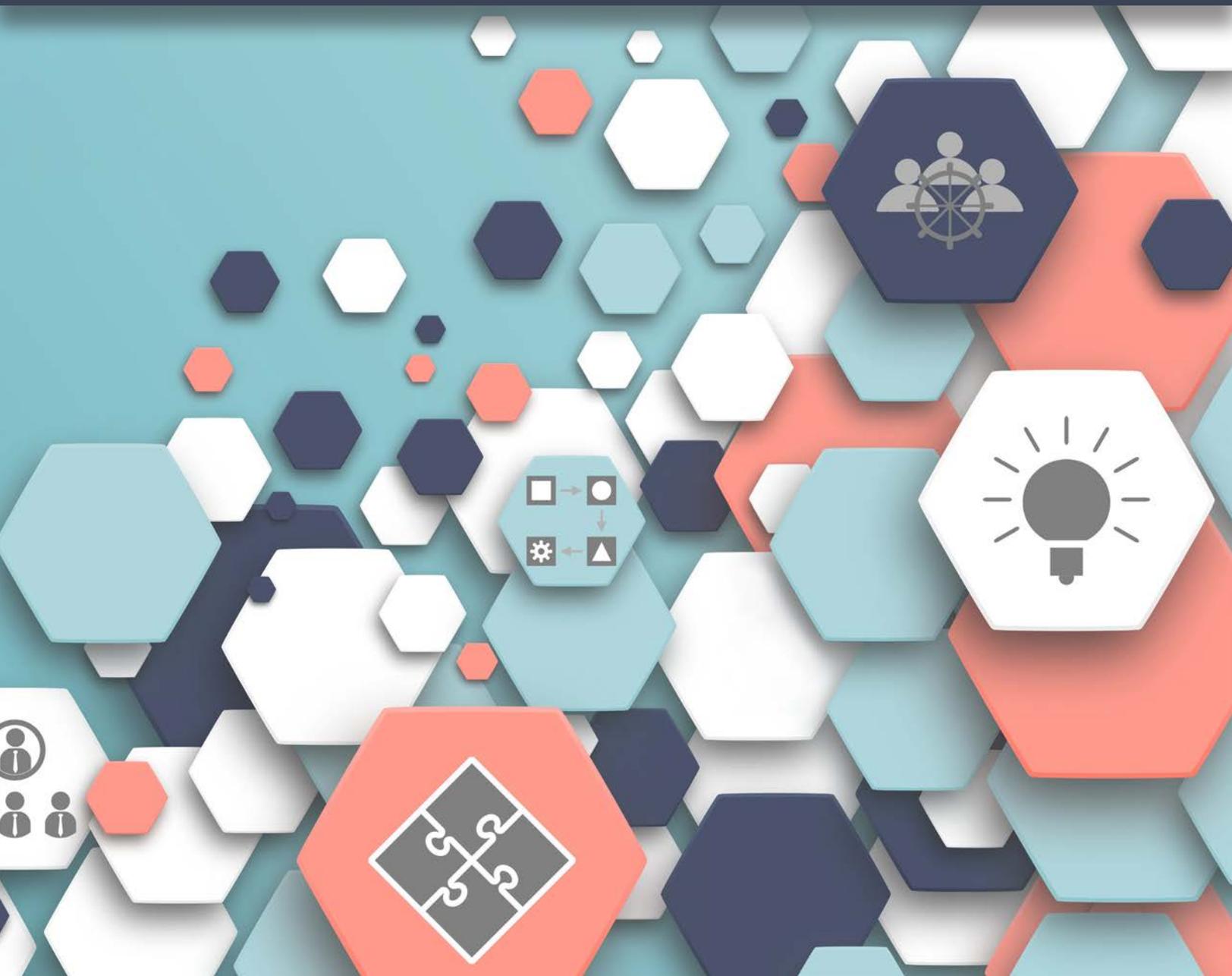




U.S. Department of Education  
Office of Inspector General

# FY 2022 Annual Plan

November 2021



Office of Inspector General  
Sandra D. Bruce  
Deputy Inspector General Delegated the Duties of Inspector General

November 2021

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### Please Note:

The Office of Inspector General's FY 2022 Annual Plan is available on the ED OIG website at <http://www2.ed.gov/about/offices/list/oig/workplan.html>.

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# Message from the Deputy Inspector General Delegated the Duties of Inspector General

I am pleased to provide the U.S. Department of Education (Department) Office of Inspector General (OIG) annual plan for fiscal year (FY) 2022. Our annual plan identifies the audits, inspections, and other activities that the OIG intends to undertake to assist the Department in fulfilling its responsibilities to America's citizens and students.

Our FY 2022 Annual Plan details the assignment areas and resources we plan to devote to evaluations of the efficiency, effectiveness, and integrity of Department programs and operations. It aligns the OIG's work and resources to achieve our mission, meet the goals of our Strategic Plan, and focus attention across challenge areas to the Department. As such, our planned and ongoing work involves Department programs and operations at all levels—Federal, State, and local. In the development of our Annual Plan, we request the input of key stakeholders, including Department leadership, the Office of Management and Budget, and the U.S. Congress.

