



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

Audit Services  
Chicago/Kansas City/Dallas Audit Region

January 8, 2008

**Control Number**  
**ED-OIG/A05G0032**

Dr. Susan T. Zelman  
Superintendent of Public Instruction  
Ohio Department of Education  
25 South Front Street, Mail Stop 70  
Columbus, OH 43215-4183

Dear Dr Zelman:

This **Final Audit Report** presents the results of our audit, titled *ODE's Administration of its Migrant Education Program*. The objectives were to determine whether the Ohio Department of Education (ODE) administered Migrant Education Program (MEP) funds in accordance with grant requirements, and federal laws and regulations specific to the allocation of funds to subgrantees, and the monitoring of subgrantees' use of those funds for the period October 1, 2004, through September 30, 2006.

---

## **BACKGROUND**

---

The MEP is authorized under Title I, Part C, of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the No Child Left Behind Act of 2001. Federal regulations define an MEP eligible child as a child who is, or whose parent, spouse, or guardian is, a migratory agricultural worker, including a migratory dairy worker, or a migratory fisher, and who, in the preceding 36 months, has moved from one school district to another to obtain temporary or seasonal employment in agricultural or fishing work. The goal of the MEP is to ensure that all migrant students meet challenging academic standards and graduate with a high school diploma or its equivalent in order to prepare them for responsible citizenship, further learning, and productive employment.

The U.S. Department of Education (Department) allocates MEP funds to states through a statutory formula based primarily on each state's count of eligible migratory children, aged 3 through 21, the number of migrant children who receive MEP-funded summer or intersession services, and the cost of education in each state. Only a state educational agency (SEA) may receive an MEP grant from the Department. However, public agencies or private nonprofit organizations, including institutions of higher education, may participate in the program through subgrants from or contracts with SEAs. SEAs apply to the Department for MEP funds using either a Title I MEP-specific application, or a consolidated state application. These applications

are submitted at the beginning of each ESEA reauthorization cycle and remain in effect until the next reauthorization.

### **ODE's Migrant Education Program**

ODE's MEP application was approved September 17, 2002. ODE was awarded \$2,486,240 for July 1, 2004, through September 30, 2005 (2004-2005 award year), and \$2,472,622 for July 1, 2005, through September 30, 2006 (2005-2006 award year). ODE provided a yearly count of MEP participants for the period September 1 through August 31. The state's fiscal year was July through June. In its approved application, ODE set forth its process for awarding subgrants. ODE's MEP is aligned under its Centers for School Improvement and is administered by the Ohio Migrant Education Center (OMEC) and Northwest Ohio Educational Services Center (NwOESC).

OMEC is funded under ODE's MEP to coordinate the services that migrant children receive and reports all activities to the State Director of Migrant Education at ODE. ODE provides a subgrant to the NwOESC to serve as the fiscal agent for OMEC. NwOESC not only administers the funds to operate OMEC, but also receives a separate Title I, Part C, allocation for providing its own MEP services to the qualified children in its school district. In both the 2005 and 2006 award years ODE also awarded subgrants to 21 other local operating agencies (LOAs).

---

## **AUDIT RESULTS**

---

ODE did not always allocate subgrants to LOAs in accordance with grant requirements. The formula outlined in its approved application was not always used to determine subgrant allocations for the 2004-2005 and 2005-2006 award years and ODE did not document how the allocation amount was reached. In addition, ODE's monitoring procedures did not ensure the proper administration of the MEP. ODE's monitoring procedures did not ensure that (1) contracts for MEP services were administered properly, and (2) LOAs were in compliance with federal laws and regulations. Specifically, ODE's inadequate oversight of contracts resulted in (1) a conflict of interest in the contracts, (2) making contract payments for inaccurate re-interviews, and (3) reducing the scope of work without adjusting the contract price. Also, one of the LOAs we visited was not in compliance with the priority for services and parent advisory council requirements.

In its comments to the draft report, ODE acknowledged that it did not maintain a clear audit trail for its process of allocating subgrants to LOAs, but did not concur that it did not always allocate subgrants to LOAs in accordance with grant requirements. ODE agreed that it must accept responsibility for ensuring LOA compliance with federal statute and regulations. ODE concurred that there was a conflict of interest related to two contracts, but did not concur that payments were made for uncompleted work and inaccurate interviews. ODE's comments are summarized after the recommendations for each of the findings, and the entire text of the comments is included as Attachment A.

## **FINDING NO. 1 – ODE Did Not Always Allocate Subgrants to LOAs in Accordance with Grant Requirements**

ODE did not always follow the subgrant allocation process described in its approved consolidated state application, and it did not retain sufficient documentation to support the process it used in determining the allocation amounts for the 2004-2005 and 2005-2006 award years.

ODE's subgrant allocations to LOAs were not all based on the formula presented in ODE's approved consolidated state application. ODE did not use the formula to calculate the allocation amount for 3 of the 21<sup>1</sup> LOAs receiving subgrants for the 2004-2005 and 2005-2006 award years. Instead, ODE negotiated the allocation amounts for Painesville School District (Painesville), Bettsville School District, and Improving Migrant Academic Gain Educationally (I.M.A.G.E.). Although, ODE officials stated these amounts were negotiated based on the number of students served, the number expected to participate, the amount of funds carried forward from the prior award year, and the needs of the populations served, ODE did not maintain documentation to support how these negotiated amounts were reached. For the other 18 LOAs, ODE used the formula to calculate an award amount; however, that amount was then adjusted up or down. An ODE official stated the adjustment was based on what was expended in previous years (i.e. carry forward amounts), on the number of students expected, and the number of resources needed. Also taken into consideration was the three-year average for the number of students served. ODE did not retain documentation of the basis for making the adjustments.

Title 1, Part C, Section 1304(b)(5) of the ESEA requires a state to include in its MEP program application a description of how the state will determine the amount of any subgrants the state will award to LOAs. This provision also requires this description to take into consideration (1) the numbers and needs of migratory children; (2) the requirement for priority for services to migratory children who are failing or most at risk of failing to meet state academic content and achievement standards, and whose education has been interrupted during the regular school year; and (3) the availability of funds from other federal, state, and local programs. The Department expects states to amend their applications, as needed, to reflect any significant changes in the state's subgranting process.<sup>2</sup>

ODE's approved consolidated state application (Part II: State Activities) sets out the process for awarding subgrants, including selection criteria, and priorities. The approved process is based on a weighted formula and takes into account the factors required by Section 1304(b)(5) of the ESEA. In the formula, points are generated for the number of migratory children eligible for the MEP, the number eligible and participating, the number classified as Limited English Proficient, the number with Qualifying Arrival Date (QAD) during the regular school year, and the number determined to be priority for services. The total points generated are then divided by the total count of migratory children to reach a percent, which is then multiplied by the total funds available to reach the allocation amount. The process has a provision for ODE to weight the

---

<sup>1</sup> An award was also made to the University of Toledo. The University of Toledo provides presentations at summer programs run by other LOAs and provides training to MEP teachers. We did not include the University of Toledo as it did not run a MEP program that served a specific number of students.

<sup>2</sup> The Department required SEAs that chose to submit consolidated state applications instead of MEP-specific applications to include this same information in their consolidated applications. The Department also issued rules requiring each SEA to implement all requirements that the ESEA expressed as program-specific application requirements.

number of migratory children, eligible and participating, or the availability of other funds to place greater emphasis on a factor or count in the formula.

The Education Department General Administrative Regulations at 34 C.F.R. § 76.731, state: “A State and a subgrantee shall keep records to show its compliance with program requirements.”

