



**UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL**

Chicago/Kansas City Audit Region

111 N. Canal St. Ste. 940
Chicago, IL 60606-7297
Phone (312) 886-6503
Fax (312) 353-0244

8930 Ward Parkway, Ste 2401
Kansas City, MO 64114-3302
Phone (816) 268-0500
Fax (816) 823-1398



June 14, 2005

Control Number ED-OIG/A07E0027

Judy Jeffery, Director
Iowa Department of Education
Grimes State Office Building
400 East 14th Street
Des Moines, IA 50319-0146

Dear Ms. Jeffery:

This Final Audit Report, entitled *Iowa Department of Education's Compliance with the Unsafe Schools Choice Option Provision*, presents the results of our audit. The purpose of the audit was to determine whether (1) Iowa's Unsafe School Choice Option (USCO) policy complied with Title IX, Part E, Subpart 2, § 9532 of the Elementary and Secondary Education Act, as amended by the No Child Left Behind Act of 2001 (ESEA), and applicable U.S. Department of Education (Department) guidance; and (2) the Iowa Department of Education (IDE) adequately implemented the USCO policy. Our audit covered school years 2002-2003 and 2003-2004.

IDE's USCO policy generally complied with § 9532 of the ESEA and the Department's guidance. However, IDE has not adequately implemented Iowa's USCO policy because it did not ensure the policy was implemented at the local level. Two of the three Iowa local educational agencies (LEA) covered by our audit did not report all USCO incidents with 10-day suspensions (See Finding No. 1). In addition, the three Iowa LEAs covered by our audit did not address the USCO transfer options (See Finding No. 2).

In the OTHER MATTER section of this report, we note that IDE might not receive sufficient information to provide reasonable assurance that it identified all unsafe schools and appropriately made persistently dangerous school (PDS) designations. We discuss suggestions presented in the Department's guidance that we encourage IDE to consider in future reviews of Iowa's USCO policy.

In response to the draft of this audit report, IDE did not dispute the facts presented in Finding No. 1, accepted the results presented in Finding No. 2, and did not comment on the information presented in the OTHER MATTER section of the report. IDE agreed to

implement five of the six recommendations presented in the draft audit report. IDE commented on recommendation 1.3, stating that it agreed that “information required for USCO should be accurately maintained by school districts and accurately reported to the Iowa Department of Education.” However, IDE did not agree with the recommendation to request a verification from districts that they reported all ten-day suspensions and accurately reported punishments during the 2002-03 and 2003-04 school years. IDE stated that, because we noted that none of the schools would have met the definition of a PDS, it would be better to ensure that future reporting is conducted in an accurate and timely manner. Based on IDE’s comments, we revised recommendation 1.3. We made no other changes to the report.

BACKGROUND

The USCO in § 9532 requires that states receiving funds under the ESEA establish and implement a statewide policy requiring that students attending a persistently dangerous public school, or students who become victims of violent criminal offenses while on the grounds of a public school they attend, be allowed to attend a safe public school. The Department issued *Unsafe School Choice Option Non-Regulatory Guidance* in May 2004. (This guidance was issued in draft form in July 2002.)

IDE determined that none of Iowa’s schools met the State’s definition of “persistently dangerous” in school years 2002-2003 and 2003-2004. Under Iowa’s USCO policy, a public elementary or secondary school is considered to be “persistently dangerous” if, in each of three consecutive years, all of the following conditions were met:

- The school had violence-related, long-term suspensions or expulsions – ten days or more in length – for more than one percent of the student population;
- The school had two or more students expelled for violating the federal or state gun-free school laws; and
- The school had one percent of the enrolled student population or five students, whichever is greater, who exercised the individual student option.¹

The violent criminal offenses delineated in the policy by the pertinent Iowa Education Codes are 1) a forcible felony; 2) offenses, excluding simple misdemeanors, involving physical assault; 3) offenses, excluding simple misdemeanors, involving sexual assault; 4) kidnapping; 5) first and secondary degree robbery and extortion; 6) first degree arson; 7) use of incendiary or explosive devices such as bombs; 8) criminal gang activity; and 9) carrying and or using a weapon.

