
**Information Report on Data Accumulated by SEAs and Reported to ED:
ESEA/Title I and Perkins Vocational Education Programs**

INFORMATION REPORT



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EXECUTIVE SUMMARY

We conducted a review to provide information to the U.S. Department of Education (ED) on the processes used by state educational agencies (SEAs) to collect and report data to ED. Our review focused on two of ED's major state formula grant programs: Grants for Schools Serving At-Risk Children (Title I program) and Vocational and Technical Education Assistance to the States (Perkins program). To conduct our work, we reviewed technical literature and visited five SEAs: California, Georgia, Massachusetts, Minnesota, and New Jersey. The five SEAs we selected are not statistically representative and thus the results cannot be projected. However, the information we obtained from these visits provides insight into the processes used by SEAs in providing data to ED for the Title I and Perkins programs. Our review was not an audit of either program or of any of the five states we visited.

Data obtained by ED from the SEAs for these two programs are used to monitor and evaluate the programs. ED also plans to use some of the data in its annual performance reports to Congress required by the Government Performance and Results Act of 1993 (GPRA or the Results Act). In addition, the authorizing legislation for the Perkins program requires that ED report state-by-state comparisons of the Perkins performance data. To be useful for these purposes, the data must be reliable, comparable across states, consistent over time, and timely.

The results of our review are grouped into overall observations on SEA-supplied data and more specific observations on Title I data, Perkins data, data on academic achievement, and placement data.

Overall Observations on SEA-Supplied Data

Based on our review, we have the following observations about the data provided by SEAs for the Title I and Perkins programs:

- *The process of collecting data for both of these programs is complex.* Thousands of entities are involved. Much of the data originates at the thousands of local education agencies (LEAs) that operate the programs. The LEAs then send reports to their SEAs, who in turn send reports to ED. The SEAs also collect data from other sources such as the testing contractor for the statewide academic assessment.
- *Each SEA has its own unique processes for collecting data.* At the SEAs visited, the method for collecting data from LEAs varied, from the submission of paper forms to the exchange of computer diskettes to transmission through the Internet. The amount of detail provided by the LEAs also varied from data on individual students to aggregate data for a district.

- *Each SEA has its own unique control structure.* One SEA required a certification from the LEAs on the data submitted. Another conducted a quality control review of the testing contractor's scoring of the statewide academic assessments.
- *The data are not timely.* The majority of states filed their Title I and Perkins performance reports for the program year 1996/1997 after the due date. Some states filed as late as four or five months after the due date, which is already set at least six months after the end of the program year. Thus, ED received some state Title I and Perkins program data almost a year after the program year-end.
- *The data may not be consistent over time.* At three of the states visited, spring 1998 marked the initial use of the assessment instrument to measure academic achievement. These states will not have sufficient, consistent data on academic achievement to measure educational progress for several years.
- *When used for national aggregation or comparison, such as GPRA reporting, the data are likely to not be comparable across states.* In many cases, the states define how the data is collected and reported. For example, states select the assessment instruments for academic achievement and decide the number and meaning of the proficiency levels. States also decide whether placement data are obtained through searches of state unemployment compensation records or through surveys of former students.

The lack of comparability across states and the lack of consistency over time are to some extent inherent in the process. Performance measurement is a dynamic process. Congress has provided flexibility to states and local educational agencies that can affect data collection. Improvements in data quality and timeliness may require new systems. Designing, building, and maintaining systems requires significant human and financial resources. In addition, some states are dealing with privacy concerns about what information state databases can contain.

Because of the complexities of the processes, improvements will only come through the joint efforts of states and ED. ED has begun working with states to improve data collection through the Integrated Performance and Benchmarking System (IPBS). The goal of the IPBS is to reduce paperwork and to streamline the federal education program reporting system in such a way that it provides states, districts, school boards, and parents with accurate, comparable information about federal program results.

