

Montana Office of Public Instruction

May 14-16, 2013

Scope of Review: A team from the U.S. Department of Education's (ED) Student Achievement and School Accountability Programs (SASA) office monitored the Montana Office of Public Instruction (MOPI) the week of May 14-16, 2013. This was a comprehensive review of the MOPI's administration of the following programs authorized by the Elementary and Secondary Education Act of 1965 (ESEA), as amended: Title I, Part A; and Title I, Part D. Also reviewed was Title VII-B of the McKinney-Vento Homeless Assistance Act (also known as the McKinney-Vento Homeless Education Assistance Improvements Act of 2001).

In conducting this comprehensive review, the ED team carried out a number of major activities. In reviewing the Part A program, the ED team conducted an analysis of the effectiveness of the support measures established by the State to benefit local educational agencies (LEAs) and schools, and reviewed compliance with fiscal and administrative oversight requirements of the State educational agency (SEA). During the onsite week, the ED team visited two LEAs – the Great Falls Public Schools (GFPS) and Helena Public Schools (HPS) and interviewed the public school staff, as well as administrative staff in these LEAs that have been identified for improvement.

In its review of the Title I, Part D program, the ED team examined the State's application for funding, procedures and guidance for State agency (SA) applications under Subpart 1; LEA application under Subpart 2; technical assistance provided to SAs and LEAs; the State's oversight and monitoring plan and activities; SA subgrant plans and local evaluations for projects in the Department of Corrections (DOC) as well as Great Falls and Jefferson County High School LEAs; and documentation. The ED team also interviewed administrative, program and teaching staff. The ED team also interviewed the Title I, Part D State coordinator to confirm information obtained at the local sites and discuss administration of the program.

In its review of the Education for Homeless Children and Youth program (Title VII, Subtitle B of the McKinney-Vento Homeless Assistance Act), the ED team examined the State's procedures and guidance for the identification, enrollment and retention of homeless students; technical assistance provided to LEAs; the State's McKinney-Vento application; and local evaluations of grant programs in Great Falls and Helena LEAs and Jefferson County High School LEA (non-subgrantee). The ED team also interviewed the McKinney-Vento State coordinator to confirm information obtained at the local site and discuss administration of the program.

Previous Audit Findings: None.

Previous Monitoring Findings: ED last reviewed Title I programs in the MOPI during the week of June 4-8, 2007. The following were findings in the previous monitoring review of Title I, Part A. The MOPI's procedures for monitoring its LEAs for compliance with Title I of the ESEA were insufficient to ensure that all areas of noncompliance were identified and corrected in a timely manner. Data provided by the MOPI regarding the participation of students with disabilities (SWD) in the state assessments for 2005-06 are inconsistent, and similar inconsistencies were found at the district level. The MOPI does not monitor the administration of assessments used for NCLB purposes. The MOPI accountability workbook does not reflect policies described by the State or in amendments to the workbook. The MOPI is not monitoring annual LEA report cards to ensure that they are produced and distributed and also include the information required by NCLB. The MOPI did not consistently ensure that the notification letters of a school's improvement status and offering choice and SES, as appropriate, to parents included all of the required components. The MOPI has failed to ensure that its LEAs meet requirements regarding school parent compacts and LEA and school parental involvement policies. The MOPI has not consistently ensured that its LEAs implement restructuring planning or restructuring as required. The MOPI has not consistently ensured that SES is implemented consistent with the statute. The MOPI has not ensured that its LEAs correctly calculate equitable services for services to the teachers and families of private school students. The MOPI has not ensured that its LEAs provide equitable services to private school students, teachers and their families. The MOPI has not ensured that its LEAs maintain control of the Title I program being provided to private school students. The MOPI has not ensured that its LEAs have met the requirements for evaluation of the Title I program for private school students including what constitutes annual progress for the Title I program serving eligible private school children. The ED team found that that the MOPI has not conducted monitoring of SA programs sufficient to determine compliance with Part D requirements. The MOPI approved the McKinney-Vento subgrant applications for BSD even though the LEA identified Title I funds for providing transportation for homeless students. The MOPI's monitoring process for subgrantees does not use a protocol or comprehensive evaluation process to determine program compliance.

