - U.S. Geological Survey/Earth Resources Observation Systems (EROS) Data Center/Physical Science Technician |
| 139 | Dept. of the Interior - U.S. Geological Survey/Water Resources/Publications Assistant |
| 140 | Dept. of Justice - Central and East European Law Initiative/Intern |
| 141 | Dept. of Justice - Civil Rights Division/Appellate Section/Paralegal Specialist |
| 142 | Dept. of Justice - Federal Bureau of Investigation (FBI)/Intelligence Research Specialist |
| 143 | Dept. of Justice - Federal Bureau of Investigation (FBI)/Intelligence Research Specialist |
| 144 | Dept. of Justice - Immigration and Naturalization Service (INS)/District Adjudications Officer |
| 145 | Dept. of Justice - Immigration and Naturalization Service (INS)/Office Automation Clerk |
| 146 | Dept. of Justice - Immigration and Naturalization Service (INS)/Seattle Public Relations Office/Office Automation Clerk |
| 147 | Dept. of Justice - Natural Resources Division/International Environmental Policy* |
| 148 | Dept. of Justice - Office of Special Investigations/Research Team |
| 149 | Dept. of Treasury - U.S. Customs/Regulatory Audit Section/Audit Clerk |
| 150 | U.S. Agency for International Development (USAID) - Bolivia/Political Science Intern |
| 151 | U.S. Agency for International Development (USAID) - Bosnia/Office of Economic Restructuring/Economic Analyst Intern |
| 152 | U.S. Agency for International Development (USAID) - Office of Strategic Planning, Budgeting, and Operations/Bureau of Global Health* |
| 153 | U.S. Agency for International Development (USAID) - Tanzania/Health & Population Project/Staff Intern |
| 154 | National Aeronautics & Space Admin. (NASA) - Ames Research Center/Education Associate/Intern |
| 155 | National Aeronautics & Space Admin. (NASA) - Ames Research Center/Special Project/Research Assistant |
| 156 | National Aeronautics & Space Admin. (NASA) - Goddard Space Flight Center/Laboratory for Atmospheres/Summer Institute Intern |
| 157 | National Aeronautics & Space Admin. (NASA) - Headquarters/Latin America Desk Officer |
| 158 | National Aeronautics & Space Admin. (NASA) - Johnson Space Center/Trainee |

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| 159 | National Aeronautics & Space Admin. (NASA) - Langley Research Center/Engineering Co-op |
| 160 | National Aeronautics & Space Admin. (NASA) - Wallops Island, Virginia/Rocket Flight Analyst |
| 161 | National Aeronautics & Space Admin. (NASA) - White Sands Test Facility/Managerial Assistant |
| 162 | National Aeronautics & Space Admin. (NASA) |
| 163 | Congress - Congressional Budget Office |
| 164 | Congress - Congressional Budget Office/National Security Division/Assistant Analyst |
| 165 | Congress - Congressional Budget Office/National Security Division/Weapons Analysis Branch/Defense Research Intern |
| 166 | Congress - General Accounting Office (GAO)/International Affairs & Trade/Analyst |
| 167 | Congress - House Ways and Means Committee/Intern |
| 168 | Congress - Office of Representative Bill Pascrell, Jr. (NJ)/Congressional Intern |
| 169 | Congress - Office of Representative Charles Canady (FL)/Intern |
| 170 | Congress - Office of Representative Chet Edwards (TX)/Research Intern |
| 171 | Congress - Office of Representative Eddie Bernice Johnson (TX)/Constituent Service Intern |
| 172 | Congress - Office of Representative Joe Barton (TX)/Legislative Assistant Intern |
| 173 | Congress - Office of Representative Joel Hefley (CO)/Armed Services Committee Intern |
| 174 | Congress - Office of Representative John LaFalce (NY)/Congressional Intern |
| 175 | Congress - Office of Representative Tony Hall (OH)/Legislative Correspondent |
| 176 | Congress - Office of Representative William Delahunt (MA)/Intern |
| 177 | Congress - Office of Senator Bill Frist (TN) /Foreign Relations Intern |
| 178 | Congress - Office of Senator Frank Lautenberg (NJ)/Immigration Issues/Intern |
| 179 | Congress - Office of Senator Harry Reid (NV)/Immigration Issues/Intern |
| 180 | Congress - Office of Senator John Ashcroft (MO)/Legislative Correspondent |
| 181 | Congress - Senator John F. Kerry (MA)/Regional Director Assistant |
| 182 | Congress - Office of Senator Orrin Hatch (UT)/District Office/Foreign Relations Specialist Asst. |
| 183 | Congress - Office of Senator Patty Murray (WA)/Immigration Issues/Intern |
| 184 | Congress - Office of Senator Pete Domenici (NM)/Legislative Correspondent |
| 185 | Congress - U.S. House of Representatives/Subcommittee on International and Economic Policy and Trade/Staff Assistant |
| 186 | Congress - U.S. Senate/Caucus on International Narcotics Control/Intern |

