

Michigan Performance Review Report FY 2018

07 02 2019

Commendations

0

Met Requirements

19

Recommendations

3

Action Required

6



U.S. Department of Education
Office of State Support
Office of Elementary and Secondary Education
400 Maryland Avenue, SW
Washington, DC 20202

Office of State Support Performance Review Process

The Office of State Support (OSS) provides coordinated policy development, performance management, technical assistance, and data analysis services through a State support team structure that deepens partnerships with States and more effectively support their implementation of key reforms that will lead to improved outcomes for all students.¹ OSS administers programs of financial assistance to State and local educational agencies and to colleges and universities. Under Title I of the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA), OSS administers several Title I programs of supplementary instruction and other services. This includes the School Improvement Grants program authorized in section 1003(g) of Title I, Part A, of the ESEA, as amended by the No Child Left Behind Act of 2001 and the Improving Basic Programs Operated by Local Educational Agencies (LEAs) under Title I of the ESEA, as amended by ESSA. Under Title II, Part A of the ESEA, OSS administers the Improving Teacher Quality State Grants. Under Title III of the ESEA, OSS administers the State Formula Grant Program for English Language Acquisition and Language Enhancement. OSS also administers the State Assessment Grant, Innovative Assessment and Accountability Demonstration Authority, and Flexibility for Equitable Per-Pupil Funding programs authorized in section 1201, 1204, and 1501 of the ESEA.

OSS is organized specifically to provide high-quality performance management and support to State educational agencies (SEAs) in administering and leveraging the grant programs above, focusing on the SEAs' quality of implementation while continually reducing the burden of the United States Department of Education's (the Department's) necessary stewardship and compliance role. Quarterly progress checks, Desk Reviews, and On-Site Reviews help ensure that SEAs are making progress toward increasing student achievement and improving the quality of instruction for all students through regular conversations about the quality of SEA implementation of OSS administered programs.

The goals of the OSS performance review process are to conduct a State-centered, performance-focused review of all OSS programs through a single, streamlined process that results in improved and strengthened partnerships between the Department and States and encourages States to develop and effectively implement integrated and coherent consolidated State plans. To accomplish these goals, the OSS performance review process is organized by areas, which reflect the programmatic and fiscal requirements and priorities of OSS programs.

Performance Review Report

The Performance Review Report summarizes the results of the September 10 – September 13, 2018, OSS review of the Michigan Department of Education (MDE's) grant administration and fiscal management processes. The report is based on information provided through the review process, and other relevant qualitative and quantitative data. The primary goal of this review is to ensure that implementation of the four programs listed above is consistent with the fiscal, administrative, and select program requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance:

¹ In January 2019, the Office of Elementary and Secondary Education reorganized. As a result, the newly created Office for School Support and Accountability (OSSA) assumed program administration responsibilities previously held by the OSS. Because this report occurred prior to the reorganization, OSS is used throughout this report.

2 Code of Federal Regulations (CFR) Part 200), the Education Department General Administrative Requirements (EDGAR), and the ESEA, as amended by the ESSA, and, where applicable, NCLB. In addition, the review covers State internal controls related to data quality and reporting and encompasses those fiscal and data reporting requirements applicable to the covered programs under both NCLB and the ESSA.²

² To ensure that the OSS performance review process did not interfere with an SEA's transition to the ESSA requirements, in fiscal years (FYs) 2016 and 2017 the OSS reviewed for compliance fiscal and select program requirements applicable to covered programs under NCLB and ESSA, as well as the uniform administrative requirements and general management systems of SEAs. The number of program requirements under review increased in subsequent years and will result in a comprehensive review of fiscal and program requirements in FY 2019. Because this report of FY 2018 summarizes the results of a non-comprehensive set of ESSA and, where applicable, NCLB compliance requirements, the issuance of this report does not preclude other Department program offices, or independent auditors, from identifying areas of noncompliance that are not outlined in this report. In addition, as part of the FY 2018 Performance Review, the OSS asked Michigan to complete a self-assessment and provide supporting documentation on the State's implementation of a number of accountability-related requirements. Recognizing that many States were not yet implementing their new accountability systems in alignment with new requirements under the ESEA, as amended by ESSA, or their approved State Plans in the 2017-2018 school year, the OSS only reviewed sections of the self-assessment and documentation that related to requirements that were applicable.

Section I: State Overview

As part of this document the OSS includes relevant State background information as a way of providing context for the review conversation. All data presented in Section I are reported by grantees to either the National Center for Education Statistics (NCES), Common Core of Data (CCD), or through standard oversight activities.

Section II: Grant Administration and Fiscal Management Performance Evaluation

The information provided in Section II is intended to help a State quickly assess whether there are sufficient capacities, infrastructure, and resources allocated to State activities by area, in a manner that enables the State to achieve its strategic goals for the reviewed Federal programs. The section provides the State and the OSS' rating of performance on grant administration of applicable Title I, Part A; Title II, Part A; Title III, Part A; and School Improvement Grant programs in FY 2017. Each area rating is a reflection of how a State is addressing fiscal and cross program requirements. The State rating column is populated based on the self-assessment completed by the State prior to the review. OSS' analysis for each area is primarily based on evidence submitted by the State in the form of answers to the self-assessment questions, documents submitted by the State prior to the review, and the responses provided to questions during the review.

OSS' rating is also informed by evidence collected through public sources and other components of the performance review process. In some cases area ratings may overlap (e.g., Risk Assessment and Procurement) and feedback is provided in the cross-cutting subsection that appears at the end of Section II.

Ratings are based on a four-point scale, for which “met requirements with commendation” represents high quality implementation where the grantee is exceeding expectations; “met requirements” indicates that work is of an acceptable quality and the grantee is meeting expectations; “met requirements with recommendations” indicates there are quality implementation concerns and some improvements could be made to ensure the grantee continues to meet expectations; and “action required” indicates there are significant compliance or quality concerns that require urgent attention by the SEA and will be revisited until the State has remedied the issue.

Section III: Met Requirements with Commendation



This section highlights the areas where the State has exceeded requirements and is commended on the grant administration and fiscal management as identified in Section II of this report (*i.e.*, those areas categorized as “met requirements with commendation”). In addition, this section provides an opportunity for the OSS to highlight those areas where the State has implemented an innovative or highly successful system or approach. In these areas, the OSS is not recommending or requiring the State to take any further action.

Section IV: Met Requirements



This section identifies those areas where the OSS has determined that the State has met basic requirements of grant administration and fiscal management and is implementing those requirements in a satisfactory manner as identified in Section II of this report (*i.e.*, those areas categorized as satisfactory quality, “met requirements”). The description of satisfactory implementation by relevant area and requirement is an indication of an acceptable implementation quality level. In these areas, the OSS is not recommending or requiring the State to take any further action.