ODE did not always follow the subgrant allocation process described in its consolidated state application because the process did not contain all the factors ODE officials considered important. ODE officials indicated that it is difficult to determine the needs of the LOAs from year to year as a number of factors can affect the number of participants. These factors include: lack of available work in an area when crops fail; the current focus on illegal immigration, which causes reluctance to participate in the program; or a change in the type of work available in an area. ODE officials stated adjustments were made to the formula calculations to take into consideration these factors and that by making these adjustments ODE felt it was making more equitable allocations.

ODE did not retain documentation of its subgrant allocation process because ODE officials did not develop and implement policies and procedures to ensure their staff kept records that fully documented the subgrant allocation process.

Without sufficient documentation of the allocation process, we cannot determine if ODE took into consideration all factors required under Section 1304(b)(5) of the ESEA when making all subgrant awards or if the process for awarding subgrants was equitable and reasonable.

## **Recommendations**

We recommend that the Assistant Secretary for Elementary and Secondary Education require ODE to—

- 1.1 Develop and implement procedures to ensure it keeps documentation for its MEP subgrant allocation process.
- 1.2 Follow the subgrant allocation process stated in its approved consolidated state application, or file a request to amend that application and obtain approval for a different allocation process.

## **ODE’s Comments**

ODE agreed in part with this finding, stating that a clear audit trail should exist for its process of allocating subgrants to LOAs. This includes support for all data used and for the calculations themselves. However, ODE believes the statute and non-regulatory guidance supports the types of flexibility used in its calculations.

In its response to the draft ODE described the corrective actions it plans to take. These actions included:

- Request the MEP allocations formula approved in its Consolidated State Plan be amended to reflect current practice.
- Ensure all allocations, using real or projected data, are annually calculated on a spreadsheet and all sources for the data are identified.

- Update the Consolidated Comprehensive Improvement Plan's document library financial section with a spreadsheet of the final Migrant program allocations for all recipients. This is accessible to anyone anytime.

### **OIG Response**

The action's described in ODE's comments, if properly designed and implemented, should correct the deficiencies noted in our audit finding. We did not change our finding.

## **FINDING 2 – ODE's Monitoring Procedures Did Not Ensure Proper Administration of the Migrant Education Program**

ODE's monitoring procedures did not ensure LOAs were properly administering the MEP. ODE's monitoring procedures did not include procedures to review LOA's use of MEP funds for contracts with Rural Opportunities, Inc. (ROI). In addition, ODE did not adequately follow its monitoring procedures to ensure LOA's compliance with federal laws and regulations.

Under 34 C.F.R. § 80.40(a), grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.

### **ODE Needs to Strengthen its Monitoring Procedures**

ODE relied primarily on site visits to monitor LOAs' compliance with the MEP requirements. The Director of Migrant Education at ODE developed a program monitoring site visit checklist that he and the Director of OMEC used during the onsite reviews. The checklist includes a review of key elements to the MEP such as needs assessment, priority for services, parent involvement, and certificate of eligibility. ODE conducted onsite reviews at 10 LOAs in 2005, and at 11 LOAs in 2006. For both the 2004-2005 and 2005-2006 award years, ODE provided subgrants to 22 LOAs to administer 30 programs<sup>3</sup>. Our review of the checklists disclosed that only the summer programs were reviewed in 2005 and 2006.

ODE did not have additional review processes in place to ensure all LOAs complied with the MEP regulations. Of the 30 programs funded by ODE, 18<sup>4</sup> did not receive adequate monitoring. These programs were not scheduled to receive on-site reviews, nor were these programs reviewed under ODE's desk review process. The dollars potentially at risk by not monitoring all programs were

- \$330,970 received by LOAs in the 2004-2005 award year to serve 1,439 students in the fall and year-round programs. (This is 18.4 percent of the total amount allocated to subgrantees in the 2004-2005 award year ( $\$330,970/\$1,795,000 = 18.4$  percent));

---

<sup>3</sup> The 30 programs included 12 summer programs, 14 fall programs, 2 year-round programs, the University of Toledo project, and NwOESC/OMEC.

<sup>4</sup> These 18 included the 14 fall programs, 2 year-round programs, the University of Toledo, and NwOESC/OMEC. The summer programs are scheduled to receive on-site reviews.

- \$307,552 received by LOAs in the 2005-2006 award year to serve 1,373 students in the fall and year-round programs. (This is 18.2 percent of the total amount allocated to subgrantees in the 2005-2006 award year ( $\$307,552/\$1,688,700 = 18.2$  percent));
- \$569,000 and \$649,134 awarded to NwOESC to operate OMEC in the 2004-2005 and 2005-2006 award years respectively; and
- \$55,000 awarded each year to the University of Toledo to provide training to the MEP teachers in the 2004-2005 and 2005-2006 award years.

Weaknesses in ODE's monitoring process resulted in the following:

### **NwOESC Contract for MEP Services Was Not Administered Properly**

In response to concerns that a number of states had incorrectly found children to be eligible for the MEP, the Department requested that all states voluntarily (1) re-interview a random sample of children found eligible for the MEP in 2003-2004 reporting year, and (2) report a "defect rate" and remove ineligible children from the program. In response, NwOESC awarded contracts to ROI in 2005 to perform the re-interviewing. NwOESC again awarded ROI a contract in 2006 for a second re-interview project. NwOESC officials stated that they did not solicit bids for the ROI contracts and the contractor was recommended by the OMEC and ODE directors.

NwOESC did not properly administer its contracts with ROI to perform the re-interviews of 366 families of eligible migrant students each year in 2005 and 2006 at a cost of \$15,000 and \$30,000, respectively. Specifically, NwOESC did not adhere to its conflict of interest policy, and did not adequately document that the work performed met the terms of the contracts. ODE did not conduct a review of NwOESC.

### **Conflict of Interest Policy Not Adhered To**

The Director of OMEC, an employee of NwOESC, was responsible for overseeing the ROI contracts. The Director is a member of the Board of Directors for ROI. He attends three meetings a year and serves on ROI's Human Resource Committee. NwOESC's conflict of interest policy states that no employee shall engage in or have a financial interest, directly or indirectly, in any activity that conflicts or raises a reasonable question of conflict with their duties and responsibilities. The Director's position on ROI's Board is a conflict of interest because the Director oversaw the work performed under the ROI contract while participating on the Board of ROI.

NwOESC officials stated they were not aware of the OMEC Director's affiliation with ROI. ODE's Director of MEP stated he was aware of the association prior to the contract, but did not see an issue with it.

### **Contract Payments for Inaccurate Re-interviews and a Reduced Scope of Work**

Our review of the work performed by ROI under both contracts disclosed that ROI did not perform all the work it was contracted to complete. ODE provided completed re-interview forms for 365 participants for the 2005 re-interview project. Under the 2006 contract, ROI completed re-interview forms for 204 listed participants. Our review of the interview forms completed by ROI disclosed a number of errors in both years. These errors included information on the re-interview form not agreeing with information in OMEC's database and on corresponding COEs; missing confirmation of QADs; missing confirmation of qualifying activity; not confirming

multiple QADs by the same student, undated parent signatures, and interviews with the employer about the work activity only (the parent was not interviewed to confirm QAD or other information).

Although we did not identify any errors that resulted in a student being ineligible for the MEP, the information contained in the form did not always confirm the eligibility of the student for the MEP program either. The results of our review of the re-interview work are presented in the table below.

Re-Interview Forms	2005 Re-Interviews	2006 Re-Interviews
Total Number of Re-interviews Documented <sup>5</sup>	365	204
Forms With Errors	50	34
Forms Without Errors	215	170

NwOESC paid ROI the full contract price even though it did not receive all the services required under both contracts.