¹ Iowa Chapter 11, Unsafe School Choice Option [Subrule] 281—11.4. The individual student option permits victims of violent criminal offenses the opportunity to transfer to another school within the district.

According to IDE officials, IDE developed its definition of a PDS in consultation with the School Administrators of Iowa, the Iowa Association of School Boards, the State Board of Education, and staff from LEAs. IDE obtained input on criteria to use for its definition from state agencies such as the Department of Human Services, the Department of Public Health, the Division of Criminal and Juvenile Justice Planning, the Office of Drug Control Policy, and the Governor's office through the Iowa Collaboration for Youth Development. Because IDE did not collect expulsion or suspension data from LEAs prior to the USCO, its PDS criteria included information already available in its federal Gun-Free Schools Act reports, other data collected from the LEAs, and discussions with LEAs. In addition, IDE examined policies developed by states with similar populations and heavily rural schools and held discussions with representatives from eight LEAs (called the Urban 8 Network). The State's Safe and Drug-Free Schools Advisory Committee reviewed and commented on IDE's initial draft of the definition.

Because LEAs annually report information, including expulsions for weapons offenses, under the federal Gun-Free Schools Act using the Basic Educational Data Survey (BEDS), IDE used the federal Gun Free Schools Act report as the initial screening for determining PDS. Had IDE found a school reporting two or more expulsions in three consecutive years, it would have contacted the school for additional data that would allow IDE to assess the school on the remaining criteria in IDE's definition of a PDS. For the 2003-2004 school year, IDE began collecting additional data on schools. The additional data included (1) violence-related, long-term suspensions or expulsions; (2) federal Gun-Free Schools Act expulsions; and (3) the number of students who transferred under Iowa's USCO policy. Although LEAs and schools provided the additional data using BEDS for the 2003-2004 school year, IDE is implementing a new system – called Project Easier – to facilitate USCO reporting. Beginning with the 2004-2005 school year, LEAs will report annually on all USCO criteria through the State's new system.

AUDIT RESULTS

FINDING NO. 1 – LEAs Did Not Report All USCO Incidents Resulting in 10-Day Suspensions or Expulsions

Pursuant to Iowa state law, Chapter 11, Unsafe School Choice Option, LEAs must report data in a manner prescribed by the State's department of education. IDE instructed LEAs to report the number of violence-related, long-term suspensions or expulsions. At each of three LEAs, we reviewed student suspension and expulsion files for three schools. Two of the three LEAs reviewed did not report all of the USCO incidents that resulted in 10-day suspensions.

Des Moines Independent Community School District

Des Moines reported 20 USCO incidents at Brody Middle School for school year 2002-2003, but did not report 1 other USCO incident even though the student received a 10-day suspension for the offense (a second fighting incident). The district incorrectly recorded the punishment as a 1-day suspension.

Des Moines reported 6 USCO incidents at Brody Middle School for school year 2003-2004, but did not report 1 other USCO incident (possession of a dart gun and darts) even though the student received a 10-day suspension for the offense. The district incorrectly recorded the punishment as a 1-day suspension.

Davenport Community School District

Davenport reported 11 USCO incidents at Sudlow Intermediate School for school year 2003-2004, but did not report 2 other USCO incidents—1 for assaulting a teacher and 1 for fighting with another student—even though the students received 10-day suspensions for the offenses.

Davenport reported 4 USCO incidents at North High School for school year 2003-2004, but did not report 7 other USCO incidents—3 for possession of knives and 4 for assault/fighting—even though the students received 10-day suspensions for the offenses.

IDE's and LEAs' Internal Control Could Be Strengthened

None of the schools reviewed would have met Iowa's criteria for a PDS designation. However, at the time of our audit, IDE had not (1) initiated any monitoring activities to assess LEA compliance with Iowa's USCO policy, (2) evaluated school procedures for collecting and reporting USCO incidents, and (3) verified the accuracy of reported data.

