

June 30, 2021

Accessible Version

The Honorable Miguel Cardona
Secretary of Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Priority Open Recommendations: Department of Education

Dear Secretary Cardona:

The purpose of this letter is to provide an update on the overall status of the Department of Education's implementation of GAO's recommendations and to call your personal attention to areas where open recommendations should be given high priority.¹ In November 2020, we reported that on a government-wide basis, 77 percent of our recommendations made 4 years ago were implemented.² Education's recommendation implementation rate was 77 percent. As of May 2021, Education had 80 open recommendations. Fully implementing these open recommendations could significantly improve agency operations.

Since our April 2020 letter, Education has implemented three of six priority recommendations.

- Education collaborated with EPA to encourage testing for lead in school drinking water, provided information online and through a mobile app, and instructed school safety officials on how to incorporate lead testing and remediation into school emergency planning. These efforts raise awareness of the threat of lead in school drinking water.
- Regarding the Public Service Loan Forgiveness (PSLF) program, Education released a new online tool that helps borrowers better understand eligibility requirements and includes a searchable database of qualifying employers. This tool will help borrowers and the PSLF servicers determine whether employment with specific employers will qualify borrowers for the program.
- Education updated its cyber risk management framework to incorporate key elements of a cybersecurity risk management strategy, such as a statement of risk tolerance and acceptable risk response strategies. The agency now has a better organization-wide understanding of acceptable risk levels and appropriate risk response strategies to protect its systems and data.

We ask you to direct your attention to the three remaining priority recommendations identified in the 2020 letter. We are adding four new recommendations related to data collected on restraint and seclusion in K-12 public schools, and K-12 COVID-19 relief spending, bringing the total

¹ Priority recommendations are those that GAO believes warrant priority attention from heads of key departments or agencies. They are highlighted because, upon implementation, they may significantly improve government operations, for example, by realizing large dollar savings; eliminating mismanagement, fraud, and abuse; or making progress toward addressing a high-risk or fragmentation, overlap, or duplication issue.

² GAO, *Performance and Accountability Report: Fiscal Year 2020*, [GAO-21-4SP](#) (Washington, D.C.: Nov. 16, 2020).

number of priority recommendations to seven (See the enclosure for a list of these recommendations.)

The seven priority recommendations fall into two major areas listed below.

Protecting the Investment in Higher Education

In this area, we draw your attention to two important recommendations.

1) In November 2015, we recommended that Education review its methods of providing instructions and guidance to student loan servicers. We reported that Education's Office of Federal Student Aid faces challenges in the management of the Direct Loan program, hindering its ability to function effectively as a performance-based organization. Further, we concluded that failing to strengthen its instructions and guidance to servicers would result in inconsistent and ineffective services to borrowers and could have financial consequences that hurt borrowers or risk the integrity of the program.

As of May 2021, Education has issued a few clarifications to the servicers to help with consistency and improve communication with borrowers. Education is also training staff on how to write better instructions and guidance for servicers and is redesigning its student loan financial servicing system. Education expects this system to include guidance to servicers. To fully implement our recommendation, Education needs to complete these efforts and demonstrate that its new system will provide clear and consistent instructions and guidance to servicers to ensure program integrity and improve service to borrowers.

2) In May 2012, we recommended that Education sponsor an evaluation of the effectiveness of Title IV programs and higher education tax expenditures in improving student outcomes. We made this recommendation after finding a lack of information on the effects of federal assistance on students in higher education, which makes it difficult for policymakers to make fact-based decisions on the merits and values of various federal assistance efforts.

In 2019 and 2020, Education officials made progress in exploring the technical, legal, and administrative factors associated with sharing information with the Internal Revenue Service and Department of the Treasury, which could help facilitate evaluative research on the effects of Title IV programs and higher education tax expenditures. In addition, the agency convened researchers from inside and outside the government to identify and prioritize key policy questions related to Title IV and higher education tax expenditures.

As of May 2021, Education is developing its FY22-FY26 Learning Agenda, and anticipates the Agenda will reflect planned research and evaluation focused on the relationship between federal student aid and student outcomes. Education will continue to explore how grants, contracts, and the temporary assignment of personnel might accelerate financial aid-related research. To fully implement our recommendation, Education needs to ensure that its efforts result in actively sponsoring or conducting evaluative research specific to federal financial aid programs and key student outcomes such as college access and completion.

Ensuring the Well-Being and Education of the Nation’s School-Age Children

Education plays a critical role in helping to protect the safety of the approximately 50 million children attending the nation’s K-12 public schools. In this area, we draw your attention to five important recommendations.