The Department of Education did not request a second re-interview project. ODE officials told us that they decided to repeat the project to maintain quality assurance. However, NwOESC did not take into consideration that, because MEP participants are eligible for 3 years after a qualifying move, two of the three years for the 2006 participants had already been sampled in the 2005 re-interview process. The contract for 2006 was written for the same sample size and the same basic deliverables, changing the dates and the contract price. In a response to an interim exception report about the significantly fewer than 366 required re-interviews in 2006, NwOESC stated that they initially pulled a randomized list of 500 names on June 20, 2006. They soon realized, because MEP participants are eligible for 3 years after a qualifying move, that the list contained many names re-interviewed in 2005, so, that same day, OMEC created another list of all participants with moves after the 2005 re-interview. A random sample was not selected, and ROI attempted to contact the families of all participants on the list of 244 names.

MEP program officials stated that they had doubled the price of the 2006 contract because ROI had underestimated the effort required to complete the 2005 re-interview process during which they attempted to contact the families of over 700 participants in order to complete the 365 re-interviews. However, even after determining that the 2006 population to be sampled was significantly smaller, and knowing that the required effort would be less than half the work than required for the 2005 project (requiring an attempted contact of fewer than 244 participants' families), NwOESC chose not to alter the terms of the contract or the price paid. For these reasons, and in light of the conflict of interest of the OMEC Director overseeing the contract, we could not conclude that the costs of the 2006 contract were necessary and reasonable for the proper administration of the MEP and thus allowable under ODE federal award as required by Office of Management and Budget (OMB) Circular A-87. We are unable to determine to what extent the costs may be allowable because NwOESC did not obtain cost pricing data from ROI to support the contract amount.

<sup>5</sup> The interviews were counted not by family, but participant, because some participants were siblings. In addition, the 2006 list contained some participants who were listed twice because of two QAD entries in the database and both instances were counted as a separate interview.

**Painesville Did Not Comply with Priority for Services and PAC Requirements**

During its onsite review of one LOA, ODE did not ensure compliance with the requirement for making a determination of priority for services and did not ensure corrective action was taken to address an identified noncompliance with the requirement for a parent advisory council (PAC).

Although ODE monitored Painesville's summer program, its procedures did not ensure that the LOA was in compliance with the requirement for making a determination of priority for services. The completed onsite checklist noted that Painesville was in compliance with making a determination of priority for services. However, our review of Painesville's program disclosed that it was not making a determination of priority of service as required under Section 1304(d) of the ESEA. The Director of OMEC, who conducted the review, could not explain why the review stated Painesville was in compliance when the LOA was not. ODE's monitoring was not adequate enough to ensure compliance.

Painesville was also not in compliance with the requirement for a PAC under Section 1304(c)(3) of the ESEA. ODE's onsite review, dated July 25, 2006, documented this non-compliance; however, a PAC had not yet been established when we conducted our site visit in December 2006. The LOA was aware of the requirement for a PAC and, after our visit, Painesville provided us with documentation that it has established a PAC and held the first meeting March 1, 2007. ODE officials indicated they will review their process for compliance and will conduct a follow-up onsite review next fall to verify the extent to which the district enacts the corrective action specific to requirements for priority for services and PAC.

ODE's monitoring procedures did not ensure that LOAs properly administered the MEP because ODE did not have procedures in place to ensure all LOAs' compliance with applicable federal requirements, and ODE did not always follow its procedures when performing its reviews. ODE agreed that it must accept responsibility for ensuring subgrantee compliance with federal statute and regulations. However, ODE feels its migrant program staff conducts more onsite compliance reviews per grantee than almost any other formula based program. ODE agreed to review the benefits of adding receipt of migrant funds as a risk factor for selecting onsite review districts, but cannot assure us that it will be included. ODE stated it must maintain a reasonable balance between major and non-major programs. All school-year programs are reviewed in accordance with the monitoring cohorts, risk factors, and protocols established for all consolidated federal programs.

**Recommendations**

We recommend that the Assistant Secretary for Elementary and Secondary Education require ODE to—

- 2.1 Demonstrate that the costs of the 2006 ROI contract were necessary, reasonable, and adequately documented or return the \$30,000 to the Department.
- 2.2 Develop and implement additional procedures to ensure all MEP subgrantees are being monitored for compliance with the regulations.
- 2.3 Determine that no other conflicts of interest exist with other MEP contracts in addition to the ROI contracts.
- 2.4 Ensure that subgrantees adhere to conflict of interest policies.



## **ODE Comments**

With regards to the conflict of interest, ODE concurred that the role of the OMEC director in the ROI board is a conflict of interest. The Director of OMEC subsequently resigned from the ROI board on July 16, 2007.

ODE did not concur that the terms of the contract were not fulfilled or that the work was not completed or was completed with errors. ODE stated the letter of agreement does state a sample size of 361 for both 2005 and 2006 and agrees one can assume that is the goal of the agreement. However, ODE stated the letter of agreement identifies seven items ROI is tasked to do and none of the seven include the number 361. ODE further states that ROI attempted to contact between 500-600 families in 2005 and over 700 families in 2006 in order to arrive at the final number of completed interviews. ODE believes that ROI completed the terms of the agreement and OMEC was correct in paying the total amount awarded under the agreement. ODE also disagreed with the OIG finding regarding the quality of the work performed and the oversight provided. ODE states that the instances of errors (50 in 2005 and 34 in 2006) were the result of interviewers comparing the information collected from the interview with the COE and, when there was no discrepancy, not including the duplicate information on the re-interview form. ODE agreed that for the next re-interview initiative, it will seal the COE inside an envelope and direct the independent interviewers not to open the envelope until the interview is completed and all information documented on the re-interview form.

ODE also stated that they believe the contract amounts were appropriate because the price per completed interview was within the range paid by other states.

ODE concurred that the state must accept responsibility for ensuring subgrantee compliance with federal statute and regulations. ODE stated the school-year programs are reviewed in accordance with the monitoring cohorts, risk factors, and protocols established for all consolidated federal programs. MEP was recently added to the Office of Federal Program's self-evaluation tool, Program Accountability and Compliance Tracking System. ODE stated that the use of the self-evaluation tool ensures that almost all migrant programs will have a reasonable level of review at least once every three years.

## **OIG Response**

ODE's response regarding the contract with ROI indicated that the total re-interview sample size for both 2005 and 2006 was 361 and provided copies of the agreement with its comments. We noted that these copies were not signed agreements. The copies of the agreements we obtained from NwOESC and reviewed were signed by all parties and indicated the re-interview sample size for both years should have been 366 families. The contracts further stated that OMEC would compile a list of names to be re-interviewed and add more names to the list until ROI had made contact with at least 366 families and the ROI tasks specify that ROI is to perform the re-interviews. Based on ODE's response, we again reviewed the documentation supporting the re-interview work. We made changes to the finding to clarify the issues and facts.

The response also claims that ROI attempted to contact a list of 700 names for the 2006 contract. During our audit, we saw no documentation to support the claim that 700 names were referred or that ROI attempted to contact that number. We have added an explanation of the lists of names generated in the report to clarify the circumstances. Two lists, one of 500 names and another list

of 244 were generated, however; the two lists cannot be combined to support the statement that 700 names were referred. The 500 individuals named on the first list were not contacted because the smaller list was substituted for the 500 name list, when NwOESC realized that a significant portion of the 500-name list had already been interviewed. In addition, the lists would have contained duplications, because the 244 name list that was used represented the subset of the population used to generate the 500 name list.

