

ED/OIG External Audit Findings

(slide 25)

Program Offices

<u>Office</u>	<u>Acronym</u>
Office of Deputy Secretary	ODS
Office of Elementary and Secondary Education	OESE
Federal Student Aid	FSA
Office of Special Education and Rehabilitation Services	OSERS
Office of Postsecondary Education	OPE

Location of OIG Reports:

<http://www2.ed.gov/about/offices/list/oig/areports.html>

Findings in OIG Report

<u>Date Issued</u>	<u>ACN</u>	<u>Report (title changed)</u>	<u>Findings</u>
9/2/2014	Q05N0009 (ODS)	A State's Department of Education's Administration of its Race to the Top Grant	<ul style="list-style-type: none"> • Improve the Accuracy of Reported Performance Data. • Did Not Ensure That LEAs Complied With All Applicable Federal Fiscal Requirements <ul style="list-style-type: none"> ○ Excess cash ○ Unallowable activities ○ Costs not adequately documented ○ Allocation of costs to incorrect grants
5/6/2014	A09N0009 (OESE)	A LEA's Internal Control Over Nonpayroll Purchases Using ED Funds	No Findings
9/26/2013	A06M0013 (FSA)	A State University's Administration of Selected Aspects of the Title IV Programs (Public University)	<ul style="list-style-type: none"> • Reporting Accurate Employment and Continuing Education Data, Unsupported Job Placement Rates and Reporting Inaccurate Graduation Data on It's Web <ul style="list-style-type: none"> ○ Did Not Provide Employment Data and Continuing Education Data for Some Colleges on its Web Site ○ Provided Unsupported Job Placement Rates on its Web Site ○ Reported Inaccurate Graduation Data on its Web Site
7/25/2013	A09L0011 (OSERS)	LEA Maintenance of Effort (MOE) Flexibility Due to Recovery Act IDEA, Part B Funds	<ul style="list-style-type: none"> • SEAs and LEAs did not always comply with applicable laws and regulations associated with exercising MOE flexibility • LEAs did not always administer freed-up funds resulting from exercising MOE flexibility • SEAs did not always monitor LEAs freed-up funds

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(slide 25)

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6/27/2013	A02M0009 (OESE)	A State's Final Recovery Act Expenditures Supplemental Report	<ul style="list-style-type: none"> • Misclassified \$400,482 in Transportation Expenditures as Supplies • Reporting of Recovery Act Expenditure Data Could Not be Reconciled
6/13/2013	A06L0001 (OESE)	An LEA's Compliance With the Accountability and Academic Assessment Requirements of the Elementary and Secondary Education Act of 1965	<ul style="list-style-type: none"> • Yearly Progress Results and Graduation Rate Data Cannot Be Relied On <ul style="list-style-type: none"> ○ Not All Required Students Took the 10th Grade TAKS Test ○ Students Graduated Without Taking the 10th Grade TAKS Test ○ LEA's Policies Kept Students From Taking the TAKS Test ○ 2009 and 2012 Graduation Rate Cannot Be Relied On • Leadership Created an Inadequate Internal Control Environment
5/20/2013	A07M0007 (OESE)	A State's Department of Education's System of Internal Control Over Statewide Test Results	<ul style="list-style-type: none"> • A State's DOE Could Strengthen Its Risk Assessment and Monitoring Processes <ul style="list-style-type: none"> ○ Did Not Always Monitor Schools That It Identified as High-Risk Schools ○ Has Not Effectively Used Contractor-Provided Reviews of Test Results and Forensic Analyses to Identify Schools With Possible Test Administration Irregularities ○ Did Not Ensure That Its Contractor Provided Timely Reports on Missing Nonscorable Test Materials to Schools • An LEA Could Strengthen Its System of Internal Control Over Test Material Security, Recordkeeping, and Testing Administration <ul style="list-style-type: none"> ○ Building Security Allowed for Unauthorized Access to Test Materials ○ Did Not Retain Records of Its Onsite Monitoring Visits ○ One School Did Not Test All Students in a Continuous Session

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(slide 25)

