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Digest of a Performance Audit of the Centennial School Program

In response to a legislative request, we reviewed the Centennial School program in the Strategic Planning Section of the Utah State Office of Education (USOE). The program will have a surplus balance of nearly \$452,000 at the end of fiscal year 1997, repeating past surpluses. We also have identified some administrative areas where efficiency can be improved, including the need for changes to the oversight of the budget and expenditure areas and the need to automate the computation and record keeping of Centennial School awards. In addition, we have concerns with the way in which an outside evaluator of the Centennial School program was obtained. Several program issues also need attention. First, after conducting an extended survey, we have determined that a full review of Centennial School program effectiveness is impractical at this time. This is because the USOE has not identified measurable program outcomes and because several factors prevent the isolation of Centennial School program effect from the effect of other programs. Second, we believe there is confusion over just what the Centennial School designation means; the USOE needs to more clearly define whether the program rewards attainment of a certain level of excellence or provides incentive for attempting systemic educational reform. Third, some schools foresee a significant cutback in activities after their Centennial School funding ends. Finally, we found that schools and districts are generally pleased with their relationship with USOE staff who coordinate the Centennial School program, but that some have concerns that the application process is lengthy and difficult.

The following briefly describes the findings of our audit:

Some Improvements Can be Made in Program Administration. Improvements can be made in the USOE's administration of the Centennial School program. Generally speaking, these are refinements that are needed to enhance current administrative processes. First, as in years past, the Centennial School program will have an excess balance of nearly \$452,000; consideration needs to be given to changing the way the program is funded so that the appropriation is based on actual needs. Second, the USOE circumvented normal state purchasing procedures and requirements when contracting for a review of the Centennial School program; the USOE and school districts should follow state procurement procedures when contracting with outside entities. Third, the administration of financial areas can improve, including increasing expenditure oversight, preventing errors in award calculations, and improving documentation of administrative decisions; requiring the districts to provide expenditure oversight and changing some administrative practices in Strategic Planning can address these financial issues.

Effectiveness and Other Issues Need to be Addressed. A number of different program issues came up during the audit, several of which surfaced during our efforts to assess the Centennial School program's effectiveness. First, the USOE has not identified measurable program outcomes for the Centennial School program. Because of this, a full review of Centennial School program effectiveness is impractical at this time. Second, there is some confusion over just what the Centennial School designation means; the USOE should more clearly define whether the program rewards attainment of a certain level of excellence or provides incentive to pursue systemic educational reform. Third, we found that some schools foresee a significant cutback in activities when the extra funding runs out; other schools indicate they will not have to scale back since they do not require ongoing funding for their activities. Fourth, schools and districts are generally pleased with their relationship with USOE staff who coordinate the Centennial School program, but also indicated they feel the application process to become a Centennial School can improve.

Further information and recommendations for improving the Centennial School program can be found in the body of the report.

Chapter I

Introduction

In response to a legislative request, we reviewed the Centennial School program in the Strategic Planning Section of the Utah State Office of Education (USOE). The program will have a surplus balance of nearly \$452,000 at the end of fiscal year 1997, repeating past surpluses. We also have identified some administrative areas where efficiency can be improved, including the need for changes to the oversight of the budget and expenditure areas and the need to automate the computation and record keeping of Centennial School awards. In addition, we have concerns with the way in which an outside evaluator of the Centennial School program was obtained. Several program issues also need attention. First, after conducting an extended survey, we have determined that a full review of Centennial School program effectiveness is impractical at this time. This is because the USOE has not identified measurable program outcomes and because several factors prevent the isolation of Centennial School program effect from the effect of other programs. Second, we believe there is confusion over just what the Centennial School designation means; the USOE needs to more clearly define whether the program rewards attainment of a certain level of excellence or provides incentive for attempting systemic educational reform. Third, some schools foresee a significant cutback in activities after their Centennial School funding ends. Finally, we found that schools and districts are generally pleased with their relationship with USOE staff who coordinate the Centennial School program, but that some have concerns that the application process is lengthy and difficult.

Although we concluded that an assessment of effectiveness was not possible at this time, we do not want to give the impression that the inability to assess effectiveness means that the program itself is ineffective. We felt somewhat frustrated by the lack of effort being put into program evaluation by individual schools; however, a contracted group is conducting a study to “document the progress made and results achieved” in implementing the Centennial School program. We also want to emphasize that the majority of people with whom we spoke about the program, whether at the USOE, school districts, or participating schools themselves, felt that the Centennial School program is beneficial. School personnel stated that the funding has given them opportunities to make changes or try new approaches in their schools, or to give teachers more training while compensating them for the time spent. Although we were not able to objectively assess the level of change or improvement in schools, those involved believe that the program is achieving positive things. We are unsure, however, whether the program will result in lasting or systemic change as is hoped. This report, then, will discuss various process and efficiency issues that can be addressed to improve the Centennial School program as it continues to operate over the next five years.

The Centennial School program was enacted as part of the Strategic Planning for Educational Excellence Act of 1993. According to **Utah Code 53A-1a-302 (1)**, the program was created “*to assist the state’s public schools in accomplishing the mission of public education outlined in Section 53A-1a-103 and to facilitate strategic planning for educational*

excellence at the school level...” Schools are expected to execute a delegation document with the local board of education, organize a group of school constituents as Centennial School directors and adopt accountability procedures for their authority, and develop and implement a program that integrates technology into curriculum, instruction, and student assessment. Schools are also expected to implement a strategic planning process that includes those components of the Strategic Planning Act the school feels necessary for a successful program. Centennial Schools are supposed to have clearly articulated performance goals for students and to develop the means for evaluating those goals. They must employ strategies to involve business and industry at the school. Other components of the program include a focus on the totality of the student which may involve services from other state and local agencies, involvement by parents in developing a personalized education plan for each student, and the inclusion of higher learning skills in curriculum development along with consideration of new instructional designs.

The program is administered in the USOE by the Strategic Planning Section. There are currently 262 schools participating in the three-year program; an additional 69 schools were given Centennial School status in June 1996. Up to 100 schools can be added each year. After its initial three-year run, the program was extended for five more years during the 1996 legislative session. A school’s award is determined according to a formula laid out in the law, with a base award of \$5,000 plus \$20 per student. First-year awards average about \$21,000. Second-year and third-year funding have been set at 66 and 33 percent of the first-year award, respectively, although the law has now been amended to allow schools to take their three-year allotment in three equal amounts instead of on a declining scale. Another law was passed that created a modified Centennial School program, with up to ten awards to be given to schools which have completed their three-year program or are in the third year of the program. This modified Centennial School program also runs for three years at a given school, with awards computed according to the original formula and with schools subject to the same qualification requirements as exist in the original Centennial School program. Modified Centennial Schools’ directors will have a greater voice in budgetary matters at the schools since they will have not only the grant funds but also additional monies identified by the local board of education under their control.