Regarding the quality of the work performed, we maintain that ROI did not meet the terms of the contract. We disagree with ODE's statement that most of the discrepancies involved QADs. For the 2005 contract work, 35 of 50 errors identified resulted from interviewers not identifying a qualifying activity, which is a key factor for determining participant eligibility. For the 2006 contract work, some students included in the re-interview list made two qualifying moves, both of which ROI should have confirmed. Our review disclosed 10 forms on which ROI confirmed only one qualifying move and then copied that re-interview form to cover the second date. Our review disclosed another five forms on which the confirmed QAD was the same date the re-interview was performed. During our audit, we discussed each of these errors with OMEC officials, who, at the time, agreed that ROI did not accurately complete the re-interview forms. We have clarified our statement in this report that the incomplete and erroneous forms do not indicate ineligible MEP participants.

We do not agree with ODE's conclusion that it was proper to pay ROI the agreed upon price for the second contract. There was no attempt to reduce or re-negotiate the contract price when NWOESC realized that fewer re-interviews and fewer attempts were needed in 2006. NwOESC decided to reduce the population of names for attempted re-interviews to approximately one-third of the 2005 re-interviews attempted and two-thirds of the re-interviews contracted to be completed. While we agree that re-interviewing participants covered in the 2005 re-interview process was unnecessary in 2006, the reduction in referrals contradicts the stated rationale for increasing the price of the 2006 contract.

We do not agree with ODE that the price for the 2006 re-interview contract does not appear to be excessive. We have modified the finding to remove a calculated per completed re-interview price and have not questioned the price for the 2005 contract. We modified our finding to conclude that we could not determine that the costs of the 2006 contract were necessary, reasonable, and allocable as required by OMB Circular A-87.

We have not changed our position regarding the quality of the work performed.

---

## **OBJECTIVES, SCOPE, AND METHODOLOGY**

---

Our audit objectives were to determine whether ODE administered MEP funds in accordance with grant requirements, and federal laws and regulations specific to the allocation of funds to subgrantees, and the monitoring of subgrantees use of those funds. The audit period was October 1, 2004, through September 30, 2006.

To achieve our audit objectives we reviewed selected provisions of the ESEA; *Title I Part C Education of Migratory Children Draft Non-Regulatory Guidance*; and OMB Circular A-87. We also interviewed officials from the Department, ODE, and two LOAs (Painesville and NwOESC), and reviewed documentation to gain an understanding of ODE's internal controls over the allocation of funding to subgrantees and the monitoring of subgrantees use of those funds. The documentation we reviewed included

1. ODE's approved consolidated application, dated September 17, 2002;
2. ODE's MEP allocation process;
3. ODE's Program Monitoring Site Visit Checklists;
4. Student files, including COE, needs assessments, testing forms if a determination for priority for services was made and, if applicable, whether high school credit was received;
5. Reports on program expenditures by NwOESC, Painesville, and the University of Toledo for the years ended June 30, 2005 and June 30, 2006;
6. Files to support all the re-interview work completed under the 2005 and 2006 contracts with ROI;
7. Organization chart;
8. Ohio's statewide single audit reports for the years ended June 30, 2004, and June 30, 2005;
9. NwOESC single audit reports for the years ended June 30, 2004 and June 30, 2005; and
10. Program review report on ODE dated October 25, 2004.

#### Review of NwOESC Expenditures

We reviewed NwOESC's budget and expenditure summary financial documents for the fiscal years (FY) ended June 30, 2005, (FY 2005) and June 30, 2006 (FY 2006). We reviewed all line-item expenditures in the cost accounting categories of salaries (\$327,592 in FY 2005 and \$304,900 in FY 2006), purchased services (\$246,686 in FY 2005 and \$260,196 in FY 2006), supplies (\$12,585 in FY 2005 and \$41,110 in FY 2006), and capital outlay (\$13,571 in FY 2006).

We judgmentally selected a sample of 26 expenditures totaling \$96,904 from FYs 2005 and 2006 to test if the expenditures were supportable and allowable. We selected expenses based on the account description and dollar amounts. We traced the selected expenditures to the requisitions and reviewed the requisitions for proper authorization. We also reviewed invoices for proper coding to OMEC.

#### Review of Painesville Expenditures and Students Served

We reviewed Painesville's MEP budget and expenditure summary documents for FYs 2005 and 2006. Painesville received MEP subgrants of \$320,435 in FY 2005 and \$320,000 in FY 2006. We reviewed the expenditure summary documents and judgmentally selected 11 accounts (6—Director Salary, Teacher Salary, Aides Salary, Meeting Expenses, Instructional Supplies, and Director Professional Expenses—from FY 2005; and 5—Meeting Expenses, Instructional Supplies, Custodian Salary, Employee Benefits and Insurance, and Bus Driver Salary—from FY 2006) to review for detail line item expenditures based on the account description and dollars amounts. We received the Budget Activity Detail for those 11 accounts and then judgmentally selected a sample of 17 line item expenditures totaling \$85,574 from FYs 2005 and 2006 from such cost categories as salaries, supplies/equipment, and support services to trace to source documents.

Our selection was based on the dollar amount of the transaction and any questionable expense description.

We judgmentally selected a sample of 20 of 468 students served through the Painesville MEP during our audit period. For these 20 students we reviewed the student files to determine if completed COEs were on file, needs assessments were documented, pre- and post-testing occurred, a determination of priority for services was recorded, and, if applicable, high school credit was received.

#### Review of the University of Toledo's Expenditures

We reviewed 100 percent of the University of Toledo's MEP line item expenditures for FYs 2005 and 2006 to determine if the University paid stipends to students. The University had four cost categories with the majority of the expenditures being under Training, Fees and Professional Development.

#### Reliability of Computer-Processed Data

To achieve our audit objectives, we relied, in part, on computer-processed data from NwOESC expenditure reports and Painesville's appropriation account summary. We verified the completeness of the data by comparing computer-processed reports to source records, such as purchase orders, invoices, and timesheets. Source records properly supported the data reviewed. Based on the results of our comparisons, we concluded that the computer-processed data were sufficiently reliable for the purpose of our audit.

We conducted our fieldwork from October 2006, through June 2007, at ODE's administrative offices in Columbus, Ohio; NwOESC's administrative offices in Napoleon, Ohio; OMEC's administrative offices in Fremont, Ohio; Painesville's administrative offices in Painesville, Ohio; and Harvey High School's administrative office in Painesville, Ohio. We discussed the results of our audit with ODE officials on June 4, 2007. We performed our audit in accordance with generally accepted government auditing standards appropriate to the scope of the review described above.

---

## **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, including the recovery of funds, will be made by the appropriate Department of Education Officials, in accordance with the General Education Provisions Act.

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 official, who will consider them before taking final Departmental action on this audit:

Kerri L. Briggs  
Assistant Secretary  
Office of Elementary and Secondary Education  
U.S. Department of Education  
400 Maryland Ave., SW  
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 findings and recommendations contained therein. Therefore, receipt of your comments within 30 days would be 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/

Gary D. Whitman  
Regional Inspector General  
for Audit

Attachments

August 1, 2007

Ms. Jan Keeney  
Assistant Regional Inspector General for Audit  
U.S. Department of Education  
Office of the Inspector General  
8930 Ward Parkway, Suite 2401  
Kansas City, MO 64114-3302

Dear Ms. Keeney:

This letter and the attachments provide the Ohio Department of Education response to the Draft Audit Report entitled ODE's Administration of its Migrant Education Program (Control Number ED-OIG/A05G0032). Thank you for the opportunity to be involved at critical points in the audit process and to be allowed to respond to the draft audit report. We hope our comments might provide some useful information regarding the findings of your team.

Your OIG members conducted themselves very professionally and provided some useful recommendations for the State and the Ohio Migrant Education Center. We appreciate the amount of time and effort that goes into audits of this nature and were pleased with the communication between the offices.

Please let us know if you have any questions or concerns related to our response. We look forward to your final report.

