

Illinois State Board of Education

January 13-16, 2014

Scope of Review: The U.S. Department of Education's (ED) Office of Student Achievement and School Accountability Programs, Title III State Consolidated Grant Group monitored the Illinois State Board of Education (ISBE) the week of January 13-16, 2014. This was a comprehensive review of the ISBE's administration of Title III, Part A, authorized by the Elementary and Secondary Education Act of 1965, as amended (ESEA).

During the review, the ED team conducted several monitoring activities. The ED team reviewed evidence of State-level monitoring and technical assistance, implementation of the State's Title III accountability system, and fiscal and administrative oversight with the State educational agency (SEA). The ED team also interviewed staff in four local educational agencies (LEAs) – City of Chicago School District; Bremen Community Consolidated School District (CCSD); Wheeling CCSD; and Palatine CCSD.

Previous Audit Findings: None

Previous Monitoring Findings: ED last reviewed the Title III, Part A program in the ISBE during the week of April 27-May 1, 2009. ED sent a letter to the ISBE on November 9, 2010 stating that findings from this monitoring were resolved. ED identified compliance findings in the following areas:

Element 3.2: The ISBE did not provide evidence that the English language proficiency of all limited English proficient (LEP) children is assessed on an annual basis.

Element 3.4 (1): The ISBE's annual measurable achievement objective (AMAO) 1 (making progress in English) and AMAO 2 (attainment of English language proficiency) targets do not reflect annual increases, as required in section 3122(a)(3)(A) of Title III.

Element 3.4 (2): The ISBE did not provide evidence that it is holding subgrantees that have not met AMAOs for four consecutive years accountable using the specific sanctions required in section 3122(b)(4).

Element 5.2: The ISBE has not ensured that all Title III subgrantees in the State conduct timely and meaningful consultations with private school officials.

Element 6.1: The ISBE's procedures for monitoring its LEAs for compliance with Title III of the ESEA were insufficient to ensure that all areas of noncompliance were corrected in a timely manner.

Monitoring Indicators for Title III, Part A

Overarching Requirement - State Monitoring of Subgrantees

Indicator	Description	Status	Page
Overarching Requirement	State Monitoring of Subgrantees sections 3113—3116, 3121-3022 and 3302 of the ESEA; EDGAR 34 CFR 80.40	Finding	2

Finding: The ISBE’s procedures for monitoring its Title III subgrantees for compliance with Title III of the ESEA were insufficient to ensure that all areas of noncompliance were identified. Although the ISBE has a process to monitor Title III subgrantees for programmatic requirements, this process does not include monitoring for fiscal requirements. The SEA relies solely on A-133 audits for its fiscal monitoring process for Title III, which only includes Title III if this program is one of the selected programs for the audits. (This is a repeat finding. In 2009, the ISBE had received and resolved a Title III monitoring finding for insufficient monitoring of programmatic requirements.)

Citation: Section 80.40 of the Education Department General Administrative Regulations (EDGAR) requires grantees to monitor grant and subgrant activities to ensure compliance with applicable Federal requirements.

Section 9304(a)(1) of the ESEA requires that the SEA ensure that programs authorized under the ESEA are administered in accordance with all applicable statutes, regulations, program plans, and applications.

Further action required: The ISBE must provide ED with a monitoring plan that includes Title III fiscal indicators and must also submit evidence that this plan has been implemented.

Monitoring Area 1: Standards, Assessments and Accountability

Indicator Number	Description	Status	Page
Element 1.1	English Language Proficiency Standards section 3113 of the ESEA	X	N/A
Element 1.2	English Language Proficiency Assessment sections 3113 and 3116 of the ESEA	Finding	3-4
Element 1.3	Annual Measurable Achievement Objectives sections 3122(a)(1)(2)(3) and 1111(b)(2)(B) of the ESEA	Finding, Recommendation	4
Element 1.4	Data Collection and Reporting sections 3121 and 3123 of the ESEA; EDGAR 34 CFR 76.731	X	N/A

Element 1.2 – English Language Proficiency (ELP) Assessment

Finding: The ISBE has not ensured that Title III subgrantees comply with the parental notification requirements in section 3302(a) of the ESEA. One large LEA sent parental notification letters regarding placement in a language instruction educational program more than 30 days after the start of the school year. Another LEA did not include information in its parental notification letter, in the case of a child with a disability, how the program meets the objectives of the individualized education program (IEP) of the child.