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| 187 | Congress - U.S. Senate/Committee on the Budget/Junior Analyst |
| 188 | Congress - U.S. Senate/Committee on Foreign Relations/Staff Support Assistant |
| 189 | Dept. of Education - International Affairs Division/Special Assistant/Intern |
| 190 | Dept. of Health and Human Services - Food and Drug Administration/Office of the Executive Secretariat/Research Intern |
| 191 | Dept. of Labor - Bureau of Labor and Statistics/International Price Program/Economic Analyst* |
| 192 | Dept. of Transportation - Transportation Security Administration* |
| 193 | Environmental Protection Agency (EPA) - U.S./Mexico Border Program/Environmental Protection Specialist |
| 194 | Executive Office of the President - National Security Council/Office of International Economic Affairs/Research Intern |
| 195 | Executive Office of the President - Office of Counsel to the President/Internship |
| 196 | Executive Office of the President - Office of the Special Envoy to the Americas/White House Internship Program |
| 197 | Executive Office of the President - Office of the U.S. Trade Representative/Intergovernmental Affairs & Public Liaison/Intern |
| 198 | Executive Office of the President - Office of the U.S. Trade Representative/Research Analyst |
| 199 | Federal Judiciary - U.S. District Courts/Federal District Court for Eastern Washington/Judicial Intern |
| 200 | Federal Reserve - Bank of Kansas City/Denver Branch/Security Analyst |
| 201 | Federal Reserve - Board of Governors/Division of International Finance/Research Assistant |
| 202 | Federal Reserve - Board of Governors/Monetary and Financial Studies Section/Research Assistant |
| 203 | Overseas Private Investment Corporation (OPIC) - Investment Policy Department/Analyst |
| 204 | Peace Corps - Cape Verde, Volunteer* |
| 205 | Peace Corps - Haiti, Volunteer* |
| 206 | Peace Corps - Kyrgyzstan, Volunteer* |
| 207 | Peace Corps - Morocco, Volunteer |
| 208 | Peace Corps - Nicaragua* |
| 209 | Peace Corps - Paraguay, Volunteer* |
| 210 | Peace Corps - Paraguay, Volunteer |
| 211 | Peace Corps - Far East/Volunteer |
| 212 | Peace Corps - Uzbekistan, Volunteer* |
| 213 | Smithsonian Institution - Department of Anthropology/Asian Cultural History Program/Research Collaborator |
| 214 | Social Security Administration - Portland, Oregon Region/Bilingual Contact Representative |

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| 215 | United Nations - Department of Economic and Social Affairs/Intern |
| 216 | Woodrow Wilson International Center for Scholars - Kennan Institute for Advanced Russian Studies/Administrative Assistant |
| 217 | World Bank - U.S. Financial Interest Section/Program Assistant |

203 Scholars have held 217 positions within the federal government since 1996. Due to security reasons, NSEP is unable to identify additional NSEP alumni who are working in intelligence agencies.

*NSEP Scholars hold these positions. Pending NSEP approval, the positions will count towards the students' service requirements.

**NSEP Scholars received offers for these positions. Actual employment is contingent upon completion of a security clearance.

NSEP Graduate Fellows – Positions Held in Federal Government
(1996-January 2003)