Section V: Met Requirements with Recommendations



This section identifies those areas where the OSS has quality implementation concerns related to grant administration and fiscal management as identified in Section II of this report (*i.e.*, those areas categorized as quality concerns, “met requirements with recommendations”). In these instances, the OSS is determining that the State is currently complying with requirements, but that improvements could be made to improve the efficiency or effectiveness of operations. Identified issues are grouped according to relevant area and requirement, with citations provided. For each issue listed, the OSS will provide a recommendation for improvement, but is not requiring the State to take any further action.

Section VI: Action Required



This section identifies those areas where the OSS has “significant compliance and quality concerns” (corresponds to “action required” in Section II). For those issues the OSS will outline the current practice, the nature of noncompliance, and the required action. Documentation of required action must be provided to the OSS within thirty (30) business days of the receipt of the final Performance Review Report.

State Overview³



COVERED GRANT PROGRAMS

TITLE I, PART A; TITLE II, PART A (TITLE II); TITLE III, PART A (TITLE III), SCHOOL IMPROVEMENT GRANTS (SIG)



STUDENT CHARACTERISTICS

Enrolled:	1,528,666	Limited-English Proficiency: ⁴	5%
In Title I Schools: ⁵	40.5%	Eligible for Free & Reduced Lunch:	44.4%



RACIAL/ETHNIC BACKGROUND (%)

White:	66.6	Asian or Pacific Islander:	3.3
Hispanic:	7.7	American Indian/Alaskan Native:	0.6
Black:	18	Native Hawaiian/Other Pacific Islander:	.1



SCHOOL & LOCAL EDUCATIONAL AGENCY (LEA) CHARACTERISTICS

School Districts:	904	FTE Teachers:	83,597
Schools:	3,462	Per-Pupil Expenditures: ⁶	\$11,051
Charter Schools:	376		



FEDERAL FUNDING⁷

Total:	\$593,957,643	Title III, Part A:	\$ 12,289,474
Title I, Part A:	\$ 488,199,487	SIG: ⁸	\$13,991,362
Title II, Part A:	\$ 76,804,084		

³ Data Source: The Department, CCD, 2016-2017 school year, unless otherwise noted (see <http://eddataexpress.ed.gov/> and <http://nces.ed.gov/ccd/elsi/> for additional information).

⁴ Data from 2014-2015.

⁵ Schools eligible for Title I, Part A schoolwide programs are also included in the count of all Title I, Part A eligible schools. A Title I, Part A eligible school is one in which the percentage of children from low-income families is at least as high as the percentages of children from low-income families served by the LEA as a whole or because 35 percent or more of the children in the school are from low-income families. A schoolwide Title I, Part A eligible school has a percentage of low-income students that is at least 40 percent.

⁶ Data Source: The Department, NCES, CCD, "National Public Education Financial Survey (State Fiscal)", 2013-2014 (Fiscal Year 2014), v.1a. (see <http://nces.ed.gov/ccd/elsi/> for additional information).

⁷ FY 2018 funds included above are from OSS administered programs that allocate funds to States using a statutory formula. The totals do not reflect all Department funds that flow to a State. States and other entities may also receive funds from grants that are awarded on a competitive basis.

⁸ FY 2015

NAEP Average Scale Scores by Grade & Year

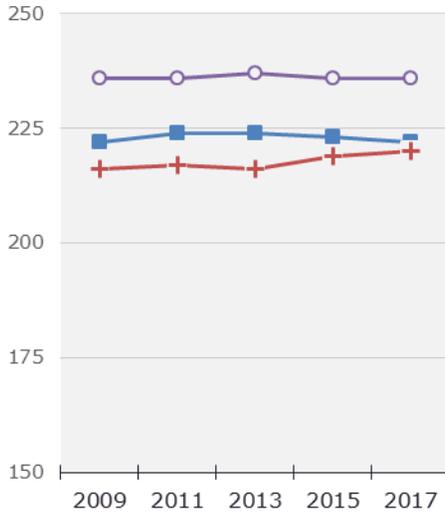
The National Assessment of Educational Progress (NAEP) is the largest nationally representative and continuing assessment of what America's students know. The NAEP mathematics and reading scales range from 0–500.

- All
- Low-income students
- + EL students

Grade 4

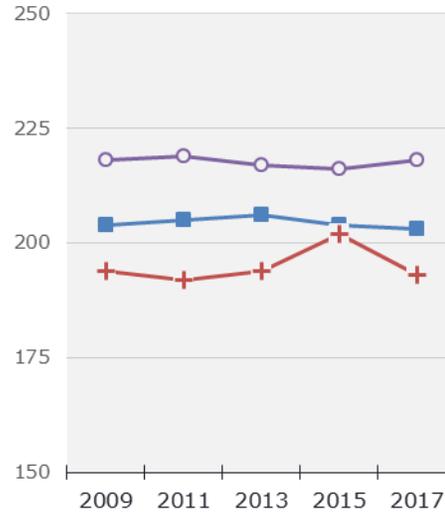
Math

Proficient ≥ 249



Reading

Proficient ≥ 238



Grade 8

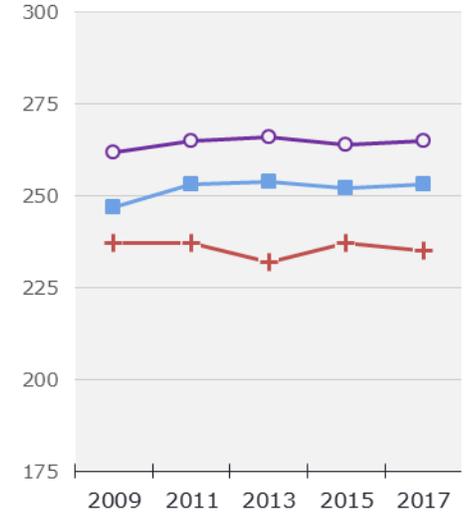
Math

Proficient ≥ 299



Reading

Proficient ≥ 281



	All	Low-Income	EL
2009	236	222	216
2011	236	224	217
2013	237	224	216
2015	236	223	219
2017	236	222	220

	All	Low-Income	EL
2009	218	204	194
2011	219	205	192
2013	217	206	194
2015	216	204	202
2017	218	203	193

