

**Office of Inspector General  
Differentiated Accountability**

**Report #A-1314-016**

**June 2015**

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**Executive Summary**

In accordance with the Department of Education’s (department) fiscal year 2013-14 audit plan, the Office of Inspector General (OIG) conducted an audit of the Differentiated Accountability (DA) program. The purpose of this audit was to ensure the program is effective in its mission to facilitate improved student outcomes in districts and schools.

During this audit, we noted instances where the Bureau of School Improvement (BSI) could strengthen certain controls within the DA program. For example, we cited instances where BSI: did not adequately monitor the Turnaround Option Plan implementation; did not meet state-led initiative outcomes; did not make all required visits to monitor the fidelity of School Improvement Plan implementation; did not adequately track or monitor staff vacancy dates; and did not effectively monitor fiscal agent performance. The Audit Results section below provides details of the instances noted during our audit.

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**Scope, Objectives, and Methodology**

The scope of this audit included Florida public schools categorized as DA schools during the 2013-14 school year (SY), with a review of historical data to evaluate program effectiveness. We established the following objectives for our audit:

1. Determine whether the program is administered in compliance with federal and state regulations;
2. Determine whether the department is adequately monitoring the performance of the fiscal agents for compliance with grant agreements; and
3. Determine whether the program has been effective in its mission to facilitate improved student outcomes in districts and schools.

To accomplish our objectives we reviewed applicable laws, rules, and regulations; interviewed appropriate department and regional staff; reviewed policies, procedures, and related documentation; reviewed program monitoring documentation; and reviewed historical school grade and student performance data.

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**Background**

Differentiated Accountability is a statewide network of strategic support provided to schools and districts, differentiated by need. Section 1008.33(2)(b), Florida Statutes (F.S.), requires “the

state system of school improvement and education accountability must provide for accountability standards, provide assistance of escalating intensity to low-performing schools, direct support to schools in order to improve and sustain performance, focus on the performance of student subgroups, and enhance student performance.” Section 1008.33(3)(b), F.S., further requires the department to annually, beginning with the 2011-2012 school year, identify each public school in need of intervention and support to improve student academic performance. All schools earning a grade of D or F are considered to be schools in need of intervention and support.

Pursuant to Florida Administrative Code 6A-1.099811, traditional public schools are classified for DA purposes at the start of each school year based upon the most recently released school grades (A-F), into one of the following categories:

- Focus- current school grade of D
  - Year 1- declined to D, or first-time graded schools receiving a D
  - Year 2- second consecutive D, or F followed by a D
  - Year 3 or more- third or more consecutive D, or F followed by second consecutive D
- Priority- current grade of F
  - Year 1- declined to F, or first-time graded schools receiving an F
  - Year 2 or more- second or more consecutive F

Districts with schools in the Focus Year 2-3 and Priority categories receive the most intensive support, while districts with Focus Year 1 schools receive a "lighter-touch" support.

Florida was one of nine states to participate in the U.S. Department of Education differentiated accountability pilot project in 2008. Florida has continued to provide DA services through Race to the Top (RTTT) funding and smaller Differentiated Accountability Plan (DAP) grants. RTTT funds support approximately 100 field staff positions located in 5 regional offices throughout the state. Florida’s RTTT application ties three state-led initiatives to DA. They include the hiring of regional reading coordinators; the hiring of regional science, technology, engineering, and mathematics (STEM) coordinators; and the improvement and expansion of STEM career and professional academies. The RTTT grant ends June 30, 2015. The DAP grants provide for a regional executive director, regional instructional specialists, and a support staff member for each of the five regions.

The Continuous Improvement Management System (CIMS) was developed by the Bureau of School Improvement (BSI) to provide districts and schools with an online platform for collaborative planning and problem solving. CIMS has continued to expand and now includes:

- Data visualizations for needs assessment and goal development
- School and district improvement plans
- School Improvement Grant 1003(g) proposals
- Annual assurances for district compliance with rule and statute related to school improvement funds
- Registration for BSI-hosted professional development opportunities
- Resources, tools and guidance to support continuous improvement
- Title I, Part A application

## Audit Results

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### Finding 1: BSI did not adequately monitor turnaround option plan (TOP) implementation.

Section 1008.33(4) (a), F.S., states, “The state board shall apply the most intense intervention and support strategies to schools earning a grade of “F.” In the first full school year after a school initially earns a grade of “F,” the school district must implement intervention and support strategies prescribed in rule under paragraph (3) (c), select a turnaround option from those provided in subparagraphs (b) 1.-5., and submit a plan for implementing the turnaround option to the department for approval by the state board. Upon approval by the state board, the turnaround option must be implemented in the following school year.”

