**U.S. Department of Education**

**Semiannual Report to Congress on Audit**

**Follow-up—No. 66**

**October 1, 2021 – March 31, 2022**

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Semiannual Report to Congress on

Audit Follow-up—No. 66

October 1, 2021 – March 31, 2022

U.S. Department of Education

Office of Finance and Operations

**U.S. Department of Education**

Miguel A. Cardona, Ed.D.

*Secretary*

**Office of Finance and Operations**

Denise Carter

*Acting Assistant Secretary, Office of Finance and Operations*

**Office of Acquisition, Grants, and Risk Management**

Phillip Juengst

*Deputy Assistant Secretary, Office of Acquisition, Grants, and Risk Management*

May 2022

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**MEMORANDUM**

TO : Miguel A. Cardona, Ed.D.

Secretary of Education

FROM : Denise Carter

Acting Assistant Secretary, Office of Finance and Operations

SUBJECT : Semiannual Report to Congress on Audit Follow-up, No. 66

In accordance with the *Inspector General Act of 1978, (IG Act) [As amended through P.L. 116-92, Enacted December 20, 2019],* I am pleased to submit the Department’s 66th *Semiannual Report to Congress on Audit Follow-up* which covers the six-month period of October 1, 2021, through March 31, 2022.

This report highlights the Department’s accomplishments in implementing recommendations included in Departmental audits conducted by the Office of Inspector General. Additionally, it provides statistical tables as specified in sections 5(b)(2) and (3) of the IG Act, and statements with respect to audit reports for which management decisions have been made. Further, the report also notes where final action has not been taken under section 5(b)(5) of the same Act.

Over the reporting period, the Department continued to implement recommendations to correct deficiencies reported by the auditors in a timely manner. The Department remains committed to making measurable progress to ensure that effective oversight of the post audit process will assist in our continuous improvement efforts and support the achievement of the Department’s mission, goals, and objectives.

Attachment

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# ABBREVIATIONS

|  |  |
| --- | --- |
| **AARTS** | Audit Accountability and Resolution Tracking System |
| **ACN** | Audit Control Number |
| **ARMS** | Access Request Management System |
| **AS** | Administrative Services |
| **BUF** | Better Use of Funds |
| **CARES** | Coronavirus Aid, Relief, and Economic Security |
| **COR** | Contracting Officer Representative |
| **Department** | U.S. Department of Education |
| **DCL** | Dear Colleague Letter |
| **DCIA** | Debt Collection Improvement Act |
| **FDICD** | Financial Data Integrity and Control Division |
| **FFEL** | Federal Family Education Loan |
| **FERPA** | Family Educational Rights and Privacy Act |
| **FISMA** | Federal Information Security Management Act |
| **FSA** | Federal Student Aid |
| **FY** | Fiscal Year |
| **GA** | Guaranty Agency |
| **IES** | Institute of Education Sciences |
| **IG Act** | Inspector General Act of 1978, as amended |
| **ISSO** | Information Systems Security Officer |
| **IT** | Information Technology |
| **LEA** | Local Educational Agency |
| **NextGen** | Next Generation |
| **NPRM** | Notice of Proposed Rulemaking |
| **OFO** | Office of Finance and Operations |
| **OCIO** | Office of the Chief Information Officer |
| **OCPO** | Office of the Chief Privacy Officer |
| **OCR** | Office for Civil Rights |
| **OCTAE** | Office of Career, Technical, and Adult Education |
| **OESE** | Office of Elementary and Secondary Education |
| **OGC** | Office of the General Counsel |
| **OIG** | Office of Inspector General |
| **OMB** | Office of Management and Budget |
| **OPE** | Office of Postsecondary Education |
| **OPEPD** | Office of Planning, Evaluation and Policy Development |
| **OSERS** | Office of Special Education and Rehabilitative Services |
| **POs** | Principal Offices |
| **SAR** | Semiannual Report |
| **SEA** | State Educational Agency |
| **SOC** | Security Operations Centers |
| **SOPs** | Standard Operating Procedures |
| **TCI** | Technical Career Institutions |
| **TIC** | Trusted Internet Connections |
| **TOP** | Treasury Offset Program |
| **TROR** | Treasury Report on Receivables |
| **UIC** | University of Illinois at Chicago |

# OVERVIEW

The U.S. Department of Education (Department) submits this *Semiannual Report to Congress on Audit Follow-up―No. 66* in accordance with requirements of section 5(b) of the *Inspector General Act of 1978,* as amended (*IG Act*). This report provides information on the Department’s Office of Inspector General (OIG) audit resolution and follow-up activity for the six-month period from October 1, 2021, through March 31, 2022.

