



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL
1999 BRYAN STREET, HARWOOD CENTER, SUITE 2630
DALLAS, TEXAS 75201-6817
PHONE: (214) 880-3031 FAX: (214) 880-2492



Larry Groppe
Interim Superintendent
Dallas Independent School District
3700 Ross Avenue
Dallas, Texas 75204-5491

SEP 16 2004

Dear Mr. Groppe:

This **Final Audit Report** (ED-OIG/A06-E0015) presents the results of our audit of the Dallas Independent School District's (DISD) administration of the Teaching American History Grant (grant) for the period October 1, 2002, through September 30, 2005. Our objectives were to determine whether DISD: (1) properly accounted for and used grant funds in accordance with the Elementary and Secondary Education Act (ESEA) of 1965, as amended; Education Department General Administrative Regulations (EDGAR); grant terms; and the cost principles in Office of Management and Budget (OMB) Circular A-87; and (2) obtained prior approval for any changes made to the grant.

We provided a draft of this report to DISD. In its response to our draft report, DISD did not agree with our finding and only concurred with three of our four recommendations. We have summarized DISD's comments after the Recommendations section in this report. A copy of DISD's response is included as an Attachment to this report.

BACKGROUND

Title II, Part C, Subpart 4, Section 2351, of the ESEA, as amended, authorizes the Teaching American History Grant. The program awards competitive three-year grants to local education agencies (LEAs) to promote the teaching of traditional American history. LEAs must partner with one or more of the following: institutions of higher education, nonprofit history or humanities organizations, libraries, or museums to design, implement, and demonstrate effective, research-based professional development programs. The program enables schools to provide professional development programs to teachers to offer improved instruction in history and provide a better education to students.

DISD was awarded the grant, in the amount of \$996,893, for the period of October 1, 2002, through September 30, 2005. The grant was awarded to allow DISD to improve the history program within the district. In its grant application, DISD proposed to partner with the University of Texas at Dallas (proposed grant share of \$60,000), Learners Online, Inc. (proposed grant share of \$265,000), and Teacher Curriculum Institute (proposed grant share of \$384,893) to provide seminars, summer institutes, and interactive experiential learning for 200 American

history teachers in grades 5, 8, and 11. The awarded funds were to be used for activities that helped to meet the goals of the grant, as approved by yearly budgets. DISD has drawn down \$537,375 of the awarded amount during the first two years of the grant.

AUDIT RESULTS

Although DISD properly accounted for and used grant funds in accordance with applicable Federal laws, regulations, grant terms, and cost principles during the first two years of the grant, DISD did not obtain the required prior approval for a change in key personnel for the approved grant. The DISD Executive Director of Social Studies (Director) said he thought he obtained the appropriate approval orally from the Department of Education's (Department) grant officials. However, there was no documentation to substantiate that the Department granted the approval. Consequently, DISD disbursed \$205,000 in grant funds to the new unapproved and, therefore, ineligible grant partner.

According to Learners Online's President (President), she was initially contacted by DISD in February 2002 for a potential partnership with DISD for the Teaching American History Grant. In May 2002, Learners Online provided a preliminary "module" to DISD and began to develop the program that would meet the needs of DISD. On May 20, 2002, Learners Online and DISD signed a Memorandum of Understanding that said, "[i]f this application to the Teaching American History Grant Program is successful, the Dallas Independent School District will subcontract with Learners On-Line [sic] to implement the program described in this application."

In its approved grant application dated June 1, 2002, DISD presented the three grant partners it planned to partner with, along with the credentials of the key personnel in each entity. Additionally, DISD outlined the specific qualifications the partners possessed that made them best qualified to fulfill their requisite grant objective.

On October 7, 2002, the Department awarded DISD the three-year, competitive grant based on its application. On October 24, 2002, the President met with the Director at DISD to discuss the product to be delivered. The Director contacted Learners Online on October 25, 2002, and according to the President stated that he "had grave concerns that LOL [Learners Online] were not meeting the requirements of the grant." In a meeting between the President and the Director on October 28, 2002, the President stated that the Director informed her that he was looking into another company to partner on this grant in place of Learners Online. According to the President, "between October and February there were a series of conversations and emails in which the overall theme was LOL [Learners Online] was not going to be retained on the grant."