Per the DA Support Categories 2013-14, the department has the authority to direct school interventions, provide onsite support, and conduct onsite monitoring of intervention implementations. Additionally, the performance responsibilities of the regional executive directors (RED) require that they work with school districts in the implementation, monitoring, and evaluation of plans required by the State Board of Education.

We identified the schools in turnaround option status for SY 2013-14 and reviewed documentation for a sampled 17 (10%) of the 166 schools to determine whether the schools submitted a TOP selection and the RED reviewed the plan. We determined all sampled schools submitted the required TOP form and received a RED review.

We additionally requested documentation of TOP implementation for SY 2013-14. We learned that at the time of the audit, BSI had not developed a centralized process or templates for the monitoring of TOP implementation. The documents that did exist were not sufficient to support the monitoring of TOP implementation. Therefore, we were unable to determine whether the plans were implemented for SY 2013-14.

The lack of sufficient monitoring documentation hinders BSI’s ability to ensure the schools are implementing the turnaround option plans as required by the Florida Statutes.

### ***Recommendation***

We recommend BSI develop TOP monitoring procedures to ensure school districts implement turnaround options in compliance with state regulations. The procedures should include centralized processes and monitoring templates to document appropriate monitoring has occurred.

### ***Management Response***

In September of 2014, the BSI implemented an online tracking system via Survey Monkey, which includes a mechanism for DA team members to log quantitative information regarding TOP monitoring visits. Additionally, BSI has worked with the regional teams to develop a rubric which can be used both as a needs assessment tool for the development of turnaround plans, and as a means of measuring the quality of the district’s implementation of the plan in the identified school(s). The rubrics are completed collaboratively between the district leadership

team and the RED. The rubric was piloted this spring in 15 districts with schools in turnaround, six districts on a voluntary basis, and nine districts as part of the required review of SIG 1003(g) implementation. The pilot was successful, and the REDs have agreed to expand the use of the rubrics to all districts with schools in turnaround for the 15-16 school year.

### Finding 2: State-led initiative outcomes were not met.

The activity linked to state-led initiative 8 of the RTTT application includes hiring 40 reading coordinators, who will be deployed throughout the state and strategically assigned to persistently lowest-achieving (PLA) schools. The expected outcome identified for state-led initiative 8 states, “Reading performance will increase in all assigned schools where coordinators are placed.”

As part of the state fiscal stabilization fund application, RTTT, and the school improvement grant, Florida identified the lowest performing schools in the state. In December 2009, the department announced the targeted list of 70 schools. One school closed in 2011 and was removed from the data. The department captured performance data in reading, mathematics, and science each year for the remaining 69 PLA schools.

Our review of school performance data provided by BSI shows that reading performance did not increase in all assigned schools. The average reading performance increased by .5 points in the 69 targeted PLA schools between the 2008-09 and 2013-14 school years. Of the 69 schools, 37 (54%) improved, 28 (41%) did not improve, and we were unable to make a determination for 4 (6%) schools because they did not yet have scores for SY 2013-14.

The activity linked to state-led initiative 9 of the RTTT application includes hiring 20 STEM coordinators, who will be deployed throughout the state and strategically assigned to PLA schools. The expected outcome identified for state-led initiative 9 states, “Mathematics and science performance in assigned schools will increase.”

School performance data shows that math and science performance did not increase in all assigned schools. Between the 2008-09 to 2013-14 school years, the PLA schools’ math performance averaged a change of -6.7 points. Of the 69 targeted PLA schools, 17 (25%) improved, 48 (70%) did not improve, and we were unable to make a determination for 4 (6%) schools because they did not yet have scores for SY 2013-14. During the same time period, the PLA schools’ science performance averaged a change of 23.4 points. Of the 69 targeted PLA schools, 62 (90%) improved, 3 (4%) did not improve and we were unable to make a determination for 4 (6%) schools because they did not yet have scores for SY 2013-14.

