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OFFICE OF THE STATE COMPTROLLER

October 10, 2007

Ms. Gladys Carrion
Commissioner
Office of Children and Family Services
52 Washington Street
Rensselaer, NY 12144

Re: Report 2007-F-25

Dear Ms. Carrion:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution; and Article II, Section 8 of the State Finance Law, we have followed up on the actions taken by officials of the Office of Children and Family Services (OCFS) to implement the recommendations contained in our audit report, *Education Programs at Residential Facilities (2005-S-13)*.

Background, Scope and Objective

OCFS operates 29 residential and day treatment facilities for troubled youth. OCFS offers the Alternative High School Equivalency Preparation Program (Program) at 28 of these facilities to allow youth aged 16 or older and at risk of not completing high school an opportunity to take the General Education Development Test (GED Test) while in OCFS custody. Education and career education services are provided to youth in custody by the OCFS Bureau of Educational Services (Bureau). Bureau responsibilities include identifying statewide service priorities and needs; planning education program system; recommending educational policies; providing technical assistance to and overseeing educational activities; and monitoring compliance with the State Department of Education (Department) Regulations.

Each year, OCFS applies to the Department for approval to operate the Program. OCFS submits a consolidated application for all its facilities that offer the Program. The consolidated application is prepared using the prior year's school data and includes the Program Application; data for the System of Accountability for Student Success Report (Accountability Report); demographic information for the students who took the GED Test and an assessment of the Program's operation for the school year. Facilities complete their own Accountability Report and demographic information and forward it to OCFS. OCFS compiles the data for reporting on the consolidated application. OCFS submits the application and individual reports from facilities to the Department.

OCFS is responsible for operating the Program in conformance with Department regulations and its own requirements, and for accurately reporting Program data to the Department on an annual basis. Department Regulations and OCFS Program guidelines state that students must meet certain testing readiness requirements to be eligible for instruction specifically designated to prepare for and take the GED Test.

Our initial report, which was issued April 25, 2006, examined whether OCFS monitors compliance with pertinent Department regulations for the GED testing process for the period July 1, 2002 through June 30, 2005. Our initial report found that OCFS had not acted to improve the Program at individual facilities. We also found that OCFS reported conflicting and unreliable Program enrollment data to the Department. In addition, we found that OCFS had obsolete policies for managing the Program, and an inadequate system for collecting Program data. We recommended that OCFS strengthen its monitoring practices to provide for compliance with relevant requirements, accurate reporting and more effective service to the youth in its care. The objective of our follow-up, which was conducted in accordance with generally accepted government auditing standards, was to assess the extent of implementation as of September 24, 2007 of the 11 recommendations included in our initial report.

Summary Conclusion and Status of Audit Recommendations

We found that OCFS officials have implemented the recommendations contained in our initial report.

Follow-up Observations

Recommendation 1

Actively oversee Program operations and results system-wide to obtain assurance that the Program is operating in conformance with Education Department Regulations. Activities should include but not be limited to:

- *using Education Department management reports to identify underperforming and successful programs, and working with facilities to improve Program results;*
- *performing periodic site visits to review Program curriculum and performance; and*
- *establishing a two-way feedback mechanism to improve communication between Central Office and facilities about Program operations reporting.*

Status - Implemented

Agency Action - OCFS officials have taken steps to monitor Program operations and results. They now have a process in place whereby they obtain a GED Test Candidate Report from the Department on a biannual basis. This report is used to evaluate current success rates at each facility and to identify problem areas that warrant corrective action. These reports are distributed to individual facilities and are used by central office officials during site visits to review program areas.

In addition at the end of each school year, OCFS provides GED Test Examiners at each facility with another Department report, the GED Test Center Summary Report. This report provides names of the residents that took the test and it identifies the passing rate for each facility. This report shows that the passing rate varies significantly among its GED testing sites. OCFS uses this information as part of its efforts to develop a standardized set of rules to improve GED Test passing rates.

