



Department of Education
Management Improvement Team

INTERIM REPORT ON MANAGEMENT IMPROVEMENT

July 17, 2001



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INTERIM REPORT ON MANAGEMENT IMPROVEMENT

“I am pleased to announce an initiative that will have two goals: first to restore the confidence of the Congress and the public in the department, and second to make sure that no money that ought to be spent on improving education of American children is wasted in Washington.”

*Roderick Paige, Secretary of Education
April 20, 2001*

This Report discusses the first three months of progress on the challenges set forth by Secretary Paige in solving financial, information security and other management problems. It outlines action steps already identified, as well as problems newly raised, during the course of the top-to-bottom review being conducted by the Management Improvement Team (MIT) appointed by Secretary Paige. It also describes next steps for addressing those problems.

This Report is preliminary to the final Blueprint, which the MIT will complete by September 30, 2001. In order to complete the analysis of problems and action steps that need to be taken, capitalize on accomplishments to date, and continue momentum, the MIT will continue through September 30, 2001 and possibly beyond.

BACKGROUND

The Department needs to strengthen its management performance. While the Department has made recent improvements, financial and management problems continue to damage the Department's credibility. Most notably, outside auditors were unable to issue an unqualified opinion on the Department's financial statements for each of the past three years; the student financial assistance programs continue to be on the U. S. General Accounting Office's (GAO's) High Risk List; and information technology security continues to need improvement. GAO and the Department's Office of Inspector General (OIG) have repeatedly documented problems in these areas. Further, an isolated but well-publicized case of serious employee and contractor misconduct took place at the Department and continues to tarnish its reputation.

President Bush's position on financial accountability was made clear in his February 2001 budget report to the Congress, A Blueprint for New Beginnings: “The President believes that Government must ensure a basic level of financial accountability that is expected of any company in the private sector. He is holding agency heads accountable for obtaining and maintaining unqualified or clean opinions on their agencies' annual financial statement audits. More than 60 percent of agencies currently receive clean opinions; heads of the agencies without clean opinions are expected to attack vigorously the longstanding difficulties and record-keeping deficiencies that prevent clean opinions.”

In support of President Bush's position, on April 20, 2001, Secretary Paige announced a major initiative to foster a culture of accountability in the Department and improve the Department's financial operations.

Showing his commitment to correcting financial and other management problems, Secretary Paige announced a three-pronged strategy for addressing these issues:

- Install new leadership in the financial and management areas of the Department;
- Assemble a team of ten members of the senior staff; and
- Solicit the assistance of external experts and partners.

On July 9, 2001, the President announced his intent to nominate the Chief Financial Officer of the Department of Education. The Assistant Secretary for Management will be nominated shortly. Secretary Paige considers filling these two positions critical to addressing many long-term management issues identified in this Report and helping put the Department's business in order.

With the help of GAO, OIG, several Congressional committees, senior managers and employees within the Department, many of the problems that have hindered the Department's effectiveness have been identified. Secretary Paige assembled the MIT to identify and close as many short-term management improvement recommendations as possible, and to develop a Blueprint for Management Excellence to address longer-term and structural issues.

Secretary Paige charged the Management Improvement Team to:

- Obtain a clean audit opinion from the Department's auditors;
- Remove the Student Financial Assistance (SFA) programs from GAO High Risk List;
- Make accountability for results the primary operating principle for all Department employees, grantees, and contractors;
- Put in place an effective system of internal controls;
- Continue to modernize student aid delivery and management; and
- Provide a structure for measuring progress toward solving identified problems.

The Council for Excellence in Government is monitoring the initiative and will provide the Department with assistance on performance improvement issues. The Council will seek input from other principals and former government officials now in the private sector who have expertise in improving the quality of government performance. Council staff participates in weekly MIT meetings, works with the Secretary and the Deputy Secretary to help diagnose problems, suggests workable strategies, and focuses on long-term institutional changes needed to create a culture of accountability.

ACTIVITIES TO DATE

The MIT began its work by gathering information. The MIT interviewed key Department staff to obtain information regarding problems and challenges facing the Department in the areas of financial management, information management, and other key areas of risk in Department operations and programs. The MIT assembled all open recommendations for management improvements contained in written reports issued by the Department's OIG and financial statement auditors, GAO, and others. The MIT also expanded the existing audit tracking system to track progress on non-audit recommendations as well. As a result of these actions, the MIT identified a number of key issue areas that need to be explored further.