The change from FCAT to FCAT 2.0 in 2011-12 raised the bar for achievement and caused a significant drop in scores between the 2010-11 and 2011-12 school years. For this reason, we compared the change in scores for the selected PLA schools to those of the statewide average and Title I schools<sup>1</sup>. While the average reading performance for PLA schools increased by .5

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<sup>1</sup>Title I provides additional resources to schools with economically disadvantaged students. PLA schools are compared to Title I schools because they are likely to have a more similar demographic and set of challenges as Title I schools.

points, it decreased by 13 and 18 points for the statewide and Title I schools, respectively, between the 2008-09 and 2013-14 school years. The average math performance for PLA schools decreased by 6.7 points, and the average decreased by 15 and 17 points for the statewide and Title I schools, respectively, between the 2008-09 and 2013-14 school years. The average science performance for PLA schools increased by 23.4 points, and the average increased by 7 and 5 points for the statewide and Title I schools, respectively, between the 2008-09 and 2013-14 school years. Although performance did not increase in each of the 69 targeted schools as the state-led initiatives required, the average change in performance for these schools appears to have surpassed the statewide average and the average change for comparable Title I schools.<sup>2</sup>

### ***Recommendation***

We recommend BSI establish reasonable and measurable performance goals for reading, math, and science and monitor performance in the targeted PLA schools to ensure accountability and continued school improvement.

### ***Management Response***

“Targeted PLA” schools are no longer an identified group, as the RTTT grant ends June 30, 2015. BSI will work to establish new targets after the new assessment cut scores are known.

### **Finding 3: BSI did not make all required visits to monitor the fidelity of School Improvement Plan implementation.**

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The DA Support Categories 2013-14 provides definitions and a description of statutory and rule requirements for DA designated schools. It includes the requirement for Focus and Priority schools to use the department’s School Improvement Plan (SIP) template to provide a draft to the RED for comment by September 3, 2013, and complete initial submission by October 15, 2013. The submission deadline was extended to November 1, 2013.

We reviewed the SIP data for 100 sampled schools to determine if SIPs were submitted timely and reviewed by the REDs. Of the 100 sampled schools, 68 (68%) submitted the SIP on time; 23 schools (23%) submitted the SIP after the November 1 deadline; and nine schools (9%) did not have SIP submit dates recorded. For the same 100 sampled schools, we confirmed a RED review was documented for 83 schools (83%). There was no documented RED review of the SIP for 17 schools (17%). Three of the instances were due to a coding issue in the system, which allowed the SIPs to be approved by the district without a RED review. The system issue has since been resolved.

During the period of our audit, Florida Administrative Code 6A-1.099811(3)(c) required, “Prior to the start of the school year, the Department will notify each school district if any of its schools

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<sup>2</sup> When factoring in the change from FCAT to FCAT 2.0, school performance data still shows that reading and math performance did not increase in all assigned schools. Between the 2011-12 to 2013-14 school years, 33 (48%) of the 69 schools improved in reading, 32 (46%) did not improve in reading and 4 (6%) did not have scores for SY 2013-14. Of the 69 schools, 41 (59%) improved in math, 24 (35%) did not improve in math, and 4 (6%) did not have scores for SY 2013-14.

have been categorized for DA.” For those schools that are categorized as Focus or Priority schools, the department is required to review the SIP and conduct visits to monitor the fidelity of the plan’s implementation.

We sampled 25 of the 100 previously sampled schools, selecting only schools with a DA category that would have required a SIP for SY 2012-13, to determine if SIP monitoring activities took place in SY 2013-14. We requested documentation of monitoring for the 25 sampled schools and received documents from the REDs for 24 of those schools. However, the documentation for each region varied and some documents did not appear to relate to SIP monitoring. Overall, there was not sufficient documentation to demonstrate BSI adequately monitored plan implementation fidelity. BSI did not conduct visits to each of the Focus and Priority schools during SY 2013-14 due to lack of resources.

The lack of site visits and monitoring documentation hinders the BSI’s ability to ensure the schools are implementing the school improvement plans as required by the Florida Statutes and Florida Administrative Code. BSI indicated a procedure is in place for monitoring, though it can (and will) be made more robust. They have been unable to conduct visits to each of the Focus and Priority schools because they do not have the resources. When the rule was originally put in place, there were only a handful of schools categorized as Focus or Priority. There were 331 Focus schools and 85 Priority schools during SY 2013-14. BSI submitted a request for rule change, and the change became effective December 23, 2014. Although the rule still requires visits to monitor the fidelity of Priority schools, it now allows for ‘meetings’ to monitor Focus schools.

BSI began implementing improvements during the course of our audit. Since the DA rule change, REDs review the Mid-Year Reflections for each DA school’s SIP, which are due in CIMS within 30 days of the district’s posting of mid-year assessment data. CIMS does not yet allow for a central record of this review so the REDs currently keep track of these reviews. The standard practice is that REDs review, monitor, and support the implementation of the SIP during instructional reviews and other support visits, as noted on the DA checklist for schools. The records are kept with the school or in email and are not submitted to BSI due to the volume.