Audit Scope and Objectives

This audit was requested by a former member of legislative leadership in an effort to learn more about how the Centennial School program has been working. We were asked to evaluate the effectiveness and efficiency of the Centennial School program.

In conducting the audit, we interviewed various USOE staff and administration members and others in state government with knowledge or responsibility related to the program. We also visited or talked with both Centennial School and non-Centennial School personnel and staff at the district offices, reviewed application files and observed the 1996 Centennial School

review committee deliberations. We gathered information on education reform efforts from other states through discussions and library research. We also interviewed the primary contracted evaluator of the Centennial School program and reviewed the first- and second-year evaluation reports.

Specifically, our objectives were to evaluate the USOE's administration of the Centennial School program, and to assess how well the program was operating in the schools, with particular emphasis on evaluating the effectiveness of the program.

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Chapter II

Some Improvements can be Made in Program Administration

Improvements can be made in the USOE's administration of the Centennial School program. Generally speaking, these are refinements that are needed to enhance current administrative processes. First, as in years past, the Centennial School program will have an excess balance of nearly \$452,000; consideration needs to be given to changing the way the program is funded so that the appropriation is based on actual needs. Second, the USOE circumvented normal state purchasing procedures and requirements when contracting for a review of the Centennial School program; the USOE and school districts should follow state procurement procedures when contracting with outside entities. Third, the administration of financial areas can improve, including increasing expenditure oversight, improving the award calculation process, and improving documentation of some administrative decisions; requiring the districts to provide expenditure oversight and changing some administrative practices in Strategic Planning can address these financial issues.

Program Will Have Another Surplus Balance This Year

The Centennial School program will have about \$452,000 in appropriated funds unawarded at the end of fiscal year 1997. A previous report issued by this office (Report #ILR 96-B) found that not all appropriated funds were spent during each year of the program's existence. In order to deplete the balance remaining in the account, the program coordinator gave new awards early (i.e., before the end of the fiscal year) each year. A surplus balance also will remain this year, leading us to recommend reconsideration of the level of funding provided to the program.

By the end of fiscal year 1996, a surplus balance of \$2.6 million had accrued in the Centennial School program's account. Although funding was appropriated each year for 100 schools, fewer than 100 schools had been granted Centennial School status and the appropriation was based on estimated awards higher than the actual average award granted. As a result of concern over the surplus balance remaining in the program's account, the Legislature set fiscal year 1997 Centennial School funding at a reduced level of \$1.1 million, with the intent that the \$2.6 million in surplus unawarded funds would be used with the \$1.1 million to fund 1997 needs. Even with a reduced appropriation in fiscal year 1997, the Centennial School program still appears to be over funded.

Because the Centennial School program built up a significant surplus balance in its account by the end of fiscal year 1996, we reviewed the use of the \$2.6 million remaining balance and the fiscal year 1997 appropriation of \$1.1 million. We found that the surplus balance of \$2.6

million from fiscal year 1996 was depleted to a final balance of \$9,279. These funds were used to make awards to all 69 new (1997) Centennial Schools, plus all but one of the second-year schools, and less than half of the third-year participants. The new \$1.1 million appropriation was used to fund the remaining third-year awards and the one remaining second-year award. After these awards were made, about \$695,000 remained of the new appropriation, with 10 awards still to be given to the modified Centennial Schools. USOE staff indicated that these 10 awards totaled about \$243,500, leaving a final surplus balance of \$451,500.

The repeating surplus balances are largely due to the fact that the appropriation was determined by the possibility of awarding 100 schools the Centennial School status. Although appropriations for the program have historically been set for 100 new schools, the highest number awarded was 98 during the first year of the program. This year there were only 69 first-year schools. The second reason for overestimating the amount of funds needed is the use of an estimated average grant. Now that the program has operated for several years, the USOE staff responsible for submitting the appropriation request have the data needed to more closely estimate needed funds based on actual average awards made. In order to allow for the possibility of up to 100 schools being awarded while preventing the accumulation of excess balances in the program, we believe that the USOE and the Legislature should continue the funding method used this past year to reduce the program's appropriation. This option is to use any remaining balance to reduce the amount requested by the agency and approved by the Legislature each year, with intent language to be included in the appropriation act so that the balances are kept in the program for use the following year.

USOE Circumvented the Procurement Process for Evaluator

The USOE circumvented normal state purchasing procedures and requirements when contracting for a review of the Centennial School program. The USOE did not request proposals for the evaluation but instead awarded the \$225,000, three-year contract without competition. However, USOE officials have been unable to provide us with the required written justification for the sole-source decision. In addition to the procurement process, we have concerns about the management of the agreement. This procurement may not be an isolated incident because we found other examples of noncompetitive contract awards given as grants to school districts. We believe that the USOE and the school districts should meet procurement requirements for competitive contract awarding or providing proper justification of sole sourcing. Finally, some district business administrators told us they believe the USOE uses districts when contracting specifically to avoid state procurement procedures. This amounts to a perception that a major state agency intentionally circumvents state law.

Evaluation was not Competitively Bid

The USOE did not use standard purchasing practices or follow a competitive bidding process when contracting with the Western Institute for Research and Evaluation (WIRE) to do an evaluation of the Centennial School project. According to staff associated with the project, a relationship existed with WIRE from previous projects and they wanted to use the experience this offered. They called WIRE their “designated hitter” for evaluation. Instead of requesting proposals for the evaluation, the contract was “sole sourced” or set up with WIRE after receiving a proposal from WIRE alone. In fact, one administrator indicated that the USOE set up the evaluation contract as a grant through the Logan City School District “to avoid all that stuff” with the Division of Purchasing. In our opinion, wanting to use a contractor previously used is not sufficient reason to bypass the state’s procurement requirements.

