



TO: Board of Education

THROUGH: S. Denise Watts, Ed.D., Superintendent of Schools
Derrick Butler, Chief Academic Officer

FROM: Leah Underwood, Senior Director, Internal Audit

DATE: April 24, 2025

SUBJECT: Audit of the Magnet School Assistance Program (MSAP)

We have completed our Magnet School Assistance Program (MSAP) Grant Audit. Our audit report is presented in the sections listed below:

- I. AUDIT RATINGS**
- II. AUDIT OBJECTIVES**
- III. AUDIT SCOPE & METHODOLOGY**
- IV. BACKGROUND**
- V. AUDIT CONDITION/OBSERVATIONS**
- VI. APPENDIX A- AUDIT RATING DEFINITIONS**
- VII. APPENDIX B - ADDITIONAL MANAGEMENT RESPONSE**

Management's response to our report is attached in its entirety. In addition, the specific action that management has agreed to take in response to each recommendation is included in the Management Action Plan response section of the report, along with who is responsible for the action and when it will be completed.

I. AUDIT RATINGS

The Internal Audit Department reviewed the MSAP grant to assess risks associated with program implementation, financial oversight, and the effectiveness of key processes supporting grant objectives. Based on the audit findings, the overall rating is Needs Improvement, with deficiencies identified in performance and financial monitoring and professional development and coordination between the Magnet School Assistance Program management and schools' leadership.

Needs Improvement

II. AUDIT OBJECTIVES

Our audit was designed to meet specific objectives. Within those objectives, we focused on areas where we identified opportunities for program improvement and compliance. The objectives of our audit were as follows:

1. Identify if the District complies with MSAP Grant requirements and any supporting Federal, State, or Local laws.
2. Identify the efficiency of the MSAP Grant by analyzing how resources are allocated and managed to support ongoing program activities
3. Assess the effectiveness of the MSAP Grant in achieving its intended educational outcomes, including the enhancement of student academic performance and the improvement of overall school quality.

III. AUDIT SCOPE & METHODOLOGY

The Office of Instructional Excellence requested an audit of the Magnet School Assistance Program Grant in FY 2025 after the Audit Committee improved a grant review in the yearly review. The audit was conducted through interviews with key stakeholders, reviewing financial transactions, program evaluations, and analyzing student performance data. The audit period covered the MSAP Grant from 2021 to 2025.

We reviewed the MSAP application, analyzed financial transactions and expenditure tracking, compared student performance data from Lighthouse Project schools to baseline data, District averages, and conducted interviews

with staff to assess program awareness and the implementation effectiveness. We also review the District performance reports to the Federal Department of Education.

To review financial transactions, we judgmentally sampled invoices from Munis that were funded by the MSAP Grant from FY 2022 to 2025. We reviewed these invoices to determine if they aligned with the program's objectives.

To review student performance, we reviewed GMAS scores in ELA, Math, Science, and Social Studies from 2019 (baseline and 2024 (end of the fourth year). We reviewed the College and Career Ready Performance Index (CCRPI) school scores from 2019 and 2024 for each of the Lighthouse Project schools and compared them with the State score for each grade band to determine progress toward this performance objective. To determine the degree to which the District's Lighthouse Project was achieving its stated objectives, we compared student data from PowerSchool with baseline data and projections, including the MSAP Grant application. Data from the Lighthouse Project schools were also compared with data from two other District schools within the same grade band; one of the two comparison schools in each set was chosen because of its proximity to the Lighthouse Project school, and another comparison school was selected from Western Chatham County. We also received the US Department of Education Annual report, which is submitted each year. We compared this data to the data pulled from the GADOE site.

Internal Audit conducted this performance audit by generally accepted government auditing standards. Those standards require that the audit be planned and performed to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives. Internal Audit believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objectives.

Details of each area tested and recommendations for strengthening the internal controls in that area are listed below. At the end of each observation, we have identified the priority goals that are most likely affected by the observations identified. Internal Audit has made recommendations to help support the achievement of these goals.

