

Open Recommendations From OIG External Audit Reports As Of January 1, 2019

The Department reports external audit recommendations as either (1) **open** when the OIG and the Department have not reached agreement on corrective actions in response to the report's recommendations, (2) **resolved** when the OIG and Department management agree on action to be taken, or (3) **closed** when the Office of the Chief Financial Officer verifies supporting documentation showing that all corrective actions have been implemented and issues a closure memo. Acronyms defined on page (23) as well as in each report.

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
Technical Career Institutes, Inc.'s Administration of the Federal Pell Grant and Federal Family Education Loan Programs (A02H0007)				
We recommend that the Acting Chief Operating Officer for FSA require TCI to stop making payments to lenders on students' loans for the purpose of preventing their default.	Resolved	5/19/2008	03/18/2013	FSA
We recommend that the Acting Chief Operating Officer for FSA require TCI to identify all of the students for whom it made such payments on or after July 1, 2005.	Resolved	5/19/2008	03/18/2013	FSA
We recommend that the Acting Chief Operating Officer for FSA require TCI to rescind all collection agency referrals for the affected students.	Resolved	5/19/2008	03/18/2013	FSA
We recommend that the Acting Chief Operating Officer for FSA require TCI to direct the collection agencies to retract any negative reports made to credit agencies concerning the affected students.	Resolved	5/19/2008	03/18/2013	FSA
We recommend that the Acting Chief Operating Officer for FSA require TCI to inform the affected students of its improper practice and of their rights and recourses under the HEA and all applicable consumer laws.	Resolved	5/19/2008	03/18/2013	FSA
We recommend that the Acting Chief Operating Officer for FSA recalculate TCI's cohort default rate for FY 2005, including the borrowers for whom TCI made payments as defaulted for the purposes of the calculation, and take appropriate action under 34 C.F.R. Part 668, Subpart M.	Resolved	5/19/2008	03/18/2013	FSA
We recommend that the Acting Chief Operating Officer for FSA in TCI's cohort default rate calculations for FYs 2006 and 2007, include as defaulted the borrowers for whom TCI made such payments.	Resolved	5/19/2008	03/18/2013	FSA
We recommend that the Acting Chief Operating Officer for FSA consider limiting, suspending, or terminating TCI's participation in the Title IV, HEA programs, under 34 C.F.R. Part 668, Subpart G, based on TCI's practice of making payments on its students' FFEL Program loans.	Resolved	5/19/2008	03/18/2013	FSA
We recommend that the Acting Chief Operating Officer for FSA require TCI to develop, implement, and ensure that its personnel adhere to written policies and procedures for the administration of Title IV programs.	Resolved	5/19/2008	03/18/2013	FSA

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We recommend that the Acting Chief Operating Officer for FSA require TCI to return to the Department \$6,458 (\$5,445 in Title IV funds and \$1,013 in Pell Grant funds) and applicable interest.	Resolved	5/19/2008	03/18/2013	FSA
We recommend that the Acting Chief Operating Officer for FSA require TCI to identify all students for whom TCI used an incorrect withdrawal date during the period July 1, 2004, to the present, recalculate the return of Title IV funds for those students in accordance with applicable regulations, and return any Title IV funds due to the Department or FFEL lenders, with all applicable interest.	Resolved	5/19/2008	03/18/2013	FSA
We recommend that the Acting Chief Operating Officer for FSA require TCI to identify all students to whom TCI disbursed Pell Grants for attendance in any noncredit or reduced credit remedial course that reduced enrollment from full-time status during the period July 1, 2004, to the present, recalculate Pell Grant disbursements for those students in accordance with applicable regulations, and return any Title IV funds due to the Department with all applicable interest.	Resolved	5/19/2008	03/18/2013	FSA
We recommend that the Acting Chief Operating Officer for FSA require TCI to verify that data is reported correctly to COD.	Resolved	5/19/2008	03/18/2013	FSA
<u>Special Allowance Payments to Sallie Mae's Subsidiary, Nellie Mae, for Loans Funded by Tax-Exempt Obligations (A03I0006)</u>				
We recommend that the Chief Operating Officer for Federal Student Aid instruct SLMA to adjust its special allowance billings for loans associated with Bond 93F that became ineligible for the 9.5 percent floor calculation, as described in the finding, and return all overpayments to the Department (for which we estimate to be about \$12.3 million).	Resolved	8/3/2009	9/30/2013	FSA
We recommend that the Chief Operating Officer for Federal Student Aid instruct SLMA to identify the loans associated with Bonds 93B, 93G, and 93H that became ineligible for the 9.5 percent floor calculation, as described in the finding, and adjust its special allowance billings for the affected loans in the quarters ended June 30, 2002, through June 30, 2005, and return all overpayments to the Department (for which we estimate to be about \$10 million).	Resolved	8/3/2009	9/30/2013	FSA
We recommend that the Chief Operating Officer for Federal Student Aid instruct SLMA to disclose any other instances, at any of its subsidiaries (e.g., NLMA, Southwest Student Services Corporation, Student Loan Funding Resources, Student Loan Finance Association), of loans billed under the 9.5 percent floor calculation after the eligible tax exempt bond issue matured and after the loans were refinanced with funds derived from an ineligible funding source and, if necessary, adjust its special allowance billings for all affected loans and return all overpayments to the Department.	Resolved	8/3/2009	9/30/2013	FSA
<u>Saint Mary-of-the-Woods College's Administration of the Title IV Programs (A05K0012)</u>				
We recommend that the COO for FSA terminate the College's participation in the Title IV programs.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to return to the Department or the appropriate FFEL Program lenders the \$42,362,291 in Title IV funds disbursed during award years 2005-2006 through 2009-2010 and all funds disbursed during award year 2010-2011.	Resolved	3/29/2012	7/26/2016	FSA

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We recommend that the COO for FSA require the College to return to the Department or the appropriate FFEL program lenders a) \$380,067 in Pell funds disbursed for correspondence students based on the three-quarter or full-time Pell Disbursement Schedule and b) \$9,562 for the two students who were over-awarded Title IV funds.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to determine whether other students were over-awarded Title IV funds. Excluding required periods of residential training, for correspondence students enrolled during award year 2009-2010, the college should a) recalculate the COA budget excluding living and transportation expenses; b) determine whether any students were over-awarded Title IV funds; and c) return any such over-awards to the Department or the appropriate FFEL program lenders.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to use the Pell Disbursement Schedule for a half-time student to calculate the Pell payment for students enrolled more than half-time in correspondence courses without a residential component.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to create a COA budget for students enrolled in correspondence programs. The budget should not include living and transportation expenses unless the program has a residential training requirement.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to recalculate its COA budgets based on available documentation for award year 2009-2010 and subsequent award years.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to recalculate the unmet need for each student disbursed Title IV funds for award year 2009-2010 and return to the Department or the appropriate FFEL program lenders the Title IV funds over-awarded, if the COA budgets are revised as a result of implementing Recommendation 3.1.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to retain supporting documentation for any and all COA budgets.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to return to the Department the \$2,467 of Pell funds disbursed to 2 of the 30 students who were not enrolled at the time of disbursement.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to return all Pell funds delivered to students who a) were enrolled in correspondence courses that did not include any residential component during award year 2009-2010 and b) did not complete 50 percent of the lessons or otherwise complete 50 percent of the work scheduled for the term, whichever occurred last.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to develop and implement appropriate internal control, including policies and procedures and periodic monitoring, to ensure that a) Title IV funds are not disbursed to students who are not enrolled, and b) Pell funds are disbursed in accordance with the requirements for correspondence courses.	Resolved	3/29/2012	7/26/2016	FSA