In general, state agencies are expected to use competitive bidding or proposals when contracting to purchase goods or services from an outside party. However, USOE agreements with outside contractors are sometimes set up like a grant to a school district. Because the agreement with WIRE was set up in the form of a grant to Logan City School District, it appears at first glance that the state’s procurement requirements may not apply in this case, since grants to districts for program support are exempt from procurement procedures. However, the **Utah Code** (63-56-5 (10)) indicates that a “*grant means the furnishing by the state or by any other public or private source assistance, whether financial or otherwise, to any person to support a program authorized by law. It does not include an award whose primary purpose is to procure an end product, whether in the form of supplies, services, or construction. A contract resulting from the award is not a grant but a procurement contract.*” We believe that the agreement with WIRE to evaluate the Centennial School program fits the requirements for being subject to the state procurement Code. The letter from the USOE to Logan City School District announcing the “grant” indicated that the evaluation would be done by WIRE and the district was instructed to pay transferred funds to WIRE on certain dates, clearly indicating that a third-party agreement was already arranged. In fact, the proposal for the project had been submitted by WIRE to the USOE, not the school district, on February 11, 1994, while the letter from the USOE to Logan City School District announcing the “grant” as dated April 19, 1994.

When a contract or agreement is developed with a contractor felt to be the only available source for a service, written justification of the decision or need to “sole source” is required by the **Utah Code** in 63-56-23; the approval to award the contract in this manner is supposed to be granted by someone above the level of the procurement officer. We were unable to find any documentation that the decision to award the contract to WIRE without requesting proposals was reviewed, approved, or justified. In fact, the director of the Evaluation and Assessment Section indicated to us that there was nothing in writing that justified the decision. Logan City School District officials confirmed that they also had no documentation on the agreement and had done nothing to arrange for the evaluation.

In addition, there are other program evaluators available who may have been interested in competing for this contract. The USOE Evaluation and Assessment Section told us there is a list of nearly 30 program evaluators on file in their office, but these evaluators were not offered the opportunity to submit proposals. Without questioning the experience of WIRE to conduct an evaluation project of the Centennial School program, it appears to us that normal state procurement procedures were avoided in this process.

Management of the Contract is Unnecessarily Convolutd

The content of the letter of agreement for the Centennial School program evaluation and the management of the contract concern us for several reasons. First, although the program is administered by the USOE, the letter of agreement is signed by Logan City School District and WIRE. Second, Logan officials indicate they perform no oversight function related to the evaluation contract, but act only on instruction from the USOE. Third, the content of the agreement lacks clauses normally included in state contracts for the protection of the state. Finally, there is no provision that performance by the contractor is required prior to payment, as is the norm in state contracts.

Although the Centennial School program is administered within the USOE, the evaluation contract was signed by a school district instead of the USOE. We were told that the USOE arranged for the evaluation to be done by WIRE and that funds paying for the evaluation came out of Uniform School Funds appropriated to the Evaluation and Assessment Section of the USOE. Our understanding of normal contract procedures is that having signed the contract, Logan City School District would have responsibility to oversee or manage the contract. In addition, the USOE's fiscal agent policy states that districts are responsible for providing necessary oversight and auditing of contracts. Therefore, we contacted the school district to determine what oversight responsibilities it fulfills. We were told by the staff there that they perform no duties other than transferring funds to WIRE on the direction of the USOE; the staff termed this a fiscal agent relationship. Staff also indicated they had been told by the USOE the district would have no responsibilities for contract management.

According to the director of the Division of Purchasing, contract agreements made by the state should include certain standard terms and conditions. However, the letter of agreement between Logan City School District and WIRE does not contain all the required terms and conditions needed for the state's protection when forming a contractual agreement. For example, there is no indemnity clause, conflict of interest clause, equal opportunity clause, or clause that identifies the contractor as an independent contractor with limits on its authority to bind the state to terms with third parties. According to Purchasing, these clauses would have been included in any agreement developed with their assistance.

Finally, the method of payment is a concern to us. The director of Purchasing pointed out that the letter of agreement contains no provision to ensure performance by the contractor prior to payment. This is a normal provision in state contracts, according to Purchasing. Rather,

memos from the USOE to Logan City School District instruct the district to transfer portions of the annual payment immediately upon receipt, then remaining portions on specified dates. There is no mention of performance prior to payment, and officials at Logan indicated they do not monitor performance. We are not inferring that WIRE is not performing its contracted obligations, but the lack of these terms opens the state to risk if lack of performance occurs.

Other Contractual Agreements Also Avoided Procurement Requirements

We found other examples of contractual agreements made with third parties not involving the Centennial School program that also did not follow normal state procurement procedures for competitive bids or proposals. It appears that one contract was awarded to a contractor based on a history of association with the USOE and that another may have been awarded under undue influence from interested parties. In one case, the involved school district awarded a contract without requesting proposals, while in the other case, a district was used as fiscal agent and told to pay funds to a particular contractor. Some districts have expressed discomfort with the fiscal agent relationship. Also, there is a perception in some school districts that this arrangement is used specifically to avoid state procurement requirements. These examples further emphasize the need to follow regular procurement procedures to ensure that a fair and objective process is followed.

As mentioned before, the contract with WIRE for evaluation of the Centennial School program was awarded without requesting proposals from various evaluators. We found another agreement involving WIRE that was arranged without requesting proposals from other evaluators. After receiving a grant from the USOE, the Salt Lake City School District awarded a program evaluation contract to WIRE to evaluate a technology project at Bennion Elementary School. According to district staff, the former district superintendent recommended using WIRE and there was no competitive proposal process followed. The former superintendent verified this and added that USOE administration had endorsed using WIRE. The contract involves \$60,000 in state funds over three years specifically for evaluation, with other funds also committed to the project for a three-year total of \$123,000. In our opinion, even if a contractor has a history of good work for the USOE, an open, competitive proposal process is needed with such contracts to establish and maintain the perception that the USOE and school districts are fair and objective in their contract awarding processes.

A second example of procurement that raises concerns involves a contract between Murray School District and the Institute for Research and Evaluation (IRE) to develop a Character Education program. This program is funded with experimental/developmental money that USOE passes through the school district to the IRE. Murray School District staff told us they have no documentation or details on this contract, but that they simply act as the fiscal agent for the contract, sending payments to IRE. According to district staff, they were asked to oblige as a favor to the USOE. The staff person also indicated that this program was being

promoted by a legislator and this staff member felt there was political pressure on the USOE to get the program funded. Staff at the USOE indicated that Character Education is a good program and working well, even though the staff agreed there had been pressure brought to bear to get it funded. In our opinion, not using normal procurement procedures allows the opportunity for pressure or special interests to play an inappropriate role in how programs are funded.