The Way Forward 2026

- I. Students: Student Growth and Achievement for Choice-filled Futures
- II. Stakeholders: Quality Family and Community Engagement Experiences
- III. Employees: Talent Management for Optimal Employee Performance
- IV. Stewardship: Efficient, Effective, and Equitable Resource Stewardship

IV. BACKGROUND

The MSAP Grant was awarded in FY 2021 to fund the Lighthouse Project, a STEAM initiative implemented at Andrea B. Williams Elementary School, Hubert Middle School, and the School of Liberal Studies at Savannah High School. The total amount awarded for all five years is \$14,772,149. This grant is a direct Federal Grant. The grant application outlined three key objectives: reducing African American racial isolation in project schools, providing high-quality and relevant education, and stimulating student interest in STEAM subjects. The grant set performance goals and documentation requirements to track progress. It aimed to support magnet school programs that reduce or prevent minority group isolation while promoting diversity and academic excellence. These programs help schools implement innovative teaching methods, expand educational choices, and improve student outcomes. A key goal is to ensure long-term success beyond federal funding while providing all students with equitable access to quality education.

To assess the reliability of data, we considered whether the data would materially support audit findings and whether corroborating evidence existed. Data from MUNIS and GADOE were evaluated for accuracy, completeness, and consistency, and were cross-referenced with supporting documentation, interviews, and internal reports. The data was found to be sufficiently reliable for audit purposes. This assessment ensures confidence in the conclusions drawn during the audit of the MSAP Grant.

On July 13, 2022, the Board approved, through the ratification process, professional services for a Grant Writer specifically for the MSAP grant. Under the terms of the agreement, the District committed to compensating a Grant Writer at a rate of four percent of the grant award for each annual grant disbursement. To date, four payments have been made: \$115,472.00 in the first year, \$121,373.00 in the second year, \$117,081.00 in the third year, and \$119,688.00 in the fourth year. Currently, the payments total \$473,614.00. A fifth and final payment is scheduled for this year.

The table outlines the annual expenditure for each magnet school, including A.B. Williams, Hubert Middle School, and Savannah High School, along with administrative expenses, detailing both salary and non-salary costs. For FY 24-25, eight staff members are funded through the administrative budget; two work at Hubert, one at A.B. Williams, and one at Savannah High. The staffing distribution is adjusted as follows: A.B. Williams has four employees, Hubert has three employees, Savannah High has two employees, and the Administrative Office has four employees. This results in a total of 14 filled positions. Additionally, there are four vacant MSAP positions, bringing the total number of positions under the MSAP grant to 17 employees. The principals of each magnet school are not funded through the MSAP funds and are not included in these calculations. While there have not been many changes in the MSAP staff since

the grant began, there have been shifts in school administration, including changes in two school principals since the grant started. Additionally, the restructuring of grant oversight has impacted its implementation (Appendix C).

Salary and Non-Salary Expenditures

School Years	A.B Williams	Hubert Middle School	Savannah High School	Administrative
FY21-22				
Salary	\$ 191,872.09	\$78,159.89	\$72,808.40	\$1,223,162.58
Non-salary	0	0	0	\$ 1,134,763.14
FY22-23				
Salary	\$300,672.13	\$ 95,407.59	\$ 91,074.24	\$ 1,477,360.44
Non-Salary	0	0	0	\$ 782,891.75
FY23-24				
Salary	\$ 368,869.21	\$ 105,519.28	\$ 99,396.69	\$ 1,626,007.55
Non-salary	0	0	0	\$ 836,833.58
FY24-25 as of 03/25/2025				
Salary	\$306,775.57	\$ 84,003.39	\$ 78,236.23	\$ 773,380.84
Non-salary	0	0	0	\$ 419,800.13

The MSAP Grant application established a structure with three key positions responsible for grant oversight: the MSAP Project Director, who manages Lighthouse Project operations and activities; the Lighthouse Project Director, responsible for day-to-day operations; and the school principals, tasked with overseeing the magnet project's implementation and supervising program staff.

Currently, the program is managed by the MSAP Project Director and the principals of the three MSAP schools. In addition to these roles, the current MSAP positions include the STEAM Thematic Specialist, Elementary Computer Information Science Teacher, Engineering Elementary Teacher, Reading Elementary Teacher, Math Coach, Senior Budget Check, Research Evaluator, Administrative Secretary, and Parent and Community Choice Coordinator.