The Department will face several challenges in FY 2022, including the continued implementation, management, and oversight of the programs and funding authorized under multiple pandemic relief laws. The Coronavirus Aid, Relief, and Economic Security Act; the Coronavirus Response and Relief Supplemental Appropriations Act, 2021; and American Rescue Plan provided the Department with more than \$280 billion to assist States, schools, school districts, and institutions of higher education in meeting their needs and the needs of their students impacted by the pandemic. The Department must oversee, manage, and administer this funding to ensure transparency and accountability. It must also ensure that its grantees, subgrantees, funding recipients and subrecipients are aware of their responsibilities, that they use the funds as intended, and that they comply with applicable laws. To that end, we will dedicate a significant amount of our resources to the programs that received pandemic relief funds, as well as continue our work involving the \$2.9 billion in funding the Department received to help States and schools meet the educational needs of students affected by the 2017, 2018, and 2019 hurricanes and wildfires. We will also continue our work involving Federal student aid programs, K-12 and special education programs,

and Department management and internal operations. In addition, we will continue to help identify emerging risks and vulnerabilities throughout the Department and will dedicate resources to ensuring that critical Federal education funds are being used for the purposes intended.

The OIG plans to expand efforts initiated during FY 2021 in response to our changing operational environment by devoting additional resources to limited scope reviews in high-interest areas that provide faster completion times when compared to traditional audits. Planning this work is a collaborative and recurring process that involves input from multiple OIG components on a frequent basis, including Audit Services; Investigation Services; Information Technology, Audits, and Computer Crime Investigations; and our Office of Counsel. This dynamic activity identifies value-added, quick response work that furthers our ability to promote the efficiency, effectiveness, and integrity of the Department's programs and operations. During its first year of operation, this initiative delivered multiple products in areas that included risks associated with a pandemic relief grant program and a recipient's use of disaster recovery funds.

Although our FY 2022 Annual Plan provides a framework for the activities that we intend to accomplish, we retain the flexibility to divert resources to other priorities as they arise. Often, the OIG receives tasks from external sources, such as new legislative mandates, Congressional hearings and inquiries, Department requests, or governmentwide reviews that result in unplanned activities. Whether we are examining an issue from our work plan or a new, unplanned assignment, we will meet our overarching goal and turn our resources into results.

We look forward to continuing to work with the Department and the Congress in meeting our goals and fulfilling our mission.



Sandra D. Bruce  
Deputy Inspector General  
Delegated the Duties of Inspector General



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# U.S. Department of Education Office of Inspector General FY 2022 Annual Plan

## Mission Statement

Our mission is to promote the efficiency, effectiveness, and integrity of the Department's programs and operations through our independent and objective audits, investigations, inspections, and other activities.

## Introduction

The U.S. Department of Education (Department) Office of Inspector General (OIG) [Strategic Plan](#) sets forth our mission, vision, and goals. Our mission is rooted in our statutory responsibilities under the Inspector General Act of 1978, as amended (IG Act). The IG Act established OIGs as independent and objective organizations within the Federal departments and agencies. The IG Act authorizes each OIG to do the following:

- Conduct and supervise audits and investigations relating to its agency's programs and operations.
- Provide leadership, coordinate, and recommend policies for activities designed to promote economy, effectiveness, and efficiency in the agency's programs and operations; and to prevent and detect waste, fraud, and abuse in the agency's programs and operations.
- Keep its agency head and Congress fully and currently informed of problems and deficiencies in the agency's programs and operations and on the status of corrective actions.

## Strategic Plan Goals

The OIG's Strategic Plan for FY 2018–FY 2022 provides the roadmap by which we plan to accomplish our mission. To meet our mission, we have established the following goals:

- **Goal 1:** Deliver high-quality, timely, and impactful products and services that promote efficiency, effectiveness, and integrity in the Department's operations and programs.
- **Goal 2:** Cultivate a diverse, highly skilled and inspired workforce with sufficient resources to carry out the OIG's mission.
- **Goal 3:** Implement internal processes that promote organizational effectiveness, stewardship of resources, and accountability.

The first goal focuses on our responsibilities under the IG Act to promote economy, efficiency, and effectiveness and to prevent and detect waste, fraud, and abuse. The second and third goals focus on the people, culture, and internal functions of the OIG, providing the foundation for our capacity to achieve the first goal now and in the future. The OIG's Strategic Plan provides more details on the specific strategies developed for each goal and associated performance measures.

## FY 2022 Management Challenges

For FY 2022, the OIG identified the following areas as significant management challenges for the Department:

- Implementing Pandemic Relief Laws,
- Oversight and Monitoring,
- Data Quality and Reporting,
- Improper Payments, and
- Information Technology Security.

You can read our Management Challenges reports on our [website](#).

# FY 2022 Work Plan Priority Areas and Activities

The activities presented in the FY 2022 Work Plan are conducted under the OIG's first Strategic Plan goal. These activities were developed in consideration of factors that include an assessment of risk to the Department's programs and operations, the OIG's mission and goals, stakeholder feedback, FY 2022 Management Challenges, and resource availability. We present these activities in four priority areas: (1) specialized work specific to pandemic relief oversight and disaster recovery; (2) Federal student aid programs and operations; (3) K-12 grant programs and operations, and (4) Department management and operations. At the end of the work plan, we include a table that correlates the FY 2022 Work Plan projects to the FY 2022 Management Challenges.