Monthly, OCFS also requires each of its GED testing facilities to complete a GED Test Enrollment Report to track progress in the Program and test scores. We reviewed several of these reports and found that it included student information, past and current test scores, the number of hours of instruction received and other relevant student information. The Department also uses this report for their program and accountability reports and to update records into the Northeast Regional Information Center database.

OCFS also provided us with evidence which shows they have completed numerous site visits of Program operations during 2006 and 2007. Officials produce a report for each site visit and they conduct these site visits for a variety of reasons including technical assistance, general monitoring, training and program development. In addition, officials will complete a review of general operations and verify compliance to rules and regulations.

OCFS officials have taken action to improve its communications between Central Office and its facilities regarding Program operations. As stated above, the sharing of Department reports, routine correspondence and site visits regarding Program operations, and the completion of its database constitutes an adequate two-way feedback mechanism.

Recommendation 2

Investigate the underlying reasons for performance gaps noted during our audit and take corrective action needed.

Status - Implemented

Agency Action - Annually OCFS obtains the Department's GED Test Summary Report, which shows the GED Test passing rates for each facility. A memo was sent to each of the facilities with this report regarding the differing passing rates. This memo stated that as centers continue to move towards standardized sets of rules and procedures for testing, OCFS was in a better position to determine a resident's readiness for the GED Test and to improve GED Test passing rates. Further all testing centers are now required to make certain that students have appropriate criteria and achieved certain milestones in advance of sitting for the examination, which in turn increases the chance of passing the GED Test. Each testing center is required to capture this information on a standardized form, and each center uses this information as part of their evaluation for enrolling residents in the Program. OCFS' efforts in this area have resulted in improvements in the GED Test passing rate. Department data shows that OCFS' overall pass rate has increased since the original audit (from 68.1 percent in 2004-05 to 76.0 percent in 2006-07).

Recommendation 3

Require teachers certified for secondary education teach Program courses, or obtain an up-to-date and appropriate waiver from the Education Department that allows facilities to use teachers without secondary education certification to instruct Program youth.

Status - Implemented

Agency Action - OCFS officials provided documentation showing that each teacher at the facility teaching Program courses is certified for secondary education. We reviewed the documentation for all teachers at each of the facilities and found that it provided sufficient evidence that teachers are certified to teach Program courses.

Recommendation 4

Develop and implement concrete action plans to better prepare youth to pass the GED Test.

Status - Implemented

Agency Action - Although OCFS has not developed formal action plans, officials have taken several steps to ensure its residents are better prepared to pass the GED Test. Specifically, OCFS has implemented the new General Education Development (GED) 21st Century system, which is designed to instruct students and assist instructors with the Program. Further, their newly developed GED Program Procedures provide guidance to educators on compliance with Department regulations and on Program criteria. As stated in the Agency Action Sections for recommendation 2, these changes have been positive as OCFS' overall GED Test passing rates improved since the initial audit.

Recommendation 5

Revise the outdated Program policies and procedures to reflect Education Department Regulations, OCFS Program guidance and Program data reporting requirements. Require all facilities to use these policies and procedures to operate their Programs and report on Program performance. Ensure facilities comply with policies and procedures by enhancing the monitoring of these facilities.

Status - Implemented

Agency Action - OCFS officials developed new GED Program Procedures. We reviewed the procedures and found they address Department regulations, OCFS Program Guidance and Program reporting requirements. The procedures guide facilities on how to operate their programs and report on Program performance. OCFS officials sent the new procedures and a memo explaining the reason for their implementation to all facility directors on June 30, 2006, and stated that the procedures were to be effective July 5, 2006.

As stated in the Agency Action Section for Recommendation 1, OCFS officials conduct routine on site visits to monitor facilities' compliance with policies and procedures. We reviewed on-site reviews for 2006 and 2007 and found they provided reasonable assurance that facilities were monitored for compliance with policies and procedures.