Schools and LEAs need to have adequate procedures for classifying, documenting, and reporting incidents. Otherwise, IDE cannot be reasonably assured that districts are providing reliable data for making PDS determinations. If dangerous schools are not identified as PDS, parents will not be notified and offered the option to transfer their children to a safer school.

Recommendations

We recommend that the Deputy Under Secretary for Safe and Drug-Free Schools require IDE to:

- 1.1 Develop and implement policies and procedures for monitoring LEA compliance with Iowa's USCO policy;
- 1.2 Evaluate school procedures for collecting information on and reporting USCO incidents; and
- 1.3 Ensure that, for all future reporting periods, Iowa LEAs (a) report all 10-day suspensions for USCO offenses to IDE and (b) accurately record punishments for USCO offenses.

FINDING NO. 2 – LEAs Did Not Offer the USCO Transfer Option

None of the three LEAs reviewed offered victims of violent criminal offenses the option to transfer to a safe public school. In addition, the LEAs might not have accurately reported the number of victims transferring due to violence. As a result, victims of violent crimes may have remained in an unsafe environment, and IDE might not have received the information necessary to make an assessment of PDS.

Pursuant to § 9532 of the ESEA, if a student becomes the victim of a violent criminal offense at a school, the LEA must allow the student to transfer to another public school. The transfer is optional - the student is not required to transfer but the offer for such a move must be made. In addition, Iowa's USCO policy, Chapter 11, states

[Subrule] **281—11.4 Individual Student Option.** Any student who becomes a victim of a violent criminal offense shall, to the extent feasible, be permitted to transfer to another school within the district. For purposes of the subrule, a victim of a violent criminal offense is a student who is physically injured or threatened with physical injury as a result of the commission of one or more of the following crimes against the student while in the school building or on the grounds of the student's attendance center.

The LEAs did not offer victims of violent criminal offenses the transfer option because none of the three had developed policies or procedures specific to USCO for (1) offering victims the transfer option and (2) tracking the number of victims transferring under the option. Iowa has an open enrollment policy. Therefore, victims of violent criminal offenses already are afforded the opportunity to transfer.

At the time of our audit, IDE had not initiated any monitoring activities to assess LEAs' compliance with Iowa's policy for offering the victims of violent criminal offenses the transfer option. However, IDE stated that it recently implemented an individual student

record data management system, which provides the necessary procedures to track transfers resulting from USCO incidents. IDE added that it provided districts with information about their obligations for parent notification during the process of adopting its USCO policy. In addition, IDE stated that it plans to work with the Iowa Association of School Boards (IASB) to ensure that all LEAs are well-informed of their obligations for parent notification and will monitor the success of this effort.

Recommendations

We recommend that the Deputy Under Secretary for Safe and Drug-Free Schools require IDE to

- 2.1 Monitor LEA compliance with Iowa's USCO policy, including (a) reviewing LEAs' transfer policies; (b) confirming that students who were victims of violent crimes were provided the option to transfer to a safe school; and (c) verifying that documentation was retained showing that victims' parents were notified of the USCO transfer option and whether a transfer was requested and completed;
- 2.2 Require LEAs to include the transfer option in their written policies; and
- 2.3 Require LEAs to retain documentation showing that victims' parents were notified of the USCO transfer option and whether a transfer was requested and completed.

OTHER MATTER

IDE did not have sufficient information to ensure that it identified unsafe schools and appropriately made PDS designations. Iowa law requires LEAs to report incidents in a manner prescribed by IDE. IDE directed the LEAs to report incidents resulting in 10-day or more suspensions or expulsions. However, LEAs' suspension policies are not sufficient for determining a PDS and not all violent criminal offenses occurring at the schools resulted in the students receiving long-term suspensions or expulsions.

To be designated a PDS under Iowa law, a school must have had violence-related, long-term suspensions or expulsions for more than one percent of the student population for three consecutive years. Long-term suspensions or expulsions are defined as being ten days or more. Although LEAs expel students under the federal Gun-Free Act, the LEAs reviewed generally did not suspend students for 10 days or more because Iowa's emphasis is on preventing violence and correcting behavior. For serious incidents, two of the reviewed LEAs generally transferred the individuals committing the offenses to alternative educational facilities rather than give them long-term suspensions.