## Specialized Work: Pandemic Relief and Disaster Recovery Oversight

### Pandemic Relief Oversight

Three measures were signed into law providing the Department with more than \$280 billion to assist States, school districts, elementary and secondary schools, and postsecondary institutions in meeting their needs and the needs of their students impacted by the coronavirus pandemic—the Coronavirus Aid, Relief, and Economic Security Act or CARES Act (March 2020); the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (December 2020); and the American Rescue Plan (March 2021). The CARES Act also allowed the Department to provide State educational agencies (SEAs) and local educational agencies (LEA) with waivers of certain statutory or regulatory requirements and included provisions intended to provide Federal student loan borrowers with emergency relief.

In response, the OIG plans to perform a series of audits and quick response work relating to pandemic relief programs, requirements, and flexibilities (read our [pandemic relief oversight plan](#)). This will include reviews of the Department's oversight of multiple grant programs and relief funds, grantee management and use of pandemic relief funds, and the effectiveness of the Department's processes to implement flexibilities in the student financial assistance programs.

### Disaster Recovery Oversight

In 2018 and 2019, Congress passed, and the President signed into law, measures providing the Department with \$2.9 billion to help States and schools meet the educational needs of students affected by the 2017, 2018, and 2019 hurricanes, wildfires, and other disasters. This funding allowed the Department to provide assistance under programs that included grants for Immediate Aid to Restart School Operations (Restart), Temporary Emergency Impact Aid for Displaced Students (Emergency Impact Aid), Defraying Costs of Enrolling Displaced Students, and Emergency Assistance to Institutions of Higher Education. In 2020 and 2021, the OIG issued several reports specific to disaster recovery. In FY 2022, the OIG

plans to continue its work to ensure that eligible participants receive the proper funding and that recipients use the funds appropriately to restore the learning environment for students and families affected by the identified natural disasters.

## New Specialized Work: Pandemic Relief Oversight

### *Returning Borrowers to Repayment*

**FSA's Transition of Federal Student Loan Borrowers Back into Repayment—**Evaluate the results of FSA's processes to transition Federal student loan borrowers back into repayment after the relief measures implemented in response to the coronavirus pandemic expire.

### *Elementary and Secondary School Emergency Relief (ESSER) Fund*

**Department's Oversight of ESSER Funds—**Determine whether the Department provided adequate oversight of SEAs' use of ESSER funds and monitoring of LEAs and other subrecipients.

**SEAs' and LEAs' Use of ESSER Funds—**Determine whether selected SEAs' and LEAs' used ESSER funds in accordance with applicable coronavirus relief laws and other Federal requirements, with a particular focus on activities to address learning loss.

### *Administration and Oversight of Department Programs*

**Department Capacity and Resources—**Determine how the Department has used or plans to use its supplemental pandemic-related program administration funding.



## Continuing Specialized Work: Pandemic Relief Oversight

### *ESSER Fund*

**LEAs' Use of ESSER Funds for Technology**—Describe LEAs uses of ESSER funds for technology purposes.

### *Flexibilities in the Student Financial Assistance Programs*

**FSA's Processes for Return of Title IV Waiver Requirements, Cancellation of Borrower Loans, and Exclusion of Subsidized Loan Usage and Federal Pell Grant Lifetime Usage**—Evaluate Federal Student Aid's (FSA) processes for (1) waiving the return of Title IV funds for students who withdrew because of the coronavirus pandemic, (2) canceling Direct Loans for students who withdrew because of the coronavirus pandemic, and (3) excluding students' subsidized loan usage and Federal Pell Grant lifetime usage for any payment periods that the students did not complete because of the coronavirus pandemic.

**Department's Processes to Implement Flexibilities to Teacher Education Assistance for College and Higher Education (TEACH) Grant Service Obligations**—Evaluate the Department's plans and processes to ensure TEACH grantees receive full-time credit toward their service obligations for part-time and temporarily interrupted service due to the coronavirus pandemic.

**School Compliance with Title IV Waiver Requirements**—Determine whether selected schools complied with the provisions in the CARES Act, Federal regulations, and Department guidance for waivers to the return of Title IV funds for students who withdrew because of the coronavirus pandemic.

### *Governor's Emergency Education Relief (GEER) Fund*

**States' Awarding and Monitoring of GEER Funds**—Determine whether selected States designed and implemented (1) awarding processes that ensured that GEER funds were used to support LEAs and institutions of higher education that were most significantly impacted by coronavirus or LEAs, institutions of higher education, or other education-related entities within the State that were deemed essential for carrying out emergency educational services and (2) monitoring processes that ensured that subgrantees used GEER funds in accordance with CARES Act and other applicable Federal requirements. We are continuing our work at Oklahoma State Department of Education, Missouri Department of Elementary and Secondary Education, and Michigan Department of Education.

**States' Plans for Using GEER Funds**—Review States' initial 45-day GEER Fund reports to determine how States plan to allocate funds to entities within the three authorized categories: LEAs, institutions of higher education, and education-related entities, and the criteria upon which these decisions were based; and review GEER Fund annual reports to identify changes to and progress made from the initial plans in the 45-day reports.