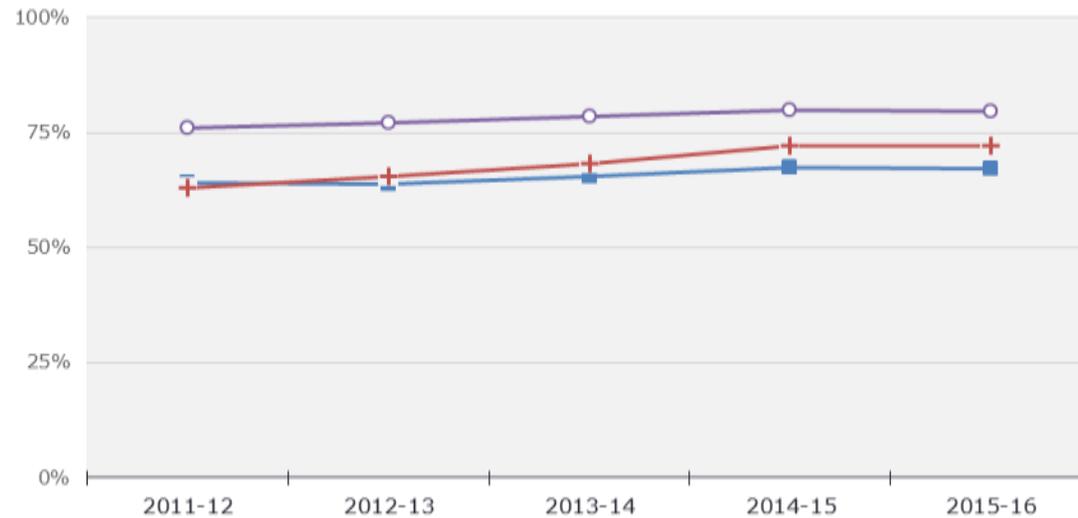
	All	Low-Income	EL
2009	278	260	256
2011	280	266	261
2013	280	265	240
2015	278	263	258
2017	280	261	242

	All	Low-Income	EL
2009	262	247	237
2011	265	253	237
2013	266	254	232
2015	264	252	237
2017	265	253	235

ADJUSTED COHORT GRADUATION RATE (ACGR) BY SCHOOL YEAR

The four-year adjusted cohort graduation rate is the number of students who graduate in four years with a regular high school diploma divided by the number of students who form the adjusted cohort for the graduating class. From the beginning of 9th grade (or the earliest high school grade), students who are entering that grade for the first time form a cohort that is “adjusted” by adding any students who subsequently transfer into the cohort and subtracting any students who subsequently transfer out, emigrate to another country, or die. There are some differences in State implementation of the ACGR requirements, leading to the potential for differences across in how rates are calculated. See <http://www2.ed.gov/admins/lead/account/consolidated/index.html> for additional information on interpreting this data)

- All
- Low-income students
- + EL students



	All	Low Income	EL
2011-12	76.0%	64.0%	63.0%
2012-13	77.0%	63.9%	65.4%
2013-14	78.6%	65.6%	68.2%
2014-15	79.8%	67.5%	72.1%
2015-16	79.7%	67.1%	72.1%

SECTION II

Grant Administration and Fiscal Management Evaluation

Dates of Review	October 15 – October 18, 2018
Reviewers	Tahira Rashid (Office of State Support) Jessica McKinney (Office of State Support) Dan Behrend (Office of State Support) Jim Butler (Office of State Support) John Keefer (Management Support Unit) Shane Morrissey (Management Support Unit) Jed Sorokin-Altman (Management Support Unit)
LEA Participants	Dearborn City School District (Dearborn, MI) Caesar Chavez Academy (Detroit, MI)
Current Grant Conditions	Title I, Part A: Michigan must demonstrate that its standards and assessment system meets all requirements under section 1111(b)(1) and (2) of the (ESEA) Title II, Part A: None Title III, Part A: None SIG: None
Outstanding Findings	Title I, Part A: None Title II, Part A: None Title III, Part A: None SIG: None
High Risk Status	Not Applicable

Assessment Criteria Key



Met requirements with commendation

High quality implementation & compliance.



Met requirements

Satisfactory implementation & compliance.



Met requirements with recommendation

Satisfactory compliance with quality concerns.



Action required

Significant compliance & quality concerns.



		SEA	OSS
Accounting Systems and Fiscal Controls	A	●●○○	●●●○
Period of Availability and Carryover	B	●●●○	●○○○
Internal Controls (Control Environment and Control Activities)	C	●○○○	●●●○
Audit Requirements	D	●●●○	●●●○
Records and Information Management	E	●●●○	●●●○
Equipment Management	F	●●●○	●●○○
Personnel	G	●●●○	●●●○
Procurement	H	●●●○	●●●○
Indirect Costs	I	●●●○	●●●○
Charter School Authorization and Oversight	J	●●●●	●●●○
Reservations and Consolidation	K	●●○○	●●○○
Budgeting and Activities	L	●●●○	●●●○
Allocations	M	●●●●	●●●○
Risk Assessment	N	●●○○	●●●○
Subrecipient Monitoring	O	●●●●	●●●○
LEA Support and Guidance	P	●●●○	●●●○
Supplement Not Supplant	Q	●○○○	●●●○
Maintenance of Effort (MOE)	R	●●●●	●●○○
Comparability	S	●●●○	●●●○
Equitable Services	T	●●●●	●●●○
Data Quality	U	●●●●	●●●○
Transparency and Data Reporting	V	●●●●	●●●○
State Plan	W	●●○○	●○○○

Public School Choice	X	<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="radio"/> <input type="radio"/>	<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="radio"/> <input type="radio"/>
Indicators	Y	No Response	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
Annual Meaningful Differentiation	Z	No Response	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
1003(a) School Improvement	AA	<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="radio"/> <input type="radio"/>	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>
Support and Improvement Plans	BB	<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="radio"/> <input type="radio"/>	<input type="radio"/> <input type="radio"/> <input type="radio"/> <input type="radio"/>

SECTION III

Met Requirements with Commendation

SECTION IV

Met Requirements

A.

ACCOUNTING SYSTEMS AND FISCAL CONTROLS



REQUIREMENT SUMMARY

An SEA shall expend and account for Federal funds in accordance with State laws and procedures for expending and accounting for State funds. State accounting systems must satisfy Federal requirements regarding the ability to track the use of funds and permit the disclosure of financial results. SEAs must have written procedures for determining cost allowability and must maintain effective control over all funds.

Uniform Guidance 2 C.F.R. 200.302

EDGAR 34 C.F.R. 76.702



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

MDE stated that it accounts for, and expends, its Federal funds using the same system it uses for expending and accounting for its State funds. Each grant is assigned a program finance manager who reviews and monitors what is spent throughout the year. When the program finance manager receives an LEA's spending plan, they prepare the grant spending plan and administrative spending plan.

Every item LEAs want to purchase or otherwise spend money on must be approved by MDE in the application process. MDE also creates cost allowability sheets, which are used to review the allowability of LEA requests based on Federal requirements.

MDE's accounting system includes controls to prevent inappropriate charges to grant programs. The system does not allow duplicate invoice numbers to be paid, and MDE monitors the system to ensure that expenses do not exceed the approved budget. Additionally, the budget is monitored throughout the year.