Overarching Requirement – SEA Monitoring

A State’s ability to fully and effectively implement the requirements of Title I of the ESEA is directly related to the extent to which it is able to regularly monitor its LEAs and provide quality technical assistance based on identified needs. This principle applies across all Federal programs under the ESEA.

Federal law does not specify the particular method or frequency with which States must monitor their grantees, and States have a great deal of flexibility in designing their monitoring systems. Whatever process is used, it is expected that States have mechanisms in place sufficient to ensure that they are able to collect and review critical implementation data with the frequency and intensity required to ensure effective (and fully compliant) programs under the ESEA. Such a process should promote quality instruction and lead to achievement of the proficient or advanced level on state standards by all students.

Met Requirements

Summary of Title I, Part A Monitoring Indicators

Monitoring Area 1, Title I, Part A: Standards, Assessment, and Accountability			
Indicator Number	Description	Status	Page
1.1	The SEA has approved systems of academic content standards, academic achievement standards and assessments (including alternate assessments) for all required subjects and grades, or has an approved timeline for developing them.	Finding	5
1.2	The SEA has implemented all required components as identified in its accountability workbook.	Met Requirements	N/A
1.3	The SEA has published an annual report card as required and an Annual Report to the Secretary.	Finding	5
1.4	The SEA has ensured that LEAs have published annual report cards as required.	Finding	6
1.5	The SEA indicates how funds received under Grants for State Assessments and related activities (section 6111) will be or have been used to meet the 2012-13 assessment requirements of the ESEA	Recommendation	6
1.6	The SEA ensures that LEAs meet all requirements for identifying and assessing the academic achievement of limited English proficient students.	Met Requirements	N/A

Title I, Part A
Standards, Assessment and Accountability

Indicator 1.1 – The SEA has approved systems of academic content standards, academic achievement standards and assessments (including alternate assessments) for all required subjects and grades, or has an approved timeline for developing them.

Finding The MOPI's procedures for monitoring test administration in districts, and expectations for districts' monitoring of test administration in their schools are either not in place or insufficient. No evidence was obtained that the MOPI has distributed written procedures for the monitoring of assessment administration conditions across the state or that the State's test security policy and consequences for violation are communicated to the public and to local educators. Acknowledging that there is limited assessment staff, the MOPI must establish and implement a process that allows for written documentation of the State's plan for monitoring the administration of the state assessment.

Citation: Section 1111(b)(3)(C)(xiv) of the ESEA requires that state assessments be consistent with widely accepted professional testing standards and objectively measure academic achievement, knowledge, and skills.

Further action required: The MOPI must establish and implement, beginning in the 2013-2014 school year, procedures for monitoring test administration in districts, expectations for districts' monitoring of test administration in their schools, and State and local policy and quality control procedures for ensuring and monitoring administrations. The MOPI must submit to ED evidence of its new procedures and plans for steps the MOPI will take to ensure that monitoring and communication of consequences for violations are implemented.

Indicator 1.3 – The SEA has published an annual report card as required

Finding: In a review with staff of the data elements for the Montana report card, it was noted that the MOPI State Report Card did not include all of the required information. Comparison of the actual achievement levels of each group of students to the State's annual measurable objectives for each required assessment was not included on the SEA annual report card.

Citation: Section 1111(h)(1)(C)(i, ii, and vii) of the ESEA requires that the State annual report card include: Information that provides a comparison between the actual achievement levels of each group of students described and the State's annual measurable objectives for each such group of students on each of the academic assessments required under Title I, Part A.