In the second case above, a district was asked to sign and manage a contract that had already been awarded by the USOE. District staff told us that although they act as the fiscal agents for the USOE, passing the payments on to the contractor from the USOE, they usually have little other involvement with the contractors; in some cases the districts don't know the terms and conditions of the contract. However, they have signed the contract or letter of agreement and have legal responsibility for contract oversight, according to the Division of Purchasing and USOE's fiscal agent policy. We believe this arrangement puts the districts at a disadvantage and confuses the issue of whose responsibility it is to manage the contracts in question. In fact, we spoke with personnel at several districts who expressed some unease with the fiscal agent arrangement. In the cases discussed above, the districts are concerned that they have signed agreements but they do not have knowledge, control, or oversight of the contracts. Finally, one district's staff told us they are reluctant to refuse when the USOE asks them to be a fiscal agent because they worry about future funding or assistance for other programs.

State Procurement Procedures Should be Used

Although state procurement law (**Utah Code 63-56-20 through 23**) states that contracts should be awarded by competitive sealed bids or proposals and that contracts may be awarded without competition with written justification by the appropriate officer, we found that these requirements are not always met by the USOE. Purchasing officials indicate they should be involved in developing contracts of this size and that their approval is required for sole-source decisions made by a state agency. One reason for the Division of Purchasing's involvement in selecting contractors is to provide controls that ensure that a fair and open procurement process results in the best contract at the best price.

However, staff at the USOE told us that approval for program funding, grants or contracts is given either by the USOE superintendent or the USOE finance committee. The Division of Purchasing is not normally involved. The finance committee consists of the state superintendent, deputy superintendent and administrative secretary, associate superintendents, director of finance, and the controller. The finance committee typically authorizes funding based on the recommendations of an education specialist, program coordinator, or other specialist at the USOE.

While review by the state superintendent or the finance committee provides some internal control of decisions on grant funding, the lack of involvement by the Division of Purchasing still avoids state requirements for procurement when outside contractors are involved. There is

no outside review of decisions made, and staff told us their recommendations for a contractor are usually accepted by the committee. In our opinion, there is too much opportunity in this process for personal choice to influence the way public funds are spent. Greater accountability is needed in this process, and the USOE and school districts should be expected to comply with state purchasing requirements, as are other agencies.

Administration of Some Financial Areas can Improve

As a result of our review of budgets and expenditures for a sample of Centennial Schools, we found a need for increased oversight because some schools are not following approved budgets. Also, although the majority of Centennial School awards have been correctly calculated, we found several errors that resulted in incorrect award amounts to schools over the last three years. In addition, documentation of administrative decisions can improve.

Schools applying for Centennial School funds are encouraged to develop proposals that promote education reform, including elements such as site-based decision making, technology in instruction and administration, student education occupation plans, and instructional innovations such as curriculum integration and teaching higher-order learning skills. Schools choose the specific ways to put these ideas into practice, so each Centennial School proposal differs from the others. Thus, general budget categories are used in all proposals, but the emphases differ in each. Once schools have been awarded a grant, they are expected to implement their programs according to the approved budget unless prior approval of changes is given by the USOE.

Expenditures for Some Schools Differ Significantly From Approved Budgets

We reviewed the proposals, district budget reports and expenditure reports for a sample of schools and found that there is little correlation between the budget approved on a proposal and either the district Centennial School budget or the actual expenditures for most of the schools. In addition, few of the sampled schools sought approval from the USOE to amend their budgets. The nature of the shifts in expenditures from the approved budgets shows a large increase in salary and benefit expenditures and a more moderate overexpenditure in equipment.

Approved Budgets Are Not Being Followed. A review of the approved budgets found in the proposals compared to actual expenditures for 13 sample schools found that the salaries and benefits categories have been greatly overspent, while all other areas except equipment purchases and the miscellaneous “other” category were underspent. Salaries and benefits were overspent at 226 percent of the approved budgets, while equipment expenditures were spent at a more modest 111 percent. Purchased professional/technical services and in-service training areas suffered the most, with only about 20 percent of those budgets being spent, while the travel and “other” categories were spent at 46 percent and 151 percent, respectively. The

overexpenditure in the “other” category reflects one school’s practice of recording all expenditures in this category alone; as a result, while we are not concerned with the over-expenditure in this category as a whole, we are concerned about the low level of accountability provided by the specific school to the district. Additionally, while only \$7,960 was budgeted by all 13 schools for evaluation, none of the money was actually spent, according to district records.

This pattern of expenditures concerns us for two reasons. First, the categories where staff development expenses are budgeted, those of purchased professional and technical services for consultants and instructors, and the in-service category itself, were significantly underspent. This leads us to question whether a main purpose of the Centennial School program, that of developing staff, is being met at the levels proposed in the schools’ applications. School staff told us that in-service training occurred and some had records of this training, but the differences in budget and expenditure reports between schools and districts made it difficult to track these expenditures. Thus, our second concern is that expenditure review and accountability is inadequate. Equipment purchases from Centennial School funds also were higher than approved, although those associated with the program in the USOE and the governor’s office told us that the program is supposed to focus on people, not things that come out of boxes. The expenditure review concern exists here as well. Centennial Schools are generally not asked to be accountable according to approved budgets.

Approval Is Not Always Sought for Budget Changes. We reviewed our sample of Centennial Schools and saw that 11 of the 13, or 85 percent, had actual expenditures that were significantly different from the approved budgets in their proposals. Of these schools, eight had not requested approval from the USOE to make changes in their budgets. This conflicts with the stated instructions to districts and schools in the award letter that if they plan to make any major changes in either the program or the budget, it will be necessary to receive prior, written approval from the USOE. According to the USOE, reasons for obtaining approval are to ensure that requested changes do not fundamentally alter the specific school’s program and that the school’s program remains true to the overall intent of the Centennial School program.

Even those schools that sought approval to amend their budgets showed a shift in emphasis that concerns us when compared to the purpose of the Centennial School program. We reviewed letters from the USOE responding to Centennial Schools’ requests for budget changes. Of 38 letters, 19 or 50 percent wanted to shift funds from other budget areas into additional equipment purchases. As mentioned, this grant program is primarily supposed to develop people, not buy things. Several of the approved requests involved amounts of \$3,000 and \$4,000, a significant portion of the total grant. Only two requests were turned down, one of these a school seeking after-the-fact approval for buying used computers, a copy machine, and a marquee for the school, and another that wanted to upgrade four computers but did not identify where the needed funds would come from. The school purchasing the marquee reimbursed its Centennial School account after the USOE was made aware of the purchase and contacted the school with its concerns. In many cases, however, schools seeking to move

funds into equipment and materials areas are given approval to do so, and the schools not seeking the approval simply do it on their own.