### *Higher Education Emergency Relief (HEER) Fund*

**Department's Oversight of HEER Funds**—Determine whether the Office of Postsecondary Education has an adequate process to ensure that grantees use HEER funds appropriately and that grantees meet performance goals.



**Duplicate HEER Fund Awards**—Determine the extent to which the Office of Postsecondary Education has awarded duplicative HEER Fund awards in the G5 system.

**Schools' Use of HEER Funds: Grants to Eligible Students and Use of Institutional Portion**—Determine whether selected institutions of higher education used the Student Aid and Institutional portions of their HEER funds for allowable and intended purposes. We issued a report to Lincoln College of Technology ([A20CA0016](#)) and Remington College ([A20CA0017](#)). We are planning work at a school to be determined.

## Continuing Work: Disaster Recovery Oversight

### *Emergency Assistance to Institutions of Higher Education*

**Schools' Use of Emergency Assistance to Institutions of Higher Education Funds**—Determine whether selected institutions of higher education used program funds in accordance with Federal requirements and their approved applications for program funds. We are continuing work at Gulf Coast State College.

### *Emergency Impact Aid*

**SEAs' Administration of the Emergency Impact Aid Program**—Determine whether selected SEAs ensured that (1) displaced student count data to the Department were accurate and complete, (2) EIA program funds were appropriately allocated to LEAs, and (3) LEAs appropriately accounted for EIA program funds within applicable Federal guidelines. We issued reports to the Texas Education Agency ([A02T0001](#)) and Florida Department of Education ([A02T0006](#)) and a flash report to the Puerto Rico Department of Education ([F19GA0027](#)). We are continuing work at the Massachusetts Department of Elementary and Secondary Education and Puerto Rico Department of Education.

### *Restart*

**SEAs' Allocations and Use of Restart Funds**—Determine whether selected SEAs (1) appropriately allocated Immediate Aid to Restart School Operations program funds and (2) ensured that LEAs and nonpublic schools used Restart

program funds for allowable and intended purposes. We are continuing work at the California Department of Education.

**Puerto Rico Department of Education’s Use of Restart Funds**—Determine whether the Puerto Rico Department of Education used Restart program funds for allowable and intended purposes.

## Federal Student Aid Programs and Operations

The Department disburses more than \$115 billion in Federal student aid annually to more than 10 million postsecondary students and their families, and it manages an outstanding student loan portfolio valued at more than \$1.5 trillion, making it one of the largest financial institutions in the country. As such, effective oversight and monitoring of its programs, operations, and program participants is critical to ensure that the programs are not subject to fraud, waste, and abuse. Our planned and continuing work in the student financial assistance programs includes Department oversight of schools, servicers, and other program participants. We will also continue to devote significant resources towards investigating allegations of fraud in student financial assistance programs. New priority work and continuing work within this area for FY 2022 include the following.

### New Priority Work: Federal Student Aid Programs and Operations

#### *Oversight of Proprietary Schools*

**90/10 Provision**—Determine FSA’s processes for (1) overseeing proprietary school compliance with 90/10 revenue requirements and (2) reporting 90/10 revenue information to Congress.

**FSA’s Oversight of Contractor’s Acceptability Review Process for Proprietary School Annual Audits**—Determine whether FSA’s oversight of its contractor’s acceptability review process ensures that annual proprietary school audits meet applicable audit reporting requirements.



*Equity and Support for Underserved Communities*

**FSA's Outreach to Individuals Who Belong to Underserved Communities—**

Determine the extent to which FSA identifies individuals who belong to underserved communities and performs outreach targeting such individuals.

*Experimental Sites Initiative*

**Department's Reporting on Experimental Sites Initiatives—**

Determine the extent to which the Department reported on experimental sites initiatives to Congress and the public.

## Continuing Work: Federal Student Aid Programs and Operations

*Postsecondary Education for Students Without a High School Diploma or its Recognized Equivalent*

**FSA's Oversight of Career Pathway Programs—**Determine the extent to which FSA (1) maintained information on which schools provide career pathway programs, (2) reviewed the eligibility of career pathway programs through program reviews and compliance audits, and (3) identified and ensured correction of any program weaknesses.

**School Compliance with Career Pathway Programs and Ability-to-Benefit Provisions—**

Determine whether (1) selected schools developed and implemented career pathway programs that met eligibility requirements of the Higher Education Act, as amended; (2) students enrolled in selected schools' career pathway programs met ability-to-benefit requirements; and (3) schools correctly calculated career pathway program students' cost of attendance and Title IV aid awards and correctly determined students' enrollment statuses. We are continuing work at United Education Institute.

*Streamlining Student Aid Systems and Processes*

**FSA's Transition to the Next Generation FSA (Next Gen FSA) Loan Servicing Environment—**

Determine whether FSA has processes for planning and managing the transition to the Next Gen FSA loan servicing environment to achieve the project's intended outcomes.

*Professional Judgment*

**Schools' Compliance with the Requirements for Using Professional Judgment to Adjust Students' Financial Information—**

Determine whether selected schools applied, documented, and reported their use of dependency override and professional judgment in accordance with Sections 479A and 480 of the Higher Education Act of 1965, as amended. We issued a report to the National Aviation Academy of Tampa Bay (A201L0001). We are continuing our work at the Bais HaMedrash and Mesivta of Baltimore and University of Southern California.