According to DISD, in a letter dated December 5, 2002, the relationship between DISD and Learners Online was terminated. The letter included the following explanation:

[T]he modules were constructed as student enrichment activities, not as professional development -- the essential component toward fulfilling the terms of the TAH Grant.... The terms of the grant also require each module to be based on the Texas Essential Knowledge and Skills.

The President of Learners Online stated she never had a chance to fulfill the grant terms, and that DISD never evaluated more than the preliminary module initially submitted to DISD in May 2002.

On April 8, 2003, DISD issued a Request for Proposal for the online portion of the grant, initially Learners Online's portion of the grant. On May 5, 2003, DISD contracted with ABC-CLIO, Santa Barbara, California, for the online portion of the grant.

At no time during the five months between DISD terminating its relationship with Learners Online and contracting with ABC-CLIO did DISD obtain written approval from the Department for this change in key personnel. The Director said he spoke with Department grant officials about the problems with Learners Online and he felt that he had obtained an oral approval for the change. Grant officials stated that they were unaware of DISD's decisions to change partners until the Learners Online President contacted them to complain. DISD did not submit the change in writing to the Department, nor did DISD submit the credentials and qualifications of ABC-CLIO outlining the specific qualifications that made ABC-CLIO best qualified to fulfill the grant objective.

Pursuant to 34 C.F.R. Part 80, Subpart C, Section 80.30(a) "[h]owever, unless waived by the awarding agency, certain types of post-award changes in budgets and projects shall require the prior written approval of the awarding agency." Additionally, 34 C.F.R. 80.30(d)(3) states, "[g]rantees or subgrantees must obtain the prior approval of the awarding agency whenever any of the following actions is anticipated: (3) Changes in key persons in cases where specified in an application or a grant award." In the grant application, DISD listed the three key partners of the grant, one of which was Learners Online.

According to Department officials, at minimum, DISD should have submitted a narrative in which it provided justification for dismissing Learners Online and the qualifications of the new partner. Only with this information would the Department have been in a position to reevaluate and determine if the new partner had the requisite qualifications and credentials to replace Learners Online. After obtaining the necessary information, the Department officials stated they may or may not have approved the change.

The Department awards grants based on a competitive process that includes reviewing and evaluating not only the grant objectives, but also the partners' credentials and qualifications and how they are best qualified to fulfill the grant objectives. Because of limited funding, not all applicants receive a grant.

By submitting the qualifications of one grant partner and then switching to a new grant partner, without the required notification and approval by the Department, DISD invalidated the competitive process and potentially prevented a different applicant from receiving this grant funding. DISD's only written notice of change in personnel was made after the fact in its Annual Performance Report submitted to the Department on September 10, 2003, which stated:

ABC-CLIO was awarded the contract to deliver the on-line and face-to-face professional development sessions with DISD teachers after Learners On-Line [sic], the potential vendor originally mentioned in the grant, failed to perform services.

DISD disbursed \$205,000 to an ineligible grant partner, ABC-CLIO (\$169,000 in the first year of the grant and \$36,000 in the second year). Even though the grant is in the second year of the award period, DISD still has not submitted the required documentation to obtain the required approval.

RECOMMENDATIONS

We recommend that the Deputy Under Secretary of the Office of Innovation and Improvement, in accordance with the provisions in 34 C.F.R. 80.43(a)—

1. Require DISD to refund to the Department unallowable costs of \$205,000 disbursed to the ineligible partner.
2. Instruct DISD to submit to the Department the required narrative to obtain approval for a change in partner for the Teaching American History grant.
3. Terminate funding to DISD for the unapproved partner until the appropriate approval is obtained.
4. Instruct DISD to follow the procedures outlined in 34 C.F.R., Part 80, Subpart C, Sections 80.30(a) and 80.30(d)(3) and provide the required notification and justification for all changes to other current and future grants.

DISD'S RESPONSE

DISD did not concur with our finding and only concurred with three of our four recommendations. DISD stated in its response, "[t]he District respectfully and strongly disagrees with the fundamental conclusion reached in the draft." DISD also stated, "[w]e base our disagreement on errors of fact and interpretation in the report."