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We recommend that the COO for FSA require the College to return to the Department or the appropriate FFEL program lenders the \$7,020 in Title IV funds that it improperly retained for 6 of the 10 students in our sample who did not begin attendance.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to review the records for the 42 students who officially withdrew or were administratively withdrawn during award year 2009-2010 but were not included in our sample and return to the Department or appropriate FFEL program lenders all Title IV funds improperly retained by the college for students who did not begin attendance.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to develop and implement a system of internal control, including written policies and procedures and periodic monitoring, to ensure that all Title IV funds are returned when students do not begin attendance.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to return to the Department or appropriate FFEL program lenders the \$3,052 in Title IV funds that it improperly retained for the five students for whom it used the incorrect last date of attendance in the return of Title IV aid calculations.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to recalculate the amount of Title IV funds earned by the 94 students who unofficially withdrew but were not included in our sample and return any unearned funds to the Department or the appropriate FFEL program lenders.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to ensure that it (a) correctly identifies the student's withdrawal date as the last date of attendance at an academically related activity and (b) returns Title IV funds for students who withdraw from the College within 45 days of the date of determination.	Resolved	3/29/2012	7/26/2016	FSA
We recommend that the COO for FSA require the College to ensure that it a) notifies students of their FFEL program disbursements within the timeframes described in 34 C.F.R. 668.165(a), and b) provides exit counseling within 30 days after the students complete their programs or withdraw from the college.	Resolved	3/29/2012	7/26/2016	FSA
<u>Metropolitan Community College's Administration of the Title IV Programs (A07K0003)</u>				
We recommend that the COO for FSA require Metropolitan to return to the Department or to FFEL Program lenders, as appropriate, \$57,124 in Title IV funds disbursed to 16 students who took an improperly administered CELSA test.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to return to the Department or to FFEL Program lenders, as appropriate, \$16,750 in Title IV funds disbursed to the three students in our sample who did not have a high school diploma or its equivalent or who did not pass an ATB test.	Resolved	5/15/2012	4/6/2017	FSA

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We recommend that the COO for FSA require Metropolitan to review its records for the 236 students whose records we did not review, determine whether it has records to support that the students had a high school diploma or its equivalent or passed an ATB test, identify the amount of Title IV funds that it improperly disbursed to those students for whom it did not have sufficient support, and return the funds to the Department or to FFEL Program lenders, as appropriate.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to return to the Department or to FFEL Program lenders, as appropriate, \$12,212 in Title IV funds disbursed to the six students in our sample who did not meet the SAP requirements.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to review its records for students who were disbursed Title IV funds during award year 2009-2010, excluding the files for the students in our sample, identify the amount of Title IV funds that were improperly disbursed to students who did not meet the SAP requirements, and return to the Department or to FFEL Program lenders, as appropriate, the improperly disbursed funds.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to ensure that SAP rules are properly established in its higher education software and regularly verify that the higher education software is correctly assigning SAP statuses.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to return to the Department or to FFEL Program lenders, as appropriate, the \$26,989 in Title IV funds improperly disbursed to the 25 students who exceeded the maximum 45 quarter credit hours of remedial courses.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to revise the rules in its higher education software to ensure that students are not disbursed Title IV funds for more than 45 quarter credit hours of remedial coursework.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to return to the Department or to FFEL Program lenders, as appropriate, \$88,086 in Title IV funds improperly disbursed to the 23 students enrolled in ineligible nondegree programs.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to identify the Title IV funds improperly disbursed after the end of our audit period (March 31, 2010) to students enrolled in ineligible nondegree programs and return to the Department or to FFEL Program lenders, as appropriate, the improperly disbursed funds.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to update the rules in its higher education software when there is a change in the Title IV eligibility of its programs.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to return to the Department \$21,238 in improper payments made to 26 FWS recipients.	Resolved	5/15/2012	4/6/2017	FSA

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We recommend that the COO for FSA require Metropolitan to review its records for the remaining 108 FWS recipients in the universe who were not in our sample of 25 or included in our finding and (a) identify the amount of FWS funds that were improperly paid to the FWS recipients and (b) return that amount to the Department.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to adhere to the FWS regulations by ensuring that— a. The type of work performed at private nonprofit FWS entities is permitted by the regulations, b. Written contracts are in place for all private nonprofit entities, c. Documentation supporting FWS job descriptions is maintained, d. FWS recipients do not work FWS jobs during scheduled class hours, e. Only eligible students participate in the FWS program, and f. FWS recipients are paid only for the hours worked.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to obtain training for those responsible for administering the FWS program and supervising the work of FWS recipients.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to return to the Department or to FFEL Program lenders, as appropriate, \$8,074 in Title IV funds resulting from its failure to properly (a) identify students who never attended and (b) calculate the return of Title IV aid.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to for instances not included in our samples, review its records, identify the amount of Title IV funds that was improperly retained for Title IV recipients who withdrew from Metropolitan or never attended a term, and return to the Department or to FFEL Program lenders, as appropriate, that amount plus any interest and special allowance.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to establish effective internal control to ensure that it returns unearned Title IV funds timely.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to promptly determine the withdrawal date of a student who withdraws without providing official notification.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to return to the Department the \$2,445 in retroactive Pell disbursements improperly made for 5 of the 27 students in the sample.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to review its records for the remaining 219 students who received potential retroactive Pell disbursements during award year 2009-2010 and (a) identify the amount of Title IV funds that was retroactively disbursed to students based on credit hours they had not completed and (b) return that amount to the Department.	Resolved	5/15/2012	4/6/2017	FSA
We recommend that the COO for FSA require Metropolitan to revise and test the rules in its higher education software to ensure that retroactive disbursements are based on credit hours already completed.	Resolved	5/15/2012	4/6/2017	FSA