Schools Did Not Report All Incidents of Violent Criminal Offenses or Discipline Students in a Consistent Manner

At each of three LEAs, we reviewed student suspension and expulsion files for three schools. None of the LEAs reported all violent criminal offenses² that occurred at their schools during the 2002-2003 and 2003-2004 school years because the incidents did not result in long-term suspensions or expulsions.

Table I

Unreported Incidents of Violent Criminal Offenses ³		
		Cedar Rapids Community School District
North High School 2002-2003 – 1 2003-2004 – 10	Roosevelt High School 2002-2003 – 11 2003-2004 – 9	Kennedy High School 2002-2003 – 12 2003-2004 – 11
Sudlow Intermediate School 2002-2003 – 13 2003-2004 – 18	Brody Middle School 2002-2003 – 10 2003-2004 – 31	McKinley Middle School 2002-2003 – 18 2003-2004 – 22
Buffalo Elementary School 2002-2003 – 14 2003-2004 – 7	Moulton Elementary School 2002-2003 – 13 2003-2004 – 28	Hoover Elementary School 2002-2003 – None 2003-2004 – 6

Examples of the violent criminal offenses that the LEAs did not report are

- weapons violations
- assaults with serious injuries to the victims
- threats to kill other students,
- threats to kill teachers
- threats to harm other students with weapons
- threats to bomb the school
- incidents of violent and disruptive behavior

Better Guidance on Classifying Incidents and Disciplining Students Needed

At the time of our audit, IDE had not provided supplemental guidance to the LEAs specifying when incidents and physical injuries should be classified as violent criminal offenses. Schools and LEAs need clear guidance so they classify incidents as violent criminal offenses and discipline the students who commit such offenses in a consistent manner. Otherwise, IDE cannot be reasonably assured that districts are providing reliable data for making PDS determinations. If incidents are classified and reported in a consistent manner, IDE will have better information to use in analyzing schools and determining whether a school should be considered a PDS.

² Violent criminal offenses are defined by Iowa code and included in the BACKGROUND section of this report.

³ Number of unreported incidents does not include offenses that resulted in long-term suspensions or expulsions but were not reported to IDE.

According to IDE, the LEAs' reporting for the school years reviewed was in alignment with State policy. Iowa's policy focuses on the number of long-term suspensions and expulsions for the violations cited. At the time of our audit, IDE did not ask LEAs to report the number of incidents of violent criminal offenses under its policy. In addition, local school districts were not prohibited from suspending students for more than ten (10) days in a school year. Consistent with the State's emphasis on prevention and proactive approaches, many districts that have the resources offer students programs that are alternatives to suspension and expulsion. IDE emphasized that its goal is for weapons-free, safe school environments for all students in Iowa and contends that the provisions of the State's definition would identify PDS consistent with the federal intent to identify "persistently" dangerous schools.

LEAs may not be prohibited from suspending students for 10 days or more. However, we found inconsistencies in the disciplinary actions schools took for incidents with the same or similar classifications.

The Department's guidance provided states with several suggestions for consideration when establishing their definitions of "persistently dangerous." Among other things, the Department suggested that states use data that relate to incidents even when an offender is not apprehended and subsequently disciplined (for example, suspended or expelled).

We encourage IDE to consider the Department's suggestions in any reviews that it might conduct in the future of the State's USCO policy to ensure that Iowa's parents are provided with both the knowledge and option to keep their children safe. We also suggest that IDE (a) issue guidance to LEAs, specifying when incidents should be reported as USCO violations and indicating appropriate disciplinary action given the seriousness of the offense; and (b) confirm that LEAs have taken appropriate corrective actions to ensure that all USCO incidents are accurately and consistently reported to IDE.