Further action required: The MOPI must submit to ED a template for the State report card for future years that includes the missing information pertaining to annual

measurable objectives (AMO's) comparisons for disaggregated student groups. In addition, the MOPI must submit a timeline for releasing the revised report card complete with data to the public. When the State report card with these data is completed based on the new template and released, the MOPI must submit the report card to ED.

Indicator 1.4 – The SEA has ensured that LEAs have published annual report cards as required.

Finding: District and school reports do not include all required information. LEA and school reports do not include for all students at all tested grades, a comparison of the actual achievement levels of each group of students to the State's annual measurable objectives for each required assessment;

Citation: Section 1111(h)(2)(B) of the ESEA requires that the State educational agency shall ensure that each local educational agency collects appropriate data and includes in the local educational agency's annual report the following: information that provides a comparison between the actual achievement levels of each group of students described and the State's AMO's for each such group of students on each of the academic assessments required under Title I, Part A.

Further action required: The MOPI must submit to ED a template for the LEA report card for future years that includes the missing information pertaining to AMO comparisons for disaggregated student groups for the LEAs and schools. In addition, the MOPI must submit a timeline for releasing the revised report card complete with data to the public. When the LEA report card with these data is completed based on the new template and released, the MOPI must submit the report card to ED.

Indicator 1.5a – The SEA indicates how funds received under Grants for State Assessments and related activities (section 6111) will be or have been used to meet the 2012-13 assessment requirements of the ESEA.

Recommendation: ED recommends that the MOPI provide support and oversight of LEAs to make appropriate translations and disseminate student achievement to parents and the community in appropriate languages. In one letter related to the Home Language Survey, LEA staff relied on a Google translation. The MOPI could identify a translation service that LEAs can use or subscribe to for a modest fee and assist LEAs with making available translations of parent communications pertaining to student achievement given the State's diverse student population. Sec. 6111 of the ESEA for Grants for State Assessments and Related Activities states "If a state has developed the assessments and standards required by section 1111(b), to administer those assessments or to carry out other activities..., such as improving the dissemination of student achievement and school performance to parents and the community", grants are available.

Monitoring Area 2, Title I, Part A: Program Improvement, Parental Involvement and Options			
Indicator	Description	Status	Page
2.1	The SEA has developed procedures to ensure the hiring and retention of qualified paraprofessionals.	Met Requirements	N/A
2.2	The SEA has established a statewide system of support that provides, or provides for, technical assistance to LEAs and schools as required.	Met Requirements Recommendation	8
2.3	The SEA ensures that LEAs and schools meet parental involvement requirements.	Met Requirements Recommendation	8
2.4	The SEA ensures that LEAs and schools identified for improvement, corrective action, or restructuring have met the requirements of being so identified.	Met Requirements	N/A
2.5	The SEA ensures that requirements for public school choice are met.	Finding	8
2.6	The SEA ensures that requirements for the provision of supplemental educational services (SES) are met.	Met Requirements Recommendation	9
2.7	The SEA ensures that LEAs and schools develop schoolwide programs that use the flexibility provided to them by the statute to improve the academic achievement of all students in the school.	Met Requirements	N/A
2.8	The SEA ensures that LEA targeted assistance programs meet all requirements.	Met Requirements	N/A

**Title I, Part A
Instructional Support**

Indicator 2.2 - The SEA has established a statewide system of support that provides, or provides for, technical assistance to LEAs and schools as required.

Recommendation: ED recommends that the MOPI ensure that its LEAs knowingly approve of the MOPI's use of ESEA § 1003(a) funds to fund OPI's Statewide system of support. Although the MOPI provided evidence that its LEAs officially approve of its use of ESEA § 1003(a) funds to fund its Statewide system of support; in discussions with representatives of the MOPI's LEAs, ED learned that this official approval may not be made knowingly.

Indicator 2.3 - The SEA ensures that LEAs and schools meet parental involvement requirements.