Observations on Title I Data

For fiscal year 1999, ED plans to use information on the count of distinguished schools and on student assessments to measure the performance of the Title I program for reporting under the Results Act. However, that information may not be available from Title I performance reports for fiscal year 1999. The authorizing legislation for the Title I

program does not require that a final assessment system be in place until program year 2000/2001. Some SEAs do not have a definition of adequate yearly progress, which is needed to identify distinguished schools. In addition, some SEAs have not been providing in their Title I performance reports information on student proficiency levels because they have just started using their statewide assessment systems.

Observations on Perkins Data

For fiscal year 1999, ED is not planning to use state reports as a data source for GPRA reporting on the Perkins program because the information needed would not be available in those reports. For fiscal year 2000, ED is planning to use placement data from state reports in its GPRA reporting on the Perkins program. Recent amendments to the authorizing legislation of the Perkins program will require ED to report state-by-state comparisons of performance information.

SEAs have had different definitions for vocational students for reporting on the Perkins program. In addition, SEAs have not always had access to student level data on vocational students and thus may have difficulty obtaining performance data on the Perkins program. This situation poses a particular challenge to ED in meeting the requirement to report state-by-state comparisons of information. To address this challenge, ED has been working with states to develop an accountability framework. This framework should assist states in moving toward comparable definitions.

Observations on Data on Academic Achievement

As part of our review, we obtained information on how the states we visited administered their statewide academic assessments, scored the assessments, and reported and used the results. Both the Title I and Perkins programs require data on academic achievement. All five states we visited had a statewide assessment system that was required by state statutes. In all five states, a testing contractor developed and scored the assessment, and reported the results to the LEAs and the SEA. In one state, staff of the SEA conducted a quality control check of the contractor's work. All five states had test security measures in place. However, the specific measures used varied in each state. All five states indicated that the results are or will be used to identify schools and districts in need of improvement.

Observations on Placement Data

We also obtained information on how the states collected data on the placement of vocational education students. For the Perkins program, each state's performance measurement system must include a measure of placement in postsecondary education or employment. Data on placement can be obtained from either a survey of former students or from a search of state unemployment compensation and postsecondary records. In one of the states we visited, the LEA conducted the survey using guidance provided by the

SEA. The SEA had set a minimum response rate. In another state, the search of records was conducted by another entity and the results provided to the SEA.

ED Comments on Report

The Office of Elementary and Secondary Education (OESE) and the Office of Vocational and Adult Education (OVAE) provided written comments on the draft of this report, which are reprinted in appendices G and H, respectfully.

OESE noted that to improve data quality, in addition to the consolidated performance report and the development of IPBS mentioned in the report, provisions related to performance data have been included in the proposal for reauthorization of Elementary and Secondary Education Act (ESEA).

OVAE stated that the results presented in this report are consistent with what OVAE has learned during the course of working with states to implement the new Perkins legislation. In their comments, OVAE provided more detailed information on the requirements of the Perkins Act, efforts to improve data quality and comparability among states, and plans for future GPRA reporting. OVAE noted that the new requirements substantially increased the complexity of data collection. OVAE's goal is to have a vocational and technical education data system that is reliable, comparable among states, consistent over time, and timely. To build that system, OVAE is working closing with the states.

In addition, department officials noted that our work was limited to the SEA level and did not include a review of the consistency of data collection within states. Department officials also noted that by their nature state standards and assessment systems change and, thus, consistency of data will always be an issue.

OESE and OVAE also provided technical comments that we incorporated where appropriate throughout the text.

INTRODUCTION

The U.S. Department of Education's (ED) first performance report on fiscal year 1999 required by the Government Performance and Results Act (GPRA or Results Act) is due in March 2000. The most common issue raised during our audit of ED's implementation of the Results Act was the availability of quality data for that first performance report and for management decisions.¹ In June 1998, the General Accounting Office (GAO) concluded that ED's fiscal year 1999 Annual Plan did not provide sufficient confidence that its elementary and secondary performance information will be credible because data limitations were not included in the plan.² Much of that performance information will be provided by sources external to ED, such as state educational agencies (SEAs).

In response to a request by ED and to follow-up on the earlier reports, we conducted a review to identify:

- (1) the processes used by SEAs to accumulate and report data to ED;
- (2) the controls³ used to ensure reliability⁴ of the data;
- (3) limitations or weaknesses in that data; and
- (4) barriers or obstacles to improving the quality of that data.