### ***Recommendation***

We recommend BSI continue to improve monitoring efforts to ensure implementation fidelity and compliance with the Florida Administrative Code. This should include enhancing procedures to develop centralized processes and monitoring templates to demonstrate appropriate monitoring has occurred.

### ***Management Response***

In September 2014, BSI implemented an online tracking system via Survey Monkey to capture quantitative information regarding SIP monitoring visits. Additionally, DA schools are required to submit a mid-year reflection on progress toward goals and plan implementation for RED review, which is documented in CIMS. The BSI has additional plans to enhance the means of

documentation in CIMS, including more options for recording qualitative feedback and tracking and uploading deliverables, pending funding availability.

Finding 4: BSI did not adequately track and monitor staff vacancy dates.

During the time of our audit, DA services were provided through five regional offices throughout the state. A fiscal agent in each region received grant funds to provide regional support for the implementation of RTTT initiatives related to turning around the lowest achieving schools. The scope of work included supplying staff resources to provide support to designated schools and school districts in the region. The responsibilities of the fiscal agent included carrying out all personnel management activities necessary to maintain the employment of the designated staff positions consistent with the skills and abilities specified in the position descriptions. The staff resources varied by grant, but they generally included reading coordinators, STEM coordinators, data coordinators, and career and technical experts. The DAP grants additionally provided for a RED, regional instructional specialists, and a support staff for each region.

We reviewed staff vacancies and terminations for the five regions. The grants provided for 104 positions to support the schools and districts. The regions reported 26 vacancies during SY 2013-14 (July 1, 2013 – June 30, 2014). The number of days from the date of position vacancy to the date of position fill was calculated, and on average, the positions were vacant for 199 days with a range of 5-477 days. The table below shows the vacancies for each region and the average days to fill the positions.

Region	Vacancies	Average Fill Time
1	6	129
2	5	174
3	1	36
4	7	179
5	7	299

The contract manager indicated the reason the vacant positions in region 5 took so long to be filled was because the grants were expected to end June 30, 2014. Many applicants were looking for secure position and these positions did not provide job security. Once the RTTT projects were extended for another year (to end June 2015), the fiscal agent would not allow the positions to be filled because there were only 30-60 days remaining on the grant. This decision caused the positions to remain vacant until the next fiscal year. The grant agreements do not contain a required timeframe for filling vacant positions.

The regions report vacant positions to BSI each week. However, vacancy dates are not recorded and the vacancy data file is overwritten each week with the subsequent week's vacancy data, making it difficult to track the status of staff vacancies and the length of time the positions remain vacant. This practice does not allow BSI to ensure the fiscal agents are filling positions in a timely manner or to target potential trouble regions/positions for process improvement purposes.

### ***Recommendation***

We recommend BSI capture vacancy dates and retain historical staff vacancy data to ensure the performance of the fiscal agents is in alignment with the scope of work dictated by the grants. We additionally recommend BSI strengthen the grant agreements to specify a timeframe to fill staff vacancies.

### ***Management Response***

A new vacancy tracking system was implemented in April 2015, which ensures we retain all historical staff vacancy data. The 2015-16 DAP grant includes approximately 21.5 FTE slots, which is substantially smaller compared to the RTTT grant. This will mitigate the risk of having multiple vacancies simultaneously. The length of vacancies are a by-product of multiple decision points made on a case by case basis, and cannot be determined ahead of time in the grant agreement.

- 1) When a vacancy occurs, the RED determines whether it is appropriate timing to post the vacancy (e.g., time of year when candidates are likely to apply, whether the team has the bandwidth to engage in the hiring process, i.e., reviewing candidates, interviewing, etc.).
- 2) Once a decision is made to post the position, the RED has to review the candidate pool to determine whether it is strong enough to complete an interview process and make a recommendation for hire. The RED has the discretion to determine the needs of the team as a whole, and whether it is preferable to maintain a vacancy while recruiting more suitable candidates than what is currently in the applicant pool.