*Emerging Areas of Heightened Risk*

**Audits, Inspections, and Investigations of Selected Program Participants—**

Throughout the year, we may receive referrals from program offices requesting review of postsecondary institutions or other student financial assistance program participants where the possibility of fraud, waste, or abuse of Federal funds has been identified. We also receive Hotline allegations or other information alleging

fraud or misuse of Federal funds or may otherwise identify specific institutions that warrant review. Objectives will vary based on the nature of the concerns. Generally, objectives will relate to whether the institutions are complying with regulations, program guidelines, and the Higher Education Act, as amended, or will help alert the Department to any emerging and systemic areas of abuse.

## K–12 and Special Education Grant Programs and Operations

The Department’s early learning, elementary, and secondary education programs annually serve more than 17,000 school districts and more than 56 million students attending more than 98,000 public schools and 32,000 private schools. The Department is responsible for ensuring that these programs are executed in compliance with applicable requirements and that grantees meet program objectives. Our audits in this area include reviews of the Department’s and grantees’ internal controls and oversight processes to ensure that Federal funds are appropriately used and reach intended recipients, reported data are accurate and complete, and progress is made towards achieving programmatic goals. Our investigations focus on serious allegations of fraud and corruption involving these programs, examples of which can be found on our website. New priority work and continuing work within this area for FY 2022 include the following.

### New Priority Work: K–12 and Special Education Grant Programs and Operations

#### *Every Student Succeeds Act (ESSA)*

##### **Statewide Accountability Systems and Administration of Assessments—**

Determine whether (1) the Department provided adequate oversight of SEAs’ implementation of their approved Statewide accountability systems, particularly with regard to the administration of required assessments, and (2) selected SEAs administered assessments in accordance with the ESEA, as amended by the



ESSA, and in a manner consistent with their approved consolidated State plans, to include consideration of any flexibilities or waivers granted in response to the coronavirus pandemic.

*Individuals with Disabilities Education Act (IDEA)*

**Equity in IDEA**—Determine what steps the Department has taken to implement its final regulations on significant disproportionality in special education.

*Emerging Areas of Heightened Risk*

**Audits, Inspections, and Investigations of Select Grantees**—Periodically, program offices will request that we review grantees where the possibility of fraud, waste, or abuse of Federal funds has been identified. We also receive Hotline allegations or other information alleging fraud or misuse of Federal funds, or otherwise identify specific grantees that warrant review. Objectives will vary based on the nature of the referral or reasons for conducting the audit work. Generally, the objectives will relate to whether grantees are complying with applicable laws, regulations, and grant terms.

## Continuing Work: K–12 and Special Education Grant Programs and Operations

*Charter Schools*

**Effectiveness of Charter School Program Grants in Increasing the Number of High-Quality Charter Schools**—To (1) describe what the Department does to track and report on the number of charter schools opened using Federal funds and the number of charter schools that stay open after Federal funding ends; (2) determine whether Charter School Programs grantees opened the number of charter schools proposed in their approved grant applications; and (3) determine whether the charter schools funded by Charter School Programs grants remained open for at least 2 years after Federal funding ended.



**Department Oversight of Charter School Programs Grants for the Replication and Expansion of High-Quality Charter Schools**—Determine whether the Department designed and implemented processes that provided reasonable assurance that grantees (1) reported complete and accurate information on their annual performance reports and (2) spent grant funds only on allowable activities and in accordance with program requirements.

## Department Management and Operations

The Department needs effective systems of internal control, well-managed business processes, and sufficient monitoring and financial management systems to help achieve its organizational goals. We routinely plan and conduct audits and other reviews focused on ensuring the efficiency, effectiveness, and integrity of the Department's management and operations. In addition, through our audit and investigative work, proactive data analytics, and other reviews, we assess risks, evaluate indicators, and perform tests that are designed to detect fraud, waste, and abuse. Our investigations, audit, computer analysis, and computer forensics staff work together to help identify weaknesses in internal controls that could leave the Department's programs or operations vulnerable to fraud, waste, and abuse. This interdisciplinary work can result in criminal and civil investigations of fraud in the Department's programs and operations. For FY 2022, the following activities will evaluate potential risks and vulnerabilities to fraud, waste, and abuse in Department programs.

### New Priority Work: Department Management and Operations

#### *Family Educational Rights and Privacy Act (FERPA)*

**FERPA Monitoring and Enforcement**—Determine whether the Department is taking effective actions to enforce compliance with the FERPA.

#### *Emerging Areas of Heightened Risk*

**Audits, Inspections, or Investigations of Department Operations and Programs, and Responses to Congressional Inquiries or Requests**—Throughout the year, we may receive requests from various sources, including Congress, to review specified Department operations, programs, or officials where the possibility of fraud, waste, or abuse of Federal funds has been identified or suspected. We may receive additional requests from these sources to review the efficiency, effectiveness, and integrity of the Department's management and operations. We also receive Hotline allegations or other information alleging fraud or misuse of Federal funds or may otherwise identify specific Department operations, programs, or officials that warrant review. Objectives will vary based on the nature of the concerns.