Our work focused on two of ED's major state formula grant programs:

- Grants for Schools Serving At-Risk Children (Title I program) authorized by Title I/Part A of the Elementary and Secondary Education Act (ESEA), and
- Vocational and Technical Education Assistance to the States (Perkins program) authorized by Title I of the Carl D. Perkins Vocational and Technology Education Act of 1998 (Perkins III).

To obtain information on the data collected by SEAs and reported to ED, we reviewed technical literature and visited five SEAs: California, Georgia, Massachusetts, Minnesota, and New Jersey. Although the five SEAs selected are not statistically representative and thus the results cannot be projected, they provide insight into the processes used by SEAs in providing data to ED for the Title I and Perkins programs. A statistical profile of the five SEAs we visited is included in Appendix B. Our work focused on the SEAs and not on the local or federal level. Additional information on how we conducted this review is included in the section "Objectives, Scope, and Methodology."

¹ ED-OIG, 1998. *Moving Towards A Results-Oriented Organization: A Report on the Status of ED's Implementation of the Results Act.* (ED-OIG/A17-70007) Page 20.

² GAO, 1998. *THE RESULTS ACT: Observations on the Department of Education's Fiscal Year 1999 Annual Performance Plan.* (GAO/HEHS-98-172R) Page 3.

³ For purposes of this report, controls are what an entity does to provide reasonable assurance that what should happen happens.

⁴ For purposes of this report, reliability refers to the precision with which a phenomena is measured. A measured value is considered reliable if it is accurate for its intended use.

The Title I program provides over \$7 billion to schools, especially in low-income communities, to improve education for children at risk of failing to achieve high standards. In 1996, over 50,000 schools received Title I funds. ED distributes Title I funds to the SEAs using a legislatively mandated formula. In turn, the SEAs distribute the funds to local education agencies (LEAs) to support programs in schools.

The authorizing legislation for the Title I program requires that states have “high-quality, yearly student assessments”⁵ for students served by the program. SEAs will report disaggregated results⁶ from those assessments to ED in an annual performance report. State and local assessments are a data source in the fiscal year 1999 Title I program performance plan.

The Title I legislation also requires that SEAs designate as “distinguished” any Title I school that, for three consecutive years, has exceeded the state’s definition of adequate progress. The number of Title I schools designated as distinguished is an indicator in the fiscal year 1999 Title I program performance plan.

The Perkins program provides over \$1 billion to develop more fully the academic, vocational, and technical skills of secondary and postsecondary students enrolled in vocational and technical education programs. As with the Title I program, ED distributes Perkins funds to the SEA or other designated state agency⁷ using a legislatively mandated formula. The designated state agency then distributes the funds to LEAs and other eligible recipients, such as community colleges.

GPRA Requirements

For fiscal years 1999 and 2000, ED submitted an “Annual Plan” to Congress to meet the requirements of the Results Act. Those Annual Plans contain “Program Performance Plans” for each of ED’s programs reported individually or grouped by related program purpose. ED’s Annual Plans include “Program Performance Plans” for both the Title I and Perkins programs. Throughout this report, the phrase “program performance plans” refers to those documents.

As allowed by OMB, ED decided to combine its FY 1999 report with its FY 2001 plan. At the end of February 2000, ED issued a pre-publication copy of its combined report/plan. ED expects to issue a final version by the end of March 2000.

⁵ An assessment is an exercise, such as a written test, portfolio, or experiment, that seeks to measure a student’s skills or knowledge in a subject area.

⁶ Disaggregated results are results broken down by subgroups, such as gender or student economic status.

⁷ A state agency other than the SEA can be the primary fiscal and reporting agency for the Perkins program (*e.g.*, the state agency responsible for colleges and universities). In some states, more than one state agency administers the Perkins program. For example, the SEA may administer the secondary programs and another state agency, the postsecondary programs.