The Department maintains similar but distinct processes to manage efficiently and effectively the two broad categories of OIG audits:

* **Internal audits** are audits that typically focus on the efficiency or effectiveness of the Department’s internal business processes, including grant management and oversight. Internal audits are conducted by OIG headquarters and regional staff. Internal audits identify deficiencies in, and recommend improvements to, Department operations and management efforts ensuring that Department of Education funds are used effectively and efficiently, and that program goals are accomplished. Individual Principal Offices (POs) that are the focus of any particular internal audit are usually directly responsible for resolving recommendations contained in such audits.
* **External audits** are reviews of entities receiving Department grants, entities participating in student financial assistance programs, or other activities of organizations external to, but doing business with, the Department. External audits are normally issued by the OIG or independent auditors (Single Audits). The Office of Finance and Operations (OFO) is generally responsible for resolving external audit findings stemming from reviews of all discretionary or competitively awarded grant programs, along with certain kinds of findings stemming from formula awards (e.g., cash management and subrecipient monitoring). Individual POs are generally responsible for resolving external audit findings stemming from formula awards.

# INTERNAL AUDIT TABLES

**Internal-Table 1:**

OIG Internal Audit Report Activity

| **Office** | **Number**  **of Reports Open 10/1/2021** | **Number of Reports Issued During**  **SAR 66** | **Number of Reports Resolved During**  **SAR 66** | **Number**  **of Reports Unresolved as of 03/31/2022** | **Number**  **of Reports Completed**  **as of**  **03/31/2022** | **Number**  **of Reports Closed During**  **SAR 66** | **\*Number  of Reports Open as of 03/31/2022** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| FSA | 6 | 1 | 1 | 0 | 0 | 0 | 7 |
| IES | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| OFO | 6 | 2 | 3 | 1 | 0 | 2 | 6 |
| OCIO | 3 | 1 | 1 | 0 | 0 | 1 | 3 |
| OCR | 1 | 0 | 1 | 0 | 0 | 1 | 0 |
| OCTAE | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| OESE | 2 | 0 | 2 | 0 | 0 | 0 | 2 |
| OPEPD | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| OPE | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| OSERS | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total** | 19 | 4 | 8 | 1 | 0 | 4 | 19 |

Source: U.S. Department of Education, Audit Accountability, and Resolution Tracking System (AARTS).

\*The number of Reports Open as of 3/31/2022 (19) is the Number of Reports Open 10/1/2022 (19) plus the Number of Reports Issued during SAR 66 (4) minus the Number of Reports Closed During SAR 66 (4).

This table provides information on the audit follow-up activity from issuance to closure.

**Internal-Table 2:**

OIG Internal Audit Reports Pending Final Action One Year or More

After Issuance of a Management Decision by Primary Office and Issue Date

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | | **ACN** | **Audit Title** | **Primary Office** | **Issue Date** | **Date of Management Decision** |
| 1 | A17R0001 | FY 2017 ED FINANCIAL STATEMENT AUDIT | OFO | 11/13/2017 | 3/23/2018 |

**Status: Resolved.** In Progress – During FY 2021, Federal Student Aid (FSA) continued to provide the flexibilities and relief to schools and students under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and other authorities. FSA continued to suspend the enforcement of collections by servicers and the Treasury Offset Program (TOP) on all Department-owned Federal student loans retroactive to March 13, 2020. In addition, on May 12, 2021, FSA expanded the pause on Federal student loans in the Federal Family Education Loan (FFEL) program that are managed by guaranty agencies. This included the immediate suspension of involuntary collections and refunds on involuntary collections after March 13, 2020. To ensure compliance with these requirements, FSA provided guidance to servicers and guaranty agencies. FSA continues to review and revise the Treasury Report on Receivable (TROR) guidance for defaulted loan servicing to be compliant with the legal determinations made by the Department of the Treasury’s Office of General Counsel applicable to delinquent and defaulted student loans. Evidence for closure will be implementation of the revised TROR specifications by the defaulted loan servicer. The planned completion date for this audit is December 31, 2022.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **ACN** | **Audit Title** | **Primary Office** | **Issue Date** | **Date of Management Decision** |
| 2 | A17R0002 | FY 2017 ED FINANCIAL STATEMENT AUDIT | FSA | 11/13/2017 | 2/16/2018 |