Centennial Schools' Expenditures Need More Oversight

Because our comparison of actual expenditures to approved Centennial School budgets found significant deviations from the approved plans, we see a need for improved oversight of schools' expenditures from Centennial School funds. Although schools need latitude to determine how to set up their grant budgets according to their specific needs, they should also be accountable for the expenditure of public funds once those budgets have been set. Control weaknesses in the system include lack of expenditure review and inadequate reporting.

USOE staff told us they review budgets when approving second- and third-year applications. We have concerns with the limited effectiveness of this review. First, the review is limited to budget information provided on the application submitted by the school. The applications do not ask for details on expenditures, and Strategic Planning staff told us they do not see such detail at the state level. In fact, when we reviewed Centennial School expenses for appropriateness, we requested reports from the districts because the USOE could not provide us with the detail we needed. Second, expenditures have already occurred, so even if expenditures were checked, this would not function as an adequate control.

Even without asking for expenditure detail, USOE staff often find that additional information is needed beyond what was requested on the applications before approving the award. We reviewed applications and reapplications and found that the Strategic Planning staff sent out numerous letters each year asking schools for more budget information, including clarification on proposed expenditures and on carry-forward funds. Consequently, many renewals were held up while requests for additional information were sent out. We believe the application forms should be revised so that schools provide needed and more complete information not only on budgets but also on carry-forward funds and expenditures by category. Including detailed information comparing actual expenditures to the approved budget would allow the USOE staff to better identify instances of possible noncompliance with the program's intent.

We also found that school districts do not necessarily provide budgetary oversight for the Centennial School program. Most district staff we spoke with assume that schools are following the budget and simply release the funds when requested by the schools. One budget director told us that unless a school expended more than the total grant amount, he did not care where the specific expenditures occurred. Another district's accountant indicated that all funds except for salary and benefit funds are released to the schools in that district and spent without any district review at all. We also observed that the district budget reports do not always match the approved proposal budgets. In our view, while the concept of site-based decision making needs to operate, accountability is also needed when expending public funds. The schools should be expected to account for their funds and show that they have spent them as

budgeted or that approval was obtained on changes, thus ensuring that the intent of the Centennial School program is not bypassed. Because most of the districts have custody of the program funds, district staff should provide expenditure review for those Centennial Schools in their districts, as they do for other programs.

Award Calculation Process can Improve

In our review of the award letters sent to district superintendents over the three years of the program, we found several errors in computation of awards to Centennial Schools. The majority of awards were calculated correctly, but enough errors have occurred to lead us to recommend that management automate the calculations to reduce human error. Among the 72 schools in their first year of Centennial School participation, one school received \$5,560 too much because of an incorrect award calculation. Among the 93 schools in their second year of participation, five schools received a total of \$3,046 too much in awards, while two other schools received a total of \$179 too little. Among 97 schools in the third year of participation, only two small errors were found for a total of \$11 too little awarded to two schools. The errors occurred because awards were calculated manually. Strategic Planning staff indicate they have now automated the process.

Since the formula by which awards are to be calculated is specified in the law, we checked the awards made to schools for agreement with that formula. As previously mentioned, the first-year award is set at \$5,000 plus \$20 per student according to enrollment as of the previous October 1. Second-year awards are set at 66 percent of the first-year level, and third-year awards are set at 33 percent of the original award. We found some small computational errors and several significant ones. The following figure shows errors in excess of \$100 each. With the exception of Hillsdale Elementary School, all errors occurred in the fiscal year 1995 computations; the error with Hillsdale occurred in fiscal year 1996's computations.

Figure I				
Centennial School Awards with Errors Over \$100				
District	School	Incorrect Award*	Correct Award	Difference
Granite	W. Kearns Elementary	\$14,170	\$14,348	(\$ 178)
Granite	Hartvigsen School	7,296	6,296	1,000
Provo	Dixon Middle School	19,787	17,807	1,980
Washington	Millcreek High School	16,260	8,140	8,120**
Granite	Hillsdale Elementary	26,300	20,740	5,560
<i>* All awards except Hillsdale Elementary were second-year awards; Hillsdale's is a first-year award.</i> <i>** The award to Millcreek HS was corrected by USOE after they identified the error.</i>				

According to the staff in Strategic Planning responsible for computing the award amounts and sending out award letters, the errors occurred because of mistakes such as transposition, typographical errors, and rounding errors, as well as one case where an award amount for a different school was mistakenly given to one of the schools listed in the figure.

Although the number of errors and the total amount of funds incorrectly awarded is small, we believe that if this program is to continue to award funds for another five years, it makes sense for several reasons to reduce the occurrence of errors by automating the calculation process. Constructing an automated spread sheet or other program that will calculate awards after the student enrollment is entered will minimize the human error component and will make the award process more efficient. In addition, with the recent provision that schools can choose to take their awards in three equal amounts instead of on a diminishing scale of 100 percent, 66 percent, and 33 percent, the spreadsheet can be set up to calculate that total and divide it in thirds instantly. Finally, the existence of such a spread sheet would provide a record of how award calculations occurred should any questions arise. When we discussed our concerns and recommendations with the coordinator for Strategic Planning, he took steps to ensure that the award calculations were automated in a spreadsheet as recommended.

Documentation of Some Administrative Decisions was not Kept

We found instances of Centennial School awards given out that differed from the amount resulting from the usual method of computation, but we were unable to verify in the records why they differed. These differences resulted from decisions to use student enrollment figures

that differed from the official USOE enrollment report data. Documentation of deviations from usual procedures needs to be kept in the program files.

As part of our review of computational accuracy of awards, we checked to see whether the student enrollment figures were correct according to the legal requirements. For Centennial School grant purposes, enrollment is defined as the number of students enrolled in the school the previous October 1. Staff at the Strategic Planning Section indicated that any discrepancies between the enrollment figures given in the school's application and the official enrollment report were checked with the school in question and a decision made as to which figure to use.

For fiscal year 1994, two differences were found between the USOE's enrollment reports and the figure used to compute an award. In one case we found, the difference was significant, with the award being based on 155 students more than listed in the enrollment report, resulting in an award \$3,100 higher to the school than if the award had been based on the figure in the USOE enrollment report. The other case differed by two students, resulting in a \$40 difference in the total award. Although staff at the USOE indicated they spoke with school officials about the 155-student difference, staff could not remember the specifics of the case, and no documentation exists to explain why they did not use the official enrollment data specified in the **Utah Code** for computing the per student portion of the award.