DISD disputes the fact that it “. . . failed to obtain written approval from the Department of Education (“Department”) before changing the vendor from Learners OnLine to the vendor chosen as a result of the competitive procurement process ABC-C[L]IO.”

DISD also disagrees with the assertions made by Learners Online. DISD stated it communicated with the President of Learners Online about the issues related to the project, and that it stands by its decision to replace Learners Online. According to DISD, Learners Online’s President informed the DISD Executive Director of Social Studies that she would be unable to provide the on-line portion of the grant until she received advance payment. DISD goes on to state, “. . . the process used by the District for selecting a replacement vendor complied with the requirements of state and federal law.”

However, DISD expressed its belief that it obtained a waiver from the Department for the requirement to obtain prior written approval before switching vendors, and that the Department stated once a replacement vendor was selected to notify the Department in writing through DISD’s Annual Performance Report. DISD subsequently noted the awarding of the on-line services to ABC-CLIO in its Annual Performance Report.

DISD disagrees with our recommendation that it refund \$205,000 in grant funds that was disbursed to the ineligible grant partner. However, DISD agreed to submit a narrative to the Department regarding the change in partners for the grant, suspend funding to the grant partner until approval from the Department is obtained, and to follow all procedures for notification and justification for changes in grant partners for current and future grants.

OIG’S RESPONSE

Nothing in DISD’s response has caused us to change our finding or recommendations. DISD’s response did not provide any information to contradict that DISD failed to obtain written approval before changing to a key partner in the Teaching American History grant as required.

DISD’s response expressed its belief that it had obtained a waiver for the requirements set forth in 34 C.F.R. 80.30(a). However, during our review of the grant, DISD was unable to provide sufficient detail or evidence to support that the waiver was obtained, nor did it provide support that the Department was aware of the change to the grant. During the exit conference, DISD again stated that it obtained oral approval of the change; however, it did not have written documentation to support the claim. Even if DISD did obtain oral approval for the change, the regulations require prior written approval and DISD has the responsibility to ensure that it complies with Federal grant requirements.

We also spoke with officials at the Department and they stated that they were not aware of DISD’s decision to switch grant partners until the President of Learners Online contacted the Department to complain. Department officials stated that Federal regulations require prior written approval for changes to the grant. The officials requested that DISD submit a memo explaining the reason for the change; however, the memo was never provided.

The President of Learners Online stated she did not request full advance payment. She simply requested the initial installment of the contract prior to continuing to work on the grant products beyond the sample stage. According to the contract with ABC-CLIO, the “Contractor may be paid in monthly installments . . .” and the contract authorizes payment for each year of the grant with a majority of the funding, \$169,000, disbursed in the first year.

Lastly, DISD agreed to submit a narrative to the Department justifying replacing Learners Online, suspend funding to the grant partner until approval from the Department is obtained, and ensure it meets these requirements for current and future grants. DISD also agreed to suspend funding to the new grant partner until the Department’s approval has been obtained. However, it disagreed with returning \$205,000 of unallowable costs paid to the ineligible grant partner. Although DISD felt justified in changing grant partners, it failed to follow Federal regulations requiring prior written approval. Without providing written approval, the Department has no assurances that the new partner meets the requirements of the competitive grant process.

OBJECTIVES, SCOPE, AND METHODOLOGY

Our audit objectives were to determine whether DISD: (1) properly accounted for and used grant funds in accordance with the ESEA of 1965, as amended; EDGAR; grant terms; and the cost principles in OMB Circular A-87; and (2) obtained prior approval for any changes made to the grant.

To accomplish our objectives, we—

- Reviewed applicable Federal laws and regulations;
- Reviewed the State of Texas’ Audit Report for the year ended June 30, 2003;
- Reviewed DISD’s Teaching American History Grant Application and Budget Narratives;
- Reviewed the Teaching American History Grant Performance Report for the 2002/2003 year;
- Reviewed the expenditure reports for October 1, 2002, through April 20, 2004, for the Teaching American History grant;
- Reviewed DISD’s accounting transactions, invoices, and other documentation supporting: (1) all expenditures charged to and (2) all services and products delivered by the grant from October 1, 2002, through April 20, 2004; and
- Interviewed Department officials, Learners Online officials, and the Executive Director of Social Studies at DISD.