Sincerely,

Stephen Barr

Associate Superintendent

Attachments:

cc: Susan Zelman  
Marilyn Troyer  
Stephanie Gerber  
Rosie Doughty  
Casimiro Martinez

## **Ohio's Response to the OIG Audit of Ohio's Administration of its Migrant Education Program (Control Number ED-OIG/A05G0032)**

### **FINDING NO. 1- ODE Did Not Always Allocate Subgrants to LOAs in Accordance with Grant Requirements**

ODE did not always follow the subgrant allocation process described in its approved MEP application, and it did not retain sufficient documentation to support the process it used in determining the allocation amounts for the 2004-2005 and 2005-2006 award years.

ODE's subgrant allocations to LOAs were not all based on the formula presented in ODE's approved application. ODE did not use the formula to calculate the allocation amount for 3 of the 21[1] LOAs receiving subgrants for the 2004-2005 and 2005-2006 award years. Instead, ODE negotiated the allocation amounts for Painesville School District (Painesville), Bettsville School District, and Improving Migrant Academic Gain Educationally (I.M.A.G.E ). Although, ODE officials stated these amounts were negotiated based on the number of students served, the number expected to participate, the amount of funds carried forward from the prior award year, and the needs of the populations served, ODE did not maintain documentation to support how these negotiated amounts were reached. For the other 18 LOAs, ODE used the formula to calculate an award amount; however, that amount was then adjusted up or down. An ODE official stated the adjustment was based on what was expended in previous years (i.e. carry forward amounts), on the number of students expected, and the number of resources needed. Also taken into consideration was the three-year average for the number of students served. ODE did not retain documentation of the basis for making the adjustments.

Title 1, Part C, Section 1304(b)(5) of the ESEA requires a state to include in its application a description of how the state will determine the amount of any subgrants the state will award to LOAs. The state is to take into consideration the numbers and needs of migratory children; the requirement for priority for services to migratory children who are failing or most at risk of failing to meet state academic content and achievement standards, and whose education has been interrupted during the regular school year; and the availability of funds from other federal, state, and local programs. The Department expects states to amend their applications, as needed, to reflect any changes in how the program is implemented.

ODE's approved state application (Part II: State Activities) sets out the process for awarding subgrants, including selection criteria, and priorities. The approved process is based on a weighted formula and takes into account the four factors as required under Section 1304(b)(5) of the ESEA. In the formula, points are generated for the number of migratory children eligible for the MEP, the number eligible and participating, the number classified as Limited English Proficient, the number with Qualifying Arrival Date (QAD) during the regular school year, and the number determined to be priority for services. The total points generated are then divided by the total count of migratory children to reach a percent, which is then multiplied by the total funds available to reach the allocation amount. The process has a provision for ODE to weight the number of migratory children, eligible and participating, or the availability of other funds to place greater emphasis on a factor or count in the formula.

The regulations at 34 C.F.R. § 76.731 state, "A State and a subgrantee shall keep records to show its compliance with program requirements."

ODE did not always follow the subgrant allocation process described in its MEP application because the process did not contain all the factors ODE officials considered important. ODE officials indicated that it is difficult to determine the needs of the LOAs from year to year as a number of factors can affect the number of participants. These factors include: no work is available in an area when crops fail; the current focus on illegal immigration, which causes reluctance to participate in the program; or a change in the type of work available in an area. ODE officials stated adjustments were made to the formula calculations to take into consideration these factors and that by making these adjustments ODE felt it was making more equitable allocations.

ODE did not retain documentation of its subgrant allocation process because ODE officials did not develop and implement policies and procedures to ensure their staff kept records that fully documented the subgrant allocation process.

Without sufficient documentation of the allocation process, we cannot determine if ODE took into consideration all factors required under Section 1304(b)(5) of the ESEA when making all subgrant awards or if the process for awarding subgrants was equitable and reasonable.

**State Response:** Ohio agrees in part with the OIG finding in that a clear audit trail should exist for all data used and for the calculations. However, we believe the statute and non-regulatory guidance supports the types of flexibility we use.

**Action to be Taken:** ODE will request the MEP allocations formula approved in the Consolidated State Plan be amended to reflect current practice. Further, ODE will ensure that all allocations, using real or projected data, are annually calculated on a spreadsheet and all sources of documentation used for the calculation are identified. The spreadsheet would include the formula criteria and calculations and any variables used to augment or reduce an individual district's formula driven calculation. If data are pulled from a larger system such as the Consolidated Comprehensive Improvement Plan (CCIP), the source of the data will be identified. If data do not come from a larger system or if the data are projected, then copies of the data collected or projection estimates will be maintained as part of the documentation.

The state's process for awarding sub grants to local operating agencies is based on a weighted formula and takes into account all four factors as required under section 1304(b)(5) of No Child Left Behind (NCLB) Act:

Factors:

A. Number of Migratory Children for Summer, Fall & Year-round:

1. Number of children for migrant education program
2. Number of children for funding purposes

B. Needs of Migratory Children:

1. Number of migrant classified as LEP (Limited English Proficient)
2. Number of children with Qualifying Arrival Date (QAD) during the regular school year

C. Priority for service:



1. Count of students that are B1&B2
- D. Availability of other funds:

1. Sub-grantees that document receipt of (2) in kind donations of educationally related services to migrant children during the summer.

U.S. Department of Education, “Title I, Part C Education of Migratory Children, Draft Non-Regulatory Guidance” (October, 23, 2003) provides the following:

*B13. May the SEA consider other factors (in addition to the four required factors) in determining the amount of a subgrant?*

Yes. The SEA may consider any other relevant criteria, consistent with the State's service delivery priorities and the nature, scope, and cost of the projects to be implemented.

That same “guidance” describes the three most common approaches SEAs use to determine subgrant amounts—a formula approach, a negotiated approach, and a combination of those two. Our process is most closely aligned to the combination approach in that we use additional data. ODE has available significant reliable data. While we do discuss the data and the amounts with some of the affected districts, we do not adhere to a formal negotiation process. We do not believe that a formal or documented negotiation process is required.

The state will use the allowable flexibility in considering an LOA’s prior fiscal year carryover on their preliminary sub grant amount as determined by formula, as well as the negotiated approach based on the proposed activities and budget request that the LOA submits. This will ensure that MEP funds are distributed efficiently and target LOAs with greatest need. This type of flexibility is essential for smaller programs with transient populations.

The state will discuss and provide copies of the process for awarding MEP sub grants to local operating agencies upon request and will discuss the process at scheduled spring meetings if requested by the districts or if the process appears to be of interest to the participants. All applications and the allocations for districts are available on-line through the state’s Consolidated Comprehensive Improvement Plan (CCIP). Further, ODE will update the CCIP document library financial section with a spreadsheet of the final Migrant program allocations for all recipients. This update was not provided for the 2005-06 or 2006-07 fiscal years. The document library is accessible to anyone anytime.

## **FINDING 2 - ODE's Monitoring Procedures Did Not Ensure Proper Administration of the Migrant Education Program**

ODE's monitoring procedures did not ensure LOAs were properly administering the MEP.

ODE's monitoring procedures did not include procedures to review LOA's use of MEP funds for contracts with Rural Opportunities, Inc. (ROI). In addition, ODE did not adequately follow its monitoring procedures to ensure LOA's compliance with federal laws and regulations.

Under 34 C.F.R. § 80.40(a), grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported

activities to assure compliance with applicable federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.

### **ODE Needs to Strengthen its Monitoring Procedures**

ODE relied primarily on site visits to monitor LOAs' compliance with the MEP requirements.