The MIT has identified 661 recommendations for management improvements that were open as of April 1, 2001, or identified between then and July 16, 2001. The sources of these recommendations include the Department's financial statement audits, GAO, the SFA Performance Plan, OIG and other internal reviews. The MIT assessed each of these recommendations and determined which could be addressed immediately and which would take longer to complete. Since April 1, 2001, the Department has closed 104 recommendations and developed corrective action plans (CAPs) for another 205. In addition, the MIT prioritized all recommendations and established an interim tracking mechanism for them. The MIT also segmented the recommendations into three primary categories -- Financial Management, SFA High Risk, and Security. A few recommendations not applicable to the three primary categories were captured as "all other."

These are displayed in the tables below and the following graphs.

Recommendations for Management Improvement by Subject			
Type	Open as of 4/1/2001	CAPs developed during period	Closed during period
Financial Management	236	55	48
SFA High Risk	165	40	6
Security	205	87	50
All Other	55	23	0
Total	661	205	104

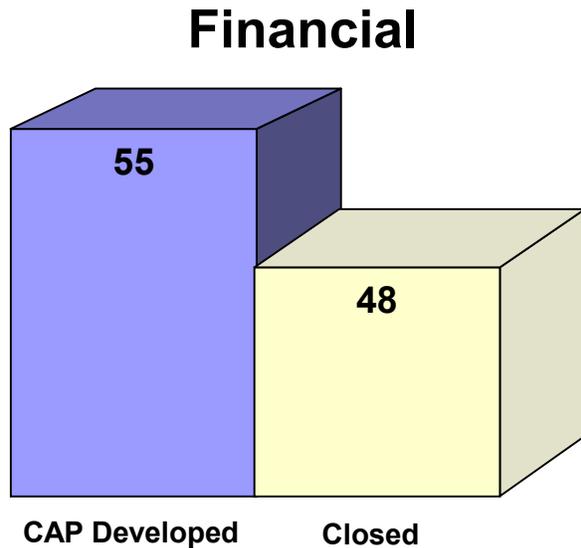
Recommendations for Management Improvement by Priority			
Priority	Open as of 4/1/2001	CAPs Developed during period	Closed during period
High	229	87	49
Medium	343	88	54
All Other	89	30	1
Total	661	205	104

Financial Management¹

The Department has taken steps to improve its financial management. Since April 1, 2001, the Department has closed 48 financial management recommendations and developed CAPs for another 55 out of a total of 236 recommendations.

The accomplishments to date include:

- Worked with Ernst & Young, LLP, the Department's financial statement auditors, and OIG to determine specific action steps needed to address the issues raised in the previous financial statement audits;
- Developed an action plan for obtaining a clean financial statement audit opinion which includes appropriate periodic account reconciliation and general ledger account analyses;
- Took appropriate administrative actions against employees and contractors found to be involved in criminal and other wrongful activities and improved controls to prevent similar activities from taking place;
- Informed senior leadership about key issues through bi-weekly meetings and reported progress made to attain the Secretary's goals;



¹ Financial Management includes the oversight of all financial transactions, their accounting, and the development of systems to provide for accurate accounting. It also includes proper internal controls to prevent fraud and abuse of taxpayer dollars.

- Raised the level of awareness for responsible travel card use throughout the Department via mandatory briefings and other outreach to card users;
- Limited the use of purchase credit cards by reducing the number of employees with access to the cards, reducing spending limits, and performing mandatory briefings and other outreach to card users. In some cases, spending limits were reduced by more than ninety percent;
- Eliminated entirely the use of third party drafts to make certain that no abuse can occur;
- Provided managers with GAO-issued guidance on internal control systems for compliance with financial management requirements; and
- Met with other Federal agencies noted for their "best practices" to gain insight into their approaches toward establishing effective programmatic and administrative operations.