**Status: Resolved.** In Progress – During FY 2021, FSA continued to provide the flexibilities and relief to schools and students under the CARES Act and other authorities. FSA continued to suspend the enforcement of collections by servicers and the TOP on all Department-owned Federal student loans retroactive to March 13, 2020. In addition, on May 12, 2021, FSA expanded the pause on Federal student loans in the FFEL program that are managed by guaranty agencies. This included the immediate suspension of involuntary collections and refunds on involuntary collections after March 13, 2020. To ensure compliance with these requirements, FSA provided guidance to servicers and guaranty agencies. FSA continues to review and revise the TROR guidance for defaulted loan servicing to be compliant with the legal determinations made by the Department of the Treasury’s Office of General Counsel applicable to delinquent and defaulted student loans. Evidence for closure will be implementation of the revised TROR specifications by the defaulted loan servicer. The planned completion date for this audit is December 31, 2022.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **ACN** | **Audit Title** | **Primary Office** | **Issue Date** | **Date of Management Decision** |
| 3 | A19R0003 | REVIEW OF FSA CONTRACTOR SECURITY SCREENING PROCESS | FSA | 04/17/2018 | 8/20/2018 |

**Status:** **Resolved.** FSA is working with the Department to implement an Identity, Credential, and Access Management (ICAM) solution to replace the Access Request Management System (ARMS) initiative that was terminated. We are in the process of identifying at least one FSA system to be enrolled in the solution and will be gathering screenshots showing this system using the tool and are optimistic that we will be able to complete work by the identified due date. The planned completion date for this work is June 30, 2022.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **ACN** | **Audit Title** | **Primary Office** | **Issue Date** | **Date of Management Decision** |
| 4 | A09R0008 | OCPO’S CONTROLS OVER THE PROCESSING OF FERPA COMPLAINTS | OPEPD | 11/26/2018 | 1/28/2019 |

**Status:** **Resolved.** The Student Privacy Policy Office has continued to work with the

Office of the General Counsel (OGC) to bring clarity to existing regulations through a draft Notice of Proposed Rulemaking (NPRM) under the Family Educational Rights and Privacy Act (FERPA). The regulations, when finalized and published, will address outstanding policy issues that have impeded the ability to resolve certain FERPA complaints. The planned completion date for this audit is March 31, 2025.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **ACN** | **Audit Title** | **Primary Office** | **Issue Date** | **Date of Management Decision** |
| 5 | A11T0002 | FY 2019 FISMA | OCIO | 10/31/2019 | 04/23/2020 |

**Status:** **Resolved.** Office of the Chief Information Officer (OCIO) has resolved 36 of the 37 recommendations for this audit. OCIO is working diligently to complete the remaining recommendation by ensuring the Department’s websites comply with the requirements as part of the Trusted Internet Connections (TIC) 3.0 initiative and Executive Order 14028. The planned completion date for this audit is March 31, 2023.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **ACN** | **Audit Title** | **Primary Office** | **Issue Date** | **Date of Management Decision** |
| 6 | A02Q0006 | AUDIT OF FSA'S TPD LOAN DISCHARGE PROCESS | FSA | 06/18/2020 | 01/11/2021 |

**Status:** **Resolved.** FSA continues to develop documentation that clearly defines and justifies management’s objectives, sampling design, and implementation in response to this recommendation. The planned completion date for this audit is October 31, 2022.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **ACN** | **Audit Title** | **Primary Office** | **Issue Date** | **Date of Management Decision** |
| 7 | A11U0001 | FY 2020 FISMA | OCIO | 10/30/2020 | 02/16/2021 |