The Director of Migrant Education at ODE developed a program monitoring site visit checklist that he and the Director of OMEC used during the onsite reviews. The checklist includes a review of key elements to the MEP such as needs assessment, priority for services, parent involvement, and records transfer (i.e. certificate of eligibility). ODE conducted onsite reviews at 10 LOAs in 2005, and at 11 LOAs in 2006. For both the 2004-2005 and 2005-2006 award years, ODE provided subgrants to 22 LOAs to administer 30 programs[2]. Our review of the checklists disclosed that only the summer programs were reviewed in 2005 and 2006.

ODE did not have additional review processes in place to ensure all LOAs complied with the MEP regulations. Of the 30 programs funded by ODE, 18 did not receive adequate monitoring. The dollars at risk by not monitoring all programs were:

- \$330,970 received by LOAs in the 2004-2005 award year to serve 1,439 students in the fall and year-round programs. (This is 18.4 percent of the total amount allocated to subgrantees in the 2004-2005 award year ( $\$330,970/\$1,795,000 = 18.4$  percent));
- \$307,552 received by LOAs in the 2005-2006 award year to serve 1,373 students in the fall and year-round programs. (This is 18.2 percent of the total amount allocated to subgrantees in the 2005-2006 award year ( $\$307,552/\$1,688,700 = 18.2$  percent));
- \$569,000 and \$649,134 awarded to NwOESC to operate OMEC in the 2004-2005 and 2005-2006 award years respectively; and
- \$55,000 awarded each year to the University of Toledo to provide training to the MEP teachers in the 2004-2005 and 2005-2006 award years.

Weaknesses in ODE's monitoring process resulted in the following:

### **NwOESC Contract for MEP Services Was Not Administered Properly**

NwOESC did not properly administer its contracts with ROI to perform the re-interviews of 366 eligible migrant students each year in 2005 and 2006 at a cost of \$15,000 and \$30,000, respectively. Specifically, NwOESC did not follow its conflict of interest policy, and did not ensure the work performed met the terms' of the contracts. ODE did not conduct an onsite review of NwOESC.

#### **Conflict of Interest**

The Director of OMEC, an employee of NwOESC, was responsible for overseeing the ROI contracts. The Director is a member of the Board of Directors for ROI. He attends three meetings a year and serves on ROI's Human Resource Committee. NwOESC's conflict of interest policy states that no employee shall engage in or have a financial interest, directly or indirectly, in any activity that conflicts or raises a reasonable question of conflict with their duties and responsibilities. The Director's position on ROI's Board is a conflict of interest.

NwOESC officials stated they were not aware of the OMEC Director's affiliation with ROI. ODE's Director of MEP stated he was aware of the association prior to the contract, but did not see an issue with it.

**State response:** The state has reviewed and concurs with the OIG regarding the role of the OMEC director in the ROI board as a conflict of interest. Mr. Jose Salinas, OMEC Director, has resigned from the ROI board. (see attached letter of resignation)

We have discussed conflict of interest issues with NwOESC and the OMEC to ensure their process is followed and documentation of substantive change is available.

ODE has requested documentation to ensure the NwOESC does provide information to all employees regarding their Policy 4113 as they stated they would. Additionally, we intend to review conflict of interest issues with ODE federal programs staff who regularly monitor programs across the state.

Contract Payments for Uncompleted and Inaccurate Interviews

Our review of the work performed by ROI under both contracts disclosed that ROI did not perform all the work it was contracted to complete. Under the 2005 contract, ROI completed 363 of the 366 interviews. Under the 2006 contract, ROI completed only 204 of the 366 interviews. NwOESC did not receive all the services required under both contracts and should not have paid ROI the full contract price.

Under both contracts, ROI was to compare the information received in the re-interview with the information on the Certificate of Eligibility (COE) and report any discrepancies to OMEC so that OMEC could correct the information in its database. OMEC officials agreed that ROI did not do this. Our review disclosed the re-interview forms completed by ROI contained a number of errors. These errors included information on the re-interview form not agreeing with information in OMEC's database and on corresponding COEs; missing confirmation of QADs; missing confirmation of qualifying activity; and not confirming multiple QADs by the same student.

Although we did not identify any errors that resulted in a student being ineligible for the MEP, the lack of quality of the work performed by ROI does not meet the terms of the contract. The results of our review of the re-interview work are presented in the table below.

ROI Services Not Received

Reason Re-Interview Did Not Meet Contract Terms	2005 Re-Interviews		2006 Re-Interviews		Total Funds Misspent
	Number of Interviews	Funds Misspent	Number of Interviews	Funds Misspent	
Not Completed	3	\$123	162	\$13,278	\$13,401
Completed with Errors	50	\$2,049	34	\$ 2,787	\$ 4,836
Total					\$18,237

ODE misspent \$18,237[3] in MEP funds for contract payments made to ROI for services not received and for work performed that did not meet the terms of the contract. OMEC officials admitted they did not conduct any quality assurance review of ROI's work.

**State response:** The state does not concur that the terms of the contract were not fulfilled or that the work was not completed or was completed with errors. The letter of agreement for both 2005

and 2006 are similar (copies attached). The letter of agreement does iterate the USDOE Office of Migrant Education sample size of 361 and one can easily assume that is the goal of the agreement. The letter of agreement identifies five items that the Ohio Migrant Education Center is tasked to do and seven items that the ROI is tasked to do. None of the seven items for which ROI is tasked includes the number 361. Our discussion with the Ohio Migrant Education Center indicates that for the 2005 year, the ROI had to attempt to contact between 500-600 families in order to arrive at the final number of completed 363 re-interviews. The amount of time spent and the costs incurred in attempting to contact unavailable families resulted in a financial loss to ROI in 2005. For 2006, amount in the agreement was doubled to \$30,000 to better reflect the actual costs of conducting the re-interview. In 2006, the Migrant Center generated and ROI attempted to contact over 700 families in order to get the final 204 completed re-interview. The lists were exhausted. We believe the ROI completed the terms of the agreement as stated in each year and the Ohio Migrant Education Center was correct in paying the total amount awarded for the activities specified in the agreement.

In the 2005 re-interview initiative, the sample population size for Ohio as per the Office of Migrant Education was 361 face-to-face re-interviews which included COEs that spanned three years. The final re-interview count in 2005 was 363 (2 more than what was recommended by OME. The cost to the state was \$15,000 for 2005 and \$30,000 for 2006. The OIG calculated the cost at \$41.98/COE completed re-interview in 2005 and \$147.06 per completed re-interview in 2006. A survey of several other states with similar migrant counts indicated that their contract costs ranged from \$114.90 to \$269.70 per completed COE re-interview. We do not believe the costs to Ohio are out of line.

We also disagree with the OIG finding regarding the quality of work performed and the oversight provided. The ROI interviewers were provided with the Certificates of Eligibility. In a few instances (50 in 2005 and 34 in 2006), the interviewers apparently compared the information collected from their interview with the information on the COE and, when there was no discrepancy, did not include the duplicate information on the re-interview form. Even reported discrepancies did not always mean a correction needed to be made in the database information. Most of the discrepancies involved QADs that were off by a few days or weeks due to the interviewee's recollection of dates. In cases where minor discrepancies between dates occurred, we defaulted to the dates originally provided by the family because that information was provided closer to the time of the occurrence, which would increase the probability that it was more accurate. While we do not agree that the forms were completed with errors, we do agree that action should be taken in the future to eliminate any doubt as to the completeness of the interview process.

Mr. Salinas, Director of the Ohio Migrant Education Center does not recall discussing the quality assurance review of ROI's work with the OIG. He personally checked each re-interview form that came into the center to make sure that the interviewer marked whether the child was deemed eligible/ or ineligible based on the face-to-face interview and that a signature was present on the form indicating the re-interview was completed.