C.

INTERNAL CONTROLS



REQUIREMENT SUMMARY

The SEA shall establish and maintain a system of effective internal controls over Federal awards that provides reasonable assurance that the SEA is managing Federal awards in compliance with Federal statutes, regulations, and the terms and conditions of Federal awards. These internal controls should be in accordance with guidance stated in the "Standards of Internal Control in the Federal Government" (GAO Green Book) or the "Internal Controls Integrated Framework" (Treadway Commission).

Uniform Guidance 2 C.F.R. §200.303



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

Every two years, MDE undergoes an internal control evaluation. MDE's leadership gives Michigan's governor a report listing areas in which there are no material weaknesses and areas in which there are material weaknesses with a corrective action plan to fix them. The report is compiled by MDE's staff and reviewed by the State's Office of Internal Audit Services (an independent office that is not part of MDE).

D.

AUDIT REQUIREMENTS



REQUIREMENT SUMMARY

An SEA is responsible for both resolving the audit findings of subrecipients and for conducting audit follow-up activities and corrective actions for findings from the SEA's yearly Single Audit. An SEA is also required to ensure that subrecipients who meet the audit threshold are audited and the audits are reported according to established timelines.

Uniform Guidance 2 C.F.R. §200.303(d)(2), §200.331(d)(3), §200.331(f), §200.511(a), §200.512, and §200.521(c)



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

MDE uses a spreadsheet to track when subrecipients audits were received and when management decisions were issued. MDE reviews all LEA audits and, if there are findings involving Federal funds, MDE's auditors use the grants management system to alert the appropriate program office of the finding, any questioned costs, and to solicit program office feedback on the resolution of the finding(s). MDE reviews corrective plans, determines if there are repeat findings, determines if there are questioned costs that need to be recovered, and issues a management decision letter. Program offices also use the existence of an audit finding to inform their risk analyses and monitoring plans.

E.

RECORDS AND INFORMATION MANAGEMENT



REQUIREMENT SUMMARY

An SEA shall keep records that fully show the amount of funds under a grant award or subgrant, how the SEA used the funds, the total costs of Federally supported projects, the share of costs provided from other sources, records to show compliance with program requirements, and any other records needed to facilitate an effective audit. An SEA shall also take reasonable measures to safeguard and protect personally identifiable information (PII). PII is information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual

Uniform Guidance 2 C.F.R. 200.79, 200.303(e), §200.333, §200.336(a)

EDGAR 34 C.F.R. §76.730-731



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

Michigan's Department of Technology, Management and Budget (DTMB), an independent statewide agency, drafts and issues policies and procedures governing records and information management for state agencies and their employees. DTMB monitors all electronic systems within State government and contracts with an outside vendor to provide training on personally identifiable information, hacking, and other information technology issues.

MDE's cash management system requires security forms be filled out for both internal and external users to gain access, and supervisory review is required before access is granted. Security audits are performed on a regular basis and access is terminated for users who do not take requisite trainings.

G.

PERSONNEL**REQUIREMENT SUMMARY**

An SEA shall ensure that charges to Federal awards for salaries are based on records that accurately reflect the work performed. These records must be supported by a system of internal controls which provide reasonable assurance that the charges are accurate, allowable, and properly allocated.

Uniform Guidance 2 C.F.R. §200.430

**DESCRIPTION OF SATISFACTORY IMPLEMENTATION**

MDE uses the Statewide Integrated Governmental Management Application (SIGMA) to track employee time and funding sources. Employees enter their time into SIGMA by the hour and enter the appropriate funding code for their work. Each manager is required to check employees' time and effort reporting and reconcile it with employees' calendars before approving the timesheets. MDE reviews employee time and effort on a quarterly basis. MDE also reviews LEA personnel expenditures. MDE receives a list of LEA personnel paid with Federal funds and, during monitoring reviews of LEAs, MDE examines whether there are appropriate personnel activity reports and any other required certifications.

H.

PROCUREMENT**REQUIREMENT SUMMARY**

An SEA shall ensure that all relevant State procurement procedures are followed when procuring goods and services using Federal funds. An SEA must also maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specification of their contracts.

Uniform Guidance 2 C.F.R. §200.317, §200.322, and §200.326

**DESCRIPTION OF SATISFACTORY IMPLEMENTATION**

DTMB maintains policies and procedures for expenditures that are made by MDE. Prior to a purchase or expenditure, MDE management performs a review and issues a bid for any project or purchase over \$2,500. A team at MDE evaluates the bids and makes a final recommendation for a contract to be signed by the executive office.

MDE reviews subrecipient policies/procedures as well as a sample of LEA procurement transactions during subrecipient monitoring. MDE reviews to ensure LEAs have only been making purchases for allowable items or services. During monitoring, MDE reviews the LEA's general ledger as well as the details for 25-45 expenditures. If a transaction was misclassified or the wrong function code was listed, it will be flagged by MDE.

I.

INDIRECT COSTS



REQUIREMENT SUMMARY

An SEA shall ensure that indirect costs are only charged at the correct indirect cost rate. An indirect cost is a cost that is incurred for the benefit of the entire organization.

Uniform Guidance 2 C.F.R. §200.414

EDGAR 34 C.F.R. §76.560-569



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

MDE prepares LEA indirect cost rates using historical financial data. For any new LEAs, indirect cost rates are prepared based on proposed operating budgets. LEAs annually submit data to the Financial Information Database (FID) and MDE compares this to each LEA's audited financial statements. MDE then performs an analysis of changes in year-to-year expenditures and revenue data. MDE uses the FID as the basis for the calculation of indirect cost rates.

J.

CHARTER SCHOOL AUTHORIZATION AND OVERSIGHT



REQUIREMENT SUMMARY

The SEA provides information on OSS programs (i.e., allocations; applications; and requirements, including requirements for proper disposition of equipment and property) to all charter schools and LEAs and Charter Management Organizations (CMOs) or Education Management Organizations (EMOs) that oversee charter schools, has established internal controls related to the charter schools' relationships with their CMOs/EMOs, and has clear procedures that are systematically monitored for orderly closure, where applicable.

ESEA §1122(c) and 1125A(g)(3)

EDGAR 34 C.F.R. §74.42, §74.45-46, §74.48, §75.525(a), §75.525(b), and §80.36(b)

Uniform Guidance 2 C.F.R. §200.318(c)

Final Audit Report: ED-OIG/A02M0012



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

Charter schools in Michigan operate as independent charter LEAs and are referred to as Public School Academies (PSAs). Because PSAs have the status of independent LEAs, MDE provides grant information and technical assistance to PSAs in the same format as it does to traditional LEAs.