Recent amendments, which first became effective for school year 1999-2000, to the authorizing legislation of the Perkins program require states to identify core indicators in four areas, establish levels of performance for those indicators, and report data to ED. Those amendments also require states to describe in their state plan how the state “will ensure” that the data they reported to ED is “complete, accurate, and reliable.” ED is “to disseminate state-by-state comparisons of the information” to the public and Congress. In return for this increased accountability, those amendments provide more flexibility to the states; for example, fewer dollars are earmarked to specific programs.

For fiscal year 1999, the data sources in the Perkins program performance plan are studies conducted by the Planning and Evaluation Service (PES) and the National Center for Education Statistics (NCES). For fiscal year 2000, the data source for the indicator related to student outcomes is state performance reports. The data sources for the other indicators in the fiscal year 2000 program performance plan are studies conducted by PES and NCES.

The Title I program is administered by ED’s Office of Elementary and Secondary Education (OESE). The Perkins program is administered by the Office of Vocational and Adult Education (OVAE). Additional information on the Title I and Perkins programs and on the program performance plans for both programs is included in Appendix A.

Acronyms used in this report are listed in Appendix D. Appendix E contains definitions of the technical terms used in this report.

SEA-SUPPLIED DATA

Below is a summary of our observations about the processes SEAs use to collect and report data, the controls used to ensure the reliability of the data, the limitations and weaknesses in the data, and the barriers and obstacles to improving the quality of the data. In later sections of this report, we provide detailed information about program reporting for the Title I and Perkins programs, data on academic achievement, and placement data.

Processes for Collecting and Reporting Data

OIG Observations - The processes for gathering data on the Title I and Perkins programs are complex because thousands of entities are involved. Each SEA has its own unique processes for collecting the data.

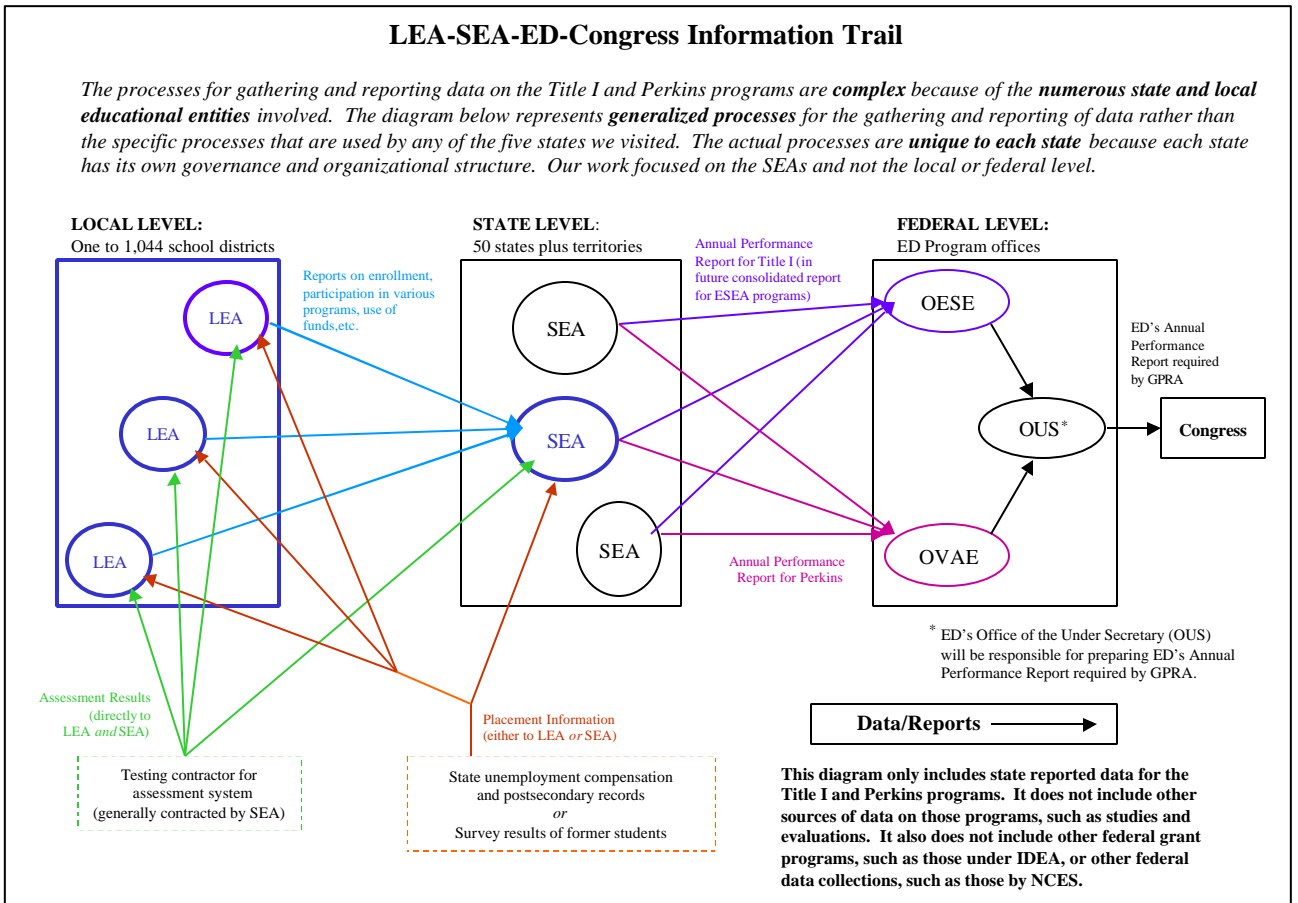
Much of the data for the Title I program originates at the 50,000 participating schools. Data is collected from the schools by the LEAs. The LEAs send reports to the SEA. In turn, the SEAs send to ED annual performance reports. As with the Title I program, much of the data for the Perkins program originates at the LEAs and the other eligible recipients of Perkins funds. Reports from these local entities are also sent to the SEA or other designated state agency. In turn, the state agencies send to ED annual performance reports. Even when the SEA is responsible for both programs, separate divisions within the SEA may be responsible for the two programs.