Recommendation: ED recommends that the MOPI ensure that LEAs encourage schools to use Title I, Part A funds to build the schools' and parents' capacity for strong parental involvement and to encourage family literacy, as per ESEA §§ 1118(a)(2)(c) and (e). Although the MOPI and its LEAs provided evidence of inclusion of these requirements within written LEA policies, a representative of one LEA indicated that she was unaware as to how Title I, Part A funds are being used to build the schools' and parents' capacity for strong parental involvement and to encourage family literacy.

Indicator 2.5 - The SEA ensures that requirements for public school choice are met.

Finding: the MOPI was unable to provide evidence that its parent notification letters regarding the availability of public school choice were consistently sent in accordance with required timelines, available in languages other than English, and included all required components, including those related to the LEAs' provision of or payment for transportation services for students availing themselves of the public school choice option. One LEA, Helena Public Schools (HPS), provided evidence that parent notification letters regarding the availability of public school choice were sent later than the first day of the school year following such identification. Neither LEA with whom ED spoke was able to provide evidence that parent notification letters were available in languages other than English for parents who may not be literate in English. The sample public school choice parent notification letters provided by HPS also did not indicate that the LEA would provide or pay for transportation services for students availing themselves of public school choice.

Citation: ESEA § 1116(b)(1)(e)(i) requires that in "the case of a school identified for school improvement ... the local educational agency shall, not later than the first day of the school year following such identification, provide all students enrolled in the school with the option to transfer to another public school served by the local educational agency ..." Additionally, ESEA § 1116(b)(6)(f) requires that a "local educational agency shall

promptly provide to a parent ... to the extent practicable, in a language that the parents can understand ... an explanation of the parents' option to transfer their child to another public school ... with transportation provided by the agency when required ...”

Further action required: The MOPI must provide ED with evidence that it has provided technical assistance and guidance to its LEAs regarding the requirements for parent notification for public school choice. The MOPI must also provide ED with written evidence that the HPS parent notification letters are sent to all parents not later than the first day of school for the 2013-2014 school year.

Indicator 2.6 - The SEA ensures that requirements for the provision of supplemental educational services (SES) are met.

Recommendation: ED recommends that the MOPI ensure that its parent notification letters are, to the extent practicable, in a language that parents can understand in compliance with ESEA § 1116(b)(6). Although the MOPI's LEAs were able to provide multiple examples of informal language translation of information regarding SES, neither the MOPI nor its LEAs provided examples of formal translations of written communications regarding SES.

Title I, Part A Monitoring Area: Fiduciary Responsibilities

Monitoring Area 3, Title I, Part A: Fiduciary Responsibilities			
Indicator Number	Description	Status	Page
3.1	<ul style="list-style-type: none"> • Within State Allocations, Reallocations, and Carryover. The SEA complies with— • The procedures for adjusting ED-determined allocations from funds outlined in §§200.70-200.75 of the regulations. • The procedures for reserving funds for school improvement, state administration, and (where applicable) the State Academic Achievement Awards program. • The reallocation and carryover provisions in §§ 1126(c) and 1127 of the ESEA. 	Met Requirements Recommendations	11
3.2	LEA Plan. The SEA ensures that its LEAs comply with the provision for submitting an annual application to the SEA and revising LEA plans as necessary to reflect substantial changes in the direction of the program[§1112].	Met Requirements Recommendations	11
3.3	Within District Allocation Procedures. The LEA complies with the requirements with regard to: (1) Reserving funds for the various set-asides either required or allowed under the statute, and (2) Allocating funds to eligible school attendance areas or schools in rank order of poverty based on the number of children from low-income families who reside in an eligible attendance area. [§§1113, 1116, 1118, of the ESEA and §200.77 and §200.78 of the Title I regulations].	Met Requirements	N/A
3.4	Fiscal Requirements: Maintenance of Effort, Comparability, Supplement, not Supplant, Internal controls, and Reporting -- The SEA ensures that the LEA complies with --- <ul style="list-style-type: none"> • The procedures for ensuring maintenance of effort (MOE). • The procedures for meeting the comparability requirement. • The procedures for ensuring that Federal funds are supplementing, not supplanting non-Federal sources. 	Findings	11
3.5	Services to Eligible Private School Children. The SEA ensures that the LEA complies with requirements with regard to services to eligible private school children, their teachers, and families. §§1120 and 9360 of the ESEA, §443 of GEPA and §§200.62-200.67, §200.77 and §200.78 of the Title I regulations.	Met Requirements Recommendations	12

