



MEMORANDUM

DATE: June 16, 2020

TO: Audit Committee of the School Board of the City of Virginia Beach

FROM: Terrie L. Pyeatt, CPA *TL*
Director, Office of Internal Audit

SUBJECT: Grants Audit – FY19 Algebra Readiness Initiative

BACKGROUND

As part of the Fiscal Year 2020 Audit Work Plan, the Office of Internal Audit (IA) has performed a Grants Audit. The grant selected for this compliance audit is the FY19 Algebra Readiness Initiative (ARI) Grant. The purpose of the grant is to provide mathematics intervention resources and services to students in grades six through nine who are at risk for failing the Algebra I end-of-course test, as demonstrated by their individual performance on any diagnostic test that has been approved by the Virginia Department of Education (VDOE).

Virginia Beach City Public Schools (VBCPS) receive ARI grant funds from the VDOE. The Office of Secondary Teaching and Learning, within the Department of Teaching and Learning, administers the ARI grant. The Executive Director is responsible for the overall administration of this grant while the Coordinator for Mathematics is responsible for the day-to-day monitoring and oversight of the grant. Each school that participates in the ARI program has a program manager that reports to the Coordinator for Mathematics. Each of the middle and high schools participate in the program except for Adult Learning Center, Advanced Technology Center, and the Technical and Career Education Center. Each participating school has a program manager who oversees the program and the tutors that provide services to the students.

The grant includes the following program requirements:

- Intervention services should provide 2.5 hours of instruction per week in addition to regular classroom instruction.
- Intervention services should be provided at a no greater than 10 to 1 student/tutor ratio.
- Pre- and post-assessments must be administered to students that participate in the program.

In addition, the grant has the following general compliance requirements:

- Allowable costs – Funds must be spent to further the ARI program. Examples of allowable costs are teachers, paraprofessionals, tutors, student transportation to/from services, and other costs associated with providing intervention services.
- Period of availability – Funds must be spent within the timeframe designated by the VDOE.
- Matching – Local funds must be contributed and spent for the program along with the state funds. The state provided \$623,860 in grant funds while VBCPS' local match was \$424,940.
- Reporting – Annual report must be filed by August 1.

AUDIT OBJECTIVES

This audit was performed to determine if VBCPS is in compliance with these grant requirements:

- Allowable costs
- Period of availability
- Matching
- Reporting
- Program requirements
 - 2.5 hours of additional instruction per week
 - Student/tutor ratio no greater than 10 to 1
 - Pre- and post-assessments for all served students

AUDIT SCOPE AND METHODOLOGY

Inquiry and examination of documents and data, as well as interviews, were the methods of reviewing internal controls. The audit period was July 1, 2018 – April 30, 2020. Approximately half of the grant funds were expended in FY19 while the remaining funds were expended in FY20. As of April 30, 2020, there were funds remaining of \$2,126 in the FY19 grant.

To determine if VBCPS met the above compliance requirements for the ARI grant, IA performed the following testwork:

- Interviewed the program managers and the Coordinator;
- Reviewed a list of all students that received ARI intervention services during FY19 and ensured they received pre- and post-assessments;
- Reviewed expenditures charged to the FY19 grant to ensure they were allowable and incurred during the period of availability;
- Ensured that local funds were transferred to the grant and spent during the period of availability by reviewing the financial system records;
- Tied the FY19 annual report to supporting documentation;

- Ensured the annual report was submitted by August 1, 2019, for the funds spent to date for the FY19 grant; and
- Reviewed documentation provided by program managers to ensure students received their 2.5 hours of additional instruction per week and to ensure tutoring sessions were structured at an acceptable student/tutor ratio during FY20.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

CONCLUSION

The results of the audit were discussed with management. We thank management and staff of the Office of Secondary Teaching and Learning for their cooperation throughout the audit. A summary of the audit results, audit recommendations, as well as responses from management, are included in this report. These recommendations are intended to further strengthen compliance with grant requirements as well as to strengthen internal controls and offer process improvements in administering the Algebra Readiness Initiative grant.

In our opinion, the results of the audit indicate the following:

- Allowable costs – VBCPS complied with this requirement. All expenditures were allowable under the ARI program.
- Period of Availability – VBCPS complied with this requirement. All funds were spent within the allotted timeframe.
- Matching – VBCPS complied with this requirement. The correct amount of local funds were contributed to the grant.
- Reporting – VBCPS complied with the deadline to file the annual report but some of the information on the report was incomplete.
- Program requirements
 - VBCPS was not fully compliant with providing a minimum of 2.5 hours per week for each student served.
 - VBCPS was substantially compliant with making the tutoring sessions no larger than a 10 to 1 student/tutor ratio.
 - VBCPS was not fully compliant with administering pre- and post-assessments to the students served.

cc: Mr. Matthew Delaney, Executive Director, Office of Secondary Teaching and Learning
Dr. Kipp D. Rogers, Chief Academic Officer

AUDIT RESULTS AND MANAGEMENT'S RESPONSES

Finding No. 1: Reporting

The Coordinator submitted the FY19 annual report to the VDOE with incomplete data. Three questions on the annual report were not answered regarding the diagnostic assessments used and intervention types provided. The Coordinator completed the report, but no one reviewed it prior to submission, therefore the omissions were not identified. The VDOE requires VBCPS to submit an annual report by August 1, outlining the methods used to provide intervention services and the methods used to diagnose individual student mathematics content strengths and challenges.

Recommendations:

We recommend the Executive Director institute a review process over the annual report preparation prior to submission to the VDOE.

Management's Response:

The Office of Secondary Teaching and Learning concurs and will implement a review process of the annual report for school year 2020-2021 and going forward.

Finding No. 2: Program Requirements

IA noted that the program requirements were not being met at all of the participating schools. Details are as follows:

- Five of the 28 schools were not properly monitoring nor maintaining documentation to indicate how many intervention hours the served students received in FY20. Note that at these five schools, students were not assigned to a specific class to receive intervention services, but were served during study hall, after hours, during lunch, etc.
- One of the 28 schools was not maintaining documentation to indicate the student/tutor ratio in FY20 was no greater than 10 to 1.
- 12 of the 28 schools did not administer a pre- and/or post-assessment in FY19 to the students that received intervention services. Of those 12 schools, approximately 12% of their students did not receive a pre-assessment while 33% did not receive a post-assessment. These percentages are based off of the quarterly reports that were prepared by the program managers at each school. Note that six quarterly reports from a total of three schools were unavailable due to staff transition. IA removed the students that were marked as leaving the program or the school from the above percentages.
- Several of the middle schools provided intervention services to students sporadically throughout the year, in addition to providing services to other students on a regular basis. Documentation was not maintained for students receiving sporadic services. IA was unable to determine if the program requirements were met for these students.

AUDIT RESULTS AND MANAGEMENT'S RESPONSES, CONTINUED

Recommendations:

We recommend that the program managers develop a method to ensure these requirements will be met and that they maintain adequate documentation to show compliance. We also recommend that the Coordinator communicate monitoring and documentation requirements to the program managers.

Management's Response:

The Office of Secondary Teaching and Learning concurs. The Coordinator will develop processes and structures to create a more effective oversight process. Training will be given to all program managers at the beginning of school year 2020-2021 and going forward to ensure they understand that requirements need to be met and that they maintain adequate documentation to show compliance.