We did not receive any computerized data for the review of the grant; therefore, we did not perform any data reliability tests. To achieve our audit objectives, we relied on written documentation from DISD and its grant partners to support grant expenditures and deliverables.

Our review covered October 1, 2002, through September 30, 2003, which is the first completed year of the three-year grant period. We expanded our audit period to include costs associated with the grant through the time of our audit fieldwork. We conducted our fieldwork at DISD’s

Administration Building, Dallas, Texas from March 22, 2004, through March 26, 2004. We discussed the preliminary results of our audit with DISD officials on March 26, 2004. An exit conference was held with DISD officials on May 27, 2004.

Our audit was performed in accordance with generally accepted government auditing standards appropriate to the scope of audit described above.

STATEMENT ON MANAGEMENT CONTROLS

As part of our audit, we reviewed all costs charged to the grant, performance data relating to grant deliverables, and documentation related to the change in personnel for the three-year grant period. Therefore, it was not considered necessary to assess DISD's management controls over the grant. Our review disclosed non-compliance with Federal regulations relating to the grant. This non-compliance is discussed in the AUDIT RESULTS section of this report.

ADMINISTRATIVE MATTERS

Statements that managerial practices need improvements, as well as other conclusions and recommendations in this report, represent the opinions of the Office of Inspector General. Determinations of corrective action to be taken will be made by the appropriate Department of Education officials.

This report incorporates the comments you provided in response to the draft report. If you have any additional comments or information that you believe may have a bearing on the resolution of this audit, you should send them directly to the following Education Department officials, who will consider them before taking final Departmental action on this audit:

Jack Martin
Chief Financial Officer
Office of the Chief Financial Officer
U.S. Department of Education
400 Maryland Avenue, S.W., Room 4E313
Washington, DC 20202

Nina Rees
Deputy Under Secretary
Office of Innovation and Improvement
U.S. Department of Education
400 Maryland Avenue, SW, Room 4W317
Washington, DC 20202

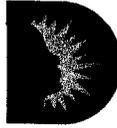
It is the policy of the U.S. Department of Education to expedite the resolution of audits by initiating timely action on the findings and recommendations contained therein. Therefore, receipt of your comments within 30 days would be greatly appreciated.

In accordance with the Freedom of Information Act (5 U.S.C. § 552), reports issued by the Office of Inspector General are available to members of the press and general public to the extent information contained therein is not subject to exemptions in the Act.

Sincerely,

/s/
Sherri L. Demmel
Regional Inspector General
for Audit

Attachment



Dallas Independent School District

August 26, 2004

Ms. Sherrie L. Demmel
Regional Inspector General for Audit
U.S. Department of Education
Office of the Inspector General
1999 Bryan Street, Suite 2630
Dallas, Texas 75201-6817

RE: Control Number ED-OIG/A06-E0015

Dear Ms. Demmel:

The Dallas Independent School District (the "District") submits this response to the draft audit report concerning administration of the Teaching American History Grant (Grant) for the period October 1, 2002, through September 30, 2005. We have thoroughly reviewed the allegations contained in the draft report. The District respectfully and strongly disagrees with the fundamental conclusion reached in the draft.

We base our disagreement on errors of fact and interpretation in the report. We do, of course, disagree with the assertions from the owner of Learners OnLine, Inc., the vendor whose replacement is the focus of this draft audit report. The District has communicated many times, including several meetings with the President of Learners OnLine, regarding her complaints and the District stands by its decision to replace that vendor. The draft report does not question the factual basis for the District's decision to replace that vendor. Moreover, the process used by the District for selecting a replacement vendor complied with the requirements of state and federal law.

The draft concludes that the District failed to obtain written approval from the Department of Education ("Department") before changing the vendor from Learners OnLine to the vendor chosen as a result of the competitive procurement process ABC-CIO. The draft report cites 34 C.F.R. Part 80, Subpart C, Section 80.30(a): "However, **unless waived by the awarding agency**, certain types of post-award changes in budgets and projects shall require the prior written approval of the awarding agency" (emphasis added). We respectfully submit that the facts described below clearly establish that the Department was informed prior to the change in vendor, that the Department waived the requirement of prior written approval and that the District complied with the requirement of written approval as requested by the Department.