**Action to be taken:** For the next re-interview initiative, we will seal the COE inside an envelope and direct the independent interviewers not to open the envelope until the re-interview is completed and all information documented on the re-interview form. This modification in the process will help assure that all questions were asked and answered.

### **Painesville Did Not Comply with Priority for Services and PAC Requirements**

During its onsite review of one LOA, ODE did not ensure compliance with the requirement for making a determination of priority for services and did not ensure corrective action was taken to address an identified noncompliance with the requirement for a parent advisory council (PAC).

Although ODE monitored Painesville's summer program, its procedures did not ensure that the LOA was in compliance with the requirement for making a determination of priority for services. The completed onsite checklist noted that Painesville was in compliance with making a determination of priority for services. However, our review of Painesville's program disclosed that it was not making a determination of priority of service as required under Section 1304(d). The Director of OMEC, who conducted the review, could not explain why the review stated Painesville was in compliance when the LOA was not. ODE's monitoring was not adequate enough to ensure compliance.

Painesville was also not in compliance with the requirement for a PAC under Section 1304(c)(3) of the ESEA. ODE's onsite review, dated July 25, 2006, documented this non-compliance; however, a PAC had not yet been established when we conducted our site visit in December 2006. The LOA was aware of the requirement for a PAC and, after our visit, Painesville provided us with documentation that it has established a PAC and held the first meeting March 1, 2007. ODE officials indicated they will review their process for compliance and will conduct a follow-up onsite review next fall to verify the extent to which the district enacts the corrective action specific to requirements for priority for services and PAC.

ODE's monitoring procedures did not ensure LOAs properly administered MEP because ODE did not have procedures to monitor all LOAs periodically, and ODE did not always follow its procedures when performing its reviews. ODE agreed that it must accept responsibility for ensuring subgrantee compliance with federal statute and regulations. However, ODE feels its migrant program staff conducts more onsite compliance reviews per grantee than almost any other formula based program. ODE agreed to review the benefits of adding receipt of migrant funds as a risk factor for selecting onsite review districts, but cannot assure us that it will be included. ODE stated it must maintain a reasonable balance between major and non-major programs. All school-year programs are reviewed in accordance with the monitoring cohorts, risk factors, and protocols established for all consolidated federal programs.

**State Response:** The state agrees that it must accept responsibility for ensuring subgrantee compliance with federal statute and regulations. The Ohio Migrant program conducts more on-site compliance reviews per grantee than almost any other formula based program. This is possible because most of the migrant programs are conducted during the summer months, which is off cycle for our standard monitoring processes, and because we enlist the support of the OMEC. All school-year programs are reviewed in accordance with the monitoring cohorts, risk factors and protocols established for all consolidated federal programs. The on-site monitoring checklist used to review all MEP (Migrant Education Program) is comprehensive and includes all activities and federal requirements. What is fairly new is the addition of the Migrant Education Program to the Office of Federal Program's self-evaluation tool, Program Accountability and Compliance Tracking System (PACT). The use of the self-evaluation component ensures that almost all migrant programs will have a reasonable level of review at least once every three years.

**Action to be Taken:** The Ohio Department of Education will review the benefits of adding receipt of migrant funds as a risk factor for selecting on-site review districts, but cannot assure that it will be included. The State must maintain a reasonable compliance balance between major and non-major programs. We believe this balance between major and non-major programs is consistent with federal financial standards such as found in OMB Circular A-133. ODE will continue to review a substantial number of the summer migrant programs. The summer monitoring is restricted to Migrant education since the OMEC director is often part of this review activity. His expertise and funding support is limited to Migrant Education.

In late April 2007, ODE conducted a workshop for coordinators of all migrant programs in the state and the OMEC staff. ODE added compliance monitoring and a discussion of the OIG findings to the agenda. The compliance training included compliance expectations and documentation with special emphasis on the Parent Advisory Council and priority for services requirements. We expect any item checked as compliant by a reviewer to be fully compliant. Any items found not to be compliant must have follow-up documentation to ensure the agreed to remedy has been put in place.

It is clear from the Painesville response that they were aware of the requirements and how to comply. In its response, the district described their new two-step process for determining priority of services. Subsequently, the district assured ODE that it initiated corrective action. They indicate that the PAC was formed and the first meeting took place on March 1, 2007. Subsequent meetings are scheduled for May, July, and September. ODE will conduct an on-site review in the fall to verify the extent to which the district enacted its corrective action. The review will ensure documentation substantiates the existence of an agenda, discussion highlights, and parent and staff participation.



## **Rural Opportunities, Inc. and the Ohio Migrant Education Center**

### **RE-INTERVIEW INITIATIVE LETTER OF AGREEMENT**

#### **Introduction**

As of 2004, all SEAs receiving funds through Title I – Part C, Migrant are required to re-interview a sample of their migrant student population who are eligible for services and count toward the state's total allocation. The purpose is to validate that the state count is accurate and children were not misidentified. Ohio's sample size is 361 as determined by the Office of Migrant Education. It is highly recommended that states contract with an independent entity that will remain impartial throughout the process. Rural Opportunities, Inc. has agreed to undertake this project and approach it objectively. At the conclusion of the re-interviews, states are required to submit a report documenting their error rate.

#### **Purpose**

**The purpose of this agreement is for contracted services to coordinate the Re-interview Initiative for Ohio's migrant education programs (MEPs).**

#### **Standards and Obligations**

The Ohio Migrant Education Center agrees to the following:

- Provide the necessary training to ROI staff on the proper identification and recruitment procedures of migrant children
- Compile a list of names that will need to be re-interviewed and add more names to the list until ROI has made contact with at least 366 families
- Provide copies of each child's Certificate of Eligibility (COE) to confirm the information provided by the family during the interview
- Provide maps/directions to the last known Ohio address of each student on the list
- Assign OMEC recruiters to accompany ROI staff to certain locations for safety purposes only when appropriate

Rural Opportunities, Inc. agrees to provide the Ohio Migrant Education Center the following services for the Re-Interview Initiative:

- Attend the mandatory training coordinated by OMEC to carry out the ID&R interviews based on the federal guidelines
- Re-Interview the parents of each migrant child and re-interview each emancipated youth to determine eligibility
- Document the re-interview in writing noting the details of the students' eligibility standing
- Provide weekly updates on the status of the re-interviews
- Provide a detailed report of the children who were found to be ineligible and present the evidence to confirm this
- Complete the Re-interview initiative by September 16, 2005

#### **Cost and fees**

In exchange for contracted services, OMEC agrees to pay the sum of **\$15,000** to Rural Opportunities, Inc.

#### **Term of Agreement**

**This agreement is to begin on July 1, 2005 and will remain in full force through December 31, 2005.**







## **Rural Opportunities, Inc. and the Ohio Migrant Education Center**

### **RE-INTERVIEW INITIATIVE LETTER OF AGREEMENT**

#### **Introduction**

As of 2004, all SEAs receiving funds through Title I – Part C, Migrant are required to re-interview a sample of their migrant student population who are eligible for services and count toward the state's total allocation. The purpose is to validate that the state count is accurate and children were not misidentified. Ohio's sample size is 361 as determined by the Office of Migrant Education. It is highly recommended that states contract with an independent entity that will remain impartial throughout the process. Rural Opportunities, Inc. has agreed to undertake this project and approach it objectively. At the conclusion of the re-interviews, states are required to submit a report documenting their error rate to the Office of Migrant Education.