| | <u>Service Requirement Employer</u> |
|----|---|
| 1 | Dept. of Defense - Army Corp of Engineers (Canaan Valley Institute)/Landscape Ecologist |
| 2 | Dept. of Defense - Defense Information Systems Agency (DISA) |
| 3 | Dept. of Defense - Defense Intelligence Agency (DIA)/Korean Desk Analyst |
| 4 | Dept. of Defense - Defense Threat Reduction Agency |
| 5 | Dept. of Defense - Defense Threat Reduction Agency |
| 6 | Dept. of Defense - Defense Threat Reduction Agency/International Program Manager* |
| 7 | Dept. of Defense - Dept. of Air Force/Aeronautical Systems Center/Operational Support Contracting Branch |
| 8 | Dept. of Defense - Dept. of Army/Equal Employment Opportunities/Civil rights specialist* |
| 9 | Dept. of Defense - Dept. of Army/National Guard Captain |
| 10 | Dept. of Defense - Dept. of Army/National Defense University |
| 11 | Dept. of Defense - Dept. of Army/National Defense University/National Security Education Program/Fellowship Program Asst. |
| 12 | Dept. of Defense - Dept. of Army/National Defense University/National Security Education Program/Fellowship Program Outreach |
| 13 | Dept. of Defense - Dept. of Army/National Defense University/National Security Education Program/Institutional Grants Officer |
| 14 | Dept. of Defense - Dept. of Army/National Defense University/National Security Education Program/Institutional Grants Officer |
| 15 | Dept. of Defense - Dept. of Army/National Defense University/National Security Education Program/Research Specialist |
| 16 | Dept. of Defense - Dept. of Army/National Security Education Program* |
| 17 | Dept. of Defense - Dept. of Navy/Center For Naval Analysis |
| 18 | Dept. of Defense - Dept. of Navy/Center for Naval Analysis/Assoc. Research Analyst |
| 19 | Dept. of Defense - Dept. of Navy/Naval Postgraduate School/Dept. of National Security Affairs/Asst. Professor |
| 20 | Dept. of Defense - Dept. of Navy/Navy Hospital in Japan/Epidemiologist |
| 21 | Dept. of Defense - Jag Corps Attorney |
| 22 | Dept. of Defense - U. S. Southern Command/Intelligence Specialist |
| 23 | Central Intelligence Agency (CIA) - Office of Russian and European Analysis/Intelligence Analyst |
| 24 | Central Intelligence Agency (CIA)** |

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| 25 | Executive Office of the President - National Security Council/Director of Inter-American Affairs |
| 26 | Dept. of State - Bureau of European Affairs/Public Affairs Specialist |
| 27 | Dept. of State - Bureau of International Narcotics and Law Enforcement Affairs/Program Officer* |
| 28 | Dept. of State - Embassy, Babat, Morocco/Foreign Service Political Officer |
| 29 | Dept. of State - Embassy, Bogota, Colombia/Councilor Section/Vice Consul and Visa Adjudicator |
| 30 | Dept. of State - Embassy, Mexico/Vice Consul |
| 31 | Dept. of State - Embassy, Moldova/Political Analyst and Economic Officer |
| 32 | Dept. of State - Embassy, Pakistan/Foreign Service Officer* |
| 33 | Dept. of State - Embassy, Russia/Regional Investment Initiative Project |
| 34 | Dept. of State - Embassy, Seoul, Korea/U.S. Information Agency (USIA)/Public Affairs/Asst. Country Program Officer |
| 35 | Dept. of State - Embassy, Skopje, Macedonia/U.S. Information Service (USIS)/Public Affairs/Intern |
| 36 | Dept. of State - Embassy, Tashkent, Uzbekistan/Foreign Service Officer |
| 37 | Dept. of State - Intelligence and Research/South Asian Affairs /Presidential Management Intern (PMI)* |
| 38 | Dept. of State - Policy Review/Foreign Service Officer |
| 39 | Dept. of State - Science and Technology Office/Presidential Management Intern (PMI)* |
| 40 | Dept. of State - Sister Cities Program/Seattle/Tashkent/Program Coordinator |
| 41 | Dept. of State* |
| 42 | Dept. of Agriculture - Agriculture Research Service/Environmental Microbiologist |
| 43 | Dept. of Commerce - Census Bureau |
| 44 | Dept. of Commerce - International Trade Admin. (ITA) |
| 45 | Dept. of Commerce - International Trade Admin. (ITA) |
| 46 | Dept. of Commerce - International Trade Admin. (ITA)/Trade Specialist |
| 47 | Dept. of Commerce - International Trade Admin. (ITA)/Trade Specialist |
| 48 | Dept. of Commerce - National Oceanic & Atmospheric Administration (NOAA) |
| 49 | Dept. of Commerce - National Oceanic & Atmospheric Administration (NOAA)/Biologist |
| 50 | Dept. of Energy - Lawrence Livermore Nat'l Laboratory/Defense & Nuclear Technology Directorate/Engineer/Technology Scholar |
| 51 | Dept. of Energy - Oak Ridge National Laboratory |
| 52 | Dept. of Justice - Drug Enforcement Agency (DEA)/Program Analyst |

