



U.S. DEPARTMENT OF EDUCATION, OFFICE OF INSPECTOR GENERAL

# Performance Results Report for FY 2024



## **Office of Inspector General**

Sandra D. Bruce  
Inspector General

December 2024

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### **Please Note:**

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# Message from Sandra D. Bruce

## Inspector General

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In accordance with the Government Performance and Results Modernization Act of 2010, I am pleased to present the U.S. Department of Education (Department) Office of Inspector General (OIG) Fiscal Year 2024 Performance Results Report. This report highlights our work and activities completed throughout fiscal year (FY) 2024 and the results of our efforts to meet or exceed our annual performance measures. Those measures align with the goals and strategies presented in our [FY 2023–2028 Strategic Plan](#)—our roadmap for providing effective and objective oversight of the Department’s programs and operations, enhancing and optimizing our resources and capabilities to meet our mission, and engaging our workforce to become a premiere, high-performing 21st century organization.

FY 2024 was the second year of implementing strategies aimed at helping the OIG reach its goals presented in our Strategic Plan, and in this report, we share the results of those efforts, including the measures we used to evaluate our impact, productivity, timeliness, and responsiveness to stakeholders in relation to year one of the implementation of those goals. As you will see, thanks to the hard work and effort of the OIG staff, we not only successfully met all of our performance goals but exceeded our targeted measures for 20 of those 22 performance goals.

This report also includes our performance measures and targets for FY 2025, which we expect will be another productive year, as we continue to oversee the Department’s programs, operations, and funding. Through these performance measures, we look to ensure that the OIG is operating effectively and efficiently to ensure that the Department programs are carried out as required, funding reaches the intended recipients, and desired results are achieved. We will also continue to increase our fraud awareness efforts to help our stakeholders and the public identify and report fraud; investigate allegations of fraud and public corruption involving Federal education funds, unauthorized access, and misuse of Department data systems; and stop unscrupulous student loan debt relief fraud companies and others who prey on student loan borrowers. You can find more about our planned efforts in our [FYs 2025–2026 Annual Plan](#).

Thank you for your interest in and support of the OIG. We look forward to FY 2025, as we continue to meet our goals and fulfill our mission.

A handwritten signature in black ink that reads "Sandra D. Bruce". The signature is written in a cursive, flowing style.

**Sandra D. Bruce**  
Inspector General

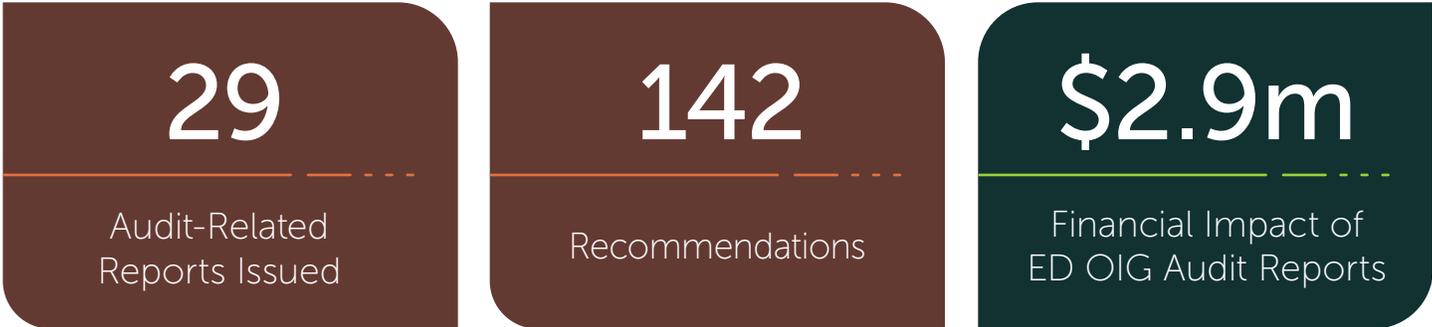


# FY 2024 Performance Results Snapshot

## Investigative Accomplishments



## Audit-Related Accomplishments



## Other Accomplishments





# Performance Results for FY 2024

In the following pages, you will find a summary of our performance highlights and the results of our performance measures for fiscal year (FY) 2024. As you will see, the U.S. Department of Education (Department) Office of Inspector General (OIG) staff continued to meet ever-changing and higher standards when it comes to our work. Over the past year, we protected and recovered millions of taxpayer dollars, fought fraud and corruption, and issued guidance to assist external auditors with meeting Federal requirements. We also continued our practice of reaching outside of our office to collaborate with other agencies on intergovernmental projects that encourage us to perform even better.

agents conducting investigative activities (e.g., conducting interviews, executing search and arrest warrants, and testifying at trials) in locations outside their immediate areas; limited paid trainings for staff unless required under professional standards or other policy for staff to conduct their work; and the cancellation of or reductions in contracts to cover the minimal level necessary to support vital operations or for services required by statute, regulation, or guidance. The OIG staff rose to the challenges posed by our financial position and continued to deliver results for students and taxpayers. Below are key highlights of the OIG’s work and accomplishments in FY 2024.

**20/22**   
*Measures Exceeded*

In FY 2024, we successfully met all of our 22 performance goals, exceeding our targeted measurements for 20 of those 22 goals. This is a notable achievement, as the OIG faced unprecedented fiscal challenges that required significant across the board reductions in costs. This included a continuation of our multi-year hiring freeze with very limited exceptions; significant reductions in travel for staff except for mission-critical assignments, such as special