On October 1, 2002, the District was awarded the Teaching American History Grant by the Office of Innovation and Improvement. The Grant provided the District funds to implement a three-year professional development program for American History teachers, providing approximately 100 teachers each year access to rich content, sound pedagogical practices, and on-line resources for the teaching of a standards-based curriculum.

In October 2002, the President of Learners OnLine, the vendor identified as the provider of on-line professional development services, informed [REDACTED] the Grant's Project Director, of her inability to provide on-line products without advance payment (see attached email). The president admitted her mistake of trying "to piecemeal a representative module on the cheap" and

her need of "the initial funding installment to initiate full-blown development and production of the [professional development] modules."

The District only procures products that are complete and aligned to state curriculum standards. As of November 1, 2002, Learners OnLine had presented the District with one incomplete module. On November 11, 2002, [REDACTED] contacted [REDACTED] at the Department concerning the replacement of Learners OnLine in the Grant. [REDACTED] informed [REDACTED] that as long as the goals and funding remained constant, the Department only requires notification of the replacement vendor.

During the week of December 16, 2002, [REDACTED] called [REDACTED] to inquire about Learners OnLine. [REDACTED] indicated he had received multiple communications from the president of Learners OnLine. The president requested the Department to intervene on her behalf and assure her that her company would receive the monies dedicated to the on-line services of the Grant. [REDACTED] asked [REDACTED] to comment on the state of relations between the District and Learners OnLine. [REDACTED] informed him that Learners OnLine had not completed one of the modules and that the president had written in an e-mail that in order to complete the modules, funds would have to be advanced. [REDACTED] informed [REDACTED] that the Department was obligated to respond in writing to the president of Learners OnLine that the local education agencies (that is, the District) are responsible for identifying appropriate vendors and that the Department does not involve itself in awardee-vendor issues.

[REDACTED] informed [REDACTED] that the District was beginning the process of securing a vendor that had a complete product aligned to the standards for American History. [REDACTED] stated that once a vendor was selected to let the Department know in writing through the Annual Performance Report due in September 2003. The awarding of the on-line services to ABC-CLIO was noted in the Annual Performance Report (see attachment).

The week of April 7, 2003, a Request for Proposals was released to procure the on-line services proposed in the Grant. Three companies submitted proposals. Only one had a finished product that met the terms of the grant and came in under the dollar amount dedicated for the on-line project.

On April 29, 2003, a selection committee representing the District's Curriculum and Instruction Department and the Minority and Women-Owned Business Division recommended the selection of ABC-CLIO. An on-line professional development company, ABC-CLIO provides teachers sixty-eight lessons aligned to the Texas state standards for teaching American History. ABC-CLIO has also partnered with the Region I Education Service Center (a 2003 grant recipient based in Edinburg, Texas) to provide content training to American History teachers.

On May 29, 2003, the District's Board of Trustees approved the ABC-CLIO contract, and during the week of June 9, 2003, ABC-CLIO began providing professional development and on-line services to the District as part of the grant.

On September 10, 2003, the Department was notified through the District's Annual Performance Report that ABC-CLIO was providing the on-line services, replacing Learners OnLine (see attachment). No follow-up correspondence or requests for additional documentation were made by the Department until the Draft Audit report was presented to the District on July 15, 2004.

To date, students whose teachers participated in the Teaching American history sessions have passed our state assessments of American History at a higher rate than students whose teachers have not yet experienced the training. We appreciate the opportunity to serve teachers with in-depth content seminars, on-line standards based lessons, and pedagogical support knowing that the grant funds are translating into increased student performance.

Based on the foregoing, the District strongly disputes the characterization of the payments of \$205,000 to ABC-CLIO as unallowable costs. Moreover, the District strongly disagrees with the recommendation that it be required to refund that amount to the Department. The District does agree to submit to the Department forthwith a narrative regarding the change in partner for the Grant. The District also agrees to withhold further payment of grant funds to ABC-CLIO pending approval of the Department. The District also agrees to follow all procedures regarding notification and justification for changes to other current and future grants.