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<u>SOLEX College's Administration of Selected Aspects of the Title IV Programs (A05O0007)</u>				
We recommend that the COO for FSA require SOLEX College to return to the Department Pell funds totaling \$1,795,500 that were improperly disbursed to the 413 students enrolled in the Intensive English Program or Advanced English Studies program, or both, for award years 2012-2013 and 2013-2014.	Resolved	9/30/2015	10/3/2016	FSA
We recommend that the Chief Operating Officer for FSA require SOLEX College to cease disbursing Pell funds to any students enrolled in its Intensive English Program or Advanced English Studies program until SOLEX College establishes Title IV program eligibility for its two ESL programs.	Resolved	9/30/2015	10/3/2016	FSA
We recommend that the Chief Operating Officer for FSA require SOLEX College to strengthen the admissions process to ensure that it establishes and maintains Title IV program eligibility for its two ESL programs. The process should include ensuring that SOLEX College a) admits to its Title IV-eligible ESL programs only students who need ESL instruction to use their already existing knowledge, training, or skills for gainful employment and b) sufficiently and clearly documents its determination that each applicant needs ESL instruction to use already existing knowledge, training, or skills for gainful employment.	Resolved	9/30/2015	10/3/2016	FSA
We also recommend that the Chief Operating Officer for FSA determine whether SOLEX College complied with the Title IV program eligibility provisions for ESL programs before award year 2012-2013. If it did not comply, require SOLEX College to return to the Department all Pell funds that it disbursed to students enrolled in SOLEX College's two ESL programs before award year 2012-2013.	Resolved	9/30/2015	10/3/2016	FSA
We also recommend that the Chief Operating Officer for FSA determine whether SOLEX College complied with the Title IV program eligibility provisions for ESL programs after award year 2013-2014. If it did not comply, require SOLEX College to return to the Department all Pell funds that it disbursed to students enrolled in SOLEX College's two ESL programs after award year 2013-2014.	Resolved	9/30/2015	10/3/2016	FSA
We recommend that the COO for FSA require SOLEX College to revise its processes for identifying and resolving discrepancies, including those concerning a student's previous educational experience, in the information that it receives from different sources with respect to a student's eligibility for Title IV funds and ensure that it retains sufficient documentation to support the resolution of any discrepancies that it identifies.	Resolved	9/30/2015	10/3/2016	FSA
<u>Western Governors University Was Not Eligible to Participate in the Title IV Programs (A05M0009)</u>				
We recommend that the Chief Operating Officer for FSA initiate appropriate administrative action against the school, pursuant to 34 C.F.R. § 600.41.	Open	9/20/2017		FSA
We recommend that the Chief Operating Officer for FSA require the school to return to the Department \$712,670,616 in Title IV funds received for award years 2014–2015 and 2015–2016 and any additional funds received after award year 2015–2016.	Open	9/20/2017		FSA
We recommend that the Chief Operating Officer for FSA determine whether the school complied with the institutional eligibility requirements before award year 2013–2014. If FSA determines that	Open	9/20/2017		FSA

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the school did not comply with the institutional eligibility requirements, the Chief Operating Officer for FSA should require the school to return to the Department all Title IV funds disbursed to regular students enrolled during award years for which the school was not eligible to participate in the Title IV programs.				
We recommend that the Chief Operating Officer for FSA require Western Governors University to stop making subsequent disbursements of Title IV funds to students until the school implements policies and procedures for ensuring that students have completed at least the regulatory minimums for both weeks of instructional time and credit hours (competency units).	Open	9/20/2017		FSA
We recommend that the Chief Operating Officer for FSA require Western Governors University to review the records for all students who received Title IV funds for student terms that started from July 1, 2013, through June 30, 2016; identify students who never earned a subsequent disbursement based on the Title IV requirements governing a nonterm program; determine the amount of Title IV funds disbursed to those students who were ineligible for a subsequent disbursement; and return any funds not returned in response to Recommendation 1.2, to the Department.	Open	9/20/2017		FSA
We recommend that the Chief Operating Officer for FSA require Western Governors University to for all students who received Pell funds for student terms that started from July 1, 2013, through June 30, 2016, recalculate the students' Pell awards in accordance with the regulations for credit-hour programs without terms and return all excess funds disbursed but not returned in response to Recommendations 1.2 and 2.2.	Open	9/20/2017		FSA
We recommend that the Chief Operating Officer for FSA require Western Governors University to ensure that the school-defined academic year will include at least 30 weeks of instructional time and each of the weeks will include at least 1 day of regularly scheduled instruction or examination.	Open	9/20/2017		FSA
We recommend that the Chief Operating Officer for FSA require Western Governors University to return \$10,509 to the Department for students who did not begin attendance or withdrew.	Open	9/20/2017		FSA
We recommend that the Chief Operating Officer for FSA require Western Governors University to review the records for all 9,509 students whose files we did not review, determine the amount of Title IV funds that the students did not earn for the payment period, and return any unearned funds, not returned in response to Recommendation 1.2, to the Department.	Open	9/20/2017		FSA
<u>MiraCosta College's Compliance with Verification and Reporting Requirements (A02S0007)</u>				
We recommend that the Acting Chief Operating Officer for Federal Student Aid confirm that MiraCosta revised its suspense management policies and procedures to ensure Institutional Student Information Records placed in the suspense account are subject to a second-level of review for proper placement in the school's data system.	Open	11/27/2018		FSA
We recommend that the Acting Chief Operating Officer for Federal Student Aid confirm that MiraCosta submitted documentation to FSA that Pell data discrepancies identified in this report have been updated in the Common Origination and Disbursement System to match verified data in the Central Processing System.	Open	11/27/2018		FSA

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<u>University of Houston's Compliance with Verification and Reporting Requirements (A06S0007)</u>				
We recommend that the Acting Chief Operating Officer for FSA confirm that the University of Houston returned to the Department \$14,004 of Pell funding improperly disbursed to the four students for whom the University of Houston did not perform the required verification.	Open	11/30/18		FSA
We recommend that the Acting Chief Operating Officer for FSA confirm that the University of Houston developed and implemented control activities to ensure subsequent Institutional Student Information Reports requiring verification are loaded into its system and processed.	Open	11/30/18		FSA
<u>Puerto Rico Department of Education's Reliability of Program Performance Data and Use of Adult Education Program Funds (A04O0004)</u>				
We recommend that the Assistant Secretary for the Office of Career, Technical, and Adult Education require Puerto Rico to establish monitoring procedures to provide assurance that all the required performance data that are collected and reported by all adult education centers, subgrantees, and educational regions are effectively assessed for completeness and accuracy, and that supporting documentation is maintained for the reported data.	Open	2/22/2018		OCTAE
We recommend that the Assistant Secretary for the Office of Career, Technical, and Adult Education require Puerto Rico to increase accountability for the performance data transmitted by requiring its adult education centers, subgrantees, and educational regions to certify that the data are accurate, complete, and reliable, and fully disclose any data limitations.	Open	2/22/2018		OCTAE
We recommend that the Assistant Secretary for the Office of Career, Technical, and Adult Education require Puerto Rico to maintain adequate support for reported non-Federal matching contributions to evidence compliance with State matching contribution requirements.	Open	2/22/2018		OCTAE
We recommend that the Assistant Secretary for the Office of Career, Technical, and Adult Education require Puerto Rico to return to the Department \$75,767 in PSC payments made for 8 PSCs without required approval.	Open	2/22/2018		OCTAE
We recommend that the Assistant Secretary for the Office of Career, Technical, and Adult Education require Puerto Rico to adhere to the processes outlined in Puerto Rico's Manual for PSCs for filing and retrieval of sufficient PSC documentation supporting compliance with the approval process, including evidence that an official with documented authority approved the contracts.	Open	2/22/2018		OCTAE
We recommend that the Assistant Secretary for the Office of Career, Technical, and Adult Education require Puerto Rico to maintain all required documentation for payroll payments and related costs charged to Adult Education program grants to support that those employees worked full time on the Adult Education program.	Open	2/22/2018		OCTAE
We recommend that the Assistant Secretary for the Office of Career, Technical, and Adult Education require Puerto Rico to return to the Department \$21,714 inadequately documented nonpayroll payments charged to Adult Education program grants.	Open	2/22/2018		OCTAE