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## Performance Overview

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- We issued 29 reports and related reviews, identifying some \$2.9 million in unsupported, questioned costs, and better use of funds. These reports covered a myriad of issues and Department programs—including pandemic relief aid, K–12 and Federal student aid programs and operations, and the Department’s compliance with Federal statutes (including the financial statement audits of the Department and the Federal Student Aid office (FSA), the Federal Information Security Modernization Act (FISMA), and improper payments). These reports included 142 recommendations for corrective actions to address the weaknesses and issues identified by our work.
- In addition, we completed 79 quality control and desk reviews of required audits submitted by recipients of Department funding. This statutory work helps ensure that recipients of Federal education funds comply with laws, regulations, and other requirements that are material to the Federal awards they received. The OIG also issued [new guidance](#) to support auditors conducting non-Federal audits to help ensure that non-Federal audits meet requirements and are reliable and effective tools to improve the integrity and effectiveness of education programs. We also provided several significant trainings, including a training that focused on audit updates for institutions of higher education at the 2023 FSA Training Conference session, and a training for officials from other Federal agencies with responsibilities for updating the Office of Management and Budget (OMB) Compliance Supplement that covered how agencies can identify key compliance requirements subject to audit that meet OMB’s standards for inclusion in the single audit.
- In our investigative work, we closed 64 investigations involving fraud or corruption and secured more than \$95.2 million in restitution, settlements, fines, recoveries, forfeitures, and estimated savings—which is 41 percent more than our FY 2024 annual appropriation. As a result of our investigative work, prosecutive actions were taken against numerous people, including current and former school officials—people in positions of trust to educate students but who instead chose to cheat their students and America’s taxpayers.
- The first step in stopping education-related fraud is learning how to identify it. The second step is knowing how to report it. That is why our fraud awareness efforts are so important. In FY 2024, we issued nearly a dozen new brochures, flyers, and information sheets aimed at helping our stakeholders and the general public in identifying, avoiding, and reporting education-related fraud to the OIG. This included new Spanish-language flyers. The OIG also conducted 335 individual outreach efforts—including trainings, discussions, briefings, panel sessions, one-on-one meetings, and social media campaigns—to reach school officials at the K–12 and post-secondary levels. You will find copies of our free fraud awareness and prevention materials, training videos and more on [our website](#).
- The OIG also issued two episodes in its Eye on ED podcast series: one on the information and services available to external auditors conducting work involving Federal education funding, and another episode focused on student aid fraud rings—large, loosely affiliated groups of criminals who target online education programs by enrolling fake students for

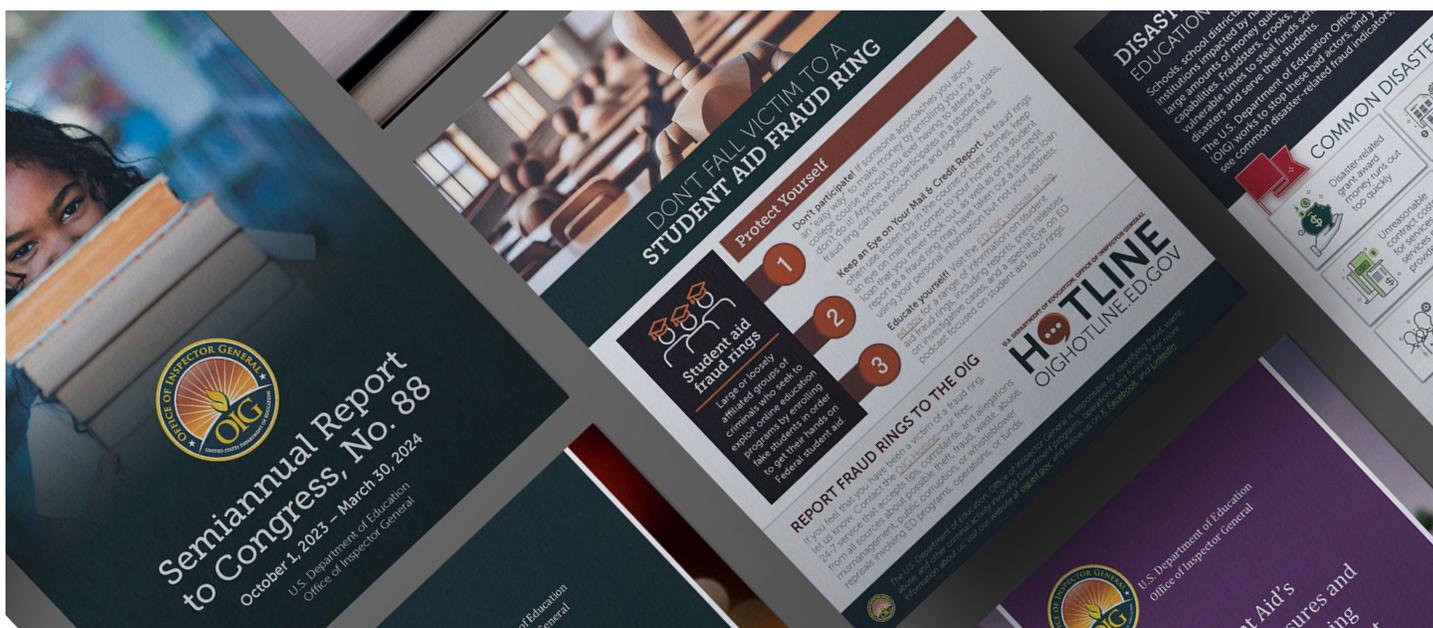


the sole purpose of obtaining Federal student aid. This podcast shared valuable information on how these rings operate, who they target, and what’s being done to stop them. Our Eye on ED podcasts are entirely written and produced by OIG staff and feature experienced staff members who share their knowledge and experiences on the topics highlighted. [Eye on ED episodes](#) can be found here on our website.

- In January, we issued a [Public Service Announcement](#) alerting the public to student loan scams, with important information on how to identify them, how to avoid them, and what to do if you think you have fallen victim to a student loan scam. As a result of the announcement, the OIG was a featured guest in a segment of [Gray Media’s Watch Your Wallet episode](#). In the segment, which ran in more than 40 media markets, OIG shared valuable information on student loan scams.
- In August, Inspector General Bruce was a guest in the Federal News Network/ Graduate School USA “The Search for Accountability” podcast series. Inspector General Bruce provided information on the role and mission of the OIG, and

shared examples of our recent audit and investigative work. The interview is available on the [Federal News Network website](#).

- OIG staff led or participated in more than 30 intergovernmental task forces and work groups, sharing our knowledge, experience, and perspectives on proposed and draft legislation, regulations, and guidance for those who receive Federal funding and those who oversee that funding. This included work through the Pandemic Response Accountability Committee (PRAC), the Council of the Inspectors General on Integrity and Efficiency (CIGIE), the Association of Government Accountants Partnership for Management and Accountability, and other intergovernmental forums across the country. Through these efforts, we work to improve performance and accountability by ensuring open communication between Federal, State, local, Tribal, and territorial governmental oversight organizations. You can find more on these task forces and work groups in the pages of our [Semiannual Reports to Congress](#) available on our website.