### **Finding 5: BSI did not effectively monitor the performance of the fiscal agents for compliance with grant terms.**

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Department policies require contract managers to oversee and enforce the provider's (fiscal agent) performance. This includes the development of a monitoring plan, which is used to monitor the provider for achievement of performance goals. The grant agreements require the fiscal agents to report monthly expenditures through the Cash Advance and Reporting of Disbursements System (CARDS) and to comply with the provisions of the Project Application and Amendment Procedures for Federal and State Programs (Green Book). The Green Book requires fiscal agents to submit the final project disbursement reports by the date specified on the project award notification.

It appears BSI was managing the grants but not effectively monitoring them. Monitoring plans were not in place for the fiscal agents and there were no set procedures or guidelines detailing how and when the grants should be monitored for compliance. The contract manager was not aware of the monitoring responsibilities because the department had not provided training to the contract managers within the previous three years. DA staff performed some monitoring of the RTTT grant, though it was not specific to these grants with the fiscal agents.

The final project disbursement reports (FA 399) for the 26 grants were due August 20, 2013. Our review of the FA 399s for the end of the 2012-13 grant year showed the fiscal agents were late in filing 15 FA 399s (58%) for the 26 DA projects. The department's comptroller generally

allows for a three-day grace period for submission of the FA 399s. The department received 8 of the 15 late FA 399s within the grace period. The remaining seven reports were received 5 to 15 days later. There were no repercussions for the late filings.

Inadequate monitoring of fiscal agent performance hinders BSI's ability to ensure performance goals are achieved. Late filings of expenditures by the fiscal agents can also hinder BSI's ability to ensure grant funds are used appropriately and in accordance with the terms of the grant.

### ***Recommendation***

We recommend BSI contract managers obtain appropriate training for grant monitoring and develop procedures to ensure fiscal agent performance is appropriately monitored for compliance with grant requirements.

### ***Management Response***

There are multiple resources available to provide training and technical assistance to BSI staff in the development and implementation of monitoring procedures. These include but are not limited to:

- Training available through the Departments of Financial Services and Management Services relative to contract and grants management
- Direct support and assistance available from the department's Office of Audit Resolution and Monitoring
- Other department staff who have successfully developed and implemented effective monitoring procedures.

BSI staff have reached out to the Assistant Deputy Commissioner of Finance and Operations, who will coordinate with BSI to access the necessary resources and collaborate on the development and implementation of recommended centralized monitoring processes and templates.

### ***Differentiated Accountability Outcomes***

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BSI's mission is to facilitate improved student outcomes in districts and schools by investing in teachers and leaders, creating opportunities for productive collaboration among stakeholders, providing valuable technical support, and modeling the continuous improvement process. There are multiple ways to measure the improvement of DA schools and at the end of the audit period, a consistent measurement had not been implemented. Therefore, the following information is for contextual purposes.

During SY 2013-14 there were 411 schools in the DA program. Nineteen (5%) of the DA schools had pending grades for SY 2013-14 or had not been graded. The school grade improved for 177 (43%) of those DA schools during SY 2013-14. Of those 177 that improved, 9 (5%) received an A, 21 (12%) received a B, 123 (70%) received a C, and 24 (14%) received a D during SY 2013-14.

The school grade did not improve for 215 of the 411 DA schools (52%). Of those 215 that did not improve, 88 (41%) received a consecutive D, 36 (17%) received a consecutive F, and 91 (42%) dropped from a D to an F for SY 2013-14.

Step Zero is a reporting and measurement mechanism incorporated into CIMS to show the academic outcomes for DA schools. It includes the growth rate for the schools and the percentile ranks of the school, which allows the districts to see the school’s ranking relative to other schools of the same type. The program includes eight indicators in their academic outcomes data:

1. Reading (% Proficient)
2. Writing (% Proficient)
3. Math (% Proficient)
4. Science (% Proficient)
5. Reading LPQ (Gains pts) – lowest performing quartile percentage
6. Math LPQ (Gains pts) - lowest performing quartile percentage
7. Reading (Gains pts) – student growth
8. Math (Gains pts) - student growth