**Status:** **Resolved.** OCIO has resolved 20 of 24 recommendations for this audit. OCIO is in the process of implementing corrective actions for the four remaining recommendations. The planned completion date for this audit is September 30, 2022.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **ACN** | **Audit Title** | **Primary Office** | **Issue Date** | **Date of Management Decision** |
| 8 | A17U0001 | FY 2020 ED FINANCIAL STATEMENT AUDIT | OFO | 11/16/2020 | 03/05/2021 |

**Status:** **Resolved.** In Progress – During FY 2021 and FY 2022, FSA continued to provide the flexibilities and relief to schools and students under the CARES Act and other authorities. FSA suspended the enforcement of collections by servicers and the TOP on all Department-owned Federal student loans retroactive to March 13, 2020. On May 12, 2021, FSA expanded the pause on defaulted Federal student loans in the FFEL program that are managed by guaranty agencies. This included the immediate suspension of involuntary collections and refunds on involuntary collections after March 13, 2020. To ensure compliance with these requirements, FSA provided guidance to servicers and guaranty agencies. At this time, for Department-owned Federal student loans and defaulted FFEL loans managed by guaranty agencies, FSA has suspended involuntary collection actions through September 1, 2022, and enforcement of TOP collections through November 1, 2022. FSA continues to review and revise the TROR guidance for defaulted loan servicing to be compliant with the legal determinations made by the Department of the Treasury’s Office of General Counsel applicable to delinquent and defaulted student loans. Evidence for closure will be implementation of the revised TROR specifications by the defaulted loan servicer. The planned completion date for this audit is December 31, 2022.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **ACN** | **Audit Title** | **Primary Office** | **Issue Date** | **Date of Management Decision** |
| 9 | A17U0002 | FY 2020 FSA FINANCIAL STATEMENT AUDIT | FSA | 11/16/2020 | 03/05/2021 |

**Status:** **Resolved.** In Progress – During FY 2021 and FY 2022, FSA continued to provide the flexibilities and relief to schools and students under the CARES Act and other authorities. FSA suspended the enforcement of collections by servicers and the TOP on all Department-owned Federal student loans retroactive to March 13, 2020. On May 12, 2021, FSA expanded the pause on defaulted Federal student loans in the FFEL program that are managed by guaranty agencies. This included the immediate suspension of involuntary collections and refunds on involuntary collections after March 13, 2020. To ensure compliance with these requirements, FSA provided guidance to servicers and guaranty agencies. At this time, for Department-owned Federal student loans and defaulted FFEL loans managed by guaranty agencies, FSA has suspended involuntary collection actions through September 1, 2022, and enforcement of TOP collections through November 1, 2022. FSA continues to review and revise the TROR guidance for defaulted loan servicing to be compliant with the legal determinations made by the Department of the Treasury’s Office of General Counsel applicable to delinquent and defaulted student loans. Evidence for closure will be implementation of the revised TROR specifications by the defaulted loan servicer. The planned completion date for this audit is December 31, 2022.

Source: U.S. Department of Education, AARTS.

The preceding table lists each OIG-prepared internal audit report and alternative product on which final action was not taken within one year of issuance of a management decision on the report.

# EXTERNAL AUDIT TABLES

**External-Table 1:**

U.S. Department of Education Audit Recovery Activities Related to Disallowed Costs as of September 30, 2021

| **Final Actions** | **Number of Reports** | **Disallowed Costs** |
| --- | --- | --- |
| **Balance reported at the end of the previous period** | **1** | **$1,159,350** |
| Audit reports with management decisions made during the period (includes interest, penalty, and fine accruals) | 0 | $0 |
| **Total audit reports pending final action during the period** | **3** | **$3,799,622** |
| Audit reports with action taken during the period (includes collections and other reductions)  Audit reports with final action taken during the period (includes collections and other reductions) | 0  1 | $0  ($670,000) |
| **Total audit reports pending final action at the end of the period** | **2** | **$3,129,622** |

Source: U.S. Department of Education, Financial Management Support System (FMSS).

This table presents statistical information on the Department’s audit recovery activities related to disallowed costs (see definition in Appendix) for external OIG audits.