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| 53 | Dept. of Justice - Federal Bureau of Investigation (FBI)** |
| 54 | Dept. of Labor - International Labor Affairs Bureau/International Child Labor Program/Program Specialist |
| 55 | Dept. of Treasury - Financial Management Service/Financial Education Program Specialist |
| 56 | Dept. of Treasury - Office of Foreign Exchange Operations/Research Assistant |
| 57 | Dept. of Treasury - Office of Middle East and South Asia/International Economist |
| 58 | U.S. Agency for International Development (USAID) - Almaty, Kazakhstan/Democracy and Media Office/Civil Society and Media Project Manager |
| 59 | U.S. Agency for International Development (USAID) - American Center for International Labor |
| 60 | U.S. Agency for International Development (USAID) - Armenia Mission |
| 61 | U.S. Agency for International Development (USAID) - Benin Desk/Microfinance/Program Manager |
| 62 | U.S. Agency for International Development (USAID) - Budapest, Hungary/Performance Monitoring Section |
| 63 | U.S. Agency for International Development (USAID) - Central Asian Countries/Women in Development* |
| 64 | U.S. Agency for International Development (USAID) - Climate Change Dept./Manages NGO Program |
| 65 | U.S. Agency for International Development (USAID) - Contract with (Monitoring, Evaluation, and Design Support) MEDS, Inc./Program & Technical Coordinator |
| 66 | U.S. Agency for International Development (USAID) - Democracy Project/Program Officer |
| 67 | U.S. Agency for International Development (USAID) - Democracy Project/Specialist |
| 68 | U.S. Agency for International Development (USAID) - Development Alternatives/Researcher |
| 69 | U.S. Agency for International Development (USAID) - Development Information Services/Research Assistant |
| 70 | U.S. Agency for International Development (USAID) - Egypt/Agribusiness Project/Development Alternatives/Consultant |
| 71 | U.S. Agency for International Development (USAID) - Egypt/Education Development Center/New Schools Program/Project Director |
| 72 | U.S. Agency for International Development (USAID) - Europe/Eurasia Bureau/Proposal Management and Legislative Analyst/Program Advisor |
| 73 | U.S. Agency for International Development (USAID) - International Foundation for Electoral Systems/Democracy Consultant |
| 74 | U.S. Agency for International Development (USAID) - International Organization for Migration/Kosovo Transition Initiative |
| 75 | U.S. Agency for International Development (USAID) - Kazakhstan/Central Asia Development Project/Securities Market Development/Asst. to Chief of Party |
| 76 | U.S. Agency for International Development (USAID) - National Democratic Institute/Research on Democracy Promotion Initiatives |
| 77 | U.S. Agency for International Development (USAID) - Office of International Refugee Health/Contractor |
| 78 | U.S. Agency for International Development (USAID) - Office of Management Planning and Analysis/Auditor/Management Specialist |
| 79 | U.S. Agency for International Development (USAID) - Pragma Corporation (USAID contractor)/Small and Medium Enterprise Consultant |
| 80 | U.S. Agency for International Development (USAID) - South Africa Mission/Governance Support Program |