In fiscal year 1995, three differences occurred, with two significantly different figures used to calculate the awards than were in the USOE enrollment report and one mistake that was later rectified by USOE. The mistake occurred when the staff person calculating the awards mistakenly used the student enrollment for the school listed above the school in question on the report; when the error was identified, the USOE adjusted the award to the correct amount. The two schools which were awarded based on their own enrollment data resulted in an additional \$5,240 being awarded to them beyond what would have been given had the USOE enrollment report data been used. Strategic Planning staff indicated the schools had contacted them about the data used in the calculations, but we found no record of the reasons given by the schools or why the staff approved an award that differed from the official USOE enrollment report's data.

Our review of awards made in fiscal year 1996 found only one award we questioned; there appeared to be no record of the school in the USOE enrollment report. According to Strategic Planning staff, the name of the school in question was listed differently on the enrollment report than on its application; discussion with the school cleared up the confusion. Again, our main concern is that no documentation was kept showing the basis for determining the award when a comparison between the application and the enrollment report did not show an enrollment figure for the school as named.

Documentation should be maintained for any Centennial School award that is based on a calculation deviating from the normal method of computation. The reasons given to us by staff according to their memories were not noted in the records. This type of documentation should

be kept in case questions come up, whether from another school or from an outside review such as our audit.

Recommendations:

1. We recommend that the Legislature adjust the Centennial School appropriation to reflect actual needs and use any remaining balance to reduce the total appropriated the following year, with legislative intent language that keeps the balance in the program for use the next year.
2. We recommend that USOE and school districts comply with state purchasing requirements when funds are used to purchase services from an outside entity.
3. We recommend that district business administrators provide expenditure review for the Centennial School program to ensure that funds are spent according to the approved budgets or that approval has been obtained to make changes in the approved budgets.
4. We recommend that the USOE require that all needed budget and fund balance information be submitted with the Centennial School applications.
5. We recommend that the USOE automate the award computation process.
6. We recommend that USOE document administrative decisions to give grants using data that differ from the normal method of computation.

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Chapter III

Effectiveness and Other Issues Need to be Addressed

A number of different program issues came up during the audit, several of which surfaced during our efforts to assess the Centennial School program's effectiveness. First, the USOE has not identified measurable program outcomes for the Centennial School program. Because of this, a full review of Centennial School program effectiveness is impractical at this time. Second, there is some confusion over just what the Centennial School designation means; the USOE should more clearly define whether the program rewards attainment of a certain level of excellence or provides incentive to pursue systemic educational reform. Third, we found that some schools foresee a significant cutback in activities when the extra funding runs out; other schools indicate they will not have to scale back since they do not require ongoing funding for their activities. Fourth, schools and districts are generally pleased with their relationship with USOE staff who coordinate the Centennial School program, but also indicated they feel the application process to become a Centennial School can improve.

Program Effectiveness Review not Currently Possible

The USOE has not identified measurable program outcomes for the Centennial School program. Also, several factors prevent the isolation of Centennial School program effect from the effect of other programs and activities. As a result, most Centennial Schools are not measuring the effect of their efforts. Because of this, a full review of Centennial School program effectiveness is impractical at this time. The USOE needs to develop a set of measurable program outcomes and then require schools to measure their progress toward those outcomes.

We felt that it was reasonable to expect Centennial Schools to be assessing how well their programs were succeeding in accomplishing education reform. The Centennial School program application asks schools to describe the student performance evaluation procedures to be used in the project. In addition, the application includes a budget category for evaluation costs. Therefore, we expected that program evaluation was being accomplished. However, as we will discuss, little effort is being made to evaluate program effectiveness. Further, our review of budgets and expenditures found that only 2.0 percent of proposed budgets were targeted for evaluation efforts. In addition, expenditure reports showed no funds to date actually spent on evaluation costs. In fact, we talked with one principal who indicated that his school had moved \$2,000 originally budgeted for evaluation into teacher stipends and in-service training.

Outcome Measurement is not Being Done

During our initial discussions at the USOE, the staff coordinating the program told us that program evaluation was not being done. One staff member said that the schools tended to rely on an annual report submitted to the superintendent as evaluation of how well they were doing, but that this report had no strong correlation with Centennial School components. Another USOE staff person indicated that the Centennial School program is not an outcome-oriented effort. Staff also commented that the main report they get on progress is the reapplication submitted by schools to receive second- or third-year funding.

We then assessed the possibility of developing some ways to measure program impact for the purposes of the audit. USOE staff and schools frequently mentioned hoped-for outcomes such as a better environment for teachers to work in and better student behavior or improvements in academic performance. These factors do not lend themselves to quantification or cannot be tied directly to one cause, such as the Centennial School program versus other programs that are also ongoing in the schools. When we tried to measure more short-term results or outputs, such as increased parental involvement or business partnerships, we found that records generally do not exist to allow us to compare pre-Centennial School levels to post-Centennial School levels.

Next, we met with the USOE administration over the Centennial School program and asked them to identify for us some measurable outcomes or goals of the program. They indicated that the program has focused on process, not outcomes. They are hopeful that the various programs put into practice in the schools will result in increased student performance, but they indicated that isolating the effect of the Centennial School efforts from other programs is something they have been unable to do themselves.

Not surprisingly, we found few Centennial Schools with program evaluation measures in place. We talked with a sample of 16 Centennial Schools to discuss what they were doing to evaluate the effect of their programs. Eleven schools (68.8 percent) were not doing anything specifically to measure the effectiveness of the program. Some of these schools as well as others in the sample felt they were seeing some changes that could be attributed at least in part to the Centennial School program. These changes included improved morale, increased parental involvement, or increased test scores. However, the first two of these have been subjectively observed while the third is an index that is influenced by a variety of factors. School personnel frequently commented that it is hard to measure program effectiveness, either because the things they are trying to affect are subjective, or because other programs and sources of money are mixed with the Centennial School program.

Those schools indicating they had some measurement in place are focusing on short-term changes, or program outputs. Five schools in the sample had some output measurement in place; at three schools, these included surveys of parents, students, or teachers on issues related to their Centennial School program activities. Another school principal indicated they

hired a consultant who reviews a specific aspect of their program, and one other school has a checklist of things to accomplish in an outreach program.

