



Highlights of [GAO-07-926T](#), a testimony before the Subcommittee on Higher Education, Lifelong Learning, and Competitiveness, Committee on Education and Labor, House of Representatives

Why GAO Did This Study

Institutions that may receive funding under Titles III and V include Historically Black Colleges and Universities (HBCUs), Tribal Colleges, Hispanic Serving Institutions, Alaska Native Serving Institutions, Native Hawaiian Serving Institutions, and other postsecondary institutions that serve low-income students. In fiscal year 2006, these programs provided \$448 million in funding for over 500 grantees, nearly double fiscal year 1999 funding of \$230 million. GAO examined these programs to determine (1) how institutions used their Title III and Title V grants and the benefits they received from using these grant funds, (2) what objectives and strategies the Department of Education (Education) has developed for Title III and Title V programs, and (3) to what extent Education monitors and provides assistance to these institutions.

This testimony updates a September 2004 report on these programs (GAO-04-961). To update our work, GAO reviewed Education policy and planning documents, and program materials and grantee performance reports; interviewed Education officials; and analyzed Education data on grantee characteristics.

What GAO Recommends

Education made changes to improve monitoring and assistance in response to our 2004 recommendations, but further progress is needed.

www.gao.gov/cgi-bin/getrpt?GAO-07-926T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact George Scott at (202) 512-7215 or scottg@gao.gov.

LOW-INCOME AND MINORITY SERVING INSTITUTIONS

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What GAO Found

In their performance reports, the six grantees we reviewed most commonly reported using Title III and Title V grant funds to strengthen academic quality; improve support for students and student success; and improve institutional management and reported a wide range of benefits. For example, Sinte Gleska, a tribal college in South Dakota, used part of its Title III grant to fund the school's distance learning department, to provide students access to academic and research resources otherwise not available in its rural isolated location. Our review of grant files found that institutions experienced challenges, such as staffing problems, which sometimes resulted in implementation delays. For example, one grantee reported delays in implementing its management information system due to the turn over of experienced staff. As a result of these implementation challenges, grantees sometimes need additional time to complete planned activities.

Although Education has established outcome based objectives and performance measures, it needs to take steps to align some strategies and objectives, and develop additional performance measures. Education has established an overall strategy to improve the academic, administrative, and fiscal stability of grantees, along with objectives and performance measures focused on student outcomes, such as graduation rates. In 2004, we reported that Education's strategic planning efforts in were focused on program outputs that did not assess programmatic impacts, such as the percentage of goals that grantees met or exceeded, rather than outcomes. While Education has made progress in developing outcome based measures, we found insufficient links between its strategies for improving administrative and fiscal stability with its student outcome objective. To address challenges in measuring institutional progress in areas such as administrative and fiscal stability, Education is conducting a study of the financial health of low income and minority serving institutions supported by Title III and Title V.

Education has made changes to better target monitoring and assistance in response to recommendations GAO made in 2004, however, additional study is needed to determine the effectiveness of these efforts. For example, Education uses risk indicators designed to better target grantees that may require site visits. While Education implemented an electronic monitoring system, it lacks the ability to systematically track grantee performance as designed. While Education provides technical assistance through various methods, its ability to target assistance remains limited in that its feedback mechanisms may not encourage open communication. Specifically, Education relies on grantee performance reports that are tied to funding decisions to solicit feedback.