If you have any further questions, please contact Mr. Douglas W. Ochandarena, Division Manager, Grants Acquisition and Management.

Sincerely,



Mike Moses

Enclosures

Cc: Larry Groppel
Lorenzo Garcia
Jack Elrod
Douglas Ochandarena

[REDACTED] Re: Oct 28 Meeting note

From: [REDACTED]
To: [REDACTED]
Date: 10/30/2002 5:17 PM
Subject: Re: Oct 28 Meeting note

Larry,

I do now and always did understand that the modules were to be directed toward staff development and that they were to be written based on the TEKS. It was my mistake to try to piecemeal a representative module to you on the cheap, with zero funding. What you saw previously was only half of what we intend a complete module to be. I am excited about delivering a more complete module to you on or before November 8th.

The web-based professional development modules we deliver to your teachers fully responds to the grant requirements and will provide you with so much more. Have Faith. You agreed to partner with us and we will do nothing less than make you shine as Director of this project. Along with the other top notch partners you have selected, we too have a stake in making this program a huge success.

We are chomping at the bit to kick off this program, but need the initial funding installment to initiate the full-blown development and production of the modules. I trust once you have approved the sample module you receive on the 8th of November you will immediately forward our initial installment. If this is incorrect please contact me as soon as possible.

Thanks for your help. I'm looking forward to exceeding your expectations.

Sincerely,

[REDACTED]

At 05:29 PM 10/29/2002 -0600, you wrote:

[REDACTED]

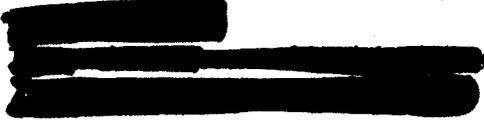
Our discussion yesterday concerning the Learners Online modules for the Teaching American History Grant was productive. The fact that you recognize that the modules need to be redirected toward staff development instead of enrichment curriculum for students is essential toward fulfilling the terms of the grant. The terms of the grant also require each module to be based on the Texas Essential Knowledge and

Attachment

Skills.

I look forward to receive the promised redesigned modules on or before Friday, November 8th. I will contact you Monday, November 11th to discuss the redesigned modules.

Sincerely,

A large black rectangular redaction box covering the signature and name of the sender.



U.S. Department of Education
Grant Performance Report
Cover Sheet

Attachment

See Block 5 on the Grant Award Notification.

1.) PR/Award No

S215X020386

Enter the same title as on the approved application.

2.) Project Title

History as Inquiry

Repeat from Block 1 on Grant Award Notification. If address has changed, provide the current address.

3.) Recipient Information

Name: Dallas Independent School District

Address 3700 Ross Avenue, Box 103

City: Dallas State: TX Zip+4: 75204-5491

Provide the name of the project director or the contact person who is most familiar with the content of the performance report.

4.) Contact Person

Name: [REDACTED]
Title: [REDACTED]
Telephone Number: [REDACTED]
Fax Number: [REDACTED]
E-mail Address: [REDACTED]

Include the interval for the information requested in the performance reporting period. See instructions on page 2 for details.

5.) Performance Reporting Period

10/01/2002 - 09/30/2003 (mm/dd/yy)

Report actual budget expenditures for the above performance reporting period. See instructions on page 2 for details.

6.) Cumulative Expenditures

	Federal \$	Non-Federal \$
Current Budget Period	\$624,093	0
Previous Budget Period	0	0
Negotiated Indirect Cost Rate: 1.4%		
Exp. Date: 09/30/2005		

If applicable, see instructions on page 2 for details on annual IRB approval (Please circle one).

7.) Annual Certification of Institutional Review Board (IRB) Approval

Yes <input type="checkbox"/>	No <input type="checkbox"/>	NA <input checked="" type="checkbox"/>
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Authorized Representative: [REDACTED]

To the best of my knowledge and belief, all data in this performance report are true and correct.