### *Related OIG Activities*

**Data Analytics**—Continue to support investigations and audits by further developing proactive, intuitive, and interactive data analytic and risk model systems to identify adverse trends and possible fraud, waste, and abuse in Department programs or operations. For example, we have established data analytic processes to detect electronic fraud activities such as student aid fraud rings and identity theft within the Federal student aid arena. We developed a visualization tool that helps to assess the overall risk for purchase card activity. We have also worked with other OIG offices and have established data matching agreements and processes to identify specific types of potential fraudulent or abusive behaviors.

**Fraud Awareness Presentations**—Continue to conduct awareness presentations to entities and people who award, disburse, or receive Federal education dollars, including Department employees, contractors, grant recipients, and school officials. The presentations highlight common fraud schemes and indicators, serving to educate people on specific vulnerabilities within the programs, contracts, and grants they oversee. The awareness presentations also enhance the OIG's ability to generate referrals, as well as the Department's overall ability to prevent and detect fraud.

**Hotline Operations**—The OIG Hotline provides a means for anyone to report suspected fraud, waste, or abuse involving Department funds or programs. We evaluate complaints received through the OIG website, telephone, fax, or U.S. mail and refer them for OIG investigation, audit, or other review, or other offices or agencies as appropriate.

**Technology Crimes Investigations and Investigative Technical Support**—Continue protecting the Department's programs and network infrastructure by investigating technology-based criminal activity that impairs or obstructs the integrity and efficiency of the Department's Information Technology infrastructure or data, and continue providing digital forensics services in support of criminal

investigations conducted by the OIG. We will continue initiating investigations into the unauthorized access of any information technology system used in the administration, processing, disbursement, or management of Federal funds originating from the Department. We will also continue to conduct forensic analysis of digital evidence in support of OIG criminal investigations.

## Work Required by Statute: Department Management and Operations

### *Attestations, Risk Assessments, and Required Follow-up Reviews*

**Geospatial Data Act Audit**—Determine whether the Department is in compliance with the applicable requirements outlined under Section 759(a) of the Geospatial Data Act.

**Grants Oversight and New Efficiency (GONE) Act of 2016**—In FY 2020, the OIG performed a required risk assessment of the Department’s Grant Closeout Process as required by the GONE Act. We identified risks with the reliability of the Department’s grant data and GONE Act reporting and with the Department’s grant closeout policies and procedures. Based on these risks we determined an audit was warranted; specific objectives of this review will be identified during project planning.

**Purchase Card Program**—Perform the required risk assessment of the Department’s purchase card program and, if deemed necessary, perform an audit of Department purchase card transactions in accordance with the requirements in the Government Charge Card Abuse Prevention Act of 2012.

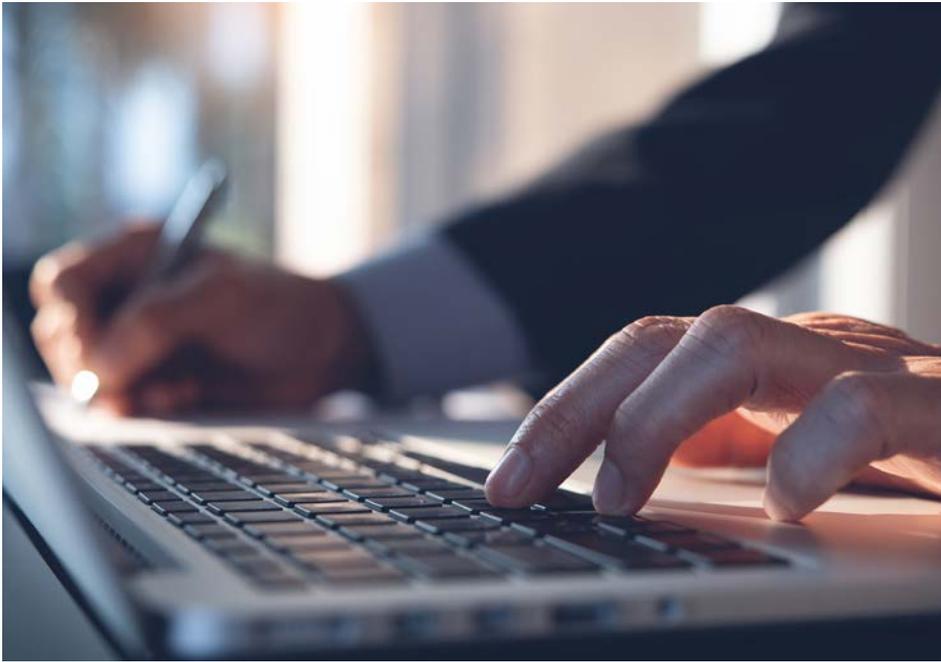
### *Financial Statements*

**Department-Wide Financial Statement Audit**—Oversee and monitor the independent public accounting firm contracted to provide an opinion on whether the Department-wide financial statements were fairly presented in all material respects in accordance with accounting principles generally accepted in the United States. The independent public accounting firm will also report material weaknesses and significant deficiencies in the Department’s internal control over financial reporting and whether the Department complied with applicable provisions of Federal laws, regulations, contracts, and grant agreements that could have a material effect on the basic financial statements.

**FSA Financial Statements Audit**—Oversee and monitor the independent public accounting firm contracted to provide an opinion on whether FSA’s financial statements were fairly presented in all material respects in accordance with accounting principles generally accepted in the United States. The independent public accounting firm will also report material weaknesses and significant deficiencies in FSA’s internal control over financial reporting and whether FSA complied with applicable provisions of Federal laws, regulations, contracts, and grant agreements that could have a direct and material effect on the basic financial statements.

