

**Fiscal Year (FY) 2015 U.S. Department of Education
Office of Safe and Healthy Students' Monitoring Report on
the Arizona Department of Education's
Title I, Part D Neglected, Delinquent or At-Risk Program and
Title VII-B Education for Homeless Children and Youth Program**

Scope of Review: During March 24-26, 2015, a review team from the U.S. Department of Education's (ED's) Office of Elementary and Secondary Education, Office of Safe and Healthy Students monitored the Arizona Department of Education's (ADE's) administration of the Title I, Part D Neglected, Delinquent or At-Risk (Title I, Part D) program authorized by the Elementary and Secondary Education Act of 1965, as amended (ESEA) and the Title VII-B Education for Homeless Children and Youth program (EHCY) under the McKinney-Vento Homeless Assistance Act.

Previous Monitoring: ED reviewed ADE's Title I, Part D and EHCY programs during the week of February 25-29, 2008. Both programs met requirements under all indicators at that time.

General State Educational Agency (SEA) Monitoring Requirement

A State's ability to fully and effectively implement program requirements under Title I, Part D and the EHCY program is directly related to the extent to which it is able to regularly monitor its subgrantees and provide quality technical assistance based on identified needs.

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 both Title I, Part D and the EHCY programs.

Under 34 C.F.R. § 80.40¹, grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements. Additionally, section 9304(a) of the ESEA requires that the SEA provide assurances, including assurances that (1) programs authorized under ESEA are administered in accordance with all applicable statutes, regulations, program plans, and applications; and (2) the State will use such fiscal control and funds accounting procedures as will ensure the proper disbursement of, and accounting for, Federal funds paid to the state.

Status: ADE has met the requirements under 34 C.F.R. § 80.40 for both programs.

¹ A commensurate requirement is contained in the Office of Management and Budget's new Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) at 2 C.F.R. § 200.328, which applies to the Title I, Part D and EHCY programs beginning with the grant awards made on or after July 1, 2015.

Emerging Practices: OSHS considers emerging practices to be operational activities or initiatives that contribute to successful outcomes or enhance agency performance capabilities. Emerging practices are those that have been successfully implemented and demonstrate the potential for replication by other agencies.

Typically, emerging practices have not been evaluated as rigorously as "promising," "effective," "evidence-based," or "best" practices, but still offer ideas that work in specific situations. As a result of its monitoring activities, OSHS identified the following emerging practices for ADE:

- ADE has a system of having a desk review of all Title I, Part D and ECHCY subgrantees every three years and an on-site review once every three years, if the same LEA has received a subgrant for six years.
- ADE has implemented the Arizona LEA Tracker (ALEAT), an on-line desk review system for following up on any corrective actions.

Monitoring Area: Title I, Part D

In its review of the Title I, Part D program, the ED team examined:

- the SEA's application for funding, procedures and guidance for State agency (SA) applications under Subpart 1, including institution-wide project plans, and local education agency (LEA) applications under Subpart 2;
- SEA technical assistance provided to SAs and LEAs;
- the SEA's oversight and monitoring plan and activities; and
- SA and LEA subgrant plans and local evaluations for projects in the Arizona Departments of Corrections (ADC), Juvenile Corrections (ADJC), and the Office of the Court (AOC);

The ED team interviewed LEA staff of Part D, Subpart 2 programs in the Scottsdale Unified School District (SUSD) and the Phoenix Union High School District (PUHSD). 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.

Based on their review, ED has the following observations and recommendations:

Indicator 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.

Recommendation 1.1.1

Observation: No subgrantee has used the data collected and submitted to ADE specifically to evaluate annual Title I, Part D program performance.

Recommendation: ADE should provide more technical assistance to subgrantees on how to evaluate Title I, Part D-funded programming and activities by using

Title I, Part D specific performance data to evaluate the effectiveness of those activities in improving performance on Title I, Part D outcome measures required for the Consolidated State Performance Report (CSPR). One way to further this effort is to ask subgrantees for an annual program evaluation that accounts for any change in performance of the previous two year's Part D program performance data to be included in the annual grant application from each SA and LEA that receives a subgrant or in a final grantee report for the performance period.

Indicator 2.2 - The SEA ensures that LEA programs for eligible students meet all requirements.

Recommendation 2.2.1

Observation: LEA staff who were interviewed stated that the local residential delinquent facilities had declined Title I, Part D services, and they were unsure what educational services these youth were receiving while in residence. It was confirmed during the interviews that only a small number or percentage of students in residence enroll in those LEAs' schools, including alternative schools, when they exit the facilities. These students were receiving transition services as participants of robust LEA-wide at-risk programs. These services to students at-risk of dropping out of school have not had a negative impact on meeting the transitional and academic needs of the students returning from correctional facilities. However, there was no LEA-facility agreement or statement of declining to participate in Title I, Part D services.

Recommendation: Section 1423(2) of the ESEA requires that LEA applications include a description of formal agreements, regarding the program to be assisted, between: the local educational agency; and correctional facilities and alternative school programs serving children and youth involved with the juvenile justice system. It is unusual for a facility to decline Title I, Part D, Subpart 2 services. ED recommends that ADE advise LEA applicants to document when a facility declines to enter into a formal agreement for services and include a statement to this effect in the application. To this end, ADE should consider including a section in the LEA application for this purpose.

Recommendation 2.2.2

Observation: The reviewed LEA applications included lists of Federal, State, and local organizations or programs without any description of how they would be coordinated.

Recommendation: ED recommends that ADE encourage LEAs to include robust narrative descriptions for required and optional application elements that include a description of how coordination with other Federal, State, and local programs will be carried out. Suggested criteria for acceptable descriptions could be included in an application review checklist.

Indicator 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.

Recommendation 3.1.1

Observation: The budget was in a separate part of the SA application, and only one of the SA applicants identified the indicated transition set-aside as salaries and travel for transition coordinators. For the other two applicants, how this amount or percentage was determined to meet the 15%-30% of the subgrant award amount was less clear and could not be easily verified.

Recommendation: ED recommends that the ADE revise its SA application to ensure a clearer connection between the transition reservation amounts, narrative description of the transition services being provided, and the budget for these services.

Table 1. Summary of Monitoring Results for the Title I, Part D Neglected, Delinquent or At-Risk 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.	Met Requirements 1 Recommendation	2-3
2.1	The SEA ensures that SSA programs for eligible students meet all requirements, including facilities that operate institution-wide projects.	Met Requirements	N/A
2.2	The SEA ensures that LEA programs for eligible students meet all requirements.	Met Requirements 2 Recommendations	3-4
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 1 Recommendation	4

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
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Monitoring Area: McKinney-Vento Homeless Education Program

In its review of the EHCY program, the ED team examined:

- the SEA’s procedures and guidance for the identification, enrollment, and retention of homeless students;
- SEA technical assistance provided to LEAs with and without subgrants;
- the SEA’s McKinney-Vento State Plan; and
- LEA applications for subgrants and local evaluations for projects in the SUSD and Phoenix Elementary School District (PESD), as well as local liaisons from two non-subgrantee school districts, PUHSD and Legacy Traditional Charter Schools.

The ED team also interviewed the McKinney-Vento State coordinator to confirm information obtained at the local site and discuss administration of the program.

Table 2. Summary of Monitoring Results for the Title VII-B Education for Homeless Children and Youth 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 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