



The U.S. Department of Education Office of Inspector General

The U.S. Department of Education (ED) administers most Federal education assistance throughout the United States and its territories. ED's annual budget is about \$70 billion, most of which it provides to States, school districts, colleges, and universities. ED also disburses about \$150 billion in student loans annually and manages an outstanding loan portfolio of more than \$1.2 trillion. This makes ED one of the largest financial institutions in the country. ED administers more than 120 programs that involve 55 State and territorial educational agencies, more than 13,500 school districts, 132,000 schools, 6,000 institutions of higher education, and numerous other grantees and subgrantees.

Fast Facts



The ED OIG mission is to promote the efficiency, effectiveness, and integrity of the U.S. Department of Education's programs and operations.



ED OIG work contributes to improved education for students and greater value for taxpayers. Its activities have resulted in the identification of unallowable costs and recoveries, judgments, and fines of more than four times its total budget—that is more than \$4 returned for every \$1 spent.



ED OIG has 232 staff members, including auditors, criminal investigators, inspectors, attorneys, forensic specialists, financial analysts, information technology professionals, and management and support personnel.



ED OIG headquarters is in Washington, D.C., and it has 16 offices located across the country.

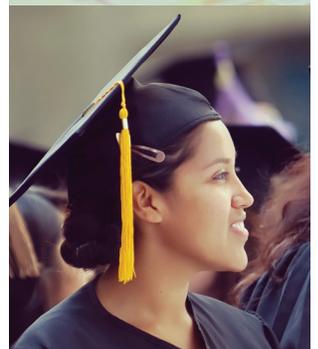
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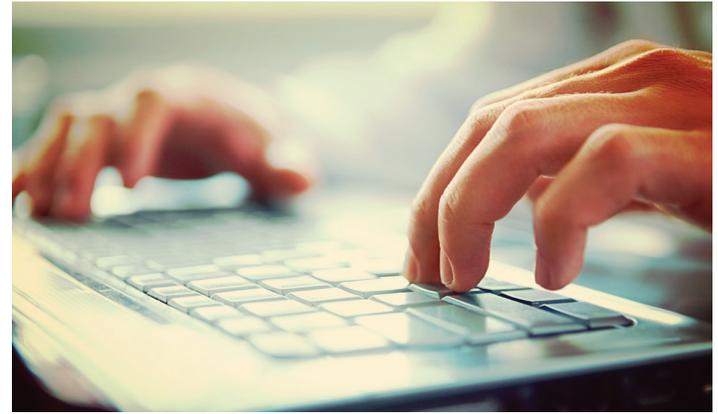
Offices of Inspectors General (OIGs) were created as independent entities within their respective Federal agencies and department, reporting to both the U.S. Congress and the agency head. This dual reporting requirement facilitates and ensures the independence of the OIGs.

ED OIG is responsible for identifying and preventing fraud, waste, abuse, and criminal activity involving ED funds, programs, and operations. ED OIG conducts independent audits and other reviews, and it recommends actions to address systemic weaknesses and improve ED programs and operations. It also recommends changes needed in relevant Federal laws and regulations.

ED OIG Audits

- ED OIG audit staff cover all ED programs and operations, oversee the financial statements audits of ED and the Federal Student Aid office, and oversee the quality of non-Federal audits (single audits). ED OIG issues about 25 audit-related reports each year.
- ED OIG has the authority to audit any program or entity that relates to ED programs and operations or that receives ED funding.
- ED OIG aligns its audits with the goals established in its 5-year Strategic Plan and in its annual plans. ED OIG solicits suggestions for its annual plan from its staff, ED leaders, Congress, and the Office of Management and Budget.
- Before 2010, most of ED OIG's audit work focused on single entity, compliance-based audits. Since 2010, ED OIG has focused more on audits that assess the performance of multiple entities in the context of ED programs and evaluate ED's oversight of the programs. ED OIG assesses accomplishments and compares them to intended results or benefits. These are often nationwide audits that are more complex and time-consuming; however, the final product is ultimately more valuable in determining whether a program overall is reaching the intended recipients and achieving the desired outcomes.





ED OIG Investigations

- ED OIG investigative staff carry an annual investigative caseload of about 250 to 300 cases. ED OIG operates with statutory law enforcement authority and executes about 80 arrest warrants and search warrants each year.
- ED OIG has the authority to investigate any entity or person that receives ED funds or participates in ED programs, including ED employees, grant recipients, school officials, teachers, and students, and it seeks criminal and civil prosecutions and the recovery of Federal funds.
- ED OIG investigations cover a wide range of wrongdoing, including Federal student aid fraud rings, diploma mill schemes, fraud and corruption in after-school tutoring programs, and fraudulent billing of contracts. ED OIG investigations have unraveled multimillion dollar fraud schemes by high-ranking school officials, school owners, and other people placed in positions of trust to educate our children.
- Cases come to ED OIG in a number of ways, including its Hotline; proactive investigations based on ED OIG's prior work; and reports from schools, grantees, contractors, other State or Federal law enforcement agencies, ED employees, and Congress.

Information Technology Audit and Cybercrime Investigations

- In 2004, ED OIG became one of the first OIGs to establish a unit focused on information technology: the Information Technology Audit and Computer Crime Investigations unit. Its staff includes auditors, information technology professionals, forensic media analysts, and law enforcement professionals.
- Through this unit, ED OIG conducts Federal Information Security Modernization Act reviews and produces information technology security reports to help ED identify and mitigate risks for its critical business systems.
- ED OIG investigates network intrusions and other technology crimes impacting ED's programs and operations.
- Through its state-of-the-art computer forensic laboratory, ED OIG performs forensic media analysis to support criminal investigations.
- This unit has created a data analytics capability with sophisticated risk and analytical models for resource management and fraud detection.

Top Priority Issues

ED OIG issues an Annual Plan that details the assignment areas and resources it plans to focus on in the next year. For fiscal year (FY) 2016, assignment areas include Federal student aid programs and oversight of program participants; elementary and secondary education programs and oversight of grantees; and ED business operations, including contract monitoring, information technology security, and risk management programs. ED OIG also produces an annual Management Challenges report, which highlights the most serious challenges ED faces. The challenges identified in ED OIG's FY 2016 Management Challenges are improper payments, information technology security, oversight and monitoring, data quality and reporting, and information technology system development and implementation. Copies of these reports are available on the ED OIG Web site: <http://www.ed.gov/oig>.