

*Statutory Language:*

**SEC. 1119. STUDY ON THE FINANCIAL AND COMPLIANCE AUDITS OF THE FEDERAL STUDENT LOAN PROGRAM.**

(a) In General- Not later than one year after the date of enactment of this Act, the Comptroller General of the United States shall complete a study to examine all the financial and compliance audits and reviews required or conducted as part of the proper management of the Federal student loan programs under parts B and D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq. and 1087a et seq.), whether each such audit or review is required under a law or is otherwise performed in order to evaluate a program.

(b) Content of Study-

(1) COMPARISON OF AUDITS AND REVIEWS UNDER PARTS B AND D OF TITLE IV- As part of the study under subsection (a), the Comptroller General of the United States shall compare the audits and reviews of programs under parts B and D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq. and 1087a et seq.) for purposes of--

(A) determining whether such audits and reviews are comparable among programs;

(B) determining whether such audits and reviews result in a level of protection of borrower interests and of Federal fiscal interests that is comparable for each program; and

(C) determining the extent to which the Department of Education ensures timely submission of required financial and compliance audits and reviews and compliance with statutory and regulatory requirements.

(2) ADDITIONAL CONTENT OF STUDY- The study under subsection (a) shall--

(A) provide a list of the financial and compliance audits and reviews required or conducted as part of the proper management of the Federal student loan programs under parts B and D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq. and 1087a et seq.);

(B) determine the frequency of each audit and review;

(C) provide a list of the entities and activities that are the subject of each audit and review, including institutions of higher education, servicers, secondary markets, guaranty agencies, the Department of Education and the contractors of the Department of Education, and any other entities that are required to participate in the audit or review;

(D) determine the degree of individual borrower level reconciliation required under Federal student loan programs under such parts B and D of title IV;

(E) make recommendations with respect to such audits and reviews to ensure--

(i) such audits and reviews are comparable among Federal student loan programs under such parts B and D of title IV; and

(ii) a level of protection of borrower interests and of Federal fiscal interests that is comparable for Federal student loan programs under such parts B and D of title IV, to the extent such comparability does not exist; and

(F) assess the extent to which the Department of Education makes appropriate use of such financial and compliance audits and reviews in the Department's administration and oversight of the Federal student loan programs under such parts B and D of title IV.