OBJECTIVES, SCOPE, AND METHODOLOGY

Our audit objectives were to determine whether (1) Iowa's USCO policy complied with applicable law and Department guidance; and (2) IDE adequately implemented the USCO policy. The audit covered school years 2002-2003 and 2003-2004.

To accomplish our objectives, we interviewed IDE staff responsible for the development and implementation of Iowa's USCO policy and reviewed related documents. At three judgmentally selected LEAs, we interviewed administrative staff to determine how Iowa's USCO policy was implemented at the local level; visited three public schools within each LEA and interviewed school administrators to determine if the schools complied with the USCO policy; reviewed documents related to student incidents to determine whether

incidents were correctly reported to IDE; and reviewed written policies to determine if the policies addressed the USCO transfer option and that students who were the victims of violent crimes were offered transfers to safe public schools. We were unable to review all requests for transfers from the selected schools to identify victim transfer requests because the districts and schools did not maintain sufficient data.

We selected the three LEAs using statewide uniform crime reporting statistics in conjunction with the statewide allocation of funds for safe and drug free communities. We identified the five counties that had the highest crime indexes and the highest allocation of funds for the 2003-2004 school year and selected the top three for review. For each LEA, we randomly selected one high school, one middle school, and one elementary school. **Table II** shows the schools reviewed for each LEA and the reported USCO incidents for each school.

Table II

Reported USCO Incidents ⁴		
		Cedar Rapids Community School District
North High School 2002-2003 – 21 2003-2004 – 4	Roosevelt High School 2002-2003 – 48 2003-2004 – 38	Kennedy High School 2002-2003 – None 2003-2004 – 1
Sudlow Intermediate School 2002-2003 – 11 2003-2004 – 11	Brody Middle School 2002-2003 – 20 2003-2004 – 6	McKinley Middle School 2002-2003 – None 2003-2004 – None
Buffalo Elementary School 2002-2003 – None 2003-2004 – None	Moulton Elementary School 2002-2003 – None 2003-2004 – None	Hoover Elementary School 2002-2003 – None 2003-2004 – None

We performed our fieldwork at IDE’s offices in Des Moines, Iowa during August and October 2004 and at the selected LEAs and schools from August through December 2004. We discussed the results of our audit with IDE officials on February 15, 2005. Our audit was performed in accordance with generally accepted government auditing standards appropriate for the scope of audit described above.

⁴ For all nine schools reviewed, we identified incidents that we considered violent criminal offenses that could have resulted in long-term suspensions or expulsions but were not reported as such. Examples of these incidents are provided in the OTHER MATTER section of this report.

STATEMENT ON INTERNAL CONTROL

As part of our review, we assessed the system of internal control applicable to IDE's and the selected LEAs' implementation of Iowa's USCO policy. For the purpose of this report, we categorized significant control into the following categories:

- PDS policy formulation and implementation.
- IDE and LEA data collection and reporting.
- IDE certification of compliance with Section 9532 of the ESEA.
- LEA implementation of the USCO transfer option.

Because of inherent limitations, a study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in IDE's and the LEAs' systems of internal control. However, our assessment disclosed significant internal control weaknesses that could adversely affect the implementation of Iowa's USCO policy at the local level. Specifically, IDE had not (1) initiated any monitoring activities to assess LEA compliance with Iowa's USCO policy, (2) evaluated school procedures for collecting and reporting USCO incidents, and (3) verified the accuracy of reported data. In addition, LEAs lacked adequate procedures and/or documentation for implementation of the USCO transfer option. These weaknesses and their impact are 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 U.S. Department of Education officials.

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 the audit:

Deborah A. Price
Assistant Deputy Secretary
Office of Safe and Drug-Free Schools
Room 1E110A
Federal Building No. 6
400 Maryland Avenue, S.W.
Washington, D.C. 20202

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

In accordance with 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.

We appreciate the cooperation provided to us during our audit. Should you have any questions concerning this report, please call me at (312) 886-6503.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard J. Dowd". The signature is stylized with a large, circular flourish at the end.