Name (typed or printed): [REDACTED]	Title: [REDACTED]
Signature: [REDACTED]	Date: September 10, 2003

INSTRUCTIONS FOR GRANT PERFORMANCE REPORT

PURPOSE

Recipients of multi-year discretionary grants must submit an annual performance report for each year funding has been approved in order to receive a continuation award. The performance report should demonstrate that substantial progress has been made toward meeting the project objectives and the program performance indicators. The information described in these instructions will provide the Department of Education (ED) with the information needed to determine whether recipients have done so. Additional information may be found in Sections 74.51, 75.118, 75.253, and 75.590 and 80.40 of the Education Department General Administrative Regulations (EDGAR).

GENERAL INSTRUCTIONS

- An optional form for reporting Part I has been provided for your convenience. However the requested information may be provided in any reasonable format. You may reference sections and page numbers of the application rather than repeat the information.
- Submit an original and one copy of the grant performance report. ED program offices will notify grant recipients of the due date for submission of the performance report.
- For those programs that operate under statutes or regulations that require additional or different reporting for performance or monitoring purposes, ED program offices will inform you when this additional or different reporting should be made.

These instructions **do not apply** to the final performance report submitted after the project is completed.

I. SPECIAL INSTRUCTIONS FOR COVER SHEET

Complete the cover page with the appropriate information. Included is additional guidance for items 5, 6 and 7.

5. Performance Reporting Period

Projects that are operating in their first budget period:

- Performance reporting period is from the start of the project through 30 days before the due date of the report.

Projects that are operating in interim budget periods:

- Performance reporting period is from the end of the previous reporting period through 30 days before the due date of this report.

6. Cumulative Expenditures

Report your actual cumulative budget expenditures for the performance reporting period. If applicable include cumulative expenditures from current and previous budget periods.

Report the **current** Federal negotiated indirect cost rate and expiration date.

7. Annual Institutional Review Board (IRB) Certification

Annual certification is required if Attachment HS1, Continuing IRB Reviews, was attached to the Grant Award Notification. Attach the IRB certification to the performance report as instructed in Attachment HS1.

II. EXECUTIVE SUMMARY

Provide a one to two page Executive Summary of the grant performance report.

III. PROJECT STATUS

Report your progress in meeting each one of your project objectives.

Provide examples of actual accomplishments for each project objective. Accomplishments and outcomes should be quantified wherever possible.

Report your project performance on established program performance indicators/measures.

Explain why planned objectives were not attained or why scheduled activities were not implemented.

Describe the corrective action (s) that will be taken to address the problem (s).

IV. BUDGET INFORMATION

Report your actual budget expenditures for the performance reporting period in #5 on the Cover Sheet.

Provide an explanation if you are not expending funds at the expected rate.

Describe any significant changes to your budget resulting from modification of project activities.

Describe any anticipated changes in your operational budget for the next budget period.

V. SUPPLEMENTAL INFORMATION

Describe any changes that you wish to make in the grant performance objectives and activities.

Provide any other appropriate information about the status of your project including any unanticipated outcomes or benefits from your project.

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1890-0004. The time required to complete this information collection is estimated to average 20 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate (s) or suggestions for improving this form, please write to: U. S. Department of Education, Washington, D.C. 2020-4651. If you have comments or concerns regarding the status of your individual submission of this form, write directly to (insert program office), U.S. Department of Education, 400 Maryland Avenue, S.W., Washington, D.C. 20202.

Teaching American History Grant: Annual Performance Report Dallas Independent School District

Goals 1 and 2: Improve teachers' knowledge of U.S. History content.

Accomplishments	Performance Indicators	Adjustments	Budget	
			\$ Allocated	\$ Spent
Completion of three 5-day American History Seminars taught by the history faculty at the University of Texas at Dallas.	Attendance: 40 teachers Sessions aligned to state standards: 100% Completion of standards-based lessons: 80%	Additional training and sessions not included in 2002-2003 will be offered in 2003-2004.	\$44,000	\$22,987
Delivery of on-line, standards-based American History lessons and training on classroom implementation of these lessons.	Number of sessions: 10 Teacher attendance: 200 Number of lessons on-line: 103 % of lessons aligned to state standards: 66%	ABC-CLIO was awarded the contract to deliver the on-line and face-to-face professional development sessions with DISD teachers after Learners On-Line, the potential vendor originally mentioned in the grant, failed to perform services.	\$169,000	\$169,000