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| 81 | U.S. Agency for International Development (USAID) - South Africa/Tertiary Education Linkages Program/Development Project Consultant |
| 82 | U.S. Agency for International Development (USAID) - Uzbekistan/Central Asia Small and Medium Enterprise Project |
| 83 | U.S. Agency for International Development (USAID) - Volunteers in Technical Assistance (VITA)/Consultant/Advisor |
| 84 | U.S. Agency for International Development (USAID)* |
| 85 | National Aeronautics & Space Admin. (NASA) - International Program Specialist |
| 86 | National Aeronautics & Space Admin. (NASA) - International Programs/International Desk Officer |
| 87 | Congress - General Accounting Office (GAO)/Defense Capabilities and Management Team/Analyst |
| 88 | Congress - Office of Representative Earl Pomeroy (ND) |
| 89 | Congress - Library of Congress/Congressional Research Service (CRS)/Analyst in Asian Affairs |
| 90 | Congress - Library of Congress/Congressional Research Service (CRS)/Office of Science and Technology/Consulting Policy Analyst |
| 91 | Congress - Library of Congress/Federal Research Division/Counterterrorism and Counterintelligence Research Analyst |
| 92 | Dept. of Health and Human Services - Center for Disease Control & Prevention (CDC)/Center for Infectious Diseases/Field Epidemiologist |
| 93 | Dept. of Health and Human Services - Center for Disease Control & Prevention (CDC)/HIV & AIDS Initiative |
| 94 | Dept. of Health and Human Services - Office of the Inspector General/Program Analyst |
| 95 | Environmental Protection Agency (EPA) - Global Program Division/Consultant |
| 96 | Federal Communications Commission (FCC) - Multilateral Development Bureau/Asia Regional Specialist |
| 97 | National Institutes of Health (NIH) - National Heart, Lung, and Blood Institute/Study Manager |
| 98 | National Science Foundation - Postdoctoral Research Grant Recipient/Duke University/Dept. of Biology |
| 99 | Overseas Private Investment Corporation (OPIC) - Investment Insurance Department/Intern |
| 100 | RAND - National Security Research Division/Research on Transnational Security |
| 101 | RAND* |
| 102 | United Nations - U.S. Mission/UN High Commission on Refugees |

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| <p>97 Fellows have held 102 positions within the federal government since 1996. Due to security reasons, NSEP is unable to identify additional NSEP alumni who are working in intelligence agencies.</p> |
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*NSEP Fellows hold these positions. Pending NSEP approval, the positions will count towards the students' service requirements.

**NSEP Fellows received offers for these positions. Actual employment is contingent upon completion of a security clearance.

APPENDIX 5. NATIONAL SECURITY EDUCATION TRUST FUND

| Security Type | Date of Maturity | Yield at Purchase | Interest Rate | Date Acquired | Principal Cost | Book Value | Par Value | Accrued Interest |
|------------------------|------------------|-------------------|---------------|---------------|----------------|---------------|---------------|------------------|
| Bill | 12/26/02 | 1.572 | | 10/01/02 | 996,309.17 | 998,884.17 | 1,000,000.00 | |
| | 01/30/03 | 1.891 | | 10/01/02 | 993,770.97 | 996,859.75 | 1,000,000.00 | |
| | 02/27/03 | 1.802 | | 10/01/02 | 992,698.75 | 995,638.85 | 1,000,000.00 | |
| | 03/27/03 | 1.059 | | 10/01/02 | 994,891.11 | 996,622.94 | 1,000,000.00 | |
| | 05/01/03 | 1.419 | | 10/31/02 | 3,524,060.39 | 3,528,171.31 | 3,549,000.00 | |
| *Total | | | | | 7,501,730.29 | 7,516,177.02 | 7,549,000.00 | |
| NITE | 12/02/02 | 1.310 | 1.310 | 11/29/02 | 1,000,000.00 | 1,000,000.00 | 1,000,000.00 | 36.39 |
| NOTE | 02/28/03 | 1.639 | 5.500 | 09/26/02 | 117,903.13 | 117,106.66 | 116,000.00 | 1,145.58 |
| | 03/31/03 | 1.480 | 5.500 | 10/01/02 | 2,260,993.59 | 2,246,445.78 | 2,217,000.00 | 20,099.18 |
| | 05/31/03 | 2.305 | 5.500 | 05/31/02 | 1,703,883.13 | 1,678,090.19 | 1,652,000.00 | 45,430.00 |
| | 08/15/03 | 1.688 | 5.750 | 08/29/02 | 998,088.59 | 988,403.00 | 961,000.00 | 13,964.53 |
| | | 4.732 | 5.750 | 11/16/98 | 4,750,010.94 | 4,586,955.69 | 4,555,000.00 | 76,153.90 |
| | 05/15/04 | 2.140 | 5.250 | 07/25/02 | 506,325.00 | 501,326.58 | 480,000.00 | 1,044.20 |
| | | 2.722 | 5.250 | 06/27/02 | 339,980.47 | 336,669.16 | 325,000.00 | 707.01 |
| | 08/15/04 | 3.486 | 7.250 | 04/30/02 | 7,349,114.06 | 7,210,494.84 | 6,790,000.00 | 143,134.30 |
| | 08/15/05 | 2.686 | 6.500 | 08/15/02 | 6,280,396.56 | 6,222,604.47 | 5,662,000.00 | 107,088.72 |
| Total | | | | | 24,306,695.47 | 23,888,096.37 | 22,758,000.00 | 408,687.42 |
| Total Current Holdings | | | | | 32,808,425.86 | 32,404,273.39 | 31,307,000.00 | 408,723.81 |

