



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE CHIEF FINANCIAL OFFICER

April 30, 2018

MEMORANDUM

TO: Kathleen Tighe, Inspector General
Office of the Inspector General

FROM: Douglas W. Webster 
Chief Financial Officer

SUBJECT: Report on High-Dollar Overpayments for the Quarter Ended March 31, 2018

The purpose of this memorandum is to comply with the high-dollar overpayment reporting requirements addressed in the Office of Management and Budget (OMB) implementation guidance M-15-02, dated October 20, 2014, relative to Executive Order 13520. The OMB implementation guidance requires agency heads to submit quarterly reports on high-dollar overpayments for programs susceptible to significant improper payments.

The U.S. Department of Education has two programs identified as susceptible to significant improper payments: Pell Grants and Direct Loans. During the reporting period covering January 1, 2018, through March 31, 2018, the Department identified one high dollar overpayment in the Direct Loan program totaling \$367,154. There were no high dollar overpayments in the Pell Program.

The Department is committed to ensuring the integrity of its programs and is focused on identifying and managing the risk of improper payments with adequate control activities. The Department will continue to work closely with the Office of the Inspector General and OMB to explore additional opportunities for identifying and reducing potential improper payments.

If you have any questions, please contact Ellen Safranek at (202) 245-7515.

cc: Regina Kearney
Branch Chief, Office of Federal Financial Management
Office of Management and Budget

U.S. Department of Education
High-Dollar Overpayments
January 1, 2018 to March 31, 2018

Date	Amount	Payment Type (Individual / Entity)	Location			Cognizant Program	Recovery Action(s) Taken / Planned	Future Preventive Action(s)
			City	County	State			
10/23/2017	\$ 367,154	Individuals	Various	Various	Various	Federal Direct PLUS Loan	A loan origination contractor notified the Department of a credit report data mapping error in the contractor's system. The data mapping error resulted in some borrowers incorrectly receiving approval for PLUS loans. The borrowers were notified and cosigners were added to some of the loans. The loans will be serviced and collected on standard repayment schedules.	The Department is working with the loan origination contractor on implementing enhanced quality control review by contractor personnel and a full FSA impact assessment when schema changes occur between COD and credit bureaus.