Citation: Section 3302(a) of the ESEA requires subgrantees to provide parents of LEP children participating in or identified for participation in a Title III-funded program with notification regarding such placement each school year not later than 30 days after the beginning of the school year. The notification shall include, among other things required by section 3302(a), in the case of a child with a disability, information on how such program meets the objectives of the IEP of the child.

Further action required: The ISBE must provide evidence that it ensures its subgrantees meet the parental notification requirements in section 3302(a) of the ESEA. The SEA must provide a plan and timeline including a description of how the SEA will annually ensure that its Title III subgrantees comply with this requirement.

Recommendation: Although the ISBE provided evidence that the SEA has a process in place to monitor LEAs to ensure that all LEP students participate in the State ELP assessment, there were inconsistencies between data reported and data discussed during interviews with SEA staff. Specifically, in the ISBE’s 2012–2013 Consolidated State Performance Report ISBE reported that 9,883 LEP students were not tested on the State ELP assessment. In interviews with the SEA; however, staff indicated the number of students not tested was approximately 2,000

students. ED recommends the ISBE review its processes for data reporting on ELP assessment participation to ensure the State submits accurate data to ED.

Element 1.3 – Annual Measurable Achievement Objectives (AMAOs)

Finding: The ISBE does not include all Title III-served students who were enrolled during the State ELP assessment testing window in AMAO determinations. Specifically, the ISBE does not include Title III-served students who do not have a score on the State’s ELP assessment in the denominator for AMAO determinations. Additionally, the ISBE does not include Title III-served students who do not have a composite score on the State ELP assessment in the denominator for AMAO determinations.

Citation: Section 3122(a)(1) of the ESEA requires States to include all Title III-served LEP students in AMAOs. The Notice of Final Interpretations of Title III indicates that as long as an LEP student is receiving Title III services, such a student must be included in Title III AMAO determinations, with two limited exceptions: (1) a State is not required to include in its AMAO 1 calculation Title III-served LEP students who have not participated in two administrations of a State's annual ELP assessment and (2) a State is not required to include in its AMAO 3 calculation the scores of Title III-served LEP students whose scores are excluded from the State's AYP determination under Title I because they are “recently arrived” as described in 34 CFR 200.20(f). *73 Fed. Reg.* 61828, 31835 (October 17, 2008)

Further action required: The ISBE must change its methodology for making AMAO determinations so that any Title III-served students who are enrolled during the testing window are included in AMAOs 1 and 2 consistent with section 3122(a)(1) and the Notice of Final Interpretations of Title III. The ISBE must document this change as part of a Consolidated State Application amendment to be submitted to ED.

Recommendation: ED recommends that the ISBE review its procedures for ensuring that all Title III subgrantees comply with the requirement under section 3302(b) to separately inform parents of the subgrantees’ failure to meet AMAOs not later than 30 days after such failure occurs. While the ISBE provided evidence to ED that the SEA notifies LEAs of the requirement and monitors LEAs for compliance, one LEA did not send its AMAO parental notification letters within 30 days after receiving notification from the SEA that it had not met AMAOs.