V. AUDIT CONDITION/OBSERVATIONS

The Audit of the MSAP Grant identified implementation gaps due to how the grant is managed. The grant is managed based on compliance adherence rather than compliance adherence and performance outcomes. We found no strategic tactics at the school level and at the District level to address the issues identified within the Annual Performance Report. In addition, we found no strategic communication plans between the grant administrator and the school sites, and vice versa, to discuss the plan of action for the grant objective outcomes and

expenditure strategies. This lack of structure could have resulted in missed opportunities for targeted interventions and professional growth for overall program success. The District has not received any follow-up inquiries or corrective action notices, indicating that the grant remains in good standing and/or in compliance from the funding agency.

Observation 1. Performance and Financial Monitoring

Goal IV: Stewardship: Efficient, Effective, Equitable Resources Stewardship

Performance Monitoring

The audit identified several key findings related to cost and performance strategies within the MSAP grant. First, while feedback from external evaluators was used to meet grant compliance requirements, it was not leveraged as a data source for establishing internal benchmarks to measure program effectiveness. The MSAP application outlined the need for an External Auditor and a Research Evaluator, only a Research Evaluator was hired. As a result, evaluations primarily focused on program implementation rather than assessing overall effectiveness and efficiency, limiting the ability to measure outcomes and ensure alignment with grant objectives.

Within the U.S. Department of Education Grant Performance Report for the period of April 1, 2023, to March 31, 2024, a narrative of actions conducted within the school sites was provided as well as program needs. There are no specific strategies outlined to mitigate barriers to achieving program goals, nor are there corrective measures to enhance future performance. Furthermore, there are no internal administrative documents detailing strategies or deadlines for school sites to follow. Discussions with MSAP staff revealed that no formal action plan has been provided by leadership, leaving staff without structured guidance on improving their classrooms. While evaluators provide recommendations, there is no follow-up plan to implement changes, which further limits the program's effectiveness.

An analysis of the Lighthouse Project's performance revealed mixed results. While African American student enrollment remains above the 50% target, it has slightly declined. More critically, student achievement continues to fall short of the 80% proficiency goal for Georgia's Milestone tests, and none of the participating schools met the Georgia Target Index on the CCRPI. There have been changes in CCRPI scoring, but there was no direct performance impact. Similar progress among non-MSAP-funded schools raises concerns about the program's overall impact. Additionally, high teacher turnover poses a significant risk to program continuity. The absence of a structured mentorship program or retention incentives exacerbates this challenge, and while turnover is acknowledged in reporting, no concrete solutions have been proposed.

Lastly, while the Annual Performance Report includes objectives to improve student performance, such as data-driven instruction, technology-based learning,

and targeted interventions, there is little evidence of a comprehensive framework to ensure strategies are consistently and effectively implemented across all schools. Without clear benchmarks and regular progress monitoring, it is difficult to measure success and make necessary adjustments to enhance student outcomes. Addressing these gaps through structured action plans, improved evaluation strategies, and targeted retention efforts would strengthen the program's effectiveness and sustainability.

Financial Monitoring

An internal audit review of judgmental financial transactions confirmed that while expenditures aligned with MSAP grant objectives, they did not fully adhere to best practices in financial management, budgeting, and the strategic use of grant funds. Several non-salary transactions were identified that, although allowable, could have been funded through alternative District resources. Additionally, some purchases lacked proper justification or documentation to demonstrate their exclusive use for MSAP purposes. We were informed by the Grant Writer and the MSAP Project Director that the projected expenses in the grant application were intended as examples rather than strict budgetary guidelines, leading to unclear financial monitoring. This flexible approach to spending, without formal oversight or justification for deviations, raises concerns about accountability and the efficient allocation of grant funds.

A greater concern is that the Magnet schools' site also does not have the control to make non-salary purchases. After talking to principals and staff, all requests from the school are submitted to the administrative office, and then these requests go to the MSAP Project Director. The table on page eight of this report shows the distribution of the purchases. To test compliance and purpose of the invoice we took a judgmental sample of 42 invoices from FY 2022-2025. The sample included 12 invoices from 2022, 10 from 2023, 17 from 2024, and three from 2025. Invoices were selected in no predetermined order. The total value of the sampled invoices was \$495,252. For the internal control review, we assessed each invoice to determine: Compliance with document controls for purchasing, If the purchase was shipped to the Magnet School Site or the Administrative Office, and if the purchased items aligned with the MSAP objectives. The table below reflects the dollar amount and where the items were delivered, however, all invoices are sent to the Administrative office for payment.