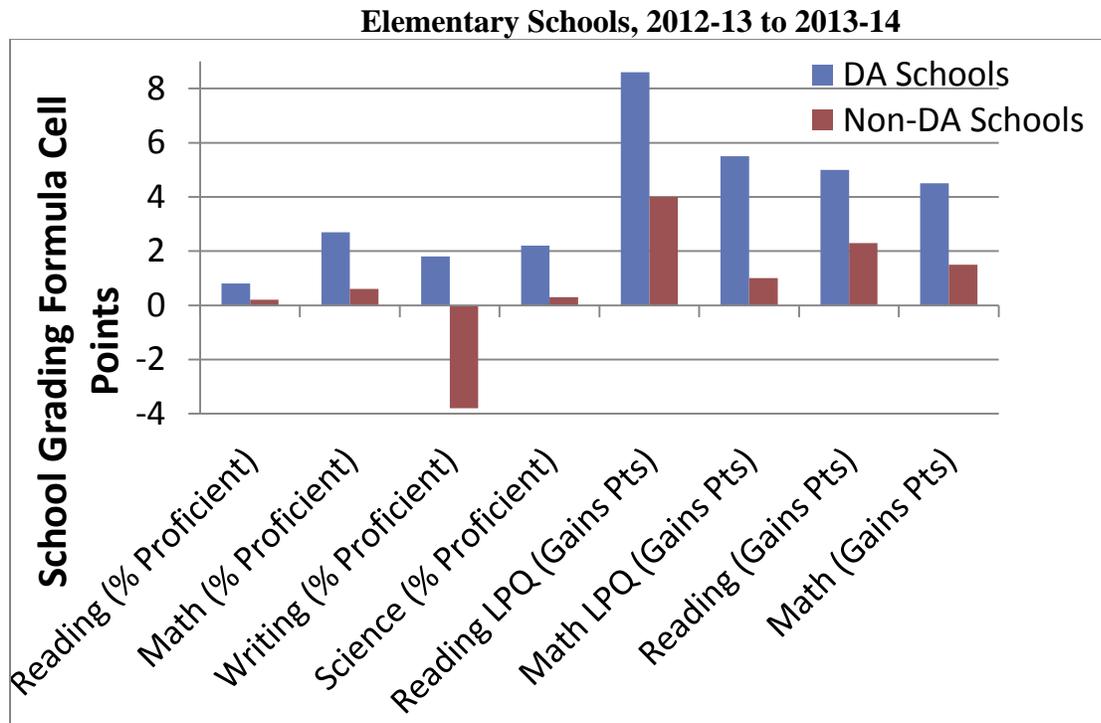
We reviewed a random sample of 41 schools (10%) in the DA program during SY 2013-14 and reviewed the eight data indicators above to determine growth rate for each school. Of the 41 schools sampled during SY 2013-14, 18 had improved their school grade, 12 had no change to their school grade, 7 had a drop in their school grade, and 4 had a pending school grade. The charts below detail the overall change between the 2011-12 to 2013-14 school years.

Overall change from 11/12 to 13/14	Number of schools improved	% of schools improved	Range of improvement (%)	Number of schools not improved	% of school not improved	Range of decrease (%)
Reading (% Prof)	22	54%	1 to 14	19	46%	0 to -14
Writing (% Prof)	3	7%	2 to 7	38	93%	-3 to -59
Math (% Prof)	27	66%	1 to 19	14	34%	-1 to -16
Science (% Prof)	33	80%	1 to 78	8	20%	0 to -9
Reading LPQ (Gains Pts)	21	51%	1 to 33	20	49%	0 to -20
Math LPQ (Gains Pts)	17	41%	1 to 34	24	59%	0 to -27
Reading (Gains Pts)	22	54%	1 to 13	19	46%	0 to -17
Math (Gains Pts)	21	51%	2 to 32	20	49%	0 to -24