Monitoring Area 2: Instructional Support

Indicator Number	Description	Status	Page
Element 2.2	State Oversight and Review of Local Plans sections 3116(a) and 3115(c) of the ESEA; EDGAR 34 CFR 76.770	Finding	5
Element 2.3	Activities by Agencies Experiencing Substantial Increases in Immigrant Children and Youth sections 3114 and 3115 of the ESEA	Finding	5-6
Element 2.4	Private School Participation section 9501 of the ESEA	Finding	6-7

Element 2.2 - State Oversight and Review of Local Plans

Finding: The ISBE has not ensured that its procedures and timeline for reviewing and approving LEA plans, including for immigrant subgrants, enable LEAs to implement Title III activities during the full grant period. The State did not notify some LEAs that their plans were approved until well into the school year. At the time of the onsite review, 26 subgrantees neither had their Title III plan approved by the SEA nor had received their Title III grant awards. One LEA did not provide services to private schools until the LEA received its Title III funds. Another LEA did not carry out any Title III activities until it received the Title III grant award, which posed a problem because the LEA could not hire staff for the program since the school year had already begun.

Citation: 34 CFR 76.400 requires the State to review a subgrantee’s application for a subgrant and approve an application that is submitted by an eligible applicant and that meets applicable requirements. Section 3115 of the ESEA requires subgrantees to carry out certain activities within the period of the subgrant.

Further action required: The ISBE must develop and submit to ED a corrective action plan that ensures the SEA reviews LEA plans in a timeframe so that Title III funds are awarded in time for LEAs to implement planned Title III activities during the school year. The ISBE must submit to ED evidence that this plan has been implemented.

Element 2.3 - Activities by Agencies Experiencing Substantial Increases in Immigrant Children and Youth

Finding: The ISBE has not ensured that LEAs have sufficient information regarding the Title III immigrant children and youth grant program in order to administer the program according to statutory requirements:

- In two LEAs reviewed, staff did not accurately count students for the immigrant grant program. One LEA identified immigrant children and youth as LEP

students who were enrolled less than two years, which is not consistent with the definition of immigrant children and youth under the ESEA. In another LEA, there were inconsistencies between immigrant children and youth data reported by the LEA and recorded by the State, which resulted in the LEA's immigrant counts being inaccurate.

- In another LEA reviewed, representatives interviewed were unaware of the allowable activities and uses of funds for this program. As a result, it was unclear whether the LEA would use the grant funds for the intended purpose of the grant.

Citation: Section 3114(d) of the ESEA requires States to award subgrants to eligible entities in the State that have experienced a significant increase in the number or percentage of immigrant children and youth. Section 3301(6) of the ESEA defines immigrant children and youth as individuals who (A) are aged 3 through 21; (B) were not born in any State; and (C) have not been attending one or more schools in any one or more States for more than three full academic years. Section 3301(14) of the ESEA defines State as each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

Section 3115(e) of the ESEA states that an eligible entity receiving funds under section 3114(d)(1) shall use these funds to pay for activities that provide enhanced instructional opportunities for immigrant children and youth.

Further action required: The ISBE must submit to ED evidence that it has ensured its LEAs have accurate information regarding: 1) the Federal immigrant student and youth definition and 2) allowable activities under the immigrant children and youth grant program. The ISBE must provide a description of how it will ensure that LEAs implement allowable grant activities and properly identify and include the appropriate students in their immigrant children and youth counts.

Element 2.4 - Private School Participation

Finding: The ISBE has not ensured that Title III subgrantees comply fully with the requirements in section 9501(c) of the ESEA for timely and meaningful consultation with private schools in the design and development of programs and services for eligible LEP students, teachers, and other educational personnel. One LEA reviewed prohibited the use of Title III funds for materials or supplies to be used in private schools. Another LEA reviewed limited the services provided to specific items or budget categories regardless of the needs of the private schools. Additionally, none of the LEAs with immigrant children and youth grants consulted with the private schools regarding the eligible services available to immigrant children and youth. (In 2009, the ISBE received a Title III monitoring finding regarding timely and meaningful consultation with private school officials. Whereas the 2009 finding indicated that the ISBE had not ensured that LEAs complied with consultation requirements, this finding indicates that the ISBE has not fully complied with these requirements as the SEA has not ensured that LEAs carry out all components of consultation.)