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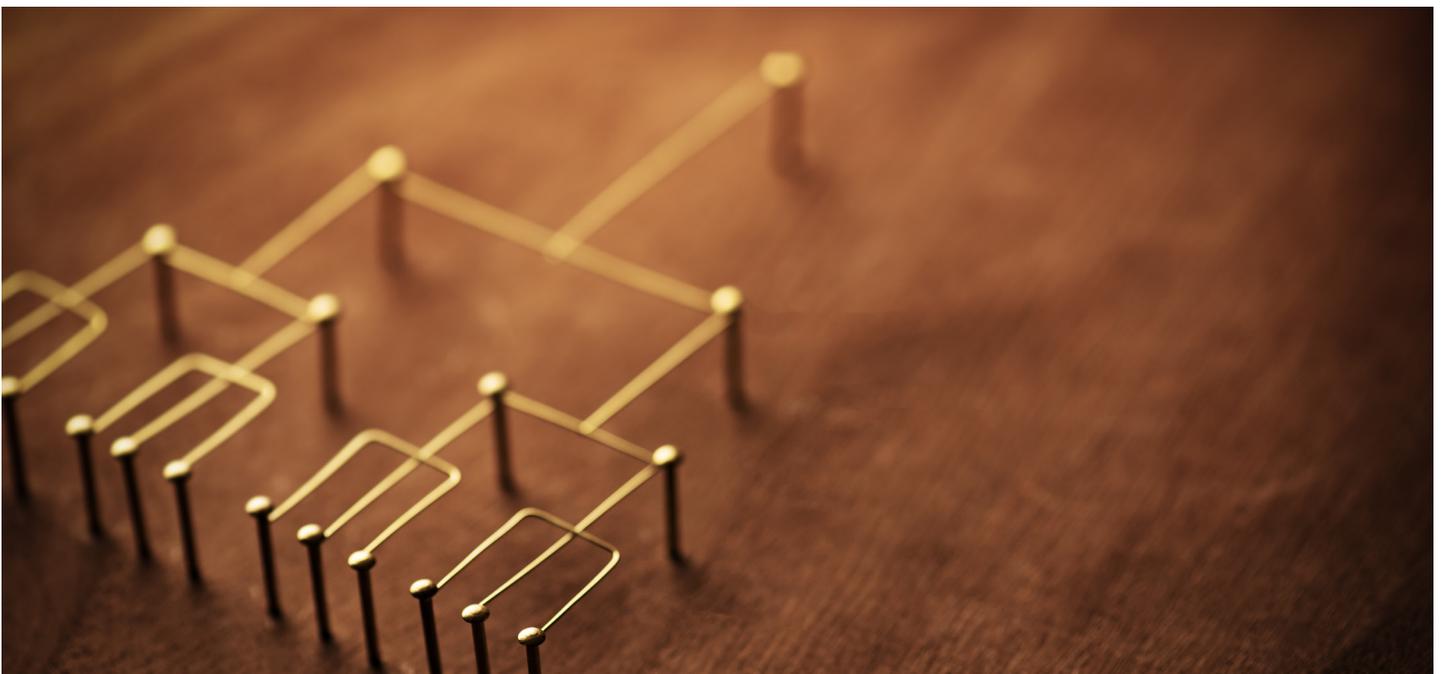
## Organizational Changes

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In previous [Performance Results reports](#), we highlighted some important organizational changes that improved our effectiveness, efficiency, and ability to serve our stakeholders. In FY 2024, we continued to take actions to streamline our operations to maximize our limited resources and enhance our efficiency. This included establishing our first Enterprise and External Affairs (EEA) office. An extension of the Immediate Office, EEA facilitates activities impacting the entire OIG enterprise, including strategic planning, organizational performance management, workforce engagement, and internal and external communications. The team coordinates the OIG's enterprise risk management activities; provides independent, internal oversight of the OIG and its employees, ensuring compliance, accountability, and ongoing improvement throughout the organization; and conducts internal quality assurance reviews and investigations. EEA also coordinates communications between the OIG and the Congress, the media, and the public; creates and facilitates the development of products, services, and programs, including creating content for and managing the OIG's

website and social media platforms; and leads OIG's efforts to build and maintain an engaged workforce by promoting a culture of belonging, equity, and accessibility, integrating leading practices into our business processes, and fostering an inclusive work environment.

Also, due to a number of retirements, departures, and prioritizing long-open vacancies, Inspector General Bruce rebuilt the OIG's senior leadership corps in FY 2024. This included a new Deputy Inspector General; Assistant Inspector General for Audit Services; Assistant and Deputy Assistant Inspectors General for Investigation Services; Assistant and Deputy Assistant Inspectors General for Management Services; and an Assistant Inspector General for EEA. And at the start of FY 2025, the OIG looks to fill out its leadership corps by hiring an Assistant Inspector General for Technology Services and a Deputy Assistant Inspector General for Audit Services. You can learn more about the members of the OIG's senior leadership team, as well as their components and responsibilities, on [our website](#).





# Highlights of Our FY 2024 Work

## Department Management and Operations

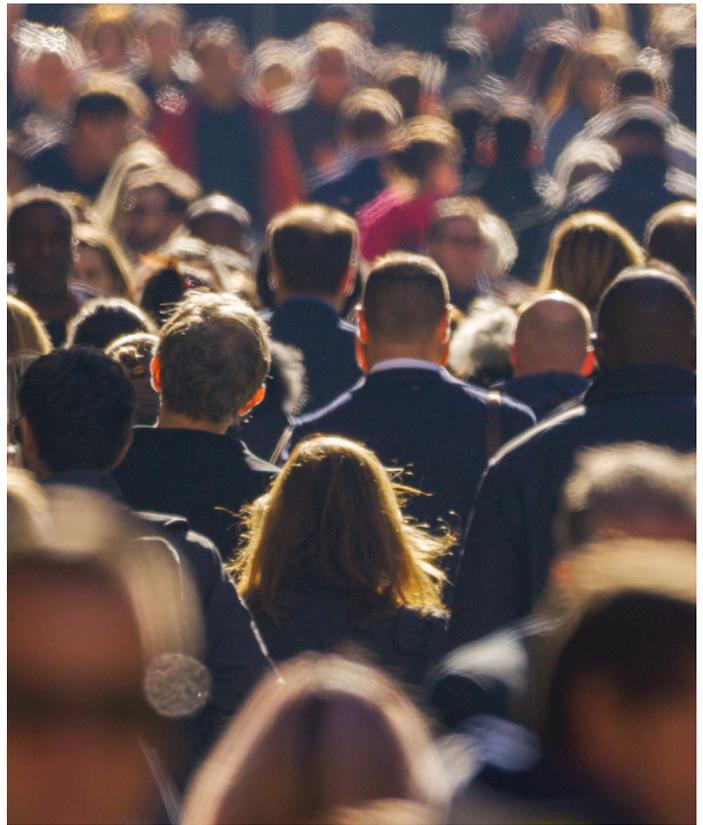
Effective and efficient business operations are critical to ensure that the Department effectively manages and safeguards its programs and protects its assets. Our reviews in this area seek to help the Department accomplish its objectives by ensuring its compliance with applicable laws, policies, and regulations and the effective, efficient, and fair use of taxpayer dollars with which it has been entrusted. In FY 2024, we issued 5 reports specific to Departmental management and operations. Below is a summary of some of those reports.