### *Improper Payments*

**Annual Compliance Review of the Department’s Compliance with Improper Payment Reporting Requirements**—Determine whether the Department has met the requirements of the Payment Integrity Information Act of 2019 related



to the formulation and inclusion of the payment integrity information in the annual financial statements and in the accompanying materials to the annual financial statements for FY 2021.

#### *Information Technology Security*

**Federal Information Security Modernization Act of 2014 Audit**—Determine whether the Department's and FSA's information security programs and practices were effective as they related to Federal information security requirements.

#### *Non-Federal Audits*

**Non-Federal Audit Activities**—Under the Inspector General Act, the Single Audit Act, the Higher Education Reauthorization Act and implementing regulations, Uniform Guidance, and cognizant agency responsibility guidelines, the OIG is responsible for assuring the quality and usefulness of the non-Federal audit process and ensuring that non-Federal audits meet requirements and are reliable and effective tools to improve the integrity and effectiveness of Department programs. To meet those responsibilities, the OIG performs desk reviews and quality control reviews to assess the quality of non-Federal audits, provides technical assistance to non-Federal auditors, develops or assists in developing audit guidance, participates in certain post-audit activities, and represents the Department at interagency meetings involving the non-Federal audit process.

#### *Whistleblower Activities*

**Mandatory Contractor Whistleblower Reprisal Investigations**—The OIG is required by statute to intake and investigate certain allegations of reprisal provided by contractor, subcontractor, grantee, and subgrantee employees. These investigations are required to be completed within 360 days at most, and to be provided to the Secretary of Education for a determination of whether a reprisal occurred and an appropriate remedy.

## Other OIG Efforts

### Legislation and Regulations

The IG Act also states that the OIG is responsible for reviewing existing and proposed legislation and regulations related to the programs and operations of the Department. The OIG accomplishes this in several ways, as follows.

- Review and comment on draft legislation, regulations, and proposed Department policies, procedures, and guidance; observe negotiated rulemaking sessions; and participate in an advisory capacity on Departmental policy groups.
- Review and comment on pending legislation or regulations of other agencies that affect the Department, its recipients, or entities participating in Department programs.
- Provide recommendations to Congress for consideration during the reauthorization process for Department programs.
- Review and provide comments to the Office Management Budget on proposed regulations, including participation on Office of Management and Budget workgroups to draft and revise regulations.

### Other Activities

The OIG also performs several other activities related to its obligation to keep Congress informed about any problems or deficiencies with the Department's administration of its programs and operations, including participation in cross-agency groups, as follows.

- **Congressional Requests.** The OIG responds to congressional requests for information or analysis.
- **Council of the Inspectors General on Integrity and Efficiency (CIGIE).** OIG staff play an active role in CIGIE efforts, leading or participating on more than a dozen committees, subcommittees, and workgroups. Deputy Inspector General Delegated the Duties of Inspector General Sandra D. Bruce chairs the CIGIE Diversity, Equity, and Inclusion Work Group, and is a member of CIGIE's Audit Committee and the Information Technology Committee. OIG staff also lead or facilitate CIGIE training courses. More information on these activities can be found in our [Semiannual Reports to Congress](#).
- **Pandemic Response Accountability Committee (PRAC).** The OIG is a statutorily-required member of the PRAC and OIG staff are actively involved in a number of subcommittees, work groups, and task forces. Deputy Inspector General Delegated the Duties of Inspector General Sandra D. Bruce chairs the PRAC's Federal, State, and Local Coordination Subcommittee and is a member of its Financial Oversight Workgroup. OIG staff also participate on the PRAC's Fraud Task Force, Investigations Training Subcommittee, and are working with PRAC partners on a number of cross-cutting projects. More information on OIG's activities with the PRAC can be found on our special [pandemic relief oversight webpage](#) and in our [Semiannual Reports to Congress](#).

# FY 2022 Management Challenges and FY 2022 Work Plan Projects

Below you will find both planned and ongoing projects presented in the FY 2022 Annual Plan Work Plan by each area included in our FY 2022 Management Challenges. Projects that are planned as quick response work are identified with a caret. Ongoing work is indicated with an asterisk.

FY 2022 Management Challenge	Related FY 2022 Work Plan Projects
Implementing Pandemic Relief Laws	<p><b>ESSER Fund</b></p> <ul style="list-style-type: none"> <li>• Department’s Oversight of ESSER Funds</li> <li>• SEAs’ and LEAs’ Use of ESSER Funds</li> <li>• LEAs’ Use of ESSER Funds for Technology*</li> <li>• GEER Fund</li> <li>• States’ Awarding and Monitoring of GEER Funds               <ul style="list-style-type: none"> <li>• Oklahoma State Department of Education*</li> <li>• Missouri Department of Elementary and Secondary Education*</li> <li>• Michigan Department of Education*</li> </ul> </li> <li>• States’ Plans for Using GEER Funds*</li> </ul> <p><b>HEER Fund</b></p> <ul style="list-style-type: none"> <li>• Department’s Oversight of HEER Funds*</li> <li>• Schools’ Use of HEER Funds—Grants to Eligible Students and Use of Institutional Portion*</li> </ul> <p><b>Returning to Repayment</b></p> <ul style="list-style-type: none"> <li>• FSA’s Transition of Federal Student Loan Borrowers Back into Repayment</li> </ul> <p><b>Flexibilities</b></p> <ul style="list-style-type: none"> <li>• FSA’s Processes for Return of Title IV Waiver Requirements, Cancellation of Borrower Loans, and Exclusion of Subsidized Loan Usage and Federal Pell Grant Lifetime Usage</li> <li>• Department’s Processes to Implement Flexibilities to TEACH Grant Service Obligations*</li> <li>• School Compliance with Title IV Waiver Requirements</li> </ul> <p><b>Department Programs</b></p> <ul style="list-style-type: none"> <li>• Department Capacity and Resources^</li> </ul>