During our visits, we noted that:

- Data transfer from the LEAs to the SEAs varied, from the submission of paper forms to the exchange of diskettes to transmission through the Internet.
- The detail provided to the SEA by the LEAs varied from data on individual students to aggregate data for a district.
- A testing contractor developed and scored the statewide academic assessment and provided the results to both the LEAs and the SEA. Four of the five SEAs got the results at the student level in electronic form. The fifth SEA will get the results at the student level in electronic form in the future.
- Placement information was obtained through either a search of state unemployment compensation records and postsecondary records or a survey of former students.

The diagram below illustrates the basic processes for gathering performance data on the Title I and Perkins programs. Since each state has its own governance and organizational

structure, the information trail represented below is generalized and does not illustrate the processes used by any particular state.



Controls to Ensure the Reliability of the Data

OIG Observations - Because each state has its own processes, each state will have its own system of controls to ensure the reliability of its data.

During our visits, we noted the following controls in the SEA processes.

For data supplied by the LEAs:

- To detect errors in reports provided by LEAs, all five SEAs indicated that they ran edit checks. Such edit checks could include comparing the data to data from prior years.
- To prevent errors in reports provided by LEAs, one of the five SEAs required that the LEAs provide a certification that the data was “complete and accurate.”⁸

For academic achievement data:

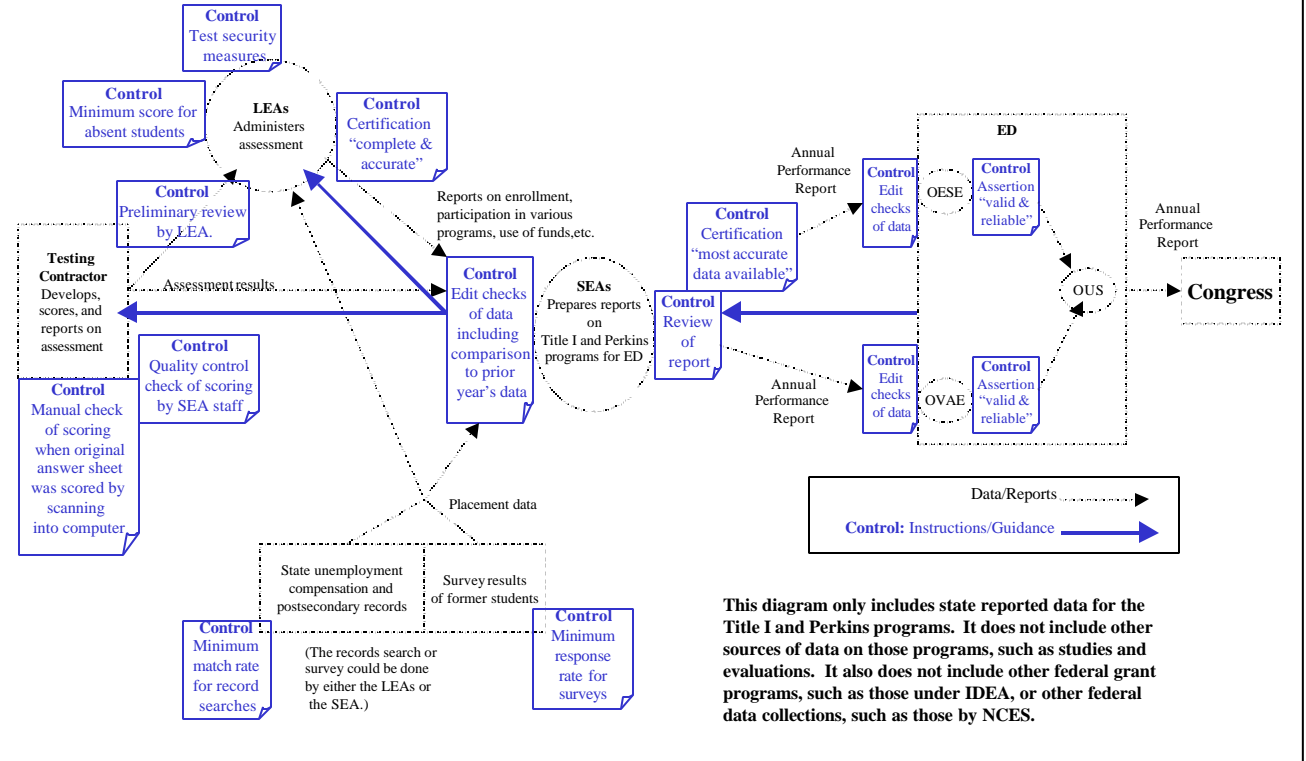
- To prevent errors and irregularities during the administration of the academic assessment, all five states had some security measures, such as designated coordinators or logs of test materials, over their statewide academic assessments.
- To detect errors in scoring, one of the five SEAs conducted a quality control check of the testing contractor’s scoring of the academic assessment.
- To encourage the inclusion of all students in the academic assessment, one of the five SEAs assigned the minimum score to any students who did not take the assessment.

During our work, we did not determine the effectiveness of these controls or of any other controls used by the SEAs. However, we believe that, if properly implemented, the above controls would help ensure the reliability of the data. The diagram below illustrates the types of controls that could be used by a state in its processes for gathering data for the Title I and Perkins programs. The diagram is generalized and does not represent the system of controls used in any particular state.

⁸ For the Title I report, SEA officials are to certify that the data is the “most accurate data available.” For ED’s Annual Plan required by GPRA, ED program managers will be required to either assert that the data used for their programs’s performance measurement are “reliable and valid” or have plans for improvement.

Controls in the LEA-SEA-ED-Congress Information Trail

Diagram depicts some of the controls that we found in the LEA-SEA-ED-Congress Information Trail for the Title I and Perkins programs. The diagram does not depict the system of controls used in any particular state since that system is unique to each state. During our work, we did not determine the effectiveness of these controls.



Limitations and Weaknesses of SEA-Supplied Data

OIG Observations – The data are not timely. The data may not be consistent over time. When used for national aggregation or comparison, such as GPRA reporting, the data are likely to not be comparable across states.