In November 2017, we recommended that Education review information provided by states related to changes in federal special education rights when a parent places a student with a disability in a private school, and work with states to correct inaccurate information. Education issued proposed guidance that includes information on the Individuals with Disabilities Education Act (IDEA) services for parentally placed private school students. Upon final issuance, the agency plans to work with states that potentially have policies and procedures that are inconsistent with this information. This recommendation will be considered implemented once the states identified by Education as having inaccurate information have corrected these statements.

In April 2020, we made three recommendations related to the quality of data collected on incidents of restraint (restricting a student’s movement) and seclusion (confining a student to a space alone) among K-12 public school students. We found problems with data quality and control processes that cast doubt on the accuracy of these data, making it difficult to determine the frequency and prevalence of restraint and seclusion among K-12 students. We recommended that Education implement a business rule targeting schools and school districts that report both very low and very high numbers of incidents and set data-driven thresholds to detect such incidents; identify the factors that cause underreporting and misreporting of these data; and help school districts overcome these issues. The agency reported in April 2021 that it is developing a responsive business rule, expected to be issued in January 2022. To fully implement these recommendations, Education needs to address data quality problems by applying adequate business rules at the time districts submit their data, and take steps to address the underlying causes of misreporting.

As part of our March 2021 CARES Act report, we found that while Education tracks state and school district spending of certain COVID-19 relief funds, the data give an incomplete picture of the status of funds and the rate at which funds are being used. Given the gap that often exists between when a district uses funds and when they are recorded as spent, we recommended that Education regularly collect and publicly report information on school districts’ financial commitments (obligations) in addition to data collected on outlays (expenditures) to more completely reflect the status of their use of federal COVID-19 relief funds. For example, Education could modify its annual report on state and school district spending data to include obligations data in subsequent reporting cycles. The agency agreed with this recommendation and plans to collaborate with states to develop reporting processes that provide greater clarity on state and school district spending. Implementing this recommendation can provide data on obligations to ensure policymakers have more complete information on how these funds are being used to address the pandemic-related education needs of America’s schoolchildren.

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In March 2021, we issued our biennial update to our [High-Risk List](#), which identifies government operations that are particularly vulnerable to fraud, waste, abuse, and mismanagement or in

need of transformation to address challenges of economy, efficiency, or effectiveness.³ Our [High-Risk List](#) has served to identify and help resolve serious weaknesses in areas that involve substantial resources and provide critical service to the public.

Several government-wide high-risk areas have direct implications for Education and its operations. These include (1) [improving the management of IT acquisitions and operations](#), (2) [improving strategic human capital management](#), (3) [managing federal real property](#), (4) [ensuring the cybersecurity of the nation](#), and (5) [government-wide personnel security clearance process](#). We urge your attention to these government-wide high-risk issues as they relate to Education. Progress on high-risk issues has been possible through the concerted actions and efforts of Congress, the Office of Management and Budget, and the leadership and staff in agencies, including Education.

Copies of this report are being sent to the Director of the Office of Management and Budget; the Committees on Appropriations; Budget; Health, Education, Labor, and Pensions; and Homeland Security and Governmental Affairs, United States Senate; and the Committees on Appropriations, Budget, Education and Labor, and Oversight and Reform, House of Representatives. In addition, the report will be available on the GAO website at <http://www.gao.gov>.

I appreciate Education's continued commitment to these important issues. If you have any questions or would like to discuss any of the issues outlined in this report, please do not hesitate to contact me or Cindy Brown Barnes, Managing Director, Education, Workforce, and Income Security Issues at brownbarnesc@gao.gov or 202-512-7215. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. We will continue to coordinate with your staff on all of the 80 open recommendations. Thank you for your attention to these matters.

Sincerely yours,

A handwritten signature in black ink that reads "Gene L. Dodaro". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Gene L. Dodaro
Comptroller General
of the United States

Enclosure - 1

cc: The Honorable Shalanda Young, Acting Director, Office of Management and Budget
Tony Magro, Supervisor, Federal Student Aid, Department of Education
Philip Rosenfelt, Deputy General Counsel, Office of the General Counsel, Department of Education
Mark Washington, Deputy Assistant Secretary for Management and Planning, Office of Elementary and Secondary Education, Department of Education

³ GAO, *High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas*, GAO-21-119SP (Washington, D.C.: Mar. 2, 2021).

Enclosure: I

Department of Education Priority Open Recommendations

Protecting the Investment in Higher Education

Federal Student Loans: Key Weaknesses Limit Education's Management of Contractors. [GAO-16-196T](#). Washington, D.C.: November 18, 2015.

Recommendation: To strengthen management of the Direct Loan Program and ensure good customer service for borrowers, the Secretary of Education should direct the Office of Federal Student Aid's Chief Operating Officer to review its methods of providing instructions and guidance to servicers, identifying areas to improve clarity and sufficiency, and ensure consistent delivery of instructions and guidance to ensure program integrity and improve service to borrowers. For example, the Department could consider implementing a detailed, common servicing manual for the Direct Loan program.