We turned to the second-year Centennial School program evaluation by the WIRE group to see what they found in terms of evaluation efforts. After gathering information from 31 schools, the consultants stated that *“there was very little evidence in the majority of cases that they had actually made progress. That is, in only seven of the 31 schools (23%) was it fairly clear that evaluation had been done or was being done to assess the effects of the programs...”* The consultants went on to state that they believe the lack of evaluation may result from the fact that the application asks schools to describe how they are evaluating student performance and there is an evaluation area in the budget, but the application “does not ask explicitly for program evaluation plans the school will follow to formatively or summatively evaluate progress...” In our opinion, not only is a progress evaluation component missing, but just as importantly, an outcome evaluation component is missing as well.

Other Programs Complicate any Review of Effectiveness

As mentioned, some school personnel said it is difficult to isolate the effect of Centennial School program activity from other ongoing programs in the schools. At least part of this is because the schools are encouraged to devote other resources to the Centennial School project to ensure its success; Centennial School funds are considered to be seed money to which other funds should be added for maximum progress toward educational reform. An example of multiple funding includes schools that have programs targeted toward at-risk students; these efforts are also supported with federal Title I funds and state at-risk funds. As another example, the technology component of the Centennial School program is supported in most schools by Educational Technology Initiative funds as well as Centennial School grant money.

In addition to this, schools also felt that the existence of other programs with similar goals or activity that may be operating at the same time in a school make it difficult to isolate the effect of one from another. For example, there is a district-based, site-based decision making effort in the Salt Lake City School District that began prior to the Centennial School program. The development of business partnerships or increased parental involvement has also occurred independently of the Centennial School program in some schools.

After receiving this feedback on the difficulties of determining the effect of the Centennial School program, we contacted some non-Centennial Schools to see whether a comparison could show some effectiveness. However, this step was not helpful because other schools are implementing programs similar to components of the Centennial School program. We found non-Centennial Schools with programs similar to the Centennial site-based decision making and educational technology development programs. Also, some non-Centennial Schools encourage parental involvement and business partnerships as do Centennial Schools. One reason for similar activity in Centennial Schools and non-Centennial Schools is that the Centennial School program embodies reform efforts that are popular in education in general.

This was verified by our research with other states; although the title “Centennial School” is specific to Utah, the reforms the program typically encourages are occurring elsewhere, though not necessarily in the same combination or extent.

USOE Should Take Lead in Assessing Effectiveness

Until the USOE develops a set of measurable program outcomes, it is impractical to attempt to measure the effectiveness of the Centennial School program. Although it may be difficult to attempt evaluation of progress toward goals and to assess the effectiveness of the education reform efforts put in place, it is important to make the attempt. The expenditure of public funds carries with it the responsibility to account for the appropriateness of those expenditures. In this case, it means showing that devoting the funds to the approved programs has achieved the goals of those programs. Once desired outcomes have been identified, schools can be asked to show progress toward the accepted outcomes and to measure their goal achievement. Further, in our opinion, it is not necessary to completely isolate the effect of the Centennial School program from all other ongoing efforts in the schools; rather, developing measures to assess the outcome of related programs that work toward education reform is a reasonable approach.

Utah and the Centennial School program are not alone in avoiding evaluation of new program efforts. A 1991 report on education accountability by the National Council of State Legislatures (NCSL) indicates that while accountability is high on the education reform agenda as the public demands proof of results, no state at that point had a comprehensive system in place. The report indicated the need for three elements in an accountability system: clear and measurable goals that describe intended outcomes, assessment tools that measure progress toward the goals, and incentives that reward goal achievement and ensure adjustments in case of failure. Our review found that the first step in the process described in the NCSL report, that of defining clear and measurable outcome goals, is still needed in the Centennial School program.

Clearer Definition of Program Criteria and Goals are Needed

As we pursued our review of the Centennial School program, it became obvious that there are different perceptions of the program’s goals and objectives. There is some confusion over just what the Centennial School designation means; the USOE should more clearly define whether the program rewards attainment of a certain level of excellence or provides incentive to pursue systemic educational reform. If both, this also needs to be made clear. Particularly for the benefit of those participating in the application review process, clarifying the basis for a Centennial School designation is important so that evaluators work from the same premises when judging the merit of proposals.

From the beginning of our audit survey, we found that conflicting views of the program exist. For example, as we talked to Centennial and non-Centennial School and district personnel about the program, we found that some believe that the Centennial School designation is a recognition of achieved excellence and a reward for having put certain reforms in place. However, contradicting this, USOE staff told us the program is more of an incentive for schools to change and to embrace education reform; the program should help schools change to an improved way of doing things, not act as a reward. USOE staff also told us they have clearly indicated that the Centennial School program is intended to provide incentive to change and improve; however, we found that some school personnel still have the perception that the program acts more as recognition and reward.

During the evaluation of applications in June of this year, we observed the review committee members discussing their perceptions of the program. In fact, a lively discussion occurred regarding how many of the applicants should receive awards, with different committee members arguing for a higher or lower cutoff point in the ranked applications. Some of the committee members felt Centennial School status was recognition of achievement while others felt that giving an award would help to bring a school along the path of reform. These differing perceptions may well have affected the way proposals were scored by the various parties.

Because we found these differing perspectives among those involved with the program, we believe it may be necessary and helpful to more clearly enunciate the state's official view of the purpose of the Centennial School program. If the program is designed to recognize the attainment of certain education reforms or initiatives, this should be clear. If the program is intended more to provide schools with assistance in implementing education reform, this also needs to be clear to those schools' personnel who currently have a different perception. We found that some non-Centennial Schools feel they are doing all the things outlined in the Centennial School program, so they had not applied, while one expressed the view that they did not apply because they would be asked to change for the sake of change. From another perspective, one of the review committee members indicated his school is doing most of the things desired in a Centennial School, but he felt his school was not far enough along to meet the required standards. The lack of clarity may well be preventing some schools from applying, and we believe clarifying these issues may be helpful to the education reform efforts in the state.

End of Funding May Limit Program's Effect

Some schools foresee a significant cutback in Centennial School program activities once the three-year program term ends. Other schools indicate they will not have to scale back since they do not require ongoing funding for their activities. Responses from third-year schools indicate that continuation of activities is likely in those schools that planned for an end to Centennial School funding, while those that moved forward without a plan for the end of

funding are very concerned about the future of their reform efforts. This section is intended to provide feedback and information on these areas; no clear finding emerged from our work, but we believe the information contained here may be helpful to both the USOE and the Legislature as they consider issues related to this program.