Timeliness of the Data

We reviewed records maintained by ED on the receipt of performance reports for the Title I and Perkins programs. For program year 1996/1997, those records indicate that all but two of the Title I reports were received by ED after the due date of February 1998. Program year 1996/1997 ended in June of 1997.

<u>Month Report Received</u>	<u># of SEAs</u>
February	2
March	28
April	3
May	7
June	12 (one year after program year-end)
July	<u>1</u>
Total ⁹	53

Only 17 of the 54 Perkins performance reports for program year 1996/1997 were received by the due date of December 31, 1997.¹⁰ Four were never received. As of March 3, 1999, for program year 1997/1998, only 29 of the 54 Perkins performance reports had been received by ED. These reports were due December 31, 1998. Part of the lack of timeliness for the Perkins performance report could be that the paperwork clearance for the form expired in January 1997. The clearance for the form was not renewed because of pending reauthorization of the Perkins program's authorizing legislation. Instead, ED obtained a voluntary agreement with the states to use the form.¹¹

Historically, states have not been able to meet due dates for performance reports. Some reports have arrived almost a year after the program year-end.

As part of our review, we did not conduct detailed work to determine the specific causes for the lack of timeliness of the data. In the next section, we discuss some barriers and obstacles to improving the overall quality of SEA-supplied data that we identified during our review. ED has contracted for a study on the causes of the delay of the state Title I

⁹ The 53 entities that submit Title I performance reports are the 50 states, the Bureau of Indian Affairs, Puerto Rico, and the District of Columbia.

¹⁰ The 54 entities that submit Perkins performance reports are the 50 states, 3 territories, and the District of Columbia.

¹¹ Although the paperwork clearance had expired, under ED's General Administrative Regulations, SEAs were still required to supply the data.

reports. Information from that study should assist ED in developing an appropriate federal response.

Consistency of the Data Over Time

Data may not be consistent over time. States can change the methods they use to collect data. For example, one of the states we visited changed from collecting placement data using surveys of former students to searching state unemployment compensation and other records. Any trend analysis of placement data for that state needs to consider the effect the change in collection method may have on the trend.

As another example, the initial use of the assessment instrument to measure academic achievement in three of the states we visited was spring 1998. Therefore, these states may not have sufficient trend data to evaluate educational progress for a few years.

SEAs may change the method used to collect data. ED needs to know when SEAs make these changes because it affects how the data is analyzed over time.

Comparability of the Data Across States

ED is planning to use some of the data reported by SEAs to ED in its annual performance reports to Congress required by the Results Act. For the Title I program, ED is planning on using data from state assessments and the status of Title I schools (meeting adequate yearly progress, identified for improvement, or identified as distinguished). For the Perkins program, ED is planning to use data from the state performance measurement systems required by Perkins III.

A weakness in SEA data when it is used for national aggregation or comparison, such as GPRA reporting, is the lack of comparability across states. For example, lack of comparability in:

- Who or what is counted or measured – For the Perkins program, SEAs determine how a vocational student is defined. Those definitions vary, both in the number of courses a student takes and in the grades covered.
- How data is collected – For the Perkins program, the SEAs we visited varied in how they collect placement data. Some search state unemployment compensation records; while others survey former students.
- How performance is measured. – For example, each of the five states we visited used a different assessment instrument to measure academic achievement.

The lack of comparability across states is to some extent inherent to the process.

- Performance measurement is a dynamic process. Local, state, and federal governments make changes to the legislation that govern and organize the educational systems. These changes can affect what data are collected, when the data are collected, and how they are collected.
- Congress has provided flexibility to states and local educational agencies in operating federal programs in return for increased accountability. This flexibility can include allowing states to make decisions that affect what data is collected.

ED Activities to Address Limitations and Weaknesses

As part of an overall strategy for data quality when reporting under the Results Act, ED has develop department-wide standards for performance indicator measurement. ED began training department staff on those standards in Fall 1999. It is phasing in a requirement that program managers examine the indicators and data for their programs to determine their accuracy and validity and, as necessary, develop plans for improvement.