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We recommend that the Assistant Secretary for the Office of Career, Technical, and Adult Education require Puerto Rico to review sufficient supporting documentation for contractors' and vendors' invoices before approving nonpayroll payments to ensure that goods and services received correspond to the goods and services billed.	Open	2/22/2018		OCTAE
We recommend that the Assistant Secretary for the Office of Career, Technical, and Adult Education require Puerto Rico to revise existing monitoring checklists to include steps to determine whether Adult Education program subgrantees exceeded the threshold for obtaining an OMB Circular A-133 single audit, and obtain and review the required single audit reports for all subgrantees exceeding the threshold.	Open	2/22/2018		OCTAE
<u>Puerto Rico Department of Education's Award and Administration of Personal Services Contracts (A04J0005)</u>				
We recommend that the Assistant Secretary for OESE, in collaboration with the Assistant Secretary for OVAE and the Assistant Deputy Secretary for OSDFS, require PRDE to develop and implement an adequate archiving system for approved copies of PSCs and supporting documentation to facilitate document retrieval.	Resolved	1/24/2011	9/26/2013	OESE
We recommend that the Assistant Secretary for OESE, in collaboration with the Assistant Secretary for OVAE and the Assistant Deputy Secretary for OSDFS, require PRDE to develop and implement controls to safeguard contract documents throughout the contracting process, including a policy to routinely provide to the contracting or program offices copies of the approved PSCs.	Resolved	1/24/2011	9/26/2013	OESE
We recommend that the Assistant Secretary for OESE, in collaboration with the Assistant Secretary for OVAE and the Assistant Deputy Secretary for OSDFS, require PRDE to develop and implement standardized policies and procedures governing the award process and the requirements for maintaining sufficient documentation supporting compliance with regulations.	Resolved	1/24/2011	9/26/2013	OESE
We recommend that the Assistant Secretary for OESE, in collaboration with the Assistant Secretary for OVAE and the Assistant Deputy Secretary for OSDFS, require PRDE to provide adequate and reliable documentation supporting \$147,652 in unsupported payments made, including the eight missing contracts related to the \$27,716 paid or refund the unsupported amount to the Department.	Resolved	1/24/2011	9/26/2013	OESE
We recommend that the Assistant Secretary for OESE, in collaboration with the Assistant Secretary for OVAE and the Assistant Deputy Secretary for OSDFS, require PRDE to return to the Department \$17,262 in questioned costs related to \$9,109 for services provided prior to contract approval; \$3,650 in payment for hours in excess of contracted hours; and \$4,503 in payment for errors in contract compensation rates paid.	Resolved	1/24/2011	9/26/2013	OESE
We recommend that the Assistant Secretary for OESE, in collaboration with the Assistant Secretary for OVAE and the Assistant Deputy Secretary for OSDFS, require PRDE to consistently follow its regulations and processes in establishing the hourly rates in the PSCs awarded to ensure the most efficient use of Department funds.	Resolved	1/24/2011	9/26/2013	OESE

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<p>We recommend that the Assistant Secretary for OESE, in collaboration with the Assistant Secretary for OVAE and the Assistant Deputy Secretary for OSD/FS, require PRDE to develop and implement internal controls, including standardized policies and procedures that—</p> <ul style="list-style-type: none"> a. Require documentation supporting payments made be properly identified with the contract or amendment under which the services were provided; b. Require programs or offices in need of services to submit PSCs to the final approver with enough time to allow for approval of the contracts prior to the contract period and that the contract periods established in PSCs and recorded in SEPI and TAL begin on or after the dates that the contracts were approved by all required officials; c. Prohibit authorization of payments for services recorded in TAL for dates that occurred before the contract's approval date; d. Require final contract approvers include the approval date in the PSCs; e. Require contract hours established in PSCs to be in accordance with approved budgets; f. Require only the correct number of hours charged by contractors to be approved for payment; g. Establish a process for amending PSCs when amendments are needed to change hourly rates contracted based on changes in policies and applicable laws; h. Clearly indicate when to establish PSC compensation based on an hourly rate of 1 percent of the base monthly salary of a position or a fixed hourly rate based on the complexity of the tasks and require that the methodology or criteria used to establish the compensation rates included in the contracts be properly documented. 	Resolved	1/24/2011	9/26/2013	OESE
<p>We recommend that the Director of the Department's Risk Management Service, require PRDE to reconcile the \$15 million discrepancy between the PSC expenditures paid with Department funds during the period of January 1, 2006, through December 31, 2008, and the payment data from its paper-based payments system and SEPI; have an independent audit office or CPA firm assess PRDE's reconciliation and issue an opinion on its accuracy; and return to the Department all of the amounts that cannot be reconciled.</p>	Resolved	1/24/2011	9/26/2013	OESE
<p>We recommend that the Director of the Department's Risk Management Service, require PRDE to establish a policy for periodic reconciliation of expenditure data to payment data and ensure that systems contain accurate information.</p>	Resolved	1/24/2011	9/26/2013	OESE
<p>We recommend that the Director of the Department's Risk Management Service, require PRDE to establish and implement internal controls, including standardized policies and procedures, to record all PSCs awarded in a centralized registry of PSCs that complies with Regulation 33 requirements. The registry should include sufficient information to properly identify the PSCs and amendments awarded that correspond to payments made for the services provided.</p>	Resolved	1/24/2011	9/26/2013	OESE