Category	Invoice Amount	Total Amount
Total Invoices	42	\$469,052
Items shipped to one or more magnet schools	24	\$395,389 (84% of total)
Items shipped to the Administrative Office	18	\$73,663 (16% of total)
Purchases for District-wide events, including one or more magnet schools. (This cost is a segment of the Administrative cost listed above)	11	\$30,713 (42% of the \$73,663)

We found all document controls were compliant with purchasing requirements. A sample of purchases revealed expenditures from District-wide events included expenses such as photos for a Navy Week event, items distributed to students during Kid Biz and a job fair, food orders for teachers, catering, and silverware for a business partner appreciation event, and shirts for a student expo. While these events involved at least one magnet school utilizing MSAP grant funds, they also included other schools or purposes that may not have directly aligned with the grant's objectives. The MSAP grant is designed to support magnet schools in implementing innovative educational programs, enhancing student engagement, and improving academic achievement through STEAM-focused initiatives. Some of the District-wide event expenditures, such as food purchases for appreciation events and promotional items for general student engagement, do not have a clear, direct link to these objectives, however, community partnerships and outreach activities can contribute to program success. The District has been reimbursed for all financial expenditures for all the years of the grant to date. We were not provided with information that reflected a Federal review of financial transactions. However, beginning in FY25, the District's Accounting Department implemented a process that requires the grant manager to acknowledge all expenditures were allowable. This is to be conducted prior to the Accounting Department's drawdown request for fund reimbursement.

Our sample also included purchases of iPads, computers, printers, programmable coding devices, welding supplies, culinary arts supplies, and professional development training. Additionally, funds were allocated for STEM

lab enhancements, classroom supplies, and infrastructure improvements, including cafeteria vision boards and school-wide equipment. Many of these items supported the entire school population and its various programs. We found purchases made for CTAE programs. We were informed that it is allowable practice because the school is STEAM-focused.

Our sample was not a statistically representative selection of all transactions. The sampled invoices accounted for 14% of the total non-salary expenditure of \$3,174,286.60 and only 2.19% of all transactions between FY21 to FY25. Despite this limited sample size, we identified multiple errors, highlighting the need for stronger financial oversight. We were informed by all principals of Lighthouse Project schools that they did not have purchase authority over grant funds at their schools, limiting their ability to effectively manage resources. They further expressed concerns about their role in achieving MSAP Grant objectives. These findings highlight the necessity for improved financial controls, strategic planning, and a more structured evaluation of program outcomes to ensure the effective use of grant funds and meaningful progress toward the grant's objectives.

These findings also suggest potential risks in the broader use of MSAP funds, reinforcing the necessity of enhanced monitoring to ensure expenditures align with their designated purpose. Several best practices can be implemented to improve financial controls and streamline the purchasing process for Magnet schools under the MSAP Grant. The focus should be strengthening financial oversight and reviewing expenses to improve grant monitoring. Strengthening financial oversight and aligning expenditure more closely with program goals will assist in monitoring the returns on investments of the grant.

Recommendations

Office of Instructional Excellence

- 1.1 Develop and implement a comprehensive grant monitoring framework that integrates compliance oversight, performance measurement, and financial inspection. The framework should include clearly defined Key Performance Indicators (KPIs) to assess progress toward intended outcomes, along with financial inspection procedures to evaluate the allowability of transactions.

Management's Corrective Action

Develop and implement a grant monitoring framework and cross departmental collaboration action plan that clearly outlines the roles and responsibilities of school leaders, principal supervisors, and program directors regarding the management of grant expenditures in alignment with overall program goals and individual school accountability plan key performance indicators.