MDE staff conduct annual application workshops to assist LEAs and PSAs in planning for the use of grant funds and completing consolidated grant applications. MDE also provides PSAs training on the use of the electronic grants management system. In order to ensure that information is provided timely to new PSAs, all new PSAs must provide 120-day notice to MDE of intent to begin operations.

Under MDE policies, when a PSA notifies the SEA that it is planning to close, MDE staff must contact the school to determine its future course of action and outline the process that must be followed in the event of a closure. MDE staff are required to provide a checklist for closure to the PSA. When a PSA begins the closure process, it must notify MDE in writing of the initial plan for dissolution of the PSA and a plan for transferring the assets of the PSA to the Michigan State Treasury.

L.

BUDGETING AND ACTIVITIES



REQUIREMENT SUMMARY

An SEA and its subrecipients can only use program funds for allowable costs, as defined in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 C.F.R. §200), which include, among other things, the requirement that costs be reasonable and necessary for the accomplishment of program objectives.

Uniform Guidance 2 C.F.R. §200.403-408 and §200.420-475

EDGAR 34 C.F.R. §76.530



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

MDE developed and uses a consolidated application system, Michigan Electronic Grant System (MEGS), for LEAs to submit consolidated plans and program budgets for review and approval. MDE consultants review each budget, line-by-line, for the Title I, Title II, and Title III programs. During the review process, MDE consultants flag questionable activities for LEAs to correct or clarify. Following approval by MDE consultants, MDE finance and data staff review and any identified errors are sent to consultants for review and resolution. MDE management conduct randomized validation of MDE consultant reviews. MDE conducts norming sessions with consultants to ensure consistency in review and provide consultants with further training on allowable uses of funds. MDE provides consultants with protocols that contain examples and guidance on program requirements. MDE reviews applications and grant drawdowns on at least monthly basis.

LEAs submit consolidated plan and budget amendments through MEGS and MDE conducts the same submission, review, and approval process used for the original plan and program budgets. MEGS includes help screens for LEA and MDE consultants.

MDE provides guidance on program requirements through a Title I conference, protocols, and guidance available on the MDE website, technical assistance visits, a spring workshop, and MDE consultants.

M.

ALLOCATIONS



REQUIREMENT SUMMARY

SEAs shall ensure that, when subawarding funds to LEAs or other subrecipients, it makes subawards in accordance with applicable statutory requirements (including requirements related to the process for subawarding funds and the amounts to be subawarded to individual subrecipients).

ESEA §1124, §1124A, §1125, §1126(b), §2121, §2122(a), §2132, §3111(b)(1), §3114, §3116(a), §1003(g)(5), and §1003(g)(7).

EDGAR 34 C.F.R. §76.50-51, §76.300, and §76.789



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

MDE follows internal policies and procedures to calculate subaward amounts for covered programs. MDE uses the Department's non-regulatory guidance, Federal data for LEAs, equated poverty percentages based on school lunch counts, and the enrollment rate for charter LEAs to calculate within-state allocations. MDE confirms the accuracy of within-State allocations by comparing the calculations in two programs (SAS and Excel). MDE posts LEA allocations on its website. MDE consultants review within-LEA allocations as a preliminary step in the consolidated application review process.

N.

RISK ASSESSMENT



REQUIREMENT SUMMARY

In order to determine the appropriate method and level of subrecipient monitoring, an SEA shall evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward.

Uniform Guidance 2 C.F.R. §200.331(b)



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

MDE assesses LEAs using 13 risk indicators and assigns each LEA a numerical risk score. MDE consultants follow written procedures to calculate a numerical risk score. The process includes opportunities for MDE consultants, who are frequently on-site in LEAs, to provide additional context. The risk assessment is used to determine which LEAs MDE monitors.

O.

SUBRECIPIENT MONITORING



REQUIREMENT SUMMARY

An SEA shall monitor local educational agencies (LEAs) and any other entities, including external providers, receiving Federal funds from programs covered in the Consolidated State Plan to ensure that performance goals are achieved and that subawards are used for authorized purposes and in compliance with Federal statutes, regulations, and the terms and conditions of Federal awards.

Uniform Guidance 2 C.F.R. §200.331(d)



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

MDE monitors LEAs at multiple points in the grant cycle. Through the consolidated application review process, using MEGS, MDE monitors LEAs for compliance with program requirements and provides technical assistance and guidance. MDE also regularly monitors its accounting systems to ensure that LEAs are making timely drawdowns and MDE consultants contact LEAs when discrepancies are identified. MDE conducts on-site monitoring on a five-year cycle and prioritizes LEAs based on the risk assessment.

MDE staff monitor LEAs on programmatic and fiscal requirements. As part of monitoring, MDE notifies LEAs of any corrective actions required. Corrective actions are expected to be completed within a year and MDE staff follow up with LEAs to ensure the necessary corrective action is implemented.

P.

LEA SUPPORT AND GUIDANCE



REQUIREMENT SUMMARY

An SEA shall have procedures for providing technical assistance and evaluating how project funds were spent, if they were spent in compliance with statutes and regulations, and if expected outcomes were achieved as a result of spending.

EDGAR 34 CFR 76.770



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

MDE reviews and approves LEA consolidated applications in MEGS following MDE policies and procedures. During the consolidated application review, MDE provides LEAs with feedback and technical assistance. MDE provides guidance on Federal requirements in statewide and regional trainings, including a Title I conference. MDE provides guidance documents on its website. MDE assigns consultants to a set of LEAs to provide ongoing technical assistance and guidance. MDE also provides guidance through webinars and a weekly Thursday email blast. MDE recently began surveying LEAs about their technical assistance needs.

Q.

**SUPPLEMENT NOT
SUPPLANT****REQUIREMENT SUMMARY**

The State and its subgrantees must ensure that funds from the Title I, Part A, Title II, Part A and Title III, Part A programs are used to supplement not supplant State and local funds (as well as other Federal funds for the Title III, Part A program).

ESEA §1114(a)(2)(B), §1120A(b), §2113(f), §2123(b), and §3115(g)

EDGAR 34 C.F.R. §200.79

**DESCRIPTION OF SATISFACTORY IMPLEMENTATION**

MDE reviews applications and amendments for compliance with the supplement, not supplant requirements and includes a review of supplement, not supplant as part of its monitoring. MDE also posts guidance and FAQs on its website.

S.

COMPARABILITY



REQUIREMENT SUMMARY

The SEA may only provide Title I, Part A funds to an LEA if State and local funds will be used in schools served by Federal programs to provide services that, on the whole, are at least comparable to services in schools that are not receiving Title I funds.