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
<u>Harvey Public School District 152: Status of Corrective Actions on Previously Reported Title I-Relevant Control Weaknesses (A05Q0003)</u>				
We recommend that the Assistant Secretary for Elementary and Secondary Education instruct ISBE to require District 152 to provide evidence that it can locate the eight Title I assets that we could not locate. If District 152 cannot locate any of the eight Title I assets, it should provide evidence proving that it properly disposed of and accounted for those assets in accordance with ISBE's equipment disposition procedures.	Open	5/18/2017		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education instruct ISBE to direct District 152 to implement policies and procedures for ensuring that inventory sheets and disposal reports are reviewed for completeness and accuracy by someone other than the preparer before the information is entered in the fixed asset database.	Open	5/18/2017		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education instruct ISBE to require District 152 to provide evidence to ISBE that it is maintaining accurate and complete inventory records.	Open	5/18/2017		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education instruct ISBE to require District 152 to develop policies and procedures for (a) reconciling planned expenditure report submissions with District 152's accounting records and (b) having someone other than the preparer review the reconciliation before the information is reported through FRIS to ISBE.	Open	5/18/2017		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education instruct ISBE to verify that District 152 implements the policies and procedures it develops for reconciling planned expenditure report submissions with its accounting records and having the reconciliation reviewed before submitting the information through FRIS.	Open	5/18/2017		OESE
<u>Calculating and Reporting Graduation Rates in Alabama (A02P0010)</u>				
We recommend that the Acting Assistant Secretary for the Office of Elementary and Secondary Education require ALSDE to develop and implement a process, such as a risk-based monitoring tool, to monitor the LEAs' systems of internal control and processes performed throughout the cohort period to ensure that the data they submit to ALSDE are accurate and complete, students are counted in the right cohort, and LEAs maintain documentation supporting student removal from a cohort.	Open	6/14/2017		OESE
We recommend that the Acting Assistant Secretary for the Office of Elementary and Secondary Education require ALSDE to develop and implement written policies and procedures for ALSDE staff for reviewing requests for manual adjustments in the Cohort Application, including requiring appropriate levels of review.	Open	6/14/2017		OESE
We recommend that the Acting Assistant Secretary for the Office of Elementary and Secondary Education require ALSDE to establish LEA accountability over ACGR data quality through the use of LEA certifications regarding the effectiveness of their systems of internal control and the accuracy and completeness of data submitted to ALSDE.	Open	6/14/2017		OESE

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
We recommend that the Acting Assistant Secretary for the Office of Elementary and Secondary Education require ALSDE to review its current cohorts that have not been reported to the Department to ensure the completeness of the cohorts and that students are assigned to the correct cohort.	Open	6/14/2017		OESE
We recommend that the Acting Assistant Secretary for the Office of Elementary and Secondary Education require ALSDE to remove AOD- Essentials/Life Skills Pathway graduates from the ACGR until it can be shown that the program is fully aligned with the Alabama standard diploma academic requirements.	Open	6/14/2017		OESE
We recommend that the Acting Assistant Secretary for the Office of Elementary and Secondary Education require ALSDE to disclose to the Department known data limitations for ALSDE’s ACGR data for SYs 2010–11 through 2013–14 noting that the data are unreliable, and include an annotation where data are reported to the public.	Open	6/14/2017		OESE
<u>Calculating and Reporting Graduation Rates in California (A02Q0005)</u>				
We recommend that the Acting Assistant Secretary for the Office of Elementary and Secondary Education require CDE to ensure that local entities have internal controls regarding the accuracy and completeness of ACGR data by requiring the use of local entity certifications that include language specifically regarding the effectiveness of their systems of internal control and the accuracy and completeness of data submitted to CDE; and verifying that local entities follow CDE’s guidance on data certifications.	Open	1/11/2018		OESE
We recommend that the Acting Assistant Secretary for the Office of Elementary and Secondary Education require CDE to develop and implement a process, such as a risk-based monitoring tool, to monitor the local entities’ processes to provide better assurance that the data they submit to CDE are accurate and complete.	Open	1/11/2018		OESE
We recommend that the Acting Assistant Secretary for the Office of Elementary and Secondary Education require CDE to develop and disseminate guidance to local entities about obtaining and maintaining required documentation supporting student removal from a cohort and regarding the importance of inputting accurate data.	Open	1/11/2018		OESE
We recommend the Acting Assistant Secretary for the Office of Elementary and Secondary Education require CDE to revise procedures for calculating the ACGR so the calculation is consistent with Federal requirements for calculating the ACGR. Specifically, revise procedures so that students cannot be removed from a cohort for unallowable reasons, and so that students are not counted as graduates if they earn a diploma or certificate that does not meet the Federal definition of a regular high school diploma.	Open	1/11/2018		OESE
We recommend the Acting Assistant Secretary for the Office of Elementary and Secondary Education require CDE to review its current cohorts that have not been reported to the Department to gain reasonable assurance that students are assigned to the correct cohort.	Open	1/11/2018		OESE

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
We recommend the Acting Assistant Secretary for the Office of Elementary and Secondary Education require CDE to review prior year cohorts that were inaccurately reported to the Department and correct the ACGR for those years or note that the ACGR was not accurate.	Open	1/11/2018		OESE
<u>Detroit Public Schools Community District: Status of Corrective Actions on Previously Reported Title I-Relevant Control Weaknesses (A05R0001)</u>				
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Michigan instruct DPSCD to update its policies and procedures to ensure that any changes to pension benefit contribution rates are timely and accurately entered in the financial system.	Open	3/28/2018		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Michigan instruct DPSCD to calculate the amount that it overcharged Title I funds from October 1, 2015, through October 6, 2016, for the one (of seven) other pension plan for which it used an incorrect contribution rate and return that amount to the Department.	Open	3/28/2018		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Michigan instruct DPSCD to review Title I payments for pension contributions made from October 1, 2015, through June 2, 2017, for the 13 pension plans not included in our sample and submit the results of that review to the Department for a determination on whether any Federal funds must be returned.	Open	3/28/2018		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Michigan instruct DPSCD to update its policies and procedures and information system controls to ensure that supervisory approval for all employees' timesheets is documented before the employees are paid.	Open	3/28/2018		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Michigan instruct DPSCD to ensure that payroll processing errors are detected timelier and those corrections are accurately processed.	Open	3/28/2018		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Michigan instruct DPSCD to retain written justifications and preapprovals for incurring lodging expenses in excess of maximum allowable rates.	Open	3/28/2018		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Michigan instruct DPSCD to revise its procurement and logistics policies and procedures to clearly describe requirements for incurring travel expenses in excess of maximum allowable rates and calculating meals and incidental expenses for the first and last days of travel.	Open	3/28/2018		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Michigan instruct DPSCD to require invoices to itemize all costs, including travel agency fees, and ensure that the invoices are adequately supported before paying for them.	Open	3/28/2018		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Michigan instruct DPSCD to ensure that employees timely adjust purchase orders when budgets are revised.	Open	3/28/2018		OESE

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Michigan instruct DPSCD to ensure that employees ensure that consultant work logs are complete and include evidence of supervisory approval before approving consultant invoices for payment.	Open	3/28/2018		OESE
New York State's and Selected Districts' Implementation of Selected Every Student Succeeds Act Requirements under the McKinney-Vento Homeless Assistance Act (A03Q0005)				
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require the New York SEA to include a review of LEA supporting documentation for the homeless student data it reported in all of its monitoring reviews, and include a review of the LEAs' processes for verifying the accuracy of the data.	Open	3/29/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require the New York SEA to require LEAs to certify that (1) the data reported are accurate and complete, (2) all known data issues have been disclosed, (3) they have documentation of the procedures performed to ensure that the data submitted were accurate and complete, (4) all controls are working as intended, and (5) they understand submitting incomplete or inaccurate data may result in corrective actions or other consequences.	Open	3/29/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require the New York SEA to complete the documentation of its monitoring and risk assessment processes, including updating the forms used to perform monitoring to incorporate compliance with the ESSA amendments.	Open	3/29/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require the New York SEA to document its data processing policies and procedures.	Open	3/29/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require the New York SEA to revise its monitoring process to close a finding after receipt of final documents showing the corrective actions are fully completed.	Open	3/29/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require the New York SEA to provide technical assistance to ensure that officials at Lackawanna understand that if they are aware of any unaccompanied youths experiencing homelessness, they should report the student in the homeless student count; further, consider providing additional technical assistance or guidance to other LEAs.	Open	3/29/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require the New York SEA to require the New York City LEA and Lackawanna to review and revise their education of homeless students policies so they comply with the ESSA requirements and any new State requirements.	Open	3/29/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require the New York SEA to require Uniondale to document its policies and procedures for entering homeless student data in its student database system.	Open	3/29/2018		OESE