Indicator 3.1: Within State Allocations, Reallocations, and Carryover

Recommendation: ED recommends that the MOPI ensure that its LEAs are clearly aware of the waiver regarding the direct use of Section 1003 (a) funds for the MOPI's Statewide System of Support. Since LEAs are waiving the direct control of the Section 1003 (a) funds through the use of the E-grant system, LEAs should be clearly aware of this waiver.

Indicator 3.2: LEA Plan

Recommendation: ED recommends that the MOPI involve parents more in the LEA application process at the LEA level.

Indicator 3.4: Fiscal Requirements: Maintenance of Effort, Comparability, Supplement not Supplant, and Internal Controls

Finding (1): The MOPI did not ensure that LEA staff with salaries supported through split-funds keep and submit Personnel Activity Reports (PARs) as required by regulation. PARs ensure the work of the staff member's consistency with the salary percentage distribution and the consistency of the program charged for supporting the salary with the work being performed. Time and effort tracking is a concern. In one LEA, the PAR that was presented to ED did not meet the requirements of the regulation. In another LEA, the official stated that she had not been using the appropriate practice of implementing the PAR requirement; however, she presented evidence of a compliant practice to be used in the future

Citation: Attachment B, 8.h.(4) of the OMB Circular A-87 provides the requirements for the PARs stating that a distribution of a split-funded staff member's salaries or wages will be supported by personnel activity reports (PARs). Additionally, PARs must meet the following standards:

- Reflect an after-the-fact distribution of the actual activity of the employee;
- Account for the total activity for which the employee is compensated;
- Be prepared at least monthly and coincide with one or more pay periods;
- and
- Be signed by the employee.

Further Action Required: The MOPI must submit evidence to ED that it has informed its LEAs of this requirement. Additionally, the MOPI must submit a PAR for the split-funded administrative staff members (discussed during the on-site review) with a salary that is supported in part with Title I funds (and other administrative staff members like it) in GFPSD, HPSD or at least two PARs from any of its LEAs with staff members who are subject to the PAR requirement for the 2013-2014 school year. Additionally, the MOPI must provide ED with evidence of implementation of the PAR requirement in HPSD.

Finding (2): The MOPI must ensure that inventory purchased with Title I funds be properly managed through the input and reconciliation process in the public and private

schools served. Inventory maintenance and reconciliation must be established and maintained with materials purchased at the LEA for participating Title I children in the private school. All equipment purchased with Title I funds at the private school in GFPSD was not properly labeled as property of the LEA.

Citation: Section 1120(d) (1) of the ESEA requires an LEA maintain control of Title I funds, materials, equipment, and property. Section 80.32(d) of the Education Department General Administrative Regulations (EDGAR) requires that a control system be developed that ensures adequate safeguards to prevent loss, damage, or theft of the property.

Further action required: The MOPI must submit evidence to ED that it has implemented a record keeping and control system for properly identifying and reconciling all property and equipment purchased with Title I funds located in the public and private schools served.

Indicator 3.5: Services to Eligible Private School Children.

Recommendation: ED recommends that the MOPI strengthen the practice of providing services to its participating students and families at the private schools using required reservations (e.g. parent involvement).