FY 2022 Management Challenge	Related FY 2022 Work Plan Projects
Oversight and Monitoring	<p><b>Disaster Recovery</b></p> <ul style="list-style-type: none"> <li>• Schools' Use of Emergency Assistance to Institutions of Higher Education Funds <ul style="list-style-type: none"> <li>• Gulf Coast State College*</li> </ul> </li> <li>• SEAs' Allocations and Use of Restart Funds <ul style="list-style-type: none"> <li>• California Department of Education*</li> </ul> </li> <li>• Puerto Rico Department of Education's Use of Restart Funds</li> </ul> <p><b>Student Financial Assistance Programs</b></p> <ul style="list-style-type: none"> <li>• 90/10 Provision</li> <li>• FSA's Oversight of Contractor's Acceptability Review Process for Proprietary School Annual Audits^</li> <li>• FSA's Outreach to Individuals Who Belong to Underserved Communities</li> <li>• FSA's Oversight of Career Pathway Programs</li> <li>• School Compliance with Career Pathway Programs and Ability to Benefit Provisions <ul style="list-style-type: none"> <li>• United Education Institute*</li> </ul> </li> <li>• FSA's Transition to the Next Gen FSA Loan Servicing Environment*</li> <li>• Schools' Compliance with the Requirements for Using Professional Judgment to Adjust Students' Financial Information <ul style="list-style-type: none"> <li>• Bais HaMedrash and Mesivta of Baltimore*</li> <li>• University of Southern California*</li> </ul> </li> </ul> <p><b>Student Financial Assistance Programs</b></p> <ul style="list-style-type: none"> <li>• Statewide Accountability Systems and Administration of Assessments</li> <li>• Equity in IDEA^</li> <li>• Effectiveness of Charter School Program Grants in Increasing the Number of High-Quality Charter Schools*</li> <li>• FERPA Monitoring and Enforcement</li> <li>• Grants Oversight and New Efficiency Act of 2016</li> <li>• Quality Control Reviews of Single and Compliance Audits</li> </ul>

FY 2022 Management Challenge	Related FY 2022 Work Plan Projects
Oversight and Monitoring (Continued)	<p><b>Grantees</b></p> <ul style="list-style-type: none"> <li>• Statewide Accountability Systems and Administration of Assessments</li> <li>• Equity in IDEA*</li> <li>• Effectiveness of Charter School Program Grants in Increasing the Number of High-Quality Charter Schools*</li> <li>• FERPA Monitoring and Enforcement</li> <li>• Grants Oversight and New Efficiency Act of 2016</li> <li>• Quality Control Reviews of Single and Compliance Audits</li> </ul>
Data Quality and Reporting	<ul style="list-style-type: none"> <li>• SEAs' Administration of the Emergency Impact Aid Program               <ul style="list-style-type: none"> <li>• Massachusetts Department of Elementary and Secondary Education*</li> <li>• Puerto Rico Department of Education*</li> </ul> </li> <li>• Department's Reporting on Experimental Sites Initiatives^</li> <li>• Geospatial Data Act Audit</li> <li>• Department-Wide Financial Statement Audit</li> <li>• FSA Financial Statement Audit</li> </ul>
Improper Payments	<ul style="list-style-type: none"> <li>• Annual Compliance Review of the Department's Compliance with Improper Payment Reporting Requirements</li> <li>• Department's Purchase Card Program</li> </ul>
Information Technology Security	<ul style="list-style-type: none"> <li>• Federal Information Security Modernization Act of 2014 Audit</li> </ul>

# Acronyms and Abbreviations

CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CIGIE	Council of the Inspectors General on Integrity and Efficiency
Department	U.S. Department of Education
Emergency Impact Aid	Temporary Emergency Impact Aid for Displaced Students
ESSA	Every Student Succeeds Act
ESSER	Elementary and Secondary School Emergency Relief
FERPA	Family Educational Rights and Privacy Act
FSA	Federal Student Aid
FY	fiscal year
GEER	Governor's Emergency Education Relief
HEER	Higher Education Emergency Relief
IDEA	Individuals with Disabilities Education Act
IG Act	Inspector General Act of 1978, as amended
LEA	local educational agency
OIG	Office of Inspector General
PRAC	Pandemic Response Accountability Committee
Restart	Immediate Aid to Restart School Operations
SEA	State educational agency
TEACH	Teacher Education Assistance for College and Higher Education



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