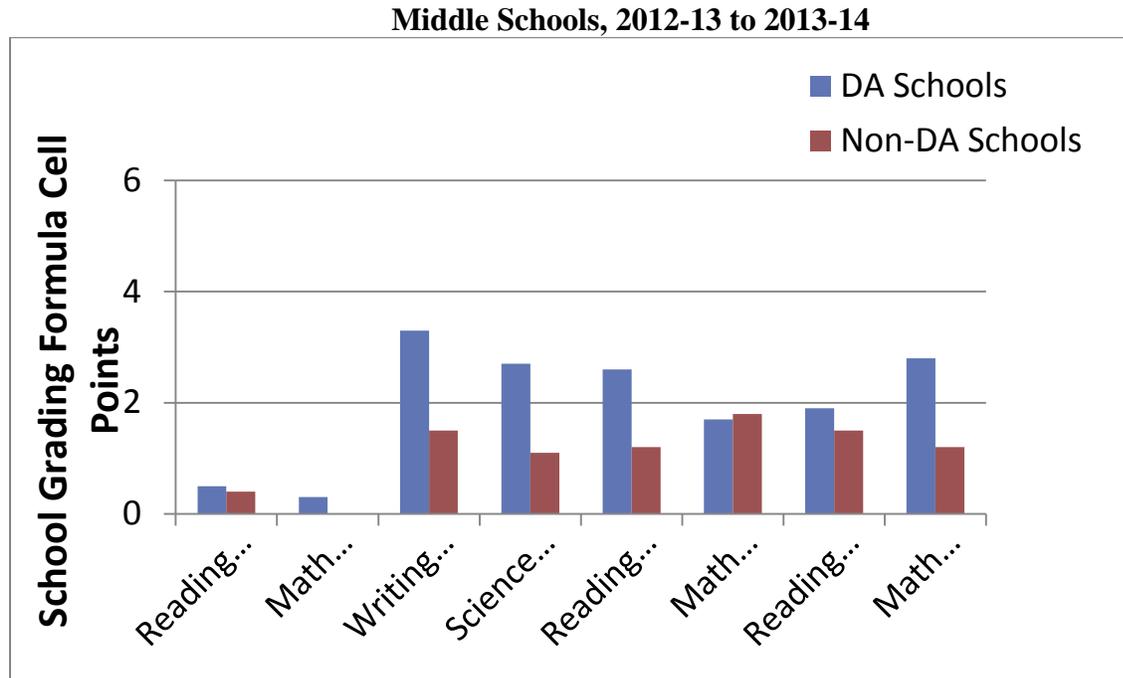
An analysis provided by BSI concluded that in order to determine success in DA schools, it is not enough to look at their average performance measures. The performance measures must be compared with similarly challenged schools not being served by DA, over a period of more than

one year. BSI prepared DA accountability/improvement information for the Board of Education in January 2015. The information showed the average year-over-year change in school grading formula cell points for elementary schools and middle schools, as well as the year-over-year improvement in average VAM school component for DA Schools in math and reading for the school years 2012-13 to 2013-14. The information included the following:

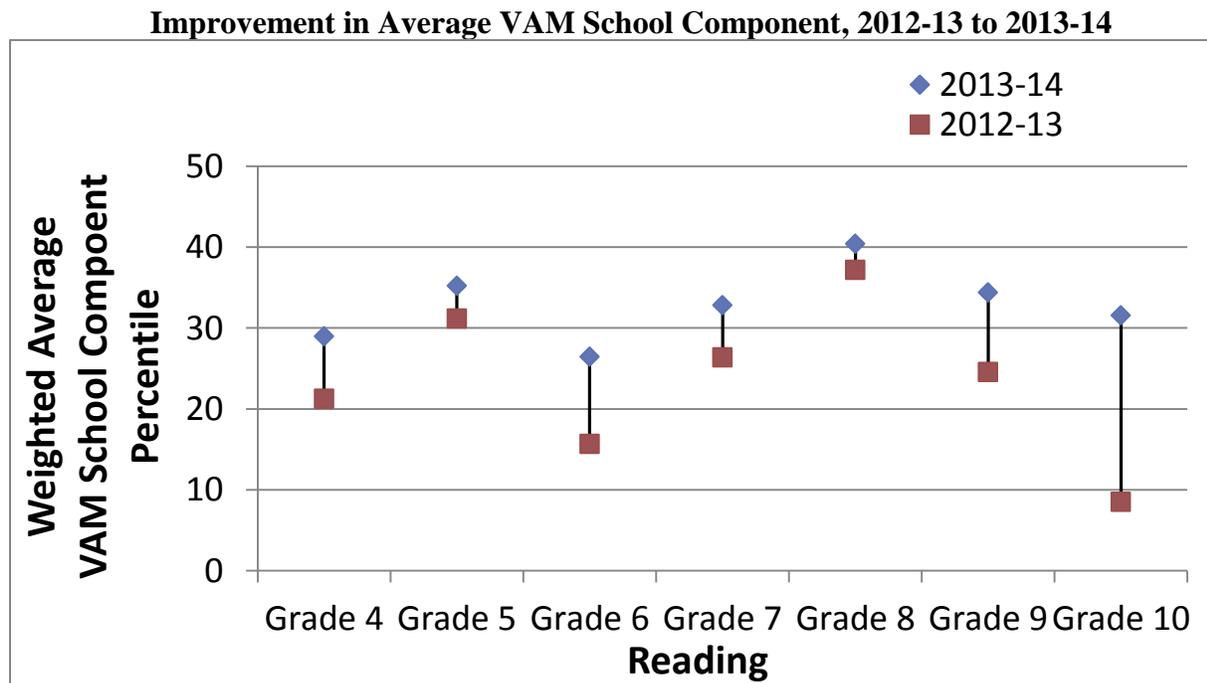
The rate of improvement for DA elementary schools was typically more than twice that observed in non-DA elementary schools in SY 2013-14, as reflected in the following graph:

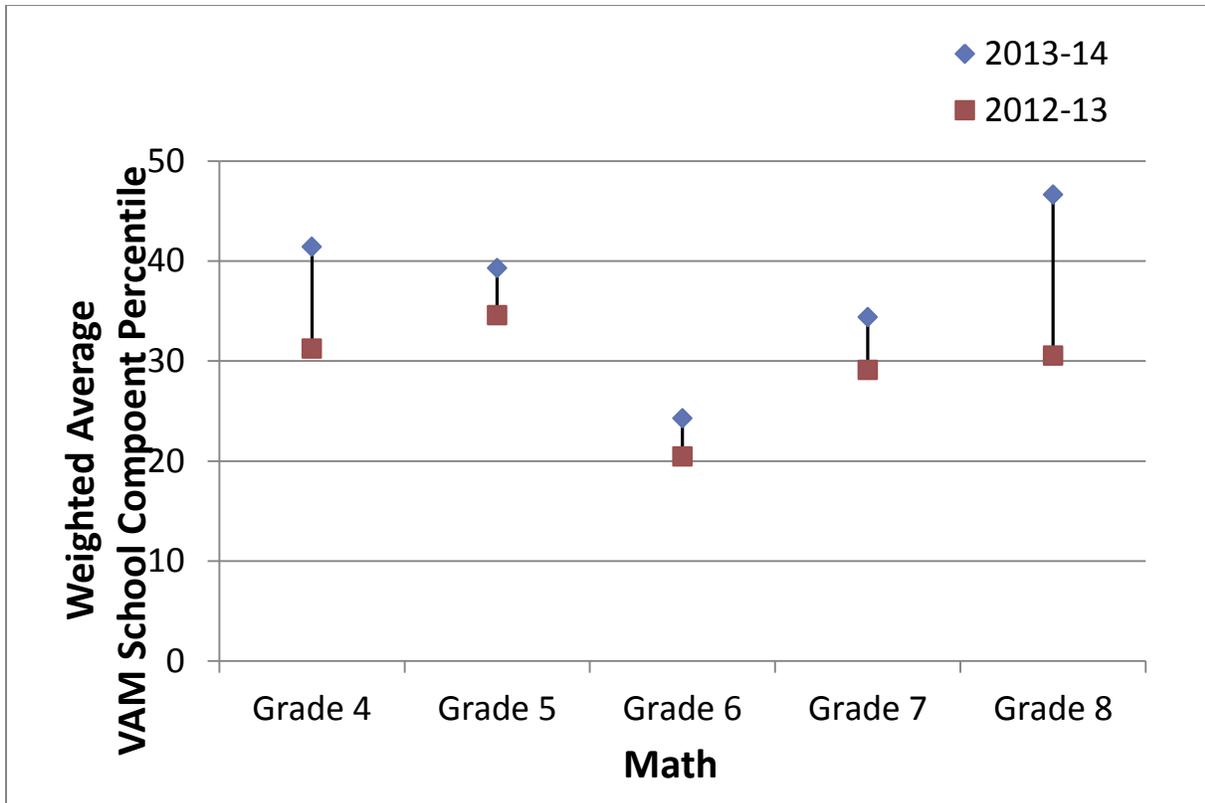


The rate of improvement for DA middle schools was often more than twice that observed in non-DA middle schools in SY 2013-14:



DA schools in 2013-14 demonstrated increases in teacher effectiveness, as indicated by increases in the average school components of Florida’s Value Added Model (VAM) across reading and math subjects:





**Closing Comments**

The Office of the Inspector General would like to recognize and acknowledge the Bureau of School Improvement and staff for their assistance during the course of this audit. Our fieldwork was facilitated by the cooperation and assistance extended by all personnel involved.

*To promote accountability, integrity, and efficiency in state government, the OIG completes audits and reviews of agency programs, activities, and functions. Our audit was conducted under the authority of section 20.055, F.S., and in accordance with the International Standards for the Professional Practice of Internal Auditing, published by the Institute of Internal Auditors, and Principles and Standards for Offices of Inspector General, published by the Association of Inspectors General. The audit was conducted by Kelly Kilker and Tiffany Hurst and supervised by Janet Snyder, CIA, CGAP, Audit Director.*

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