



Highlights of [GAO-03-99](#), a report to Congress included as part of GAO's Performance and Accountability Series

## Why GAO Did This Report

In its 2001 performance and accountability report on the Department of Education, GAO identified challenges with student financial aid programs, financial management, and other areas facing Education. The information GAO presents in this report is intended to help sustain congressional attention and a departmental focus on continuing to make progress in addressing and overcoming these challenges and new challenges that have arisen due to legislative changes since 2001. This report is part of a special series of reports on governmentwide and agency-specific issues.

## What Remains to Be Done

GAO believes the Department should

- continue efforts to reduce vulnerability in student financial aid programs,
- continue implementation of actions to address financial management and internal control weaknesses,
- assist and monitor states and school districts' efforts to meet requirements of NCLBA, and
- ensure that research it conducts and funds is rigorous and relevant.

[www.gao.gov/cgi-bin/getrpt?GAO-03-99](http://www.gao.gov/cgi-bin/getrpt?GAO-03-99).

To view the full report, click on the link above. For more information, contact Cynthia M. Fagnoni at (202) 512-7215 or [fagnonic@gao.gov](mailto:fagnonic@gao.gov).

## PERFORMANCE AND ACCOUNTABILITY SERIES

### Department of Education

## What GAO Found

Education has taken steps to address its continuing challenges of reducing vulnerabilities in its student aid programs and improving its financial management, such as establishing a senior management team to address key issues. Meaningful actions are underway, but Education does not yet have the relevant, reliable, and timely information needed to effectively manage these programs, and as a result the student aid programs continue to be at high risk.

- **Reduce vulnerability of student aid programs to fraud, waste, abuse, and mismanagement.** Education has made considerable changes to address the ongoing challenges in administering its student aid programs. However, Education needs to continue to address systems integration issues, reduce fraud and error in student aid application and disbursement processes, collect on student loan defaults, and improve its human capital management.
- **Improve financial management.** Education has implemented many actions to address its financial management weaknesses, but it is too early to determine if these actions will be effective. It will need to continue implementing corrective actions in order to resolve its financial management and internal control weaknesses.

Education will face new management challenges as it helps states and school districts meet the goals and requirements of the No Child Left Behind Act (NCLBA). Implementation of the law has just begun, therefore it is too early to assess Education's progress.

- **Improve student achievement and teacher quality.** Under NCLBA there is an increased emphasis on improving student achievement and the quality of teachers. Education will need to monitor states' and school districts' efforts to have students meet challenging academic standards and ensure that all teachers meet standards outlined in NCLBA.
- **Transform education into an evidence-based field.** Education promotes and sponsors many types of research but has conducted and funded limited research on the effectiveness of some of its programs. Education will need to develop and enforce rigorous standards for research projects it conducts and funds.
- **Link federal funding to accountability for results.** Education will need to help states meet the increased assessment and accountability requirements of NCLBA. This will be a challenge because a majority of states had difficulty complying with previous requirements and there are questions about the completeness and accuracy of some of the assessment data.