**External-Table 2:**

U.S. Department of Education External OIG Audit Activities Related to Better Use of Funds as of September 30, 2021

|  |  |  |
| --- | --- | --- |
| **Recommendations and Final Actions** | **Number of Reports** | **Dollar Value[[1]](#footnote-2)** |
| **Audit reports with management decisions on which final actions had not been taken at the beginning of the period** | **4** | $0 |
| Audit reports on which management decisions were made during the period | 4 | $0 |
| **Total: Audit reports pending final action during the period (total of two variables above)** | **8** | **$0** |
| **Minus: Audit reports on which final action was taken during the period (value of two variables directly below)** | **3** | **$0** |
| Value of recommendations implemented (completed) | 0 | $0 |
| Value of recommendations that management  concluded should not or could not be implemented  or completed | 0 | $0 |
| **Audit reports needing final action at the end of the period (total less computed value directly above)** | **5** | **$0** |

Source: External audit reports prepared by OIG.

This table presents data on the Department’s activities related to recommendations for Better Use of Funds (BUF). In the 1988 amendments to the *IG Act*, Congress directed Inspector Generals (IGs) to standardize their reporting processes in order to develop an overall picture of the Federal government’s progress against waste, fraud, and mismanagement. Pursuant to this request, Congress required IGs to start tracking recommendations for BUF and to report the total dollar value of all BUF recommendations on a semiannual basis.

**External-Table 3:**

U.S. Department of Education OIG External Audit Reports Pending Final Action One Year or More after Issuance of a Management Decision by Primary Office and Issue Date

| **ACN** | **Audit Title** | **Primary Office** | **Issue Date** | **Disallowed Costs** | **BUF** | **Status\*** |
| --- | --- | --- | --- | --- | --- | --- |
| 05D0017 | UNIVERSITY OF ILLINOIS AT CHICAGO (UIC) ADMINISTRATION OF THE GEAR-UP GRANT PROJECT | OFO | 1/14/2004 | $1,018,212 | $0 | 2 |
| A03I0006 | SALLIE MAE SUBSIDIARY, NELLIE MAE'S SPECIAL ALLOWANCE PAYMENTS (SAP) UNDER 9.5% FLOOR | FSA | 8/3/2009 | $22,378,905 | $0 | 3 |
| A04O0004 | PRDE REL OF PROGRAM PERFORMANCE DATA & USE OF ADULT ED FUNDS | OCTAE | 2/22/2018 | $97,481 | $0 | 1 |

Source: U.S. Department of Education, AARTS.

This table lists external OIG audit reports on which final action was not taken within one year after issuance of a management decision as of April 1, 2022. In this category, the Department has a total of three reports, with disallowed costs amounting to $23.4 million. Please note that some of these amounts have been recovered, and some are in the process of being recovered. The lead primary office is responsible for initiating the closure process by following the Department’s *Process for Closing ED-OIG External Audits* when audits are ready to be closed. The closure of each audit requires receipt of the program office’s (PO) official request for closure and supporting documentation.

\*Reasons why external OIG audits were resolved but not closed within one year after management decisions were made:

1. Pending further evidence to support implementation of corrective actions
2. Disallowed costs in recovery
3. Disallowed costs under appeal
4. Closure in progress

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# APPENDIX: Brief Overview of Audit Follow-up at the Department

## AUDIT FOLLOW-UP RESPONSIBILITIES

Office of Management and Budget (OMB) Circular A-50, *Audit* *Follow-up*, provides that agency heads are responsible for designating a top management official to oversee audit follow-up, including resolution, corrective action implementation, and closure of individual audit recommendations. The Acting Assistant Secretary, Office of Finance and Operations (OFO), is the Department’s designated audit follow-up official, whose duties and responsibilities are:

* Ensuring that a system of cooperative audit resolution and follow-up is documented and in place;
* Ensuring that timely responses are made to all audit recommendations;
* Ensuring follow-up on corrective actions; and
* Resolving disputes regarding audit-related matters.

While general authority for program monitoring and oversight of audit follow-up under OMB Circular A-50 is delegated to the Acting Assistant Secretary, OFO, responsibility for responding to the audits, developing corrective actions to resolve findings, and closing the audits is dispersed throughout the Department. At least six different program offices (POs) play a role in external audit follow-up, and individual POs are directly responsible for resolving and closing recommendations contained in internal audits. Senior officials across the Department are charged with the timely resolution of audit reports and ensuring that appropriate corrective actions have been taken on agreed-upon audit recommendations within their PO. As required by OMB Circular A-50, all audit recommendations are to be resolved within six months of issuance of an audit report.