Student Financial Assistance Programs High Risk Designation²

During the last three-month period, the Department concentrated on solving problems identified by GAO in its designation of the student financial assistance programs as High Risk. These problems center on a lack of financial and management information, information systems control weaknesses, the high dollar amount of student loans in default, student-level fraud, and inadequate school monitoring. Of the 165 identified recommendations that could have a direct effect on the High Risk designation, the Department has closed six and developed CAPs for another 40. While the Department believes there is inherent risk in the programs,³ it is committed to demonstrating responsible management of the programs in order to be removed from the High Risk List.

The Department is following the criteria published by GAO for removal from the High Risk List.⁴ Among the more important steps taken to date is the development of a corrective action

² Since 1990 GAO has reported on government programs and functions that they have identified as "high risk" because of their greater vulnerabilities to fraud, waste, abuse, and mismanagement. GAO identified the SFA loan programs as high risk at that time. In January 1999, GAO issued its first Performance and Accountability Series, which discussed the major issues agencies face in addressing performance and accountability challenges. In this and a subsequent report issued in January 2001, the SFA programs were identified as high risk.

³ The nature of the SFA Programs (including providing, as the law requires, loans to millions of students without demonstrated credit worthiness) and the large numbers of participants delivering, receiving and accounting for the funds (thousands of schools, thousands of lenders, several dozen guaranty agencies and third party servicers, as well as the Department and its contractors) cause the programs to be inherently challenging.

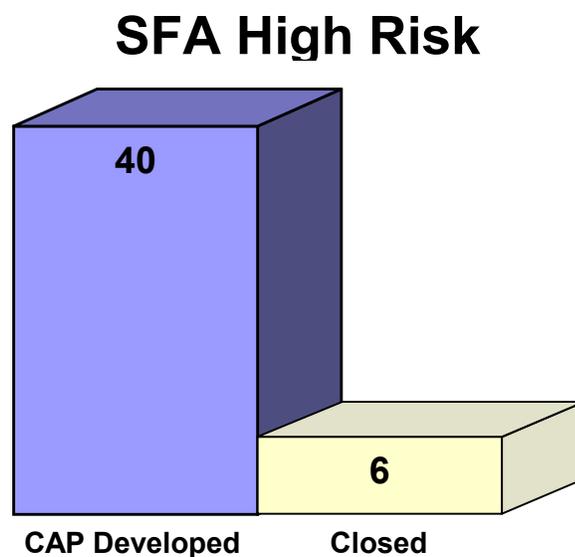
⁴ GAO Criteria Agencies Must Meet Before High Risk Designations Can Be Removed:

- A demonstrated strong commitment and top leadership support to address the risk(s);
- The capacity (that is, the people and other resources) to resolve the risk(s);
- A corrective action plan(s) that
 - defines the root causes,
 - identifies effective solutions, and
 - provides for substantially completing corrective measures near term, including but not limited to, steps necessary to implement solutions GAO recommended;
- A program instituted to monitor and independently validate the effectiveness and sustainability of corrective measures; and
- The ability to demonstrate progress in having implemented corrective measures.

Source: GAO-01-159SP.

plan incorporating priority items identified among the audit recommendations and incorporating 28 SFA performance goals aimed at improving fiscal and program integrity. In addition, the MIT is working closely with GAO, the Office of Management and Budget (OMB), and other stakeholders on actions needed to improve student financial assistance programs and remove them from the High Risk List. The Department has also taken the following actions:

- Worked to address financial management and security issues that must be resolved before the student financial assistance programs can be removed from GAO’s High Risk List;
- Analyzed the preliminary results of an IRS statistical study of electronic matching of income data;⁵
- Met with GAO, OMB and other partners on senior leadership commitment and provided information on planned actions;
- Attained a permanent waiver from cross-servicing of delinquent student loan debts on May 11, 2001. The waiver effectively establishes SFA as the first permanent Debt Collection Center outside of the Treasury Department and was granted because SFA has demonstrated consistent and successful performance under a temporary waiver;
- Collected more than \$1.8 billion in defaulted loan liabilities for this three-month period, including \$790 million of defaults consolidated into new loans. Remained on track to meet the Department’s annual loan collection goals of recovering outstanding defaults;
- Scheduled a “Default Aversion Day” to advise schools how to help students avoid defaulting on their loans. The workshops have more than 800 school registrants,



⁵ The Department of Education annually delivers over \$60 billion in student financial aid, including Pell Grants and subsidized student loans, based on students’ self-reporting of their financial resources, including adjusted gross income. The Department needs a more effective method for verifying reported income, which make the programs vulnerable to fraud and error. The Office of Inspector General and GAO have identified the lack of an effective income verification system as a critical weakness in the student aid programs’ operation.