Responsible Person(s)

Principals (MSAP Schools)
School Support Officers
Network Superintendents
Executive Director of OCCR/CTAE

Anticipated Completion Date

June 2025

Observation 2: Professional Development and Coordination Between The MSAP Management and the Schools' Leadership

Goal IV: Stewardship: Efficient, Effective, Equitable Resources Stewardship

Professional Development

MSAP teachers are required to complete 25 hours of professional development. However, there is no formal system in place to track the effectiveness of these training sessions in meeting the grant's objectives. There is a lack of clear documentation demonstrating how the training directly supports the intended outcomes. Best practices in professional development underline strategic alignment with educators' specific instructional needs to maximize impact on student achievement and program goals. The absence of a structured evaluation process raises concerns about the long-term effectiveness of these efforts in advancing the MSAP Grant's mission. Implementing a monitoring mechanism would help ensure that professional development aligns with grant expectations and contributes to program success. The MSAP Grant application explicitly identified professional training as a key component of the project, highlighting the need for a more systematic approach to evaluation and documentation.

Discussion with the MSAP Project Director responsible for overseeing the MSAP grant stated that principals are expected to manage professional development and school-based training. We were informed by two of three principals that there is no regular communication between the MSAP Project Director and school leadership regarding the daily operations of these practices.

The application emphasized the importance of the Comer model. The Comer Model was developed to improve the educational experience of poor ethnic minority youth by improving school climate through a collaborative, consensus-building, no-fault approach to problem-solving between parents and school staff. It emphasizes collaboration between educators, parents, and the community to promote students' social, emotional, and academic development. The model is structured around three key teams: the School Planning and Management Team, the Student and Staff Support Team, and the Parent Team. After the departure of the Comer facilitator, who played a key role in the program's development and training, several consultants were brought in to focus on Project-Based Learning (PBL).

During 2023, the consultant visited the three Magnet School Assistance Program (MSAP) schools. She noted that not everyone fully understood what PBL is and did not observe any true PBL implementation during her visit. She recommended that teachers participate in PBL professional learning courses, particularly those planning to be part of the STEAM program. At Savannah High, she pointed out that CTAE (Career, Technology, and Agriculture Education) is a major component of the STEAM program and that this issue needs to be addressed. At Hubert Middle School, she observed that only the MSAP staff were planning all the STEAM activities, with other teachers not in attendance. She noted that only one teacher, in a math class, was actively engaged in STEAM activities. She also concluded that the Magnet School Assistance Program MSAP coordinator may need to model several integrated lessons to help teachers feel more comfortable implementing PBL. Lastly, at A.B. Williams, she observed that students in the STEAM classroom were engaged in lessons. She commented that Williams is making steady progress with STEAM implementation. She also noted that the MSAP coordinators and teachers were collaborating well and interacting comfortably.

During the 2024 visit, that same consultant and an additional consultant demonstrated 12 different means of formatively assessing students and some details with teachers regarding the GaDOE. In addition, in 2024, the Research Evaluator West Ed, who conducted the annual grant review, highlighted additional challenges in professional development. Specifically, they noted that new teachers needed to be brought up to speed with all the STEAM training and activities implemented by the specialist in the first year of the grant. The evaluation further emphasized that, given recent teacher turnover, training new teachers remains a critical factor in the successful integration of STEAM programming. WestEd asked about areas for improvement, One school leader suggested that customized training sessions for staff could better support the MSAP goals related to whole-child development. This leader indicated that past training did not always align with the demographics and circumstances of the students served at their school.

There appears to be no formal tracking system to document participation or content relevance based on the needs of the schools identified in the External Evaluator results. Without oversight, it remains unclear how the District is evaluating the effectiveness of the training or whether corrective actions were considered to address the gaps in implementation. Based on the findings, we recommend the following:

Recommendations

Office of Instruction Excellence

- 1.1 Include a professional development component into the monitoring framework that we recommended in our first observation, adding a focus on identifying relevant content to address instructional needs and gaps.

Management's Corrective Action

Implement a professional development scope and sequence that is strategically aligned with each school's accountability plan and the objectives of the MSAP grant. All MSAP professional development will be directly connected to identified instructional needs, with a focus on STEAM integration and whole-child development.

- The MSAP District Team, in collaboration with the Office of School Leadership, will conduct regular instructional walkthroughs and feedback cycles at each school to monitor pedagogical practices, inform coaching, and support continuous improvement in instructional delivery.