Action Needed: Education agreed with this recommendation. As of May 2021, Education is training staff on how to write better instructions and guidance for servicers. In addition, the agency is redesigning its student loan financial services system and expects it to include guidance to servicers. To fully implement this recommendation, the agency needs to complete this work, demonstrating that its new system will provide clear and consistent instructions and guidance to servicers to ensure program integrity and improve service to borrowers.

Director: Melissa Emrey-Arras, Education, Workforce, and Income Security

Contact information: emreyarrasm@gao.gov or (617) 788-0534

Higher Education: Improved Tax Information Could Help Families Pay for College. [GAO-12-560](#). Washington, D.C.: May 18, 2012.

Recommendation: To provide federal policymakers information on the relative effectiveness of Title IV programs and higher education tax expenditures, the Secretary of Education should take advantage of opportunities presented by recent and anticipated substantive program changes to sponsor and conduct evaluative research into the effectiveness of Title IV programs and higher education tax expenditures at improving student outcomes.

Action Needed: Education agreed with this recommendation. As of May 2021, Education is developing its FY22-FY26 Learning Agenda and anticipates that the Agenda will reflect planned research and evaluation focused on the relationship between federal student aid and student outcomes. To fully implement this recommendation, Education should ensure that its efforts result in actively sponsoring or conducting evaluative research specific to federal programs and assistance that can be used in future policymaking.

Director: Melissa Emrey-Arras, Education, Workforce, and Income Security

Contact information: emreyarrasm@gao.gov or (617) 788-0534

Ensuring the Well-Being and Education of the Nation's School-Age Children

K-12 Education: Education Needs to Address Significant Quality Issues with its Restraint and Seclusion Data. [GAO-20-345](#). Washington, D.C.: April 21, 2020.

Recommendations: The Assistant Secretary for the Office for Civil Rights should:

- develop and implement a Civil Rights Data Collection business rule that targets schools and school districts that report very low numbers of incidents and set data-driven thresholds to detect such incidents. (Recommendation 2)
- develop and implement a CRDC business rule that targets schools and schools districts that report very high number of incidents and set data-driven thresholds to detect such incidents. (Recommendation 3)
- identify the factors that cause underreporting and misreporting of restraint and seclusion and take steps to help school districts overcome these issues. (Recommendation 5)

Action Needed: Education agreed with our recommendations. As of April 2021, the agency reported that it is developing a responsive business rule, expected to be issued in January 2022. To fully implement these recommendations, Education needs to address data quality problems by applying adequate business rules at the time districts submit their data. In addition, Education should identify the factors that cause underreporting and misreporting and work with school districts to address those factors.

Director: Jacqueline M. Nowicki, Education, Workforce, and Income Security

Contact information: nowickij@gao.gov or (617) 788-0580

Private School Choice: Federal Actions Needed to Ensure Parents Are Notified About Changes in Rights for Students with Disabilities. [GAO-18-94](#). Washington, D.C.: November 16, 2017.

Recommendation: The Assistant Secretary for Special Education and Rehabilitative Services should review information provided by states related to changes in federal special education rights when a parent places a student with a disability in a private school and work with states to correct inaccurate information.

Action Needed: Education generally agreed with this recommendation. Education issued proposed guidance that includes information on IDEA services for parentally-placed private school students. Upon final issuance, the agency plans to work with states that potentially have policies and procedures that are inconsistent with this information. To fully implement this recommendation, Education should ensure that states it identified as having inaccurate information correct their information.

Director: Jacqueline M. Nowicki, Education, Workforce, and Income Security

Contact information: nowickij@gao.gov or (617) 788-0580

COVID-19: Sustained Federal Action Is Crucial as Pandemic Enters Its Second Year. [GAO-21-387](#). Washington, D.C.: March 31, 2021

Recommendation: The Secretary of Education should regularly collect and publicly report information on school districts' financial commitments (obligations), as well as outlays (expenditures) in order to more completely reflect the status of their use of federal COVID-19 relief funds. For example, Education could modify its annual report on state and school district spending data to include obligations data in subsequent reporting cycles.

Action Needed: Education agreed with this recommendation and plans to collaborate with states to develop reporting processes that provide greater clarity on state and school district spending. To fully address it, the agency should provide data on obligations and expenditures to help policymakers understand how funds are being used to address the pandemic-related education needs of schoolchildren.

Director: Jacqueline M. Nowicki, Education, Workforce, and Income Security

Contact information: nowickij@gao.gov or (617) 788-0580

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