ESEA §1120A(c)



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

MDE reviews LEAs on a two-year cycle for compliance with the comparability requirements. MDE gathers data and verifies compliance by mid-December. LEAs have until mid-January to come into compliance. MDE recently updated MEGS to make the necessary calculations, which should simplify the process. MDE provides technical assistance to LEAs through trainings, conferences, email blasts, and its consultants.

T.

EQUITABLE SERVICES



REQUIREMENT SUMMARY

An SEA shall ensure that LEAs use Federal funds to provide benefits to eligible children enrolled in private schools and to ensure that teachers and families of participating private school children participate on an equitable basis.

ESEA §1117, §8501

ESEA Regulations 34 C.F.R. 299.6, 34 C.F.R. 299.9

Title I Regulations 34 C.F.R. 200.62-67

EDGAR 34 C.F.R. 76.661



DESCRIPTION OF SATISFACTORY IMPLEMENTATION

MDE notifies private school officials of allocation amounts through the MDE website. The consolidated application process includes a worksheet on equitable services amounts that are reviewed and approved by MDE staff. MDE requires LEAs to provide assurances that timely and meaningful consultation with private school officials occurred. MDE provides guidance through its website, trainings, annual conference, communication with the Michigan Association of Non-public Schools, and a non-public school advisory group.

U.

DATA QUALITY



REQUIREMENT SUMMARY

An SEA is required to have appropriate procedures in place to ensure that the data reported to the public and the Department are high quality (i.e., timely, complete, accurate, valid, and reliable).

ESEA §1111(h) (4)

Government Accountability Office's "Standards for Internal Control in the Federal Government" (GAO Green Book)

Uniform Guidance 2 CFR 200.303 and 2 CFR 200.328(b)

OMB Circular A-133 Compliance Supplement: Department of Education Cross-cutting Section

Final Audit Report: ED-OIG/A0600001

DESCRIPTION OF SATISFACTORY IMPLEMENTATION

The Center for Educational Performance and Information (CEPI), a separate agency from MDE, serves as the data arm for MDE. CEPI, along with MDE, provide technical assistance to LEAs to ensure appropriate procedures are in place so that data reported to the public and the Department are high quality. MDE has procedures to ensure data quality.

CEPI is responsible for initiating all information for the school data system. CEPI provides targeted technical assistance to LEAs to explain reporting requirements. These documents are regularly updated. To support LEAs, MDE and CEPI provides timelines, an MDE calendar of deadlines and technical assistance events, regular Thursday communications, and student-level and educator-level data manuals to ensure LEAs understand reporting requirements.

MDE and CEPI also created a "data hub", a partnership with the independent school districts (ISD) used to encourage districts to upload all data, including additional data that is not required by Federal statute. This data is used to help local districts operate and apply for grants. MDE reported that the data hub is more widely utilized in the State by larger districts, while 10 percent of charter schools use the system.

To ensure data is of high quality, MDE provides training at the winter assessment conference and CEPI also provides separate training throughout the year. To ensure that reported data are accurate and complete, CEPI has a system to certify internal controls for data. CEPI performs an audit of student data. If this process results in findings, MDE works with the ISD to clear up any findings. CEPI also uses a help desk and email and has staff available to provide additional technical assistance to LEAs to help resolve data quality issues.

V.

TRANSPARENCY AND DATA REPORTING



REQUIREMENT SUMMARY

An SEA and its LEAs are required to prepare and annually disseminate report cards that include all required elements to the public in a timely manner.

ESEA §1003(f) and §1111(h)(1)

Title I Regulations 34 C.F.R. §200.11, §200.19(b)

DESCRIPTION OF SATISFACTORY IMPLEMENTATION

MDE uses extensive outreach to support data reporting, including focus groups, public surveys, and an online system created through an extensive focus group, to gather input from parents and other stakeholders to prepare and disseminate report cards that include all required elements to the public in a timely manner. MDE includes only students who receive the State's regular high school diploma when calculating the adjusted cohort graduation rate for purposes of Federal reporting and accountability.

MDE is responsible for publishing and hosting LEA report cards. Report cards are available in the late fall www.mischooldata.org after the release of the accountability results.

X.

PUBLIC SCHOOL CHOICE**REQUIREMENT SUMMARY**

An LEA may provide all students that are enrolled in a school identified by the State for comprehensive support and improvement in accordance with ESEA section 1111(c)(4)(D)(i) with the option to transfer to another public school served by the LEA, unless prohibited by State law. The LEA must permit the student who transfers to another school to remain in that school until the student has completed the highest grade at that school. In providing students the option to transfer to another public school, the LEA must give priority to the lowest-achieving students from low-income families.

ESEA §1111(d)(1)(D)

**DESCRIPTION OF SATISFACTORY IMPLEMENTATION**

MDE reported that State law does not prohibit an LEA from providing public school choice in accordance with ESEA section 1111(c)(4)(D)(i). MDE does not provide explicit guidance related to implementing this provision. State law provides for students to enroll in schools of their choice where space is available and some districts have within-district transfer options.

SECTION V

Met Requirements with Recommendation

F.

EQUIPMENT MANAGEMENT



REQUIREMENT SUMMARY

An SEA shall use, manage and dispose of equipment and supplies purchased using Federal funds in accordance with all relevant State laws and procedures. SEAs shall also ensure that equipment and supplies are used only for authorized purposes of the project during the period of performance (or until no longer needed).

Uniform Guidance 2 C.F.R. §200.313-314

GAO Green Book Principle 10.03



ISSUE

During the review, MDE stated that it generally purchases technology with Federal funds, which is classified as equipment. All purchases made by MDE are initially sent to the DTMB and then sent to MDE. Additionally, MDE looks at LEA inventory lists and verifies the location of equipment during subrecipient monitoring.

While MDE was able to describe its equipment management processes during the review, it was unable to provide documentation illustrating those processes. A lack of documentation of policies and procedures can put an SEA at risk for noncompliance with federal requirements related to equipment and supplies management.



RECOMMENDATION

The Department recommends that MDE develop written policies and procedures that:

1. Demonstrate how MDE monitors the use of equipment and supplies it has purchased with Federal funds to ensure that all relevant policies and procedures are followed and that equipment is used only for authorized purposes;
2. Describe how MDE protects vulnerable assets and investigates instances where items purchased have been damaged, lost, or stolen; and
3. Demonstrate how MDE ensures that equipment and supplies inventories are accurate and up to date.

K.

RESERVATIONS AND CONSOLIDATION



REQUIREMENT SUMMARY

The SEA shall ensure that the amount of program funds reserved for administration and other State activities does not exceed statutory limits for each program. SEAs are permitted to consolidate the administrative set-asides from several ESEA programs (Title I, Title IIA, Migrant Education Program, Negligent and Delinquent Youth Program, Rural and Low Income Schools Program, and the 21st Century Community Learning Centers Program) in order to administer them collectively.