Recommendation 6

Seek additional training on Program reporting from the Education Department.

Status - Implemented

Agency Action - Program officials documented several meetings with Department officials in late 2006 and early 2007 where Program reporting and training was discussed. We reviewed the agendas for these meetings and found that it adequately showed that OCFS officials sought additional training for Program reporting.

Recommendation 7

Continue to develop and enhance a data collection and reporting system that enables facilities to accumulate and track Program data in a consistent and reliable way.

Status - Implemented

Agency Action - Since our initial audit, OCFS officials have implemented the GED 21st Century computer preparation program. This is an online program that is used to both instruct students and track student progress throughout the Program. The GED 21st Century preparation program captures hours of program instruction, which previously was not captured by OCFS. The program captures tasks each student performs and scores on any test the student has taken. OCFS officials sent memos to the local districts regarding the implementation of the system and they also provided guidance on how to use the system.

OCFS also has several other reports that are used to track and accumulate data. One is the monthly GED Test tracking form, which is used to accumulate student testing data. Local districts are required to send this form to OCFS Central Office monthly. Additionally, OCFS uses another program form to track student performance and Program information such as the number of students enrolled, students with a disability, and those who passed and failed that GED Test. Districts submit these forms annually to the OCFS Central Office which in turn submits them to the Education Department.

Recommendation 8

Verify that facilities maintain written supporting documentation where students are permitted to take the DES even though they have not met the formal eligibility criteria of taking and passing both the Assessment and Practice tests.

Status - Implemented

Agency Action - Each facility maintains an OCFS Student Enrollment Summary for each student which is used to document relevant Program information. For those students who did not meet all requirements for taking the GED Test but were allowed to take it anyway, the summary form is used to document their reasons why they allowed the student to take the examination. We reviewed documentation and found that, in general, students who were allowed to take the examination had demonstrated their proficiency by receiving passing grades on practice examinations. The primary reasons cited for allowing students to take the test was that the student was unlikely to return to high school or that the student was lagging behind in high school (i.e., the student was a freshman academically) and the student wanted to pursue college studies.

Recommendation 9

Direct facilities to have Chief Examiners available to administer the GED Test to students.

Status - Implemented

Agency Action - OCFS has taken action to ensure Chief Examiners are available to administer the GED Test. Specifically, OCFS officials periodically send a memo to the districts with an updated list of Chief Examiners and Alternate Examiners that are available to administer the GED Test. For each testing center, the memo identifies the Chief Examiner and an Alternate Examiner along with contact information for each. The districts are asked to provide any changes to the list periodically; the most recent update was March 2007.

Recommendation 10

Develop a process facilities should follow to administer the GED Test "off-cycle" as necessary.

Status - Implemented

Agency Action - As previously stated, OCFS officials developed new GED Program Procedures. Included in these procedures are steps for conducting "off-cycle" testing. The policy states that off cycle testing is permissible with Bureau approval. We reviewed documentation which shows that this procedure is being followed.

Recommendation 11

Work with the Education Department to determine whether a score of 9.0 or higher on the Assessment Test should continue to be an eligibility requirement for the GED Test.

Status - Implemented

Agency Action - OCFS officials met with Department officials in May 2006 to discuss whether the score of 9.0 should continue to be an eligibility requirement. In this meeting, Department officials stated that the score of 9.0 was not the only eligibility requirement/criteria for determining if a youth is test ready; professional judgment should be used along with test score, grade rank in class, and standardized and practice test scores. OCFS modified the

GED Test Verification Form with slight wording changes to reflect that the Assessment Test is not the only criteria for determining eligibility for the GED Test.

Major contributors to this report were Ed Durocher, Jessica Turner and Heather Pratt.

We thank the management and staff of OCFS for the courtesies and cooperation extended to our auditors during this process.

Very truly yours,

Richard K. Sturm
Audit Manager

cc: Lisa Ng, Division of Budget
Bill Challice, OSC, State Government Accountability
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