- **FY 2023 Financial Statement Audits.** For the second year in a row, an independent certified public accounting firm, performing work under OIG oversight, reported disclaimers of opinion on the FY 2023 consolidated financial statements (balance sheets and related notes) for both the Department and FSA. The auditors were not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion because of unresolved errors in the underlying data used by management to calculate subsidy re-estimates for the direct loan and loan guaranty programs. The auditors also reported a material weakness in controls over the relevance and reliability of underlying data used to calculate subsidy re-estimates. In addition, the auditors identified two significant deficiencies, involving information technology (IT) controls and the entity level control environment, and for the Department audit, the auditors identified two instances of reportable noncompliance and other matters. We made 24 recommendations to the Department and 22 recommendations to FSA to address the issues identified. [Department Report](#), [FSA Report](#)
- **Federal Information Security Modernization Act (FISMA).** Our statutory FY 2024 FISMA review determined that the Department's security program and practices were operating at an effective level of security. The auditors did, however, identify areas needing some improvement. This included two conditions involving staff not completely entering the required attributes identified within the hardware and software inventory templates. By not capturing all required data elements, neither the Department nor FSA have a complete understanding of the hardware and software assets within their environment and may not be able to manage end-of-life hardware and software properly. The team made 10 recommendations to assist the Department with increasing the effectiveness of its information security programs. [FISMA Report](#)
- **Improper Payments Reporting Requirements.** For FY 2023, our statutory review found that the Department complied with the reporting requirements mandated by the Improper Payment

Integrity Information Act of 2019; however, it could improve its processes for implementing methodologies for computing improper and unknown payments. For example, the Department's improper payment and unknown payment estimates for the Improving Basic Programs Operated by Local Educational Agencies and Education Stabilization Fund programs were produced from incomplete Stage 1 sampling populations. An incomplete Stage 1 sampling population of drawdowns could affect the accuracy of the confidence intervals for the improper payment and unknown payment estimate. We made five recommendations to help the Department improve its processes.

[Improper Payments Report](#)

- **Whistleblower Protections for Contractors and Grantees.** Our inspection to determine whether the Department ensured that contractors and grantees notified employees in writing of the whistleblower protections provided under 41 United States Code section 4712 found that it did not adequately do so. The Department did not always include the required contractor employee whistleblower protections clause in contract awards, did not include a sufficient reference to whistleblower protections in its Grant Award Notifications, and did not have a process in place to ensure that contractors and grantees actually notified their employees of the whistleblower protections. If



employees of contractors and grantees are not informed of the section section 4712 provisions, they may not be aware that the law protects them from retaliation for disclosing wrongdoing, and they may not inform the Department or other authorities of a contractor's or grantee's misconduct, making it more likely that fraud, waste, and abuse relating to Department contracts and grants will go undetected. We made four recommendations to address the issues identified. [Whistleblower Protections Report](#)

# Pandemic Relief Aid

The Department has been charged with allocating billions of dollars to assist States, K–12 schools, school districts, and institutions of higher education in meeting their needs and the needs of their students impacted by the pandemic. The OIG has been charged with ensuring that these vital funds are used as required and reach the intended recipients, and with investigating misuse, theft, and other criminal activity involving these funds. In FY 2024, we issued 12 reports specific to pandemic relief aid, and also worked with our colleagues on the Pandemic Response Accountability Committee on several high-profile investigations. Below are several summaries of that work.



## Reports

- **Elementary and Secondary School Emergency Relief (ESSER) Funds.** We issued two reports in our audit series examining selected State educational agencies' (SEA) oversight of local educational agencies' (LEA) American Rescue Plan (ARP) ESSER plans and spending.
  - We found that the Illinois Department of Education (Illinois) generally had adequate processes to ensure that LEA ARP ESSER plans met applicable requirements. However, it did not communicate accurate guidance to LEAs regarding when to submit their ARP ESSER plans according to Department guidance. As a result, 54 percent of LEAs did not submit their ARP ESSER plans within a reasonable timeframe, and six LEAs still had not submitted their ARP ESSER grant applications and plans to Illinois more than 2.5 years after they received their ARP ESSER allocations. Thus, some LEAs may not have received critical ARP ESSER funds timely or early enough to adequately respond to the impacts of the coronavirus pandemic by addressing students' academic, social, emotional, and mental health needs, which was the purpose of the ARP ESSER program. We made two recommendations to address the issues identified. [Illinois Report](#)
  - We determined that the Kentucky Department of Education (Kentucky) had adequate processes to ensure that LEA ARP ESSER plans met applicable requirements. However, its process for reviewing LEA ARP ESSER reimbursement requests should be documented and could be strengthened to provide additional assurance that LEAs use ARP ESSER funds for allowable purposes. Without documented processes for reviewing LEA reimbursement requests, Kentucky officials might not fully understand what is expected of them or what they should be reviewing. This could result in inconsistencies in how

Kentucky personnel perform these reviews and missed opportunities to identify unallowable or questionable expenditures that should be analyzed more closely. We made three recommendations to address the issues identified. [Kentucky Report](#)

- **Returning Borrowers to Repayment.**

Our inspection to determine whether FSA established performance measures and indicators for returning borrowers to repayment found that FSA needs to establish effective performance measures and indicators to evaluate its performance. Although FSA and the Office of the Undersecretary established operational and strategic objectives and operational goals for returning borrowers to repayment, they were not written in specific and measurable terms. In addition, although FSA identified several data metrics as performance measures and indicators for returning borrowers to repayment, they did not include clearly defined targeted percentages, numerical values, milestones, or measurements. Without effective performance measures and indicators, FSA is unable to assess whether it has made progress toward achieving its goals and objectives or if adjustments are needed to improve its performance. We made three recommendations to address the issues identified.