ESEA §1003(a), §1003(g)(8), §1004(a)(1), §2113(c), §2113(d), §3111(b)(3), and §9201(a)

EDGAR 34 C.F.R. 299.4



ISSUE

MDE verifies that reservations comply with the requirements of the ESEA when it develops a grant spending plan. As part of this verification process, MDE relies on its SEA regulations that cover reservation requirements. MDE updated its regulations to reflect changes to the ESEA made by the ESSA. MDE also monitors compliance with reservation requirements through its accounting system, SIGMA. Now in its second year of using SIGMA, MDE is still working with SIGMA developers to ensure the system matches program needs. MDE also uses its Federal Line of Credit (FLOC) system to monitor budgets and obligations, including reservation amounts, on a weekly basis. As part of its cash flow management and accounting processes, MDE uses SIGMA and FLOC to prevent against excess expenditures, including for reservations. MDE does not consolidate administrative funds.



RECOMMENDATION

The Department recommends that MDE should continue to work on refining SIGMA to ensure the system meets its programmatic needs and further assist MDE in ensuring reservations meet the ESEA requirements and safeguard against excess expenditures.

R.

MAINTENANCE OF EFFORT



REQUIREMENT SUMMARY

An SEA shall ensure that each LEA shall have an amount of funding not less than 90% of the amount available the preceding year.

ESEA §9521

EDGAR 34 C.F.R. 299



ISSUE

MDE ensures compliance with maintenance of effort requirements on an annual basis. MDE collects necessary data during a comprehensive data collection in November. Where MDE determines an LEA is out of compliance, MDE assists the LEA with submitting a waiver request. MDE does not provide any notification to LEAs that are in compliance with the requirements. MDE maintains a page on its website about the requirements, the process for review, and the consequences of non-compliance.



RECOMMENDATION

The Department recommends that MDE consider notifying LEAs of MDE's determination that they are in compliance with maintenance of effort requirements. MDE could use this notification as an opportunity to remind compliant LEAs of the requirements and avoid future non-compliance.

SECTION VI

Action Required

B.

PERIOD OF AVAILABILITY AND CARRYOVER

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REQUIREMENT SUMMARY

The SEA may only charge a grant program for allowable costs incurred during the period of availability and any pre-award costs that have been authorized by the Department. Unless the Department authorizes an extension, the SEA shall liquidate all obligation incurred under the award not later than 90 calendar days after the end date of the performance period. If the SEA fails to obligate all funds by the end of the award year, it can "carryover" the remaining funds for a period of one additional fiscal year. Any funds not obligated by the end of the carryover period shall be returned by the SEA to the Federal government as an unobligated balance.

Uniform Guidance 2 C.F.R. §200.309 and §200.343(b)

EDGAR 34 C.F.R. §76.707 and §76.709



ISSUE

Under Uniform Guidance 2 CFR §200.343, LEAs must liquidate all obligations incurred under the Federal award no later than 90 calendar days after the end of an award's period of availability, unless the Department or MDE authorizes an extension (2 C.F.R. 200.343). While an SEA may have some discretion to request that subrecipients submit final payment requests in advance of the 90 days allowed under the Uniform Guidance in order to allow time for processing, such requests must be reasonable and allow subrecipients sufficient time to ensure that all claims can be submitted for repayment.

During the review, MDE noted that the deadline for subrecipients to submit payment requests for an expiring award is November 30, which reflects a 60-day liquidation period following the expiration of the period of availability on September 30. While the Department recognizes the importance of timely financial reporting and the burden associated with processing high numbers of subrecipient payment request, reducing the liquidation period by 30 days is an excessive restriction of the liquidation period.

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REQUIRED ACTION

Within 30 business days of receiving this report, MDE must provide the Department with evidence that it has amended its processes to allow subrecipients greater time to submit payment requests during the liquidation period. While MDE has some discretion to select a date for submission of final

payment requests that ensures sufficient time for processing all payment requests prior to the expiration of the liquidation period, such a date must allow the maximum time feasible for subrecipients to submit payment requests. MDE must also provide evidence that it has communicated the new liquidation period dates to all subrecipients.

W.

STATE PLAN



REQUIREMENT SUMMARY

Each SEA shall file a plan with the Secretary that is developed by the SEA with timely and meaningful consultation with certain individuals and groups, as specified in ESEA section 1111(a)(1)(A), and may submit a consolidated State plan for each of the covered programs in which the State participates and such other programs as the Secretary may designate. Each plan will remain in effect for the duration of the State's participation in the identified programs and shall be periodically reviewed and revised as necessary by the SEA to reflect changes in the State's strategies and programs. If a State makes significant changes to its plan at any time, such information shall be submitted to the Secretary in the form of revisions or amendments to the State plan.

ESEA §1111(a)(1)-(8), §8302



ISSUE

While the Department approved the MDE consolidated State plan on November 28, 2017, MDE indicated that data was not yet available to establish the calculation of the postsecondary enrollment indicator, one of several school quality and student success indicators. MDE indicated that it used the postsecondary enrollment indicator in the accountability determinations in March 2018 but the State has not yet updated its State plan accordingly.



REQUIRED ACTION

Within 30 business days of receiving this report, MDE must submit a plan and timeline for amending its State plan with regard to the postsecondary enrollment indicator, including to specify how this indicator is calculated based on long-term goals, such that the Department reviews and approves the amendment prior to MDE making accountability determinations based on data from the 2018-2019 school year.

Y.

INDICATORS



REQUIREMENT SUMMARY

An SEA must measure, on an annual basis, all required indicators for all students and each subgroup of students. For purposes of the academic achievement indicator, the SEA must ensure that at least 95 percent of all students and each subgroup of students are assessed annually on the State's reading/language arts and mathematics assessments.

ESEA §1111(c)(4)(B), §1111(c)(4)(E), §8101(23), §8101(25)



ISSUE

MDE provided business rules for its indicators as well as documentation showing results overall and by school. Based on the documentation provided, the business rules indicate that all indicators should be disaggregated by student subgroup if the subgroup meets the minimum number of students. However, in preliminary data documentation (provided during the review), it was not clear that MDE can disaggregate all of its indicators by student subgroup.



REQUIRED ACTION

ESEA section 1111(c)(4)(B) requires a State to annually measure each indicator for all students and separately for each subgroup of students. Within 30 business days of receiving this report, MDE must provide evidence that it can disaggregate each indicator by each subgroup of students.

Z.