To ensure that individuals receive the correct amount of Federal student aid, including Pell grants and student loans, the Department of Education must be able to use IRS data to verify that students and parents are reporting accurate financial information on their student aid applications. The challenge facing the Administration is how to balance the potential benefits of such a data match with the possible risks to personal privacy and taxpayer compliance.

The Department and Treasury recently conducted statistical test matches to better estimate the amount of Pell overpayments.

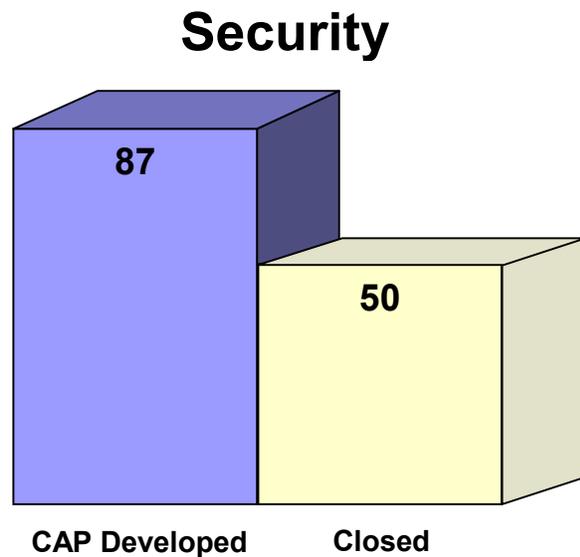
are scheduled for August 2nd, and will be held concurrently at SFA training facilities around the country. SFA invited all schools participating in the loan programs, especially schools with high default rates;

- In coordination with our guaranty agency partners, SFA performed a second data match with the HHS National Directory of New Hires Database. This new match is a successful new tool for collection and has already resulted in \$83 million being collected from defaulted borrowers -- \$65 million since April 1, 2001.

Information Technology Security⁶

The Department's Information Technology (IT) Security has been neglected until recently. The Department has taken major steps toward improving IT security as well as the security of physical assets. Of 205 recommendations pertaining to security issues, 50 have been closed and CAPs have been developed for 87 during the report period. Activities to date include leading a vigorous agency-wide computer security awareness campaign, completing corrective actions related to Department-wide policies and procedures and the EDNet⁷ infrastructure, and developing a security-training curriculum. Among the short term steps taken in IT Security:

- Disseminated for comment an updated IT Security Policies document containing official guidance on IT security activities;
- Made numerous improvements to the EDNet, the basic communications infrastructure of the Department;
- Developed a security training program for IT professionals and managers and entered into an agreement with the Department of Transportation Virtual University that provides ED employees with access to high quality specialized online IT security courses;
- Directed all senior officers to include IT Security-related performance criteria in relevant employee performance agreements; and
- Completed a full physical inventory of property (eg. computers, computer peripherals, cell phones) and reconciled differences in the central database.



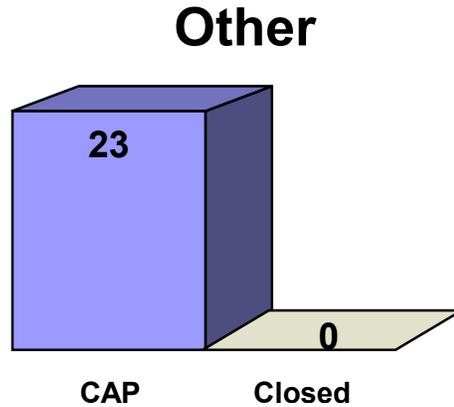
⁶ The Information Technology Security area includes protecting critical data from disruption, disaster recovery planning and operations, and personnel, assets and facilities security.

⁷ The EDNet network is the basic communications infrastructure of the Department that connects headquarters, regions, and data centers for all information systems including program and financial management systems, e-mail, and Internet access.

- Purchased and installed a new intrusion detection hardware and software system for the Department’s core communications infrastructure.