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require the New York SEA to require Uniondale to update the homeless education policy to clarify who is responsible for informing parents or guardians of homeless children and youths of all of the educational and related opportunities under the McKinney-Vento Act. Also require Uniondale to develop a process to ensure that it maintains documentation to support that it is informing parents or guardians of all of the educational and related opportunities their child is entitled to receive.	Open	3/29/2018		OESE
<u>Orleans Parish School Board: Status of Corrective Actions on Previously Reported Title I-Relevant Control Weaknesses (A05R0002)</u>				
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Louisiana direct Orleans Parish to develop policies and procedures for verifying that Title I services for nonpublic school students are delivered as asserted by vendors on their invoices and supporting documentation.	Open	5/14/2018		OESE
We recommend that the Assistant Secretary for Elementary and Secondary Education require that Louisiana ensure that Orleans Parish implements procedures sufficient to verify that Title I services for nonpublic school students are delivered as asserted by vendors on their invoices and supporting documentation.	Open	5/14/2018		OESE
<u>Calculating and Reporting Graduation Rates in Utah (A06R0004)</u>				
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require Utah Education to revise LEA certifications to include language attesting to the effectiveness of LEA systems of internal control and the accuracy and completeness of data submitted to Utah Education.	Open	11/27/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require Utah Education to develop and implement a process to effectively follow up on the Agreed Upon Procedures results.	Open	11/27/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require Utah Education to develop and implement a process, such as a risk-based monitoring tool, to monitor the LEAs' processes to provide assurance that the data they submit to Utah Education are accurate and complete.	Open	11/27/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require Utah Education to develop and implement a process to ensure LEAs follow Federal guidance for maintaining required documentation supporting student removal from a cohort.	Open	11/27/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require Utah Education to revise the methodology for calculating the ACGR so it is consistent with Federal requirements for calculating the ACGR. Specifically, revise the methodology so that students cannot be removed from a cohort for unallowable reasons and so that students are not counted as graduates if they earn a diploma or certificate that does not meet the Federal definition of a regular high school diploma.	Open	11/27/2018		OESE

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require Utah Education to document its policies and procedures related to calculating and reporting the ACGR to the Department in accordance with Federal requirements.	Open	11/27/2018		OESE
We recommend that the Assistant Secretary for the Office of Elementary and Secondary Education require Utah Education to review prior year cohorts that were inaccurately reported to the Department and correct the ACGR for those years or note that the ACGR was not accurate.	Open	11/27/2018		OESE
<u>University of Illinois at Chicago's Gaining Early Awareness and Readiness for Undergraduate Programs Project (A05D0017)</u>				
We recommend that the CFO, in conjunction with the Assistant Secretary, OPE, require UIC to return to the Department the \$1,018,212 in federal funds it received for the first three years of the grant	Resolved	1/14/2004	11/28/2006	PAG
We recommend that the CFO, in conjunction with the Assistant Secretary, OPE, take appropriate action pursuant to 34 C.F.R. § 74.62 to protect future GEAR UP grant funds.	Resolved	1/14/2004	11/28/2006	PAG
We recommend that the CFO, in conjunction with the Assistant Secretary, OPE, require UIC to return to the Department the \$1,018,212 in federal funds it received for the first three years of the grant	Resolved	1/14/2004	11/28/2006	PAG
We recommend that the CFO, in conjunction with the Assistant Secretary, OPE, take appropriate action pursuant to 34 C.F.R. § 74.62 to protect future GEAR UP grant funds.	Resolved	1/14/2004	11/28/2006	PAG
<u>The North Carolina Department of Public Instruction's Administration of its Race to the Top Grant (A05O0005)</u>				
We recommend that the Chief Financial Officer, in conjunction with the Assistant Secretary for Elementary and Secondary Education, require North Carolina to retain sufficient documentation to show that it obtained all required approvals for any procurement of goods and services using Federal funds.	Resolved	7/13/2015	5/13/2016	PAG
We recommend that the Chief Financial Officer, in conjunction with the Assistant Secretary for Elementary and Secondary Education, require North Carolina to strengthen its procurement policy by requiring amendments to contracts for purchasing goods and services exceeding \$100,000 using Federal funds to receive the same approvals as original contracts.	Resolved	7/13/2015	5/13/2016	PAG
We recommend that the Chief Financial Officer, in conjunction with the Assistant Secretary for Elementary and Secondary Education, require North Carolina to justify the pay rates for the two employees paid with Race to the Top funds without adequate documentation of the reasonableness of the pay rates, find another allowable use for the funds, or return \$31,458 to the Department.	Resolved	7/13/2015	5/13/2016	PAG
We recommend that the Chief Financial Officer, in conjunction with the Assistant Secretary for Elementary and Secondary Education, require North Carolina to more closely monitor the fiscal activity of LEAs and charter schools to ensure that the amount of time elapsing between the LEAs' and charter schools' receipt of Race to the Top funds from North Carolina and the LEAs' and charter schools' uses of the funds is minimized in accordance with Federal cash management requirements.	Resolved	7/13/2015	5/13/2016	PAG
We recommend that the Chief Financial Officer, in conjunction with the Assistant Secretary for Elementary and Secondary Education, require North Carolina to instruct Forsyth County to identify allowable uses of funds consistent with North Carolina's approved Race to the Top application or	Resolved	7/13/2015	5/13/2016	PAG