ANNUAL MEANINGFUL DIFFERENTIATION



REQUIREMENT SUMMARY

A State must establish a system of annual, meaningful differentiation of all public schools in the State based on all indicators in the State's accountability system for all students and for each subgroup of students. Each academic indicator (academic achievement; "other academic" indicator for Elementary and Secondary schools that are not high schools; progress in achieving English language proficiency; and graduation rate for high schools) must receive substantial weight individually and, in the aggregate. Additionally, each academic indicator must receive much greater weight than the school quality or student success indicator(s), in the aggregate. The system must include the differentiation of any school in which any subgroup of students is consistently underperforming, as determined by the State, based on all indicators. Students must be included consistent with the partial attendance requirements in section 1111(c)(4)(F).

ESEA §1111(c)(4)(C), §1111(c)(4)(F)



ISSUE

MDE established index scores and identified schools for comprehensive or targeted support and improvement in March 2018. However, MDE did not identify schools in accordance with its approved State plan. In particular, MDE did not notify LEAs of schools requiring additional targeted support and improvement in a way that includes all schools that have any subgroup of students that performed as poorly as the schools identified for comprehensive support and improvement based on being among the lowest-performing five percent of Title I, Part A schools. Upon noticing this issue based on documentation provided in advance of the monitoring event, staff from the Department contacted MDE in August and September 2018 but MDE has not yet resolved the situation. In addition, MDE did not include in its system of annual meaningful differentiation those schools for which no accountability data are available.



REQUIRED ACTION

Within 30 business days of receiving this report, MDE must submit a plan and timeline to address the following two issues in time to amend its State plan that is reviewed and approved by the Department prior to MDE making accountability determinations based on data from the 2018-2019 school year:

1. ESEA section 1111(c)(4)(C) requires a State to establish a system of annual meaningful differentiation that includes all schools in the State. MDE must include all schools in its system of annual meaningful differentiation, including when schools do not have data available for the

accountability indicators typically used. MDE must submit an amendment to its State plan to reflect an alternative methodology for including such schools so that it meets this requirement.

2. ESEA section 1111(d)(2)(D) requires a State to notify an LEA of any schools served by the LEA identified for additional targeted support and improvement in which any subgroup of students, on its own, would lead to identification for comprehensive support and improvement based on being among the lowest-performing five percent of Title I, Part A schools. MDE utilized this definition when identifying schools for targeted support and improvement based on consistently underperforming subgroups. Instead, for additional targeted support, MDE included only schools for which three or more subgroups performed at the level of the lowest-performing five percent of Title I, Part A schools.

AA.

1003(a) SCHOOL IMPROVEMENT



ISSUE

MDE allocates 1003(a) school improvement grants by providing approximately 2/3 of them through formula grants and 1/3 through competitive grants. The formula grants support LEA work with schools identified for comprehensive support and improvement and require a needs analysis, which must identify a root cause. Funds awarded competitively support technical assistance through a consortium of LEAs.

Section 1003(e) describes the requirements for an application for 1003(a) school improvement funds. Such an application must describe how an LEA will develop comprehensive support and improvement plans. Since, at the time of the review, MDE did not require comprehensive support and improvement plans, MDE did not require this component. Rather, MDE leveraged general school plans required of all schools, but which do not meet all the requirements of a comprehensive support and improvement plan.



REQUIRED ACTION

ESEA section 1003(e)(1)(A) requires that an application for school improvement funds under section 1003(a) include a description of how an LEA will develop comprehensive support and improvement plans under ESEA section 1111(d)(1) for schools receiving 1003(a) funds. Since MDE does not require plans that meet all requirements of ESEA section 1111(d)(1)(B), it does not meet this requirement. Within 30 business days of receiving this report, MDE must provide evidence that it requires LEAs receiving support under ESEA section 1003(a) to complete and to use comprehensive support and improvement plans that meet all the requirements of ESEA section 1111(d)(1)(B). See Support and Improvement Plans section.

REQUIREMENT SUMMARY

An SEA shall allocate and oversee the administration of 1003(a) school improvement subgrants, so that LEAs and schools can effectively develop and implement comprehensive support and improvement and targeted support and improvement plans. The SEA must also conduct a rigorous review of 1003(a) subgrant applications to ensure that LEAs include all required elements.

ESEA §1003(a)-(f), §1111(d)(1)-(2)

BB.

SUPPORT AND IMPROVEMENT PLANS



REQUIREMENT SUMMARY

Upon receiving notification from the State that a school has been identified for comprehensive support and improvement, an LEA shall, for each school identified by the State and in partnership with stakeholders, develop and implement a comprehensive support and improvement plan. Comprehensive support and improvement plans must be informed by all indicators, be based on school-level needs assessments, include evidence-based interventions, and identify and address resource inequities. Comprehensive support and improvement plans must be approved by the school, LEA, and SEA. Upon approval and implementation, a comprehensive support and improvement plan must be monitored and periodically reviewed by the SEA. The SEA shall notify an LEA of any school served by the LEA that is identified for targeted support and improvement, and the LEA shall notify such identified schools. An SEA shall ensure LEAs serving targeted support and improvement schools oversee such schools in developing and implementing targeted support and improvement plans. Targeted support and improvement plans must be developed in partnership with stakeholders, and approved by the LEA. Targeted support and improvement plans shall be informed by all indicators, include evidence-based interventions, and shall result in additional action following unsuccessful implementation after a number of years determined by the LEA. If a school is identified for additional targeted support, an LEA shall ensure that the school's targeted support and improvement plan also identifies resource inequities to be addressed through targeted support and improvement plan implementation. Upon approval and implementation, a targeted support and improvement plan (including a targeted support and improvement plan for a school identified for additional targeted support) must be monitored by the LEA.

ESEA §1003(b)-(f), §1111(d)(1)-(2)



ISSUE

There is no evidence that MDE required support and improvement plans for schools identified for comprehensive support and improvement or receiving targeted support and improvement. Under State law, every school must complete an improvement plan but MDE does not review or approve such plans. In addition, Partnership Districts create LEA-level plans. However, MDE does not have a plan to require comprehensive or targeted support and improvement plans.

ESEA section 1111(d)(1)(B) requires an LEA to establish a plan for each school identified for comprehensive support and improvement that is informed by all indicators in the statewide accountability system, including student performance against State-determined long-term goals; includes evidence-based interventions; is based on a school-level needs assessment; identifies resource inequities to be addressed through the plan (which may include a review of LEA and school-level budgeting); is approved by the school, LEA, and SEA; and is monitored and periodically reviewed by the SEA. Section 1111(d)(2)(B) requires a school

receiving notification that it needs targeted support and improvement to establish a school-level plan that is informed by all indicators in the statewide accountability system, including student performance against State-determined long-term goals; includes evidence-based interventions; is approved by the LEA; and is monitored by the LEA. Those schools receiving additional targeted support and improvement must also identify resource inequities to be addressed through the plan (which may include a review of LEA and school-level budgeting).

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REQUIRED ACTION

Within 30 business days of receiving this report, MDE must provide evidence that it requires schools and LEAs to meet these requirements.