All Other Recommendations

There are a number of audits and reviews conducted from time to time that deal with other management issues. While these do not fit in the three main categories, they will also be tracked to ensure recommendations are appropriately implemented.



STRUCTURAL AND LONGER-TERM ISSUES

Financial Management

Of highest importance to the Department is obtaining an unqualified or clean opinion on its financial statements. Department personnel have developed many action steps to accomplish this goal:

- Continue to close significant audit recommendations that have direct impact on the audit opinion. This work is aggressive and will continue into the next fiscal year;
- The Department also has started a monitoring project to review processes and system interfaces to facilitate reconciliation of major accounts and ensure that all transactions are recorded correctly. Reconciliation is the primary assurance tool used to detect and correct errors. Monthly reconciliations of selected accounts and systems have begun and system interfaces to the general ledger are being monitored; and
- In addition, the Department will continue to demand an internal control environment fostering financial and programmatic accountability. Included in this environment is the increased use of electronic funds transfers for payments, which will facilitate detection of errors, timely reconciliation, and improved service to our internal and external customers.

OCFO and SFA are Implementing New Accounting Systems. The Department’s OCFO and SFA began planning for the implementation of new accounting systems in 1999 and selected Oracle Federal Financials as their software package. OCFO and SFA are working together to ensure the two systems will produce fully integrated financial management information. The integrated information, supported by a cooperative effort among staff, will directly address many weaknesses identified by the Department’s auditors. This is an important management tool that will help us accomplish our goals.

The Department will improve internal controls over the procurement of goods and services. Procurement of goods and services has been subject to isolated but serious instances of abuse in the recent past. The Department already has taken a number of steps to improve this area, but needs to continue to make progress on further improvements including updating internal policy directives. Additional steps will include holding managers accountable for adhering to policy directives, highlighting the importance of these directives to all employees and contractors, notifying employees and contractors as directives are revised, and establishing Directives Liaison Officers in each Department organization.

The Department will develop a training plan for improving financial internal controls. Many supervisors are not sufficiently familiar with the concept of internal controls, especially regarding financial issues, and do not build a culture of accountability among their employees. The Department will provide training on internal controls for all employees and more rigorous training in ethics and expectations of job performance and accountability.

The Department is developing estimates of erroneous or improper payments. GAO has criticized Federal agencies government-wide for not having estimates of erroneous, or improper, payments. OMB recently drafted guidance that will require reporting improper payments as part of the budget process. OMB is scheduled to finalize the guidance later this month and will require reporting in September 2001. Department management recognizes the importance of conforming to this guidance. In anticipation of this requirement, the Department is developing or revising current procedures to determine whether payments made were materially in conformance with laws and regulations.

Removing Student Financial Assistance Programs from GAO's High Risk List

Department management will continue to demonstrate its commitment to addressing the SFA High Risk designation. The MIT will continue to monitor progress towards completing the steps in the SFA High Risk action plan, focusing on items that need to be addressed by September 30. Actions addressing audit recommendations and SFA performance goals will be completed. These actions will also contribute toward the Department obtaining a clean audit opinion on its financial statements. In addition to working on the financial management and information technology issues that are critical to eliminating the student financial assistance program's High Risk designation, the Department will focus on those long-term SFA-specific issues that SFA and the Management Improvement Team identified as problematic. In particular:

- Improving program integrity is essential to removing the SFA programs from the High Risk List. SFA will use an aggressive, comprehensive approach to perform oversight, streamline and integrate its financial and program systems, and improve its controls to attack any and all instances of fraud, waste and abuse;
- SFA's FY 2001 Performance Plan currently contains 28 improvement projects that specifically contribute to the goal of improving the financial integrity of student aid programs and improving the quality of underlying data. These projects are on

target to be completed by the September 30 Final Report deadline, and directly address issues raised by GAO in its report designating SFA programs as high risk;

- In the area of student applicant fraud, the Department will continue to work with OMB and the Department of the Treasury on using IRS data to assure that students' eligibility determinations are appropriate and that student assistance is provided to eligible students. SFA and OIG must be able to use IRS information to find and address individual student-level fraud;
- In the area of student loan defaults SFA will continue to effectively manage the default portfolio, not only by meeting its collection goals but also by improving its monitoring of schools. This approach will help SFA to ensure that students are informed and counseled about their loan and able to address their loan obligations. In addition, SFA will meet its goal of keeping the cohort default rate under eight percent; and
- In the area of data quality, SFA will show the effectiveness of the National Student Loan Data System (NSLDS)⁸ data quality project and other data quality initiatives by demonstrating improvement in the NSLDS data quality benchmarks. It will also commission an independent statistical analysis to demonstrate that the data is of sufficient quality to use for program monitoring and reporting (including using for budget and financial statement loan subsidy estimates).