[Return to Repayment Report](#)

- **Emergency Assistance to Nonpublic Schools.** We issued the first in our series of audits examining selected States' administration of Emergency Assistance to Nonpublic Schools (EANS) program grants. The audit involved the Florida Department of Education (FDOE) and determined that although the actions FDOE took to assess nonpublic schools' eligibility for EANS-funded services and assistance in the first round of program implementation were generally adequate, it did not have written

procedures for its application review and approval processes. We determined that FDOE's application in the second round of program implementation was not adequate because it included instructions that allowed nonpublic schools to use proportionality data as one of five data source options for estimating the number of students enrolled in their school that were from low-income families. As a result of doing so, FDOE allocated some \$34 million in EANS funds for services and assistance to 73 schools that may not have been eligible for those services or assistance. We also identified issues with FDOE's EANS expenditure and inventory processes. We made four recommendations to FDOE to improve the administration and oversight of the EANS programs. [Florida Report](#)



## Investigations

- **Two People Indicted on Fraud and Identity Theft Charges Involving \$150,000 Pandemic Relief Aid (Florida).** A former official with an institution of higher education in Florida and a co-conspirator were indicted for their alleged roles in a fraud scam involving more than \$150,000 in pandemic-related emergency rental assistance funds. The former school official allegedly used her position and access to the school's financial aid data and internal management systems to obtain personally identifiable information (PII) of people,

which the two then used to fraudulently apply for and receive emergency rental assistance.

- **Man Arrested for \$498,000 Pandemic Related Fraud (New York).** As a result of the work of the PRAC Fraud Task Force, of which we are a member, a man was arrested for fraudulently obtaining some \$498,000 from the Small Business Administration’s (SBA) Economic Injury Disaster Loan (EIDL) Program. The man allegedly applied for an EIDL as a sole

proprietor of a property management/ realty business, completing forms allegedly containing materially false representations about his criminal history and gross revenues, including reporting to have \$675,000 in gross revenue from his sole proprietorship even though he was in prison for a previous felony at the time he claimed to have made the money, and he previously reported \$21,000 in earnings during 2019 when applying for unemployment benefits.

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## K–12 Grantees and Program Participants

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The Department administers more than 100 programs that involve 56 States and territorial educational agencies, more than 17,000 public school districts, about 128,000 schools, and numerous other grantees and subgrantees. Effective oversight of and accountability in how these entities spend the Department funding they receive is vital. In FY 2024, we issued four reports specific to K–12 and saw prosecutive action on a number of high-profile investigations. Summaries of some of this work are below.

### Reports

- **Puerto Rico’s Use of Disaster Recovery Aid.** Among our findings, our audit of the Puerto Rico Department of Education’s (Puerto Rico DOE) use of Immediate Aid to Restart School Operations (Restart) program funds found that it did not always use the funds for allowable and intended purposes. Specifically, of the approximately \$8.6 million in indirect costs that the Puerto Rico DOE charged to its Restart program grant during our audit period, \$2.5 million of it was not allowable. These unallowable costs that the Puerto Rico DOE charged to the Restart program could have been used for allowable activities which would have assisted the Puerto



Rico DOE in restarting school operations, reenrolling students, and reopening public and nonpublic elementary and secondary schools affected by the covered disaster. We made eight recommendations to address the issues identified. [Puerto Rico Report](#)

- **Statewide Accountability Systems (Mississippi and Oregon).** We issued the first two reports in our audit series that seek to determine whether selected SEAs implemented selected components of their statewide accountability system in accordance with their approved State plan and any approved amendments.
  - We found that the Mississippi Department of Education (MDE) generally implemented the long-term goals, indicators, annual meaningful differentiation, and identification of low-performing schools components of its statewide accountability system in accordance with Mississippi’s approved State plan and amendment. However, among our findings, we determined that MDE’s implementation of several aspects of the accountability system deviated from the plan. In several cases, the changes warranted the Department’s review and approval; however, MDE implemented the changes to its accountability system without (1) submitting amendments to the Department or (2) waiting

for the Department to approve the amendments. The changes resulted in MDE assigning higher letter grades to and inaccurately reporting the performance ratings for a number of Mississippi public high schools for which it calculated composite scores. Assigning a higher letter grade to a school could result in MDE incorrectly concluding that the school does not qualify for additional support. This could negatively affect Mississippi’s efforts to (1) improve its lowest performing schools, (2) create and sustain conditions necessary for schools to positively affect measurable student outcomes, and (3) increase access to quality learning opportunities for children in Mississippi’s public schools. We made five recommendations to address the issues identified. [Mississippi Report](#)

- We found that the Oregon Department of Education (ODE) implemented the indicators used to measure student academic achievement and school success, applied a system of annual meaningful differentiation, and identified public schools as needing additional support and improvement in the fall of 2022 in accordance with Oregon’s approved State plan and amendment and ODE’s policies and procedures. However, although ODE implemented the selected components of the statewide accountability system in accordance with Oregon’s State plan, it did not identify one school that should have been identified for additional support and improvement. Additionally, ODE did not provide additional funding to one LEA with three schools that it identified as needing additional support, and it did not keep records showing how it calculated the amount of Title I funds reserved that each LEA should



receive or records showing that it provided additional support services. As a result, the LEAs and schools that were eligible for additional funding or support services but were not provided them did not have all the resources to which they were entitled and that were necessary to elevate their students' academic performance. We made five recommendations to address the issues identified. [Oregon Report](#)

## Investigations

- **Founder, Officials of Now-Defunct Online Charter Schools Charged in \$44.6 Million Enrollment Fraud Scheme (Indiana).** Four people, including the founder and officials of online charter schools in Indiana, were charged for their alleged roles in a \$44 million enrollment fraud scheme. The four allegedly inflated the schools' enrollment numbers in order to receive more funding from the State. As a result, the schools allegedly received more than \$44 million, millions of which the defendants allegedly directed to fraudulent for-profit companies controlled by the founder, which were then funneled to the co-conspirators and others. [Press Release](#)
- **Former Magnolia School District Official Sentenced for Embezzling Nearly \$16 Million (California).** The former Senior Director of Fiscal Services for the Magnolia School District in California—a school district where 81 percent of its students are classified as socioeconomically disadvantaged—was sentenced to prison for embezzling nearly \$16 million from the district over several years. The former official made unauthorized payments to himself with district funds that were deposited into his personal bank account and spent on items such as a million-dollar home, an expensive car, luxury items, and cosmetic procedures. [Press Release](#)
- **Former State Lawmaker and Friend Charged in Alleged \$1.1 Million Fraud Scheme (New Mexico).** The former Director of the Perkins Project and Career and Technical Education (CTE) Coordinator at Albuquerque Public Schools (APS), who once served in the New Mexico State Legislature, and her close personal friend, an APS vendor, were charged for their alleged roles in a \$1.1 million fraud scheme. The former official allegedly used her position at APS to direct approximately 40 percent of APS's non-personnel CTE funding to a company owned and operated by her close personal friend, which the former official allegedly used for her personal benefit. [Press Release](#)





## Federal Student Aid

The Federal student aid programs have long been a major focus of our audit and investigative work. These programs are inherently risky because of their complexity, the amount of funds involved, the number of program participants, and the characteristics of student populations. We issued six reports involving Federal student aid. Below you will find a summary of a couple of those reports as the highlights of some of our significant student aid fraud investigations.