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
return to North Carolina the \$12,532 in Race to the Top funds that Forsyth County used for unallowable activities.				
We recommend that the Chief Financial Officer, in conjunction with the Assistant Secretary for Elementary and Secondary Education, require North Carolina to instruct Forsyth County to provide documentation sufficient to support the \$3,518 in expenditures that we sampled but could not verify. If Forsyth County cannot provide sufficient documentation for the \$3,518, then North Carolina should instruct Forsyth County to identify allowable uses of funds consistent with North Carolina’s approved Race to the Top application or return to North Carolina the amount of the expenditures that Forsyth County cannot adequately support.	Resolved	7/13/2015	5/13/2016	PAG
<u>Massachusetts Department of Elementary and Secondary Education’s Oversight of Local Educational Agency Single Audit Resolution (A09P0001)</u>				
We recommend that the Director of the OCFO’s PAG require ESE to take immediate action to ensure that all LEAs that currently have unresolved repeat findings, including those highlighted in this report, take prompt and appropriate corrective actions. ESE should initially prioritize the resolution of the findings with the greatest program or fiscal impacts and contact the Department for guidance and assistance, as necessary.	Resolved	1/25/2016	1/11/2017	PAG
We recommend that the Director of the OCFO’s PAG require ESE to design and implement written policies and procedures for overseeing the LEA single audit resolution process to ensure that ESE’s activities result in timely and appropriate correction of LEA audit findings. The policies and procedures should cover the entire audit resolution process, including the review of each LEA finding and corrective action plan, preparation of management decisions, follow-up activities, and steps to effectively resolve repeat findings.	Resolved	1/25/2016	1/11/2017	PAG
We recommend that the Director of the OCFO’s PAG require ESE to establish a tracking system for individual LEA audit findings that includes data for current and prior years to facilitate effective oversight and timely LEA finding resolution. Once ESE enters an audit finding into the tracking system, it should not remove the finding until the LEA has fully implemented all required corrective actions.	Resolved	1/25/2016	1/11/2017	PAG
We recommend that the Director of the OCFO’s PAG require ESE to ensure that management decision letters meet regulatory requirements such as clearly stating whether ESE sustains the auditor’s finding, timely issuance, and communicating appropriate corrective actions the LEA must take. ESE should also establish a timeframe for LEAs to complete corrective actions.	Resolved	1/25/2016	1/11/2017	PAG
We recommend that the Director of the OCFO’s PAG require ESE to implement routine internal management reviews covering the status and performance of ESE’s oversight activities related to LEA single audit resolution and a periodic quality assurance process for the oversight activities to detect and correct errors, control weaknesses, and noncompliance with regulatory requirements.	Resolved	1/25/2016	1/11/2017	PAG

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
<u>The Tennessee Department of Education's Administration of a Race to the Top Grant (A05O0004)</u>				
We recommend that the CFO of the Department, in conjunction with the Assistant Secretary for OESE, require Tennessee to instruct the Achievement School District to develop and implement policies and procedures that provide reasonable assurance that it will retain adequate supporting documentation for all transactions.	Resolved	3/30/2016	9/29/2017	PAG
We recommend that the CFO of the Department, in conjunction with the Assistant Secretary for OESE, require Tennessee to instruct the Achievement School District to develop and implement policies and procedures for contracting that provide reasonable assurance that it is awarding professional service contracts on the basis of recognized competence and integrity.	Resolved	3/30/2016	9/29/2017	PAG
We recommend that the CFO of the Department, in conjunction with the Assistant Secretary for OESE, require Tennessee to instruct the Achievement School District to strengthen its purchasing processes so that the processes provide reasonable assurance that purchase orders are approved before employees order goods or services.	Resolved	3/30/2016	9/29/2017	PAG
We recommend that the CFO of the Department, in conjunction with the Assistant Secretary for OESE, require Tennessee to instruct the Achievement School District to strengthen its fiscal control and fund accounting procedures so that they provide reasonable assurance that adjusting journal entries are reviewed and approved, accounting codes are properly assigned to expenditures, and expenditures are appropriately and accurately allocated between Federal grants before being entered.	Resolved	3/30/2016	9/29/2017	PAG
We recommend that the CFO of the Department, in conjunction with the Assistant Secretary for OESE, require Tennessee to instruct the Achievement School District to review all adjusting journal entries for the Race to the Top grant and correct all errors that we did not identify during our review.	Resolved	3/30/2016	9/29/2017	PAG
We recommend that the CFO of the Department, in conjunction with the Assistant Secretary for OESE, require Tennessee to instruct the Achievement School District to develop and implement procedures that provide reasonable assurance that employees correctly classify transactions in the accounting system.	Resolved	3/30/2016	9/29/2017	PAG
We recommend that the CFO of the Department, in conjunction with the Assistant Secretary for OESE, require Tennessee to instruct the Achievement School District to follow its policies and procedures for using credit cards.	Resolved	3/30/2016	9/29/2017	PAG
We recommend that the CFO of the Department, in conjunction with the Assistant Secretary for OESE, require Tennessee to instruct the Achievement School District to have the credit card issuer provide directly to Tennessee verifications that the credit limits for all district-authorized credit cards have been reduced.	Resolved	3/30/2016	9/29/2017	PAG

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
We recommend that the CFO of the Department, in conjunction with the Assistant Secretary for OESE, require Tennessee to provide accounting records showing Tennessee removed the \$100,848 that it, the Achievement School District, or both, used for unallowable items and activities and supporting documentation proving that the expenditures charged to the Race to the Top grant in place of the \$100,848 comply with Federal fiscal requirements and the approved grant application.	Resolved	3/30/2016	9/29/2017	PAG
We recommend that the CFO of the Department, in conjunction with the Assistant Secretary for OESE, require Tennessee to provide accounting records showing that Tennessee removed the \$141,968 that it, the Achievement School District, or both, used for items and activities that were not adequately documented and proving that any expenditures charged to the Race to the Top grant in place of the \$141,968 are adequately documented and comply with Federal fiscal requirements and the approved grant application.	Resolved	3/30/2016	9/29/2017	PAG
We recommend that the CFO of the Department, in conjunction with the Assistant Secretary for OESE, require Tennessee to review a statistical sample of Achievement School District related Race to the Top grant transactions for Area E that we did not review and identify other expenditures that were for unallowable items or activities or were inadequately documented. If Tennessee identifies such expenditures, then it should return to the Department the amount of expenditures spent for unallowable items and activities, provide sufficient support for any inadequately documented transactions or return the amounts to the Department.	Resolved	3/30/2016	9/29/2017	PAG
<u>Protection of Personally Identifiable Information in the Commonwealth of Virginia's Longitudinal Data System (A02P0006)</u>				
We recommend that the Director of Institute of Education Sciences work with VDOE to implement the system controls identified in the ITRM Standards to ensure the prevention and detection of unauthorized access and disclosure of information in the SSWS.	Open	7/12/2016		PAG
We recommend that the Director of Institute of Education Sciences work with VDOE to take appropriate action to determine whether a breach has occurred in the SSWS and if breaches are identified, report and respond to the breaches in accordance with VDOE's policy and procedures.	Open	7/12/2016		PAG
We recommend that the Director of Institute of Education Sciences work with VDOE to address all outstanding recommendations related to the security and Auditor of Public Accounts audits, and require SSWS to meet minimum State security standards.	Open	7/12/2016		PAG
<u>Protection of Personally Identifiable Information in Oregon's Statewide Longitudinal Data System (A02P0007)</u>				
We recommend that the Director of the Institute of Education Sciences work with ODE to ensure the system controls identified in ODE's Information Security Plan are implemented to detect and prevent unauthorized access and disclosure of personally identifiable information in its CCS.	Open	9/27/2016		PAG
We recommend that the Director of the Institute of Education Sciences work with ODE to conduct annual risk assessments and classify security levels of data in the CCS, and ensure the CCS meets minimum State security standards.	Open	9/27/2016		PAG