Weighted Average Yield Report

Weighted Average Yield (all securities): 2.681%

Weighted Average Yield (notes and bonds): 3.131%

APPENDIX 6. ALLOCATION OF PROPOSED NSEP APPROPRIATIONS

Section II D outlined NSEP’s current annual allocation of Trust Fund resources. This allocation includes approximately \$3.6 million per year to support undergraduate scholarships and graduate fellowships. This estimate is based on maintaining the current (2002) numbers of Undergraduates and Graduate students, funding the National Flagship Language Initiative Pilot Program in three languages, and providing limited NFLI student funding to attend these flagship programs.

| | | |
|--------------------------------|--------------------------|-------------|
| Undergraduate Scholarships | 190 @ \$10,000 per award | \$1,900,000 |
| Graduate Fellowships | 90 @ \$19,000 per award | \$1,700,000 |
| National Flagship Pilot Grants | | \$1,500,000 |
| National Flagship Fellowships | 20 @ \$20,000 per award | \$ 400,000 |
| Total Awards | | \$5,500,000 |
| Program Administration | | \$2,500,000 |
| Total | | \$8,000,000 |

Increased NSEP appropriations of \$18,000,000 for Fiscal Year 2004 as proposed in Section IV of this report will be allocated as follows:

| | | |
|-------------------------------|----------------------------------|--------------|
| Undergraduate Scholarships | 190 @ \$12,000 per award | \$ 2,228,000 |
| Graduate Fellowships | 100 @ \$20,000 per award | \$ 2,000,000 |
| National Flagship Grants | | \$ 7,000,000 |
| National Flagship Fellowships | 125 @ \$30,000 per average award | \$ 3,750,000 |
| Total Awards | | \$14,978,000 |
| Program Administration | | \$ 3,022,000 |
| Total | | \$18,000,000 |

This allocation reflects the following important factors:

1. The number of NSEP Undergraduate Scholarships and Graduate Fellowships will be held relatively constant. The per award cost for Undergraduate Scholarships will increase by approximately \$2,000 per award as NSEP increases the percentage that are funded for full year academic study. The per award cost for Graduate Fellowships will increase only slightly for inflation. The total number of student awards will be dramatically increased, as outlined below, to support study at the more advanced level in critical languages.
2. Approximately 10 National Flagship Programs will be funded including programs in Arabic (2), Chinese (2), Hindi (1), Japanese (1), Korean (1), Persian/Farsi (1), Russian (1), Turkish (1). Average annual funding, per flagship program, will be approximately \$700,000; this funding level will vary according to demand and performance.

3. Approximately 125 NFLI Fellowships at an average of \$30,000 will be awarded annually based on a national merit-based competition. Students receiving these awards will study at NFLI Institutions and incur a significant NSEP service requirement as outlined in Section III. Based on proposed funding levels for FY 2004, each of the 10 Flagship programs will enroll approximately 12 NSEP/NFLI fellows. Total enrollment targets for each Flagship program are 40 students per program including the 12 NSEP/NFLI Fellows. The Flagship students not funded directly by NSEP, while not obligated to federal service, will be provided with incentives for federal employment and will receive placement advice from NSEP. At a level of 400 students nationally, the per student cost will average less than \$30,000 per student. It is likely that higher demand languages (e.g., Arabic, Chinese) will reflect somewhat lower per student costs while lower demand languages (e.g., Persian/Farsi, Hindi) will incur slightly higher per student costs.
4. Program administration costs will increase from the current \$2,500,000 per year to approximately \$3,000,000 to oversee the National Flagship Language Initiative. However, administrative costs, as a percentage of total program expenditures will decrease from the current approximately 32% to under 17%.

Further expansion of the National Flagship Language Initiative to more students and/or additional languages will require increases in appropriations in FY 2005 and beyond. Additional Programs may be needed in Arabic, Chinese, Hindi, Russian, and Turkish languages as well as new opportunities in other critical languages (e.g., Dari). Fully implemented, 15 Flagship program would enroll at least 250 NSEP/NFLI Fellows per year with the entire system producing as many as 500 Superior level professionals across a minimum of 8 languages. Additional funding of at least \$7 million per year is required to insure this level of production.