Responsible Person(s)

Principals (MSAP Schools)

School Support Officers

Network Superintendents

Executive Director of OCCR/CTAE

MSAP Coordinator

STEAM Thematic Specialist

Anticipated Completion Date

July 2025

APPENDIX A – Audit Rating Definitions

Audit Rating	Definition
Unsatisfactory High	<p>Design of controls and/or program: Design of controls is ineffective in addressing key risks.</p> <p>Documentation and communication: Non-existent documentation and/or communication of controls/policies/procedures</p> <p>Operations/implementation: Controls are not in operation or have not yet been implemented.</p> <p>Compliance: Significant breaches of legislative requirements and/or departmental policies and guidelines</p> <p>Risk management: Risks are not being managed.</p> <p>Academics: Neither Staffing patterns nor curriculum/materials are sufficient to implement with fidelity</p>
Needs Improvement Medium	<p>Design of controls and/or program: Design of controls only partially address key risks.</p> <p>Documentation and communication: Documentation and/or communication of controls/policies/procedures is incomplete, unclear, inconsistent, or outdated.</p> <p>Operations/implementation: Controls are not operating consistently and/or effectively or have not been implemented in full.</p> <p>Compliance: Breaches Federal, State, or local policies and guidelines have occurred</p> <p>Risk management: Risks are not effectively managed which could results in failure to ensure school objectives are met.</p> <p>Academics: Either staffing patterns or curriculum/materials are insufficient to implement with fidelity</p>
Satisfactory Low	<p>Design of controls and/or program: Design of controls is largely adequate and effective in addressing key risks.</p> <p>Documentation and communication: Controls/policies/procedures have been formally documented and are up to date but are not proactively communicated to relevant stakeholders.</p> <p>Operations/implementation: Controls are largely operating in a satisfactory manner and are providing some level of assurance.</p> <p>Compliance: No known breaches of legislative requirements and/or departmental policies and guidelines have occurred</p> <p>Risk management: Risks are largely effectively managed.</p> <p>Academics: Both staffing patterns and curriculum/materials are available to implement with fidelity</p>

APPENDIX B- Additional Response From Management

A review of the Magnet Schools Assistance Program (MSAP) audit report revealed a significant deviation from its initial implementation.

Awarded in 2021, the five-year MSAP grant, funded by the U.S. Department of Education, aimed to reduce racial isolation and promote academic excellence in Savannah-Chatham County's identified magnet schools, specifically Savannah High, Hubert Middle, and A.B. Williams.

Initially, under the Associate Superintendent of Transformation Schools, the program thrived through robust collaborative leadership. She worked closely with the MSAP Project Director and principals to ensure principals fully understood the grant's requirements, integrated grant objectives into school accountability plans, and included MSAP goals in principal evaluation processes. Furthermore, she actively incorporated feedback from external evaluators and PBL professionals into school planning. The Associate Superintendent also facilitated professional development opportunities aligned with the grant and school improvement needs, working closely with schools, Academic Affairs, and outside vendors. Most critically, she held principals accountable for ensuring teachers and staff met MSAP objectives. Principals responded consistently to her efforts as there was constant communication and feedback about program implementation, support, and the impact of their leadership on the established implementation objectives.

However, following her departure, the organizational structure for oversight of the transformation schools began to shift. Ultimately, the discontinuation of the Transformation Schools Unit and the subsequent reorganization into elementary, middle, and secondary unit oversight disrupted established collaboration routines. The MSAP schools, once supervised under a single, focused leadership model, were now split across different levels of supervision. As a result, coordinated structures involving the MSAP Project Director, principals, and principal supervisors became inconsistent and less defined.

This resulted in a clear disparity in program implementation and outcomes. While A.B. Williams demonstrated significant progress through continued effective collaboration and commitment to the grant program objectives, Savannah High and Hubert Middle struggled due to high teacher turnover and limited MSAP staff integration into school-level committees. The absence of consistent meetings and action plans further hindered program continuity. Ultimately, leadership transitions

and a lack of sustained, collaborative implementation compromised the program's success.

This audit presents an opportunity to reflect on the organizational and structural gaps that have emerged and to serve as a guide for realignment. By re-establishing a collaborative framework grounded in shared accountability and cross-functional support, the district can re-engage all stakeholders and restore coherence to achieve the overall goals and objectives of the MSAP grant.