**Title I, Part D
Summary of Monitoring Indicators**

Neglected, Delinquent or At-Risk of Dropping-Out Program			
Indicator Number	Description	Status	Page
1.1	The SEA conducts monitoring and evaluation of its subgrantees sufficient to ensure compliance with Title I, Part D program requirements and progress toward Federal and State program goals and objectives.	Finding Recommendation	14
2.1	The SEA ensures that State Agency (SA) programs for eligible students meet all requirements, including facilities that operate institution-wide projects.	Recommendation	14
2.2	The SEA ensures that Local Education Agency (LEA) programs for eligible students meet all requirements.	Met Requirements	N/A
3.1	The SEA ensures each State agency complies with the statutory and other regulatory requirements governing State administrative activities, providing fiscal oversight of the grants including reallocations and carryover, ensuring subgrantees reserve funds for transition services, demonstrating fiscal maintenance of effort and requirements to supplement not supplant.	Met Requirements	N/A
3.2	The SEA ensures each LEA complies with the statutory and other regulatory requirements governing State administrative activities, providing fiscal oversight of the grants including reallocations and carryover, and allowable uses of funds.	Met Requirements	N/A

Monitoring Area: Title I, Part D

Indicator 1.1 The SEA conducts monitoring of its subgrantees sufficient to ensure compliance with Title I, Part D program requirements and progress toward Federal and State program goals and objectives.

Finding: The ED team observed that the SEA has conducted no on-site reviews of the Title I, Part D program in the past three years nor any desk or remote reviews of subgrantees for either Subpart.

Citation: Section 1414 of ESEA requires States to ensure that programs assisted under Title I, Part D will be carried out in accordance with the State Plan. Additionally, the SEA is required that the State agencies and local educational agencies receiving Part D subgrants comply with all applicable statutory and regulatory requirements. Furthermore, Section 1426 of the ESEA required the SEA to hold LEAs accountable for demonstrating student progress in identified areas. Finally, Section 9304(a) of ESEA requires that the SEA ensure that programs authorized under ESEA are administered in accordance with all applicable statutes, regulations, program plans and applications.

Further action required: The MOPI must submit a schedule, a monitoring plan and interview protocol, and two sample reports of subgrantee monitoring conducted during the 2013-2014 school year.

Recommendation: The ED team recommends that the MOPI require an annual program evaluation that refers to the previous year's Part D program performance data to accompany or be included in the annual grant application from each subgrantee. It appeared that no subgrantee has used the performance data collected and submitted to the MOPI specifically to evaluate annual Title I, Part D program performance. The MOPI should provide technical assistance on longitudinally tracking performance data and comparing it to State and national performance targets and averages.

Indicator 2.1 - The SEA ensures that State Agency (SA) programs for eligible students meet all requirements, including facilities that operate institution-wide projects.

Recommendation: ED recommends that all of the required State Agency application elements be included in one document and enumerated in the order in which they appear in the statute or cross-referenced with these statutory requirements. All of the required documentation was ultimately presented during the review, but the documentation appeared across several State agency-wide documents and facility-specific program narratives that were difficult to put in order.

**McKinney-Vento Homeless Education Program
Summary of Monitoring Indicators**

McKinney-Vento Homeless Education Program			
Indicator Number	Description	Status	Page
Indicator 1.1	The SEA conducts monitoring and evaluation of LEAs with and without subgrants, sufficient to ensure compliance with McKinney-Vento program requirements.	Met Requirements	N/A
Indicator 2.1	The SEA implements procedures to address the identification, enrollment and retention of homeless students through coordinating and collaborating with other program offices and State agencies.	Met Requirements	N/A
Indicator 2.2	The SEA provides, or provides for, technical assistance to LEAs to ensure appropriate implementation of the statute.	Met Requirements	N/A
Indicator 3.1	The SEA ensures that Local Educational Agency (LEA) subgrant plans for services to eligible homeless students meet all requirements.	Met Requirements	N/A
Indicator 3.2	The SEA complies with the statutory and other regulatory requirements governing the reservation of funds for State-level coordination activities.	Met Requirements	N/A
Indicator 3.3	The SEA has a system for ensuring the prompt resolution of disputes.	Met Requirements	N/A