### Reports

- **FSA's Implementation of the Fostering Undergraduate Talent by Unlocking Resources for Education Act (FUTURE Act) and the Free Application for Federal Student Aid (FAFSA) Simplification Act's Federal Taxpayer Information Provisions through the Student Aid and Borrower Eligibility Reform (SABER) Initiative.**

Our audit to determine whether FSA was effectively implementing the FUTURE Act and the FAFSA Simplification Act provisions pertaining to Federal Taxpayer Information (FTI) through its SABER initiative found that FSA did not effectively do so. FSA did not effectively perform implementation activities for the four FTI-

related SABER systems that we reviewed, as it did not always perform key steps or could not provide sufficient evidence to support the completion of such key steps. These key steps pertained to FSA's establishing and monitoring of costs and budgets, its oversight of contractors, and its management of the risks, decisions, and issues pertaining to the systems' implementation. Not performing the key steps increases the risk of project cost overruns; of contractors not providing deliverables timely or being paid for deliverables that were never produced; and of FSA not having knowledge of whether risks, decisions, and questions are being addressed timely or at all, which can negatively impact system implementation efforts and results, including processing FAFSA forms and transmitting the Institutional Student Information Record, to schools, States, and scholarship agencies. We made six recommendations to address the issues identified.

#### [SABER Report](#)

- **FSA Transition Plans for Business Process Operations (BPO) Vendors.** Our audit of FSA's plans for transitioning assigned activities to its BPO vendors and the status of the transition status found that FSA had

not developed effective plans. We found weaknesses related to FSA’s schedule management and lifecycle management methodology; that the non-servicing phase was fully transitioned in March 2022, but the planned transition of the servicing and recovery phases has been pushed back repeatedly and there was no planned transition date for the recovery phase; and that all of the BPO vendors initially struggled to meet non-servicing phase performance metrics. We also found that FSA revised the performance framework to lower targets for some metrics and removed others, resulting in all vendors achieving passing scores. Weaknesses in FSA’s transition planning along with changes in priorities by FSA’s senior management contributed to transition delays. This impacts FSA’s ability to effectively meet goals that include modernizing technology, processes, and operations; improving borrowers’ experiences and outcomes; and increasing oversight of student financial assistance programs. Lowering performance metrics may jeopardize business objectives by creating a lack of incentive to optimize vendor performance. We made eight recommendations to address the issues identified. [BPO Report](#)

## Investigations

- **Nurse Practitioner Pled Guilty in \$10.5 Million Dollar Total and Permanent Disability Discharge Fraud (New York).** A nurse practitioner in New York pled guilty to operating a \$10.5 million Total and Permanent Disability discharge fraud scheme. She deceived more than 100 borrowers into believing they qualified for various forms of student loan relief and charged them fees—often between 10 and 20 percent of the loan amount—to facilitate their loan discharges.
- **Former Graduate School Assistant Dean and Two Former Employees Pled Guilty in \$1.3 Million Embezzlement Scheme (New Jersey).** The former Assistant Dean and two former employees of a graduate school in New Jersey pled guilty to embezzling more than \$1.3 million from the school. From 2009 through 2022, the former Assistant Dean used her position and access to the school’s finances to run various scams, including directing a school vendor to pay the two employees as though they worked for the vendor, even though they did not perform any services and caused the vendor to submit false invoices to the graduate school in order to reimburse the vendor for the amounts fraudulently paid to the two employees. [Press Release](#)
- **Leader, Ring Member Pled Guilty to Roles in \$980,000 Fraud Ring (California).** Two members of a student aid fraud ring pled guilty to using the identities of prison inmates and others to obtain more than \$980,000 in Federal student aid. From 2012 through 2017, the ring members obtained PII, including names and Social Security numbers, of State prison inmates and other victims, and used this information to fraudulently enroll in community colleges.





# OIG Employee-Driven Initiatives

Performance measurement is an ongoing process that enables an organization to continuously learn and improve. Employee-focused initiatives help with that, as they focus on engagement. An engaged workforce is critical to meeting our goals and achieving our mission. Our employees created events and opportunities for staff engagement that fostered a sense of belonging and empowerment across the organization. Examples of our efforts follow.

## Workforce Engagement

Providing opportunities for employee engagement imbues OIG staff with the understanding that the work they do, what they contribute to the OIG, truly matters. Engagement creates opportunities for staff to learn and grow, to feel trusted and empowered to create their own definition of success, and to fully understand the important role they play in the OIG. Throughout FY 2024, we continued to create opportunities for employee engagement aimed at exceeding our goals and meeting our mission, as an engaged workforce is a productive workforce. First, our Workforce Engagement (WE) Committee—a voluntary group composed of staff from all OIG components—continued to host engaging programs, virtual events, and information for interested staff around celebratory days and national awareness months, such as Lunar New Year, deaf culture in the workplace, Jewish American Heritage Month, National Caribbean American month, Juneteenth, International Day of the World’s Indigenous Peoples, and other

efforts educating and celebrating the myriad and richness of our cultures, backgrounds, and achievements. Second, we continued to hold Lunch & Learn and other virtual information sessions featuring OIG and other government agency subject matter experts discussing issues relevant to our work and operations. We held nearly 20 of these sessions in FY 2024 on topics such as understanding the Hatch Act and the Freedom of Information Act, the Pathways Internship program, budget execution, the Combined Federal Campaign, and sessions focused on improving communications. Finally, we also continued our OIG Mindfulness program—a staff-conceived, staff-driven program where trained members of the OIG team provide their colleagues with evidence-based tools for mindfulness-based stress reduction, increased resilience, and improved well-being in the workplace and beyond.

## Employee Advisory Committee

The OIG’s Employee Advisory Committee (EAC) was established in FY 2009 to provide a direct mechanism for non-supervisory OIG employees to bring suggestions, concerns, and ideas directly to senior leaders and drive positive change within the organization. Staff at the GS 11–14 levels from all OIG components volunteer to serve on the EAC, providing a sounding board for their colleagues and sharing information with OIG senior leadership on issues important to employees. The EAC also

serves as a source of employee feedback on proposed organizational changes and new initiatives.

