



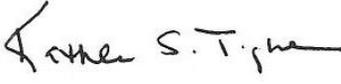
UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

The Inspector General

October 11, 2012

MEMORANDUM

TO: The Honorable Arne Duncan
Secretary of Education

FROM: Kathleen S. Tighe 
Inspector General

SUBJECT: Management Challenges for Fiscal Year 2013

The Reports Consolidation Act of 2000 requires the U.S. Department of Education (Department), Office of Inspector General, to identify and report annually on the most serious management challenges the Department faces. The Government Performance and Results Modernization Act of 2010 requires the Department to include in its agency performance plan information on its planned actions, including performance goals, indicators, and milestones, to address these challenges. To identify management challenges, we routinely examine past audit, inspection, and investigative work, as well as issued reports where corrective actions have yet to be taken; assess ongoing audit, inspection, and investigative work to identify significant vulnerabilities; and analyze new programs and activities that could pose significant challenges because of their breadth and complexity.

Last year we presented four management challenges: improper payments, information technology security, oversight and monitoring, and data quality and reporting. While we noted some progress by the Department in addressing these areas, each remains as a management challenge for Fiscal Year (FY) 2013.

The FY 2013 management challenges are:

- (1) Improper Payments,
- (2) Information Technology Security,
- (3) Oversight and Monitoring, and
- (4) Data Quality and Reporting.

We look forward to working with the Department to address the FY 2013 management challenges in the coming year. If you have any questions or would like to discuss these issues, please contact me at (202) 245-6900. You may also contact either Patrick Howard, Assistant Inspector General for Audit, at (202) 245-6949, William Hamel, Assistant Inspector General for Investigations, at (202) 245-6922, or Charles Coe, Assistant Inspector General for Information Technology Audits and Computer Crime Investigations, at (202) 245-7033.