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
We recommend that the Director of the Institute of Education Sciences work with ODE to take appropriate action to determine whether a breach occurred in the CCS, and if breaches are identified, report and respond to the breaches in accordance with ODE's policy and procedures.	Open	9/27/2016		PAG
<u>Illinois State Board of Education's Oversight of Local Educational Agency Single Audit Resolution (A02P0008)</u>				
We recommend that the Director of the Office of the Chief Financial Officer's Post Audit Group require ISBE to assign responsibility for designing and overseeing ISBE's LEA single audit resolution process to a single division. This division would be responsible for ensuring that the audit resolution process effectively resolves findings, complies with Federal requirements, and coordinates with other ISBE divisions and communicates with the LEAs.	Resolved	11/7/2016	5/4/2017	PAG
We recommend that the Director of the Office of the Chief Financial Officer's Post Audit Group require ISBE to revise existing written policies and procedures pertaining to the LEA single audit resolution process based on the weaknesses identified in this report, distribute these procedures to program divisions, and ensure that Federal program divisions fully implement these procedures.	Resolved	11/7/2016	5/4/2017	PAG
We recommend that the Director of the Office of the Chief Financial Officer's Post Audit Group require ISBE to develop a management decision template that meets regulatory requirements for content and require issuance of a management decision letter to applicable LEAs for every Federal education program finding.	Resolved	11/7/2016	5/4/2017	PAG
We recommend that the Director of the Office of the Chief Financial Officer's Post Audit Group require ISBE to modify the current tracking methods for individual LEA audit findings to identify repeat findings and the status of the corrective action plan for the finding to facilitate effective oversight and timely LEA finding resolution. ISBE should not close the finding until the LEA has demonstrated that it has fully implemented all required corrective actions.	Resolved	11/7/2016	5/4/2017	PAG
We recommend that the Director of the Office of the Chief Financial Officer's Post Audit Group require ISBE to take immediate action to ensure that all LEAs that currently have unresolved repeat findings, including those highlighted in this report, take prompt and appropriate corrective actions. ISBE should initially prioritize the resolution of the findings with the greatest program or fiscal impacts and contact the Department as necessary for guidance and assistance.	Resolved	11/7/2016	5/4/2017	PAG
We recommend that the Director of the Office of the Chief Financial Officer's Post Audit Group require ISBE to establish an internal management review process to be conducted by the unit assigned responsibility for ISBE's LEA single audit resolution process. This review process should cover the status and performance of ISBE's activities related to LEA single audit resolution.	Resolved	11/7/2016	5/4/2017	PAG
We recommend that the Director of the Office of the Chief Financial Officer's Post Audit Group require ISBE to design and implement a periodic quality assurance process for ISBE's LEA single audit resolution oversight activities to detect and correct errors, control weaknesses, and noncompliance with regulatory requirements. The quality assurance review should be conducted by an ISBE unit that is not involved in any aspect of LEA audit resolution.	Resolved	11/7/2016	5/4/2017	PAG

Audit Report Title (Number) Text of Open Recommendations	Recommendation Status	Final Report Issue Date	Recommendation Resolution Date	Office
<u>Protection of Personally Identifiable Information in Indiana’s Statewide Longitudinal Data System (A06Q0001)</u>				
We recommend that the Commissioner of the National Center for Education Research who has been Delegated the Duties of the Institute of Education Sciences Director require IDOE to ensure that the system controls identified in the Indiana Code and the IOT Information Security Framework are implemented to ensure the prevention and detection of unauthorized access and disclosure of personally identifiable information in the INK system.	Open	7/10/2017		PAG
We recommend that the Commissioner of the National Center for Education Research who has been Delegated the Duties of the Institute of Education Sciences Director require IDOE to ensure that the INK system is in compliance with the terms of the approved SLDS grant and any approved grant extension requests.	Open	7/10/2017		PAG
We recommend that the Commissioner of the National Center for Education Research who has been Delegated the Duties of the Institute of Education Sciences Director require IDOE to ensure proper oversight of any service organizations involved in the development of the INK system to ensure that appropriate policies and procedures are implemented over the system.	Open	7/10/2017		PAG
We recommend that the Commissioner of the National Center for Education Research who has been Delegated the Duties of the Institute of Education Sciences Director require IDOE to ensure that the system controls identified in the IOT Information Security Framework are implemented in IDOE’s data warehouse to ensure the prevention, detection, reporting, and responding of unauthorized access and disclosure of personally identifiable information.	Open	7/10/2017		PAG

Acronyms Used in This Report

ACGR	Adjusted Cohort Graduation Rate	SEPI	Sistema de Empleados Parciales e Irregulares (System for Part-Time and Irregular Employees)
ALSDE	Alabama State Department of Education	SLDS	Statewide Longitudinal Data System
ATB	Ability to Benefit	SLMA	Sallie Mae
CCS	Consolidated Collection System (Oregon)	SSWS	Single Sign On for Web Systems (Virginia)
CDE	California Department of Education	SY	School Year
CELSA	Combined English Language Skills Assessment	TAL	Time, Attendance and Licenses System (Puerto Rico)
CFO	Chief Financial Officer	TCI	Technical Career Institute
C.F.R.	Code of Federal Regulations	UIC	University of Illinois at Chicago
COA	Cost of Attendance	VDOE	Virginia Department of Education
COD	Common Origination and Disbursement System		
COO	Chief Operating Officer		
CPA	Certified Public Accountant		
Department	U.S. Department of Education		
DPSCD	Detroit Public Schools Community District		
ESE	Massachusetts Department of Elementary and Secondary Education		
ESL	English as a Second Language		
ESSA	Every Student Succeeds Act		
FFEL	Federal Family Educational Loan		
FRIS	Financial Reimbursement Information System		
FSA	Federal Student Aid		
FWS	Federal Work-Study		
GEAR UP	Gaining Early Awareness and Readiness for Undergraduate Program		
HEA	Higher Education Act		
IDOE	Indiana Department of Education		
INK	Indiana Network of Knowledge		
ISBE	Illinois State Board of Education		
ITRM	Information Technology Resource Management (Virginia)		
LEA	Local Educational Agency		
NLMA	Nellie Mae		
OCFO	Office of the Chief Financial Officer		
OCTAE	Office of Career, Technical, and Adult Education (formerly OVAE)		
ODE	Oregon Department of Education		
OESE	Office of Elementary and Secondary Education		
OIG	Office of Inspector General		
OMB	Office of Management and Budget		
OPE	Office of Postsecondary Education		
OSDFS	Office of Safe and Drug Free Schools		
OVAE	Office of Vocational and Adult Education (now OCTAE)		
PAG	Post Audit Group		
PRDE	Puerto Rico Department of Education		
PSC	Personal Service Contracts (Puerto Rico)		
SAP	Satisfactory Academic Progress		
SEA	State Educational Agency		