## AUDIT TRACKING SYSTEM

The Audit Accountability and Resolution Tracking System (AARTS) is the Department’s system of record for audit tracking for all program offices (POs). AARTS is used to track, monitor, and report the status of all formally issued single audits, as well as Office of Inspector General (OIG) internal and external audits and alternative products. Alternative products are reports or memoranda issued by OIG that are not audit reports but raise issues that may need to be addressed by management. AARTS has been designed as a centralized data source, allowing Department staff to reduce duplication of effort and obtain and share data in a more efficient and effective manner. This system helps to facilitate the coordination of various activities across Department POs, including progress monitoring.

## THE DEPARTMENT’S AUDIT RESOLUTION PROCESS

The audit resolution process begins with the issuance of a final internal or external audit report and proceeds through the following stages (as tracked in AARTS).

| **Stages** | **Internal Audits** | **External Audits** |
| --- | --- | --- |
| Open | The audit is **open** when the Department receives a final audit report and there are audit findings to be resolved. | The audit is **open** when the Department receives a final audit report and there are audit findings to be resolved. |
| Unresolved | An internal audit is **unresolved** when an agreement has not been reached between OIG and the PO on the recommended corrective actions identified in an internal audit. | An external audit is **unresolved** when a management decision, in the form of a Program Determination Letter, has not yet been issued. |
| Resolved | **Resolution** occurs when agency management and the OIG agree on action to be taken on reported findings and recommendations; or, in the event of disagreement, when the audit follow-up official determines the matter to be resolved. | **Resolution** occurs when a **management decision** is issued. This is when the audit organization and agency management agree on action to be taken on reported findings and recommendations; or, in the event of disagreement, when the audit follow-up official determines the matter to be resolved.  A **management decision** contains two parts: 1) an evaluation of the validity of the findings and recommendations cited in the audit report; and 2) a decision about the course of action needed to correct any deficiencies. |
| Completed | An internal audit is **completed**when the responsible office indicates all corrective actions have been implemented. | This stage is not applicable in external audits housed in AARTS. |
| Closed | Audits are **closed** when every recommendation has been addressed by a corrective action. To close the audit in AARTS, OFO will verify supporting documentation for corrective actions and issue a closure memo. | Audits are **closed**when every finding has been addressed by a corrective action, and all funds have been collected as required. To close the audit in AARTS, OFO will verify supporting documentation for corrective actions and issue a closure memo. |

## DEFINITIONS

* **Disallowed costs** are charges to an award that the Federal awarding agency determines to be unallowable, in accordance with the applicable Federal cost principles or other terms and conditions contained in the award. For the disallowable costs, repayments are due to the Federal government.
* **Better Use of Funds (BUF)** is a term used to track and report any audit recommendation that is intended to promote greater efficiency, accountability, or internal control through funds or other resources being “put to a better use.” BUF includes both monetary and nonmonetary efficiencies. The *Inspector General Act of 1978, as amended (IG Act)*, defines BUF as “a determination that includes a potential efficiency in the use of funds if certain actions to implement and complete recommendations were followed that may include any of the following: 1) reductions in outlays; 2) deobligation of funds from programs or operations; 3) withdrawal of interest subsidy costs on loans or loan guarantees, insurance, or bonds; 4) not incurring costs by implementing recommended improvements related to the operations of the Department, a contractor, or grantee; or 5) any other savings that are specifically identified.”

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**Semiannual Report to Congress on Audit Follow-up—No. 66**

**U.S. Department of Education**

**Office of Acquisition, Grants, and Risk Management**

**400 Maryland Avenue, S.W.**

**Washington, DC 20202**

This report is available on the Department’s website at

[http://www2.ed.gov/about/offices/list/OFO/pubs.html](http://www2.ed.gov/about/offices/list/ocfo/pubs.html).

The Department of Education’s mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

[www.ed.gov](http://www.ed.gov)

1. “Dollar Value” is OIG’s assessment, measured in dollars, of the potential efficiency in the use of funds if certain actions and recommendations stemming from audit reports are followed. The dollar amount reported as “Dollar Value” in this table is not meant to be recovered by the Department. Rather, the “Dollar Value” represents efficiencies that may be realized if the actions noted on the following page are taken. [↑](#footnote-ref-2)