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## Female Agents Advisory Committee

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In FY 2024, OIG's Investigation Services component launched its first Female Advisory Committee. The Committee—a voluntary group of female special agents and other Investigation Services staff—focuses on solutions to challenges that may be unique to women in Federal law enforcement, creates mentoring opportunities, and shares their individual experiences and insights. Along with providing a platform for female Investigation Services staff, the Committee also focuses on identifying and sharing professional development avenues and promoting inclusive and equal opportunities within the Federal law enforcement workforce.

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## Artificial Intelligence Work Group

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In FY 2024, the OIG formed an Artificial Intelligence (AI) Work Group. Composed of staff from all OIG components, the Work Group looks to identify potential use cases and tools for incorporating AI into our business practices. The Work Group will also identify best practices for using AI responsibly and ethically and evaluate the potential risk-benefit ratio of AI tools to help increase OIG efficiencies.

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## New Report Development and Innovation Work Groups

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Throughout FY 2024, OIG auditors, investigators, IT professionals, attorneys, and communications professionals worked together to innovate and improve OIG report products.



These work groups focused on identifying structural changes to make our audit-related reports as accessible as possible to not only the auditees, but to the Congress and the general public. Through their collaborative efforts, the OIG's audit-related reports now include a one-page synopsis highlighting key information such as the reason for conducting the assignment, the findings, the impact, and next steps. The efforts of the Work Groups also resulted in a new template for reports that include Controlled Unclassified Information (CUI)—information that is sensitive but not classified and requires special handling and safeguarding to comply with laws, regulations, and government policies. You can find examples of these [reports on our website](#).

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## Knowledge Management

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To effectively manage an organization's information assets (valuable knowledge including policies and procedures, subject matter expertise, and learned experience), that knowledge needs to be identified, captured, evaluated, and shared. That is the goal of the OIG's Knowledge Management Initiative. In FY 2024, OIG staff from all components continued to create opportunities to pass on best practices, share their subject matter experience and expertise across the organization, and take actions to help eliminate expertise silos and increase collaboration.



## Working Within the Inspector General Community

Throughout FY 2024, we continued to work within the Inspector General community, most notably through the Pandemic Response Accountability Committee (PRAC) and the Council of the Inspectors General on Integrity and Efficiency (CIGIE). Collaboration within the Inspector General community raises the bar for all agencies, effectively promoting higher standards within our OIG by merit of the collective standards of the community.

Working in partnership with other agencies allows us to learn from one another, to take the best practices and lessons learned from around the community and use that knowledge to reinforce our future goals and targets for our own performance measures. Collaboration with other Inspectors General has allowed us to be instrumental in leading through the unprecedented challenges posed by the pandemic.



## Pandemic Response Accountability Committee

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) established the PRAC, which is composed of Inspectors General from across the Federal government. The PRAC is tasked with conducting, coordinating, and supporting Inspectors General in the oversight of the trillions of dollars in emergency Federal spending to address the economic impacts of the COVID-19 pandemic. The CARES Act named nine specific agency Inspectors General to the Committee, including the U.S. Department of Education Inspector General

Sandra D. Bruce, who represents the OIG on the PRAC. Inspector General Bruce chairs the PRAC's Government Accountability Office (GAO), Federal, State, and Local Subcommittee and is a member of the PRAC Financial Sector Oversight Workgroup. Throughout FY 2024, the PRAC's GAO, Federal, State, and Local Subcommittee continued to hold listening post sessions—small discussion groups for those charged with providing oversight of coronavirus response and relief funds to discuss challenges, best practices, and to share

information with State and local auditors; State treasurers, certified public accounting firms and Tribal oversight entities; American Institute of Certified Public Accountants; GAO; other Federal Inspectors General; and the National Association of State Auditors, Comptrollers, and Treasurers. These listening posts provide an open and safe forum to discuss challenges, concerns, and best practices; facilitate collaboration and coordination of Federal, State, local, Tribal, single audit, program, and other work when possible; and help find solutions to challenges in real-time.

In FY 2024, the PRAC also issued the first two chapters in its Blueprint for Enhanced Program Integrity series—best practices based on lessons learned from the pandemic to help program administrators develop and implement programs with strong internal controls. The first chapter focused on supporting Federal

and State program administrators and highlight strategies and concrete steps from pandemic programs that can be adopted in current and future Federal programs that provide critical financial assistance and services across our nation. In this chapter, the PRAC compiled lessons learned from reports issued by the Federal and State oversight communities and interviews with key stakeholders, with a focus on program design and payment integrity. The second chapter focused on opportunities for policymakers to improve program integrity, highlighting recommendations to aid in preventing and detecting fraud and improper payments in government programs. Policymakers can adopt these strategies when drafting legislation and policy for emergency and regularly appropriated funding. Read the Blueprint Chapters on the [PRAC website](#).



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## Council of the Inspectors General on Integrity and Efficiency

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Established by the Inspector General Reform Act of 2008, the CIGIE works to address integrity, economy, and effectiveness issues that transcend individual government agencies. In FY 2024, we continued to participate in various CIGIE committees and subgroups, including chairing the CIGIE’s Employee Engagement and Innovation Committee (EEIC). Formed in 2020, the EEIC’s purpose is to affirm, advance, and augment CIGIE’s commitment to creating and supporting a workplace that is focused on belonging, equity, innovation, and accessibility throughout the OIG community. Through this mission, we will help to ensure that our work is comprehensive, our workforce is engaged, highly skilled, and well-trained, and our work is accessible to the diverse public we serve.

In FY 2024, to support the CIGIE’s efforts to enhance recruiting and hiring the next generation of OIG leaders, the CIGIE EEIC coordinated two career fairs in Washington, D.C., one held in November 2023 and another in March 2024. More than 1,000 college and high school students, recent college graduates, and other job seekers registered to attend the events, meeting with staff from some 40 OIGs who provided the job seekers with information



on their missions, work, and available career and internship opportunities. The March career fair featured a virtual component where people from outside the Washington, D.C. area heard about OIG career and internship opportunities in cities and States across the country. In conjunction with the career fairs, the EEIC also released the CIGIE’s first-ever job recruitment video. The video is geared towards students, recent graduates, and other job seekers and shares information on what it’s like to work in the OIG community. Telling that story are staff from across the OIG community—different agencies and disciplines and covering a wide-range of OIG experiences—from Pathways interns and entry-level staff to senior staff and Inspectors General. The video can be found on the [CIGIE website](#). A list of all CIGIE committees, subcommittees, and work groups where OIG staff serve can be found in our [Semiannual Reports to Congress](#).