Information Technology (IT) Security

The Department's successful Y2K efforts resulted in a new Department-wide sense of the important role of information systems and their security aspects. For the first time, significant budgetary resources were made available for Department-wide IT security efforts which resulted in a number of improvements in IT security. Much work remains, however, including the following items:

- The Education Central Automated Processing System (EDCAPS)⁹ Disaster Recovery Capability. By September 15, 2001, the EDCAPS disaster recovery facility at Patuxent River will be independent of the Department's current communication infrastructure.
- Disaster Recovery Plan (DRP) for EDNet. EDNet is the Department's critical communications and messaging infrastructure, and currently houses all Department EDNet servers in a single location. A DRP has been drafted and an emergency facilities site has been proposed. Both will be presented to the IT Investment Review Board (IRB) in July 2001. The disaster recovery site will be operational approximately six months from the date of approval.

⁸ NSLDS is the Department's central database for student aid information. It receives student-level transactions and other data from schools, agencies that guaranty loans, the Direct Loan program, the Pell Grant program, and other U.S. Department of Education programs. NSLDS provides a centralized, integrated view of Title IV loans and Pell grants that are tracked through their entire cycle; from aid approval through closure.

⁹ EDCAPS is the Department's core integrated financial management system.

- Selecting a New Data Center. The Department's current data center is hosted in a 60 year-old facility owned by the Government Services Administration that does not provide, and cannot be modified to provide, redundant power feeds, sufficient air-conditioning, or an emergency power source. There is a history of routine power and air-conditioning failures at the site that cause frequent failure of all EDNet capabilities. The Department has begun a study to consider new site alternatives that will provide a reliable, state-of-the-art data center to host our core infrastructure and systems. The study will be completed by September 30, 2001. The IRB will be presented with alternatives, including a potential timeline for moving to the new facility.
- Security Organizational Structure. A decision will be made concerning whether to create an overarching Department security office, consolidating all security functions -- facilities security, IT security, and personnel security.
- Reengineering Asset Management. The Department is currently in the process of reengineering its asset management process to ensure that proper internal controls and accountability are maintained. The policy for this process will be completed by July 31, 2001. The new policy will include "spot checks" of inventory throughout the year and periodic physical inventories. The Department recently completed a reconciliation of its equipment inventory.
- Information Assurance and Critical Infrastructure Steering Committee. This senior level group has successfully led Department-wide IT security and infrastructure improvements and will be continued under the leadership of the Deputy Secretary. The Deputy Secretary's immediate involvement will strengthen the ability of this group to hold principal offices accountable for needed security improvements.
- Security Awareness Campaign. OCIO will continue to lead IT awareness activities, including new employee orientations, specialized security training for IT professionals and managers, and the Department-wide online computer security awareness course. The online awareness course is being updated and an improved version is expected to be available in September. Specialized online training courses are being tested and will be made available to Department staff shortly.
- Department IT Security Report to OMB and Congress. Required by the Government Information Security Reform Act of 2000, the first annual report to Congress on the Department's information technology security program will be drafted this summer and submitted to OMB in September 2001. The report will be based on Department-wide and principal office-level IT security reviews. The report will include remedial actions, related to findings of the reviews, which will be pursued in subsequent months.

Other Management Issues

The Department will decide structural questions concerning the relationship between SFA and other Department offices. Student Financial Assistance was the first congressionally chartered performance-based organization in the Federal government. Concerns have been raised about the independent status of SFA. New senior leadership will be addressing what degree of independence SFA will have.

The above structural issues relate to the extent SFA is independent of the Department's Office of the Chief Financial Officer (OCFO), the Office of the Chief Information Officer (OCIO), and the Office of Management (OM). The MIT will develop recommendations and present them to the Deputy Secretary. The Department will explore these issues internally and with interested outside parties to determine whether current procedures best meet the Department's responsibilities for student aid delivery.