#### **Purpose**

**The purpose of this agreement is for contracted services to coordinate the Re-interview Initiative for Ohio's migrant education programs (MEPs).**

#### **Standards and Obligations**

The Ohio Migrant Education Center agrees to the following:

- Provide the necessary training to ROI staff on the federal eligibility guidelines for Title I – Part C Migrant and on Ohio's identification and recruitment process
- Compile a random list of names from the Ohio Migrant Student Information System (OMSIS) for the purpose of re-interviewing no less than 366 children
- Provide copies of each child's Certificate of Eligibility (COE) to corroborate the information provided by the family during the re-interview
- Provide maps/directions to family's residence when such information is requested
- Assign OMEC recruiters to accompany ROI staff to certain locations for safety purposes when appropriate

Rural Opportunities, Inc. agrees to provide the Ohio Migrant Education Center the following services for the Re-Interview Initiative:

- Attend the mandatory training coordinated by OMEC to carry out the ID&R interviews based on the federal guidelines
- Interview the parents of each migrant child on the re-interview list to determine eligibility
- Interview each emancipated youth on the re-interview list to determine eligibility
- Document the re-interview in writing noting the details of the students' eligibility standing
- Provide weekly updates on the status of the re-interviews
- Submit a comprehensive report of the findings at the conclusion of the re-interview
- Complete the Re-interview initiative by October 31, 2006

#### **Cost and fees**

In exchange for contracted services, OMEC agrees to pay the sum of **\$30,000** to Rural Opportunities, Inc.

#### **Term of Agreement**

**This agreement begins May 26, 2006 and will continue through October 31, 2006 or upon completion of the re-interview.**



July 16, 2007

Michal Urrutia, Executive Director  
Rural Opportunities, Inc.  
2-453 Co. Road V  
Liberty Center, OH 43532

Dear Ms. Urrutia,

I regret to inform you that I am resigning from the ROI Board of Directors effective immediately. I wish to thank you, the ROI staff, and the Board members for the passion and commitment to improving the lives of our migrant families. These traits which we share are why I leave the position with a heavy heart. However, know that I will still be able to work and collaborate with you in other capacities. Thank you for your continued support and friendship and know that you have a friend in migrant education.

Sincerely,

Jose P. Salinas, Ed.D.  
Director

Cc: Stuart J. Mitchell, President & CEO  
ROI Board of Directors



**Rural Opportunities, Inc.  
and the  
Ohio Migrant Education Center**

**RE-INTERVIEW INITIATIVE  
LETTER OF AGREEMENT**

**Introduction**

As of 2004, all SEAs receiving funds through Title I – Part C, Migrant are required to re-interview a sample of their migrant student population who are eligible for services and count toward the state's total allocation. The purpose is to validate that the state count is accurate and children were not misidentified. Ohio's sample size is 366 as determined by the Office of Migrant Education. It is highly recommended that states contract with an independent entity that will remain impartial throughout the process. Rural Opportunities, Inc. has agreed to undertake this project and approach it objectively. At the conclusion of the re-interviews, states are required to submit a report documenting their error rate.

**Purpose**

The purpose of this agreement is for contracted services to coordinate the Re-interview Initiative for Ohio's migrant education programs (MEPs).

**Standards and Obligations**

The Ohio Migrant Education Center agrees to the following:

- Provide the necessary training to ROI staff on the proper identification and recruitment procedures of migrant children
- Compile a list of names that will need to be re-interviewed and add more names to the list until ROI has made contact with at least 366 families
- Provide copies of each child's Certificate of Eligibility (COE) to confirm the information provided by the family during the interview
- Provide maps/directions to the last known Ohio address of each student on the list
- Assign OMEC recruiters to accompany ROI staff to certain locations for safety purposes only when appropriate

Rural Opportunities, Inc. agrees to provide the Ohio Migrant Education Center the following services for the Re-Interview Initiative:

- Attend the mandatory training coordinated by OMEC to carry out the ID&R interviews based on the federal guidelines
- Re-Interview the parents of each migrant child and re-interview each emancipated youth to determine eligibility
- Document the re-interview in writing noting the details of the students' eligibility standing
- Provide weekly updates on the status of the re-interviews
- Provide a detailed report of the children who were found to be ineligible and present the evidence to confirm this
- Complete the Re-interview initiative by September 16, 2005

Source: Dr. Jay P. Kowalski, CFO, NWDESC 10/17/05

**Cost and fees**

In exchange for contracted services, OMEC agrees to pay the sum of \$15,000 to Rural Opportunities, Inc.

**Term of Agreement**


This agreement is to begin on July 1, 2005 and will remain in full force through December 31, 2005.

**Signatures**

In witness whereof, Rural Opportunities, Inc. and OMEC have executed this agreement which shall become effective upon the signing set forth below.

  
\_\_\_\_\_  
Michal Urutia,  
ROI Executive Director

7/1/05  
Date

  
\_\_\_\_\_  
Kenneth Esterline  
Board President

7/26/05  
Date

  
\_\_\_\_\_  
Dorothy Pietykowski  
Chief Financial Officer

6/28/05  
Date



**Rural Opportunities, Inc.  
and the  
Ohio Migrant Education Center**

**RE-INTERVIEW INITIATIVE  
LETTER OF AGREEMENT**

**Introduction**

As of 2004, all SEAs receiving funds through Title I – Part C, Migrant are required to re-interview a sample of their migrant student population who are eligible for services and count toward the state's total allocation. The purpose is to validate that the state count is accurate and children were not misidentified. Ohio's sample size is 366 as determined by the Office of Migrant Education. It is highly recommended that states contract with an independent entity that will remain impartial throughout the process. Rural Opportunities, Inc. has agreed to undertake this project and approach it objectively. At the conclusion of the re-interviews, states are required to submit a report documenting their error rate to the Office of Migrant Education.

**Purpose**

The purpose of this agreement is for contracted services to coordinate the Re-interview Initiative for Ohio's migrant education programs (MEPs).

**Standards and Obligations**

The Ohio Migrant Education Center agrees to the following:

- Provide the necessary training to ROI staff on the federal eligibility guidelines for Title I – Part C Migrant and on Ohio's identification and recruitment process
- Compile a random list of names from the Ohio Migrant Student Information System (OMSIS) for the purpose of re-interviewing no less than 366 children
- Provide copies of each child's Certificate of Eligibility (COE) to corroborate the information provided by the family during the re-interview
- Provide maps/directions to family's residence when such information is requested
- Assign OMEC recruiters to accompany ROI staff to certain locations for safety purposes when appropriate

Rural Opportunities, Inc. agrees to provide the Ohio Migrant Education Center the following services for the Re-Interview Initiative:

- Attend the mandatory training coordinated by OMEC to carry out the ID&R interviews based on the federal guidelines
- Interview the parents of each migrant child on the re-interview list to determine eligibility
- Interview each emancipated youth on the re-interview list to determine eligibility
- Document the re-interview in writing noting the details of the students' eligibility standing
- Provide weekly updates on the status of the re-interviews
- Submit a comprehensive report of the findings at the conclusion of the re-interview
- Complete the Re-interview initiative by October 31, 2006

Source: Dorothy Dietrykowsk, EFC, NWOESC 12/2006

3.1.6-1  
25

**Cost and fees**


In exchange for contracted services, OMEC agrees to pay the sum of \$30,000 to Rural Opportunities, Inc.


**Term of Agreement**


This agreement begins May 26, 2006 and will continue through October 31, 2006 or upon completion of the re-interview.

**Signatures**

In witness whereof, Rural Opportunities, Inc. and OMEC have executed this agreement which shall become effective upon the signing set forth below.

 \_\_\_\_\_ 5/18/06  
Date  
Michal Urrutia,  
ROI Executive Director

 \_\_\_\_\_ 5-23-06  
Date  
Kenneth Esterline  
NWOESC Board President

 \_\_\_\_\_ 5/23/06  
Date  
Dorothy Pietrykowski  
NWOESC Chief Financial Officer