Richard J. Dowd
Regional Inspector General for Audit



May 13, 2005

Richard J. Dowd
Regional Inspector General for Audit
U.S. Department of Education
111 N. Canal Street
Chicago, Illinois 60606-7297

Dear Mr. Dowd:

This letter is in response to the Draft Audit Report, entitled *Iowa Department of Education's Compliance with the Unsafe Schools Choice Option Provision* dated April 8, 2005. Per the request in your letter, our response includes comments on the findings and recommendations.

Finding 1: LEAs did not report all USCO incidents resulting in 10-day suspensions and expulsions.

Response to Finding: Based upon the comments provided in the Draft Audit Report, the Iowa Department of Education does not dispute the facts regarding the Des Moines or Davenport school districts. However, the Department believes it is very important to discuss with staff from both districts concerning how or why the districts under-reported the number of incidents identified in the audit. The information gained from these discussions will enable the Department to better respond to the recommendations made by the auditors regarding Finding 1.

Corrective Action in Response to Recommendation 1.1: By June 30, 2006, the Iowa Department of Education will review and improve its current procedures for onsite monitoring of the compliance of local school districts with Iowa's USCO policy to include targeted follow-up with districts identified through a desk audit process.

Corrective Action in Response to Recommendation 1.2: The Iowa Department of Education will a) review its data dictionary for the required data elements of the state's USCO policy in order to standardize entry and increase the accuracy of data reported; b) discuss with staff at the audited districts their internal procedures and corrective action they may have taken; and c) train district personnel on how to accurately submit data to meet the reporting requirements of USCO. This process will be completed by Spring 2006.

Corrective Action in Response to Recommendation 1.3: While we agree that information required for USCO should be accurately maintained by school districts and accurately reported to the Iowa Department of Education, we do not agree with the recommendation to request a verification from districts that they reported all ten-day suspensions and accurately reported punishments during the 2002-03 and 2003-04 school years.

As noted in the audit findings, "None of the schools reviewed would have met Iowa's criteria for a Persistently Dangerous School (PDS) designation." Complying with recommendation 1.3 will be a significant time and effort burden on both the Department staff as well as the districts. We do not have any evidence that asking districts to review data/reports from the 2002-03 and 2003-04 school



years will result in any school being designated as PDS. Iowa school districts have relatively low USCO incidents resulting in suspensions or expulsions.

We believe that the effort devoted to meeting this recommendation is better devoted to assuring that future reporting is conducted in an accurate and timely manner. Our collective efforts in working with districts to develop student information systems that will provide accurate data to meet USCO requirements is a more productive investment in time and effort.

Finding 2: LEAs did not offer the USCO transfer option.

Response to Finding: The Iowa Department of Education accepts the results of the U.S. Department of Education's audit of a sample of schools in a sample of school districts in Iowa and thus concurs with Finding 2.

Corrective Action in Response to Recommendation 2.1: By Spring 2006, the Iowa Department of Education will require that districts report the number of transfer options offered, accepted, and completed. In addition, the Department will incorporate into its review of local school district records conducted during onsite visits to 20% of school districts annually verification of a) the existence of LEA transfer policies; b) confirmation that eligible students and their parents were offered the transfer option; and c) the district's documentation of parent notification of their option to transfer under either the whole school option or the individual student choice option.

Corrective Action in Response to Recommendation 2.2: As stated in a response to a previous draft of the USDE audit and consistent with prior practice, the Iowa Department of Education has undertaken work with the Iowa Association of School Boards (IASB) to provide school districts with model/sample policies and policy guidance on how they can include a transfer policy in their local policies. In addition, the Iowa Department of Education will work with IASB to ensure that all LEAs are well-informed of their obligations for parent notification and will monitor the success of this effort. A sample policy will be published by June 1, 2006.

Corrective Action in Response to Recommendation 2.3: The Iowa Department of Education will undertake the procedures described in 2.1 above. In addition, the Department already has issued an informational piece in its newsletter to local education agency superintendents.

Sincerely,

A handwritten signature in black ink that reads "Judy Jeffrey".

Judy Jeffrey, Director