Building a culture of excellence and accountability is a high priority. Secretary Paige, his senior officers, and the MIT are committed to taking all necessary steps toward achieving a change in the culture of the Department and its offices, a shift towards greater individual responsibility and accountability in achieving and maintaining excellence. The organizational culture will reinforce high standards of conduct, value financial and administrative internal controls, and support and reward individual contributions toward the Department's strategic performance goals and objectives. On May 29, 2001, Secretary Paige sent a message to all staff welcoming their ideas and encouraging their participation in launching this significant effort. The following are among the action steps planned in this area:

- Because the Department's leaders must be models of accountability and responsibility, a key element of this initiative will be establishing specific performance contracts between Secretary Paige and each of his senior officers;
- The performance agreements of senior officials, managers and staff will also reflect GPRA goals and objectives, and clear, specific job performance expectations. Managers will continually make clear how the employees' responsibilities fit with and support the performance goals of the office and the Department;
- The MIT will work with OM, OGC, and other offices to obtain or develop courses for managers and staff concerning internal controls, discipline issues, and ethics;
- Another key component of the plan will be much greater ongoing opportunities for staff to communicate with Department leadership in order to share their ideas about operational and policy improvements. Department surveys have found that many ED staff do not believe they are valued as partners in the enterprise;
- Secretary Paige will meet with Department managers and staff to discuss the Department's policy and management challenges. Among other things, the Secretary will emphasize the "accountability for results" concepts and techniques that Congress and the President expect the Department to apply in dealing with our

external education community partners as well as in organizing our own internal activities;

- Secretary Paige and other political leaders will meet regularly with senior career managers to share information and ensure common understanding of Department missions and priorities;
- Senior officers will be encouraged to establish principal office level Management Improvement Teams, charged with identifying improvements in program performance measures, administrative procedures, and communication and decision-making mechanisms within their offices;
- The Department will develop an improved “cultural values statement.” The Department will also develop and publicize guidance to help managers enforce Department standards of employee conduct and performance.

The Department will restructure its GPRA process. This will support Secretary Paige’s management approach, which calls for better performance measurement. The restructured approach to GPRA will require a new strategic plan and alignment of principal office and individual performance plans with the revised plan. Further, the Department’s GPRA performance indicators will serve as usable tools for individual performance management. Planned action steps include:

- Prepare and submit to Congress a revised five-year strategic plan reflecting Administration goals by September 30, 2001;
- Review all current performance indicators for validity, timeliness, and value; reduce the number of measures and indicators to those “most essential;”
- Work with external partners to improve data quality and timeliness;
- Create a GPRA Steering Committee representing each principal office;
- Require principal offices to develop annual plans to implement the strategic plan; and
- Review program performance against the annual plan’s performance indicators and report the results.

An aggressive strategy for Human Capital Investment is essential if the Department is to maintain a skilled and trained workforce in the next decade. The Department has been proactive in addressing the issue of human capital investment. A workforce analysis showed that by September 30, 2001, 19 percent of the Department’s workforce would be eligible to retire. However, the Department’s experience has been that only approximately seven percent of employees actually retire when they become eligible. Based on this trend, the Department could expect 57 employees to retire during FY 2002. Recruitment, retention, and training strategies are underway to ensure that the Department is prepared to compete in the marketplace for the highest quality employees. The Department will establish a task force to implement GAO’s Human Capital Framework that includes issues such as leadership, workforce planning, training, professional development, and establishing a culture of excellence and accountability.

The Department recognizes that it will need to address other management challenges identified by GAO in its management challenges report. Specifically the Department must:

- Encourage states to improve performance data quality and upgrade Federal evaluations used to assess how well all children reach challenging academic standards; and
- Promote coordination with other Federal agencies and school districts to help build a solid foundation of learning for all children.

CONCLUSION

This Interim Report demonstrates Department-wide action on Secretary Paige's commitment to improve the Department's performance, its reputation, and its accountability to taxpayers. It reflects the Administration's focus on accountability at the organizational and employee levels. This Report is preliminary to the final report that Department management and employees will use to affect positive change throughout the organization.