Citation: Section 9501(c)(1) of the ESEA requires LEAs to consult with private school officials during the design and development of the programs on issues such as —

- (A) how the children's needs will be identified;
- (B) what services will be offered;
- (C) how, where, and by whom the services will be provided;
- (D) how the services will be assessed and how the results of the assessment will be used to improve those services;
- (E) the size and scope of the equitable services to be provided to the eligible private school children, teachers, and other educational personnel and the amount of funds available for those services; and
- (F) how and when the agency, consortium, or entity will make decisions about the delivery of services, including a thorough consideration and analysis of the views of the private school officials on the provision of contract services through potential third-party providers.

Further action required: The ISBE must provide a plan and timeline to ED that addresses how the SEA will annually ensure that its Title III subgrantees comply with the requirements under section 9501(c)(1) of the ESEA.

Monitoring Area 3: Fiduciary

Indicator Number	Description	Status	Page
Element 3.1	State Allocations, Reallocations and Carryover section 3111(b) of the ESEA; 20 USC 6821(b)(3); sections 3114(a)-(d) of the ESEA	X	N/A
Element 3.2	LEA Allocations, Reallocations and Carryover section 3115 of the ESEA	Finding, Recommendation	8-9
Element 3.3	Maintenance of Effort sections 1120A and 9021 of the ESEA	X	N/A
Element 3.4	Supplement, Not Supplant section 3115(g) of the ESEA	Finding	9

Element 3.2 – LEA Allocations, Reallocations and Carryover

Finding: The ISBE does not ensure that LEAs provide sufficient oversight of activities and budgets to ensure that schools expend Title III funds on activities that are allowable, allocable, and reasonable. One LEA provided funds to each school in the LEA without proper oversight of whether each school was spending Title III funds on supplemental activities. ED found that schools were spending Title III funds on expenditures that were not allowable, including on an oscillating fan. Additionally, schools spent Title III funds on food, copy paper, stationary, and paper products. The total cost of these expenditures was over \$137,000. The ISBE did not provide to ED sufficient evidence, through review of LEA plans or interviews with Title III staff, of how these expenditures were required to support Title III activities.

Citation: Section 9304(a) of the ESEA requires that the SEA ensure that programs authorized under the ESEA are administered in accordance with all applicable statutes, regulations, program plans, and applications.

Office of Management and Budget (OMB) Circular A-87 (2 CFR 225) requires that in order for costs to be allowable under Federal awards, they must be allowable, allocable, and reasonable.

Further action required: The ISBE must provide ED with a description of how it will annually ensure funds are used for activities that are reasonable, necessary, and allocable for Title III program implementation.

Recommendation: Several of the LEAs visited did not fully understand the process for receipt of carryover funds and for amendments to local plans to designate expenditures for these funds. Currently, subgrantees receive notice of availability of carryover funds through the electronic grant application process after a final expenditure report is submitted. One of the LEAs visited indicated that it had been notified of carryover funds mid-year, and was unsure of how to expend

these funds. ED recommends that the ISBE refine its process for notifying LEAs of carryover funds to ensure that all LEAs understand the process and are notified appropriately so they can adequately plan for use of all Title III funds.

Element 3.4 – Supplement, Not Supplant

Finding: The ISBE has not ensured that its LEAs comply with the Title III supplement, not supplant provision. In one large LEA, Title III-funded teachers had the same position descriptions as LEA/State-funded teachers; therefore duties included assessing students for English language proficiency.

Citation: Section 3115(g) of the ESEA requires Title III funds be used to supplement the level of Federal, State, and local public funds that, in the absence of such availability, would have been expended for programs for LEP children and immigrant children and youth and in no case to supplant such Federal, State, and local public funds.

Further action required: The ISBE must develop and provide ED with a detailed plan, including a timeline for annually ensuring that its Title III subgrantees comply with Title III non-supplanting requirements. The SEA plan should include review of LEA plans and budgets; and, in instances where those plans include Title III supplemental staff, the SEA should ensure that these individuals do not administer the State ELP assessment during the time for which they are paid with Title III funds.