Comments:

- The topics of the American History seminars conducted by the University of Texas at Dallas, including the primary source documents, lectures, video segments, and readings, were 100% aligned with the state-assessed objectives in American History, grades 8 and 11.
- The 68 lessons by ABC-CLIO that were aligned to the Texas curriculum objectives for the teaching American History served as the basis of professional development training, with each lesson linked to the appropriate student expectation in the district's scope and sequence.
- A surplus was created in the stipend monies originally allocated for teacher attendance at the UTD seminars, because contract time was used to pay teachers for summer staff development. The surplus stipend funds will be used to offer additional 5-day seminars in Summer 2004.

Goal 3: Improve teachers' skills in pedagogy by training a cohort of History Alive coaches, grades 5, 8, and 11.

Accomplishments	Performance Indicators	Adjustments	Budget	
			\$ Allocated	\$ Spent
Identification of 2 History Alive Cohorts: Elementary (grade 5) and Secondary (Grades 8&11)	<p>% candidates teaching classes with at-risk students > 50%:</p> <p style="text-align: center;">83%</p> <p>% of candidates teaching at underperforming schools (identified in 2002):</p> <p style="text-align: center;">53%</p> <p>% of candidates with certification in history:</p> <p style="text-align: center;">100%</p>	Training sessions planned for 2002-2003 but not conducted because of logistical issues (i.e. the training of a second coaching cohort) will be offered completed in 2003-2004.		
Training of History Alive coaches cohorts, Level I	<p>Attendance:</p> <p>Elementary: 15</p> <p>Secondary: 21</p> <p>Stages of Concern Survey:</p> <p>Awareness: 7</p> <p>Personal: 15</p> <p>Management: 1</p> <p>Consequence: 13</p>	Professional Development sessions are being evaluated through the Concerns-Based Adoption Model. The Stage-of-Concern survey data will determine the focus of October 2003 training in order to move teachers toward routine implementation of the program during 2003-2004.	\$411,093	\$315,300

Comments:

- The goal of selecting teacher responsible for the education of high-risk populations and who teach at a low-performing school to participate in the History Alive coaching cohort was met. High-risk students are defined as those who qualify for free-or-reduced lunch programs and/or students who are identified for special education services or as limited English proficient learners.
- After Level I History Alive training, most members of the cohort have concerns related to their ability to implement the program with fidelity. This concern will guide the planning and delivery of Level II training in October 2003 and classroom visitations in December 2003 and February 2004.
- A surplus was created in the stipend monies originally allocated for teacher attendance at the Level I History Alive sessions, because contract time was used to pay teachers for summer staff development. The surplus stipend funds will be used to offer additional Level I trainings in Summer 2004.

Goal 4: Improve student understandings of United States history as measured by the Texas state assessment of American history (TAKS), grades 8 and 11.

Grade Level	% passing TAAS/EOC, 2002 (district)	% passing TAAS/EOC, 2002 (state)	Gap between state and district	% passing TAKS, 2003 (District)	% passing TAKS, 2003 (state)	Gap between state and district
8	76.7%	83.7%	-- 6.0%	88.7%	93.1%	-- 4.1%
11	69.3%	73.9%	-- 4.6%	87.7%	90.2%	-- 2.5%

Grade Level	% district campuses at or above state passing rate, 2002	% district campuses at or above state passing rate, 2003
8	8/28 29%	9/28 32%
11	8/23 34%	10/23 43%

Comments:

- American history students in the Dallas Independent School District made achievement gains in 2002-2003 compared to data from a year earlier. In Spring 2003 the state of Texas piloted the new state assessment (TAKS) for American history at grades 8 and 11. The results above indicate that both grade 8 and 11 student in Dallas closed the achievement gap with the state – a remarkable feat considering that the DISD is the second largest urban school district in Texas and that the district has the highest percent of Limited English Proficient learners in the state.
- State achievement data (TAKS) for 2003-2004 will be used to determine the effect of the History Alive program upon the students of teachers participating in the cohort.