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09/21/2012	A09K0008 (FSA)	A University's Administration of Title IV, Higher Education Act Student financial Assistance Programs (Private, For-Profit)	<ul style="list-style-type: none"> • Student Eligibility for Disbursement of Title IV Funds <ul style="list-style-type: none"> ○ Disbursed Title IV Funds to Students Who Did Not Attend During the Term ○ Did Not Verify Enrollment Status and Adjust Title IV Disbursement Amounts When Warranted ○ Incorrectly Determined the First Day of Attendance • Identifying Students Who Withdrew Unofficially • Lack of Proper Authorizations to Retain Credit Balances <ul style="list-style-type: none"> ○ Authorization to Retain Funds for Future Charges Was Improper ○ Authorization for Post-Withdrawal Disbursements of Loan Funds Was Improper • Other Matters <ul style="list-style-type: none"> ○ Return of Title IV Funds Calculation Errors ○ Incentive Compensation Practices Prohibited as of July 1, 2011
05/15/2012	A07K0003 (FSA)	A College's Administration of the Title IV Programs	<ul style="list-style-type: none"> • Student Eligibility Not Established Prior to Disbursing Title IV Funds <ul style="list-style-type: none"> ○ Lack of Support for Student Eligibility ○ Students Ineligible Because ATB Test Was Improperly Administered • Title IV Funds Disbursed to Students Who Did Not Maintain Satisfactory Academic Progress • Title IV Funds Disbursed to Students Who Had Exceeded the Maximum Number of Remedial Credit Hours • Title IV Funds Disbursed to Students Enrolled in Ineligible Nondegree Programs • FWS Not Administered in Compliance with Federal Regulations <ul style="list-style-type: none"> ○ FWS Recipients' Work Not in the Public Interest and Lack of Written Contracts with Private, Nonprofit Employers ○ Job Descriptions Not Provided ○ Recipients Worked When They Should Have Attended Their Scheduled Classes ○ Recipients Received Wages Though Not Enrolled in Classes ○ Recipients Paid for Hours Not Worked • Students Without Evidence of Attendance Not Properly Identified and Return of Title IV Aid Incorrectly Calculated <ul style="list-style-type: none"> ○ Students Who Never Attended During the Quarter Not Properly Identified ○ Students Who Unofficially Withdrew Not Properly Identified ○ Last Date of Attendance Not Based on Academically Related Activity ○ Evidence of Attendance Not Provided for All Courses ○ Incorrect Amounts of Title IV Funds Retained • Title IV Funds Not Returned Timely <ul style="list-style-type: none"> ○ Untimely Return of Title IV Funds

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			<ul style="list-style-type: none"> ○ Untimely Determination of Student Withdrawal Date ● Retroactive Pell Disbursements Not Always Based on Credit Hours That Students Completed
03/29/2012	A05K0012 (FSA)	A College's Administration of the Title IV Programs (Private, Non-Profit)	<ul style="list-style-type: none"> ● The College Was Not Eligible to Participate in the Title IV Programs (went over 50 % Correspondence Limit) ● Incorrect Calculations of Title IV Awards for Students Enrolled in Correspondence Courses <ul style="list-style-type: none"> ○ Use of Incorrect Pell Disbursement Schedules ○ Use of Incorrect COA Budgets ● Cost of Attendance Budgets Were Not Supported ● Title IV Funds Improperly Disbursed to Students <ul style="list-style-type: none"> ○ Disbursements Made to Students Not Enrolled in Classes at the Time of Disbursement ○ Pell Funds Disbursed Too Early for Students Enrolled in Correspondence Courses ● Title IV Funds Retained for Students Who Did Not Begin Attendance ● The College Did Not Comply with Return of Title IV Aid Requirements <ul style="list-style-type: none"> ○ Incorrect Last Date of Attendance Used for Students Who Unofficially Withdrew ○ Title IV Funds Not Returned Timely ● Notifications of Title IV Disbursements and FFEL Program Exit Counseling Not Provided Timely <ul style="list-style-type: none"> ○ Untimely Notifications of FFEL Program Disbursements ○ Untimely FFEL Program Exit Counseling ● Other Matters <ul style="list-style-type: none"> ○ FWS Wages Paid to Participants with Potential Schedule Conflicts