We had been told repeatedly that the purpose of the Centennial School program is to promote reform through investing in people, not buying “things that come out of boxes;” we were also told that investing in people through staff development (training) would produce lasting change in schools. Therefore, we expected to find that those schools that put their money into staff development and curriculum changes or even into computer systems for instructional use would be able to continue these programs or benefit from them beyond the three-year term of the program. We found schools with curriculum restructuring, changes in semester format, and implementation of team teaching that planned to continue these programs without Centennial funds. However, some schools indicated that continuing activities would not be possible without ongoing funding.

Some Schools and Districts are Concerned About the End of Funding

We asked a sample of 11 third-year Centennial Schools what they envision happening when the Centennial School funding ends. First, nine of them are concerned about what will happen when the funds run out. Only two schools were not overly concerned and indicated that they had deliberately set out to do things that could be accomplished within the three-year span of the program. Others, however, indicated that they would have to cut back programs and activities, while some were already doing so. In-service training was frequently mentioned as an area targeted for reduced benefit once the funding ran out; principals said that there would not be as much training on the new programs and activities that the school had put into place using Centennial School funds. Along with this, some of the schools wished for ongoing funding, while several indicated their intent to apply for the newly available funding for the 10 modified Centennial Schools authorized during the last legislative session. Two schools said they felt the Centennial School program needed to be at least five years long; the reasoning for this was that many programs in education are set up for that time in order to achieve the desired effect.

We observed that although the Centennial School program is supposed to foster staff development and training needed to support curricular and other education reforms, many schools spent large portions of their grants on equipment and supplies, and on activities that need ongoing funding to continue. An example of this is a school that spent Centennial funds to develop a hillside near the school into an outdoor classroom; equipment such as bird feeders, shovels, binoculars, and lumber will no longer be supplied out of the Centennial School budget once the three years are over, leading us to question how this school will continue its project. Very little of the funds were spent on teacher training to utilize this new facility. Another example is a school that spent most of its grant on extracurricular and service

activities and supplies for students, buying sports equipment and t-shirts, renting busses to transport students to bowling activities, and buying quilting materials for the students to make quilts as a service project. While these are worthwhile activities and no doubt provided valuable experiences for the students, it does not appear to us to be the type of project envisioned by the Centennial School program administrators. Further, these activities will require ongoing funding to continue, although the Centennial School funds will not continue.

Within the group of schools concerned about the end of Centennial School funding is a subset of schools indicating that although they don't know where they'll get money to continue their activities, they'll make efforts to replace the funds somehow because they want to continue the new activities. Possible sources of replacement funding included grants, federal funds, and fund raising by parental groups.

The concern in many Centennial Schools about the end of funding for the reforms or programs put in place is evident in a letter sent by five third-year schools to the USOE. The schools expressed appreciation for the opportunities the Centennial School program has given them but also expressed concern that if the Centennial School program is entirely stopped after three years, the schools will suffer. They stated that some long-term goals will not be achieved. They also asked the USOE for consideration to extend the program beyond the third year, and suggested that funding at a level of \$3,000 per school would allow them to continue the professional development and training they need to achieve their goals of educational reform. Finally, they stated that they knew their thoughts are similar to those of other third-year Centennial Schools.

We found that district-level administrators have some concerns about the future of the Centennial School program after the three years of the program runs its course in a given school. We spoke with district superintendents or their representatives in 11 school districts. All 11 district representatives indicated they believed at least some, if not all, the changes put in place by the Centennial School program would continue. However, six of them (55 percent) had concerns that included the following. Five of the six said that some new activities or programs would continue, while others would not because of the cessation of funding. For example, one Centennial School coordinator commented that the three-year limit on funding does not address new staff training needs, while another district's representative commented that funds for training are a concern, and it would be nice to have ongoing funding for training. One comment was that schools, particularly elementary schools, do not have ways to generate money, so cutting off the funding presents problems for continuing the reforms. Another district representative said that while some specific things for which funds are no longer available won't continue, the schools will find ways to continue the things that are important to them.

Schools are Positive About the Program but Want the Application Process Reviewed

Schools and districts are generally pleased with their relationship with USOE staff who coordinate the Centennial School program. Even so, they expressed a few concerns to us that we have included here for information purposes, with a suggestion that the USOE may want to review the application process for ways to address their concerns.

As we conducted our audit work, we generally found that feedback from schools is positive about the support and assistance received from USOE staff. Frequent comments included statements that the state office staff were helpful; that there was a supportive relationship; that staff were available for consultation if needed. One school mentioned specifically that USOE feedback after an unsuccessful application had enabled them to rewrite their proposal and successfully resubmit it for consideration.

In addition, both school and district personnel were very positive about the Centennial School program in general. They appreciated the extra money that came into the schools and the opportunities the funds provided to do new things, to do things better, or to make changes faster than would have happened otherwise. Most felt that there were improvements to be seen in various aspects of their schools, including better teacher attitudes, improved communication and cooperation, sometimes better student attitude or behavior, and increased parental participation.

Along with the positive comments, some school staff and some district personnel voiced concerns, specifically about the application process to become a Centennial School. Both Centennial Schools and non-Centennial Schools told us that the application process is too involved and time consuming. In addition, comments from several district personnel reflected the same viewpoint.

For example, four of the thirteen Centennial Schools contacted indicated that the proposal writing process was time consuming and a lot of work. While they did not tell us that the process had not been worth it, we also talked with five non-Centennial Schools and their administrators cited the application process as one of their main reasons for not applying. One principal told us his school has not applied for one basic reason: the application process is simply too cumbersome and demanding, especially considering the amount of money the school would receive.

District staff commented that there is not enough communication and information from the USOE, which makes it difficult to answer questions from applicant schools. One suggested that a courtesy copy of the application materials should be sent to districts at the same time that they are mailed to the schools; Strategic Planning staff responded that application packets are sent to district superintendents each year. District staff also indicated that it would be helpful

if application materials were sent to schools earlier. Some district comments addressed the initial work needed for a successful application: one district representative felt that financial support was needed for the schools to do strategic planning. As previously mentioned, one district suggested that the first year should be a planning grant for schools to get the required things done.

Recommendations:

1. We recommend that the USOE develop measurable outcomes for the Centennial School program and require participating schools to show progress toward those desired outcomes.
2. We recommend that in the future the USOE should more actively provide clarification of the purpose of the Centennial School program to all involved parties.

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Agency Response