# Performance Measurement Results for FY 2024

The following table presents our FY 2024 performance measures, targets, and results, including those specific to the following OIG components: Audit Services (AS), Investigation Services (IS), and Technology Services (TS).

#	Performance Measure	FY 2024 Target	FY2024 Results
1	Audits and investigations were initiated in accordance with policy and focused on areas of high risk or significant importance.	AS 85% IS 80% TS 85%	AS 100% IS 93% TS 100%
2	Recommendations in reports resolved during the fiscal year were accepted by the Department and corrective action plans agreed to by OIG management.	AS 90% TS 80%	AS 100% TS 90%
3	Audits and alternative projects met the agreed-on dates for field work completed and draft reports were submitted for review in accordance with policy.	AS 80%	AS 91%
4	Draft audits and alternative project reports were evaluated and approved by OIG senior management within 70 days of audit field work completion.	75%	100%
5	Draft audit and alternative project reports were issued in accordance with policy, accepted by OIG management, and issued within 1 year from entrance conference.	75%	90%
6	IT audits were issued in accordance with policy and accepted by OIG management by the agreed upon date.	75%	100%
7	Case closing Reports of Investigation were submitted in accordance with policy, including applicable standards, and accepted by OIG management within 100 days of last reportable investigative action.	80%	92%
8	Preliminary inquiries of fraud, waste, and abuse were processed for case initiation (investigation) or closure in accordance with policy with a final disposition within 120 days.	80%	86%
9	Preliminary inquiries were converted to full investigations by OIG management that resulted in a criminal, civil, or administrative action, or monetary result or an actionable referral to the Department.	70%	73%



#	Performance Measure	FY 2024 Target	FY2024 Results
10	Hotline complaints were processed in accordance with policy and within the established deadlines.	80%	80%
11	Requests for forensic or analytical assistance were completed in accordance with policy, including applicable quality standards, and within established time frames.	80%	98%
12	Projects involving reporting and other improvements as well as those for newly developed items in the OIG Data Analytics System were completed in accordance with policy and within projected time frames as measured from start to completion.	85%	100%
13	Data analytics products were completed in accordance with policy and delivered to and accepted by the requestor within agreed-on dates.	85%	99%
14	IT security documentation, assessments, and plan of action and milestones for OIG IT systems were completed in accordance with policy and accepted by OIG management or the Department within agreed-on dates, as reported by the Cyber Security Framework scorecard.	80%	90%
15	Substantive comments provided by OIG resulted in changes in legislation, regulations, or other policies.	75%	75%
16	Counsel work products were completed with minimal corrections by the supervisor and delivered to stakeholders within required or agreed-on deadlines.	85%	88%
17	Simple Freedom of Information Act responses were processed in accordance with statutory requirements and delivered to requesters within required deadlines (20 days).	90%	92%
18	Complex Freedom of Information Act requests were acknowledged within 20 days and delivered to requesters with an estimated completion date in accordance with policy.	90%	98%
19	Quality assurance and internal control review recommendations were accepted by OIG management.	80%	90%
20	Products related to OIG budget were developed, executed, and delivered to Congress, the OMB, the Department, OIG leadership, and other applicable stakeholders within agreed-on time frames.	95%	97%
21	Products related to OIG administrative operations (e.g., Human Resources and Facilities) were developed, executed, and delivered to the Office of Personnel Management, the OMB, the Department, OIG leadership, and other applicable stakeholders within agreed-on time frames.	95%	96%
22	OIG budget (personnel and non-personnel) resources were executed against critical operations and business requirements.	97%	99.9%





## Performance Measures for FY 2025

The following presents our performance measures and targets for FY 2025, including several specific to the following OIG components: Audit Services (AS) and Investigation Services (IS).

#	Performance Measure	FY 2024 Target
1	Audits, inspections, flash reviews, and investigations were initiated in accordance with policy and focused on areas of high risk or significant importance.	AS 85% IS 85%
2	Recommendations in reports resolved during the fiscal year were accepted by the Department and corrective action plans agreed to by OIG management.	90%
3	Audits, inspections, and flash reviews are completed in accordance with applicable policy and within agreed-on dates.	75%
4	Draft audits, inspections, and flash review reports were evaluated and approved by OIG senior management in accordance with policy and within agreed-upon dates.	75%
5	Preliminary inquiries, investigations, and hotline complaints of fraud, waste, and abuse are completed and processed in accordance with applicable policy and within agreed-on dates.	80%
6	Preliminary inquiries were converted to full investigations by OIG management that resulted in a criminal, civil, or administrative action, or monetary result or an actionable referral to the Department.	70%
7	Projects involving reporting and other improvements, as well as those for newly developed items in the OIG Data Analytics System, were completed in accordance with policy and within projected time frames as measured from start to completion.	85%
8	Data analytics products were completed in accordance with policy and delivered to and accepted by the requestor within agreed-on dates.	85%
9	IT security documentation, assessments, and plan of action and milestones for OIG IT systems were completed in accordance with policy and accepted by OIG management or the Department within agreed-on dates, as reported by the Cyber Security Framework scorecard.	80%
10	Requests for forensic or analytical assistance were completed in accordance with policy, including applicable quality standards, and within established time frames.	80%
11	Counsel work products were completed with minimal corrections by the supervisor and delivered to stakeholders within required or agreed-on deadlines.	85%



#	Performance Measure	FY 2024 Target
12	Simple Freedom of Information Act responses were processed in accordance with statutory requirements and delivered to requesters within required deadlines (20 business days).	90%
13	Complex Freedom of Information Act requests were acknowledged within 20 business days and delivered to requesters with an estimated completion date in accordance with policy.	90%
14	Quality assurance and internal control review recommendations were accepted by OIG management and corrective action plans were tracked through completion.	80%
15	Products related to OIG budget developed, executed, and delivered to Congress, the OMB, the Department, OIG leadership, and other applicable stakeholders within agreed-on time frames.	95%
16	Products related to OIG administrative operations (e.g., Human Resources and Facilities) were developed, executed, and delivered to the Office of Personnel Management, the OMB, the Department, OIG leadership, and other applicable stakeholders within agreed-on time frames.	95%
17	OIG budget (personnel and non-personnel) resources were executed against critical operations and business requirements within 97% of total annual appropriation.	97%



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