Barriers and Obstacles to Improving the Quality of SEA-Supplied Data

Officials at one SEA mentioned that outdated hardware and software were obstacles to improving data quality. Designing, building, and maintaining systems, especially those capable of electronic transfer of data, requires significant resources, both financial and human. One state indicated to us that it had several openings in information technology positions. Those vacancies may slow the state's development of electronic transfer of data. Officials at another state indicated that addressing year 2000 concerns had delayed improvements to its data systems.

Beyond the technical concerns of designing and building data systems, our review also noted that some states are dealing with privacy concerns about the state databases containing detailed student information, such as social security numbers. Generally, social security numbers are needed to obtain placement data through searches of state unemployment compensation records. Social security numbers can also be used as unique student identifiers to prevent duplicate counts of students.

Officials in one state mentioned that for the Title I program ED does not provide enough notice of changes to report format and content to allow the state to update its data collection systems. In November 1998, the Council of Chief State School Officers Board of Directors approved the following resolution:

The implementation of any new or revised data collection instruments or categories, or the establishment/revision of any instructions associated with such instruments and categories, shall be optional for SEAs if final documents, with Office of Management and Budget (OMB) approval, are not issued by July 1 of the school year preceding the school year for which the data collection is requested. Further, this provision should be applicable to data collection requirements for all the various programs under the United States Department of Education, with the exception of surveys or other projects which do not impact state and/or local data systems.¹²

Sometimes Congress mandates when a data collection will begin. For example, Perkins III was enacted in October 1998 and effective for the program year that began July 1, 1999. Thus, ED and the states had only eight months to plan for the implementation of the new legislative requirements.

The complexities of data collection require ED to work closely with the states in developing data collection requirements. ED has begun to do so through activities such as the Integrated Performance and Benchmarking System.

¹² Resolution of the Education Information Advisory Committee (EIAC) of the Council of Chief State School Officers (CCSSO).

TITLE I PERFORMANCE REPORTS

Summary - For fiscal year 1999, ED plans to use information on the count of distinguished schools and on student assessments to measure the performance of the Title I program for GPRAs reporting. However, that information may not be available from Title I performance reports for fiscal year 1999. The authorizing legislation for the Title I program does not require that a final assessment system be in place until program year 2000/2001. Some SEAs do not have a definition of adequate yearly progress, which is needed to identify distinguished schools. In addition, some SEAs have not been providing in the Title I performance report any information on student proficiency levels because they have just started using their statewide assessment systems.

SEAs have reported data annually to ED in a year-end Title I performance report. Beginning with program year 1998/1999, SEAs must report data in a year-end consolidated report for all ESEA¹³ formula grant programs. Both the single program and the consolidated program reports request information on student participation, status of Title I schools (meeting adequate yearly progress, identified for improvement, or identified as distinguished), and student proficiency levels.

Participation Data

SEAs obtain participation data for the Title I program from LEAs. In the states we visited, LEAs submitted the participation data to the SEA either in hardcopy, on SEA-supplied diskettes, or through the Internet. The SEA-supplied diskettes contained software that had built-in edit checks. The data from the diskettes was downloaded into the SEA's computer. When the data was supplied in hardcopy, the SEA keyed the data into its computer. No matter which method is used to obtain the data, the SEAs ran edit checks on the data entered into its computer. One SEA also required that the LEA include a certification that the data provided was "complete and accurate."

OIG Observations - The use of SEA-supplied software is likely to improve the quality of the data because of the built-in edit checks and the reduced risk of error caused by re-entering the data into the SEA's computer from hardcopy. The use of a certification can improve data quality because it establishes a means of accountability for the data.

Status of Title I Schools

We reviewed the year-end reports filed by the five SEAs we visited for program year 1996/1997.¹⁴ In those reports:

¹³ Elementary and Secondary Education Act. ESEA is the authorizing legislation for several formula grant programs to the states including the Title I program.

¹⁴ The program year 1996/1997 reports were the most recent reports available to us at the time of our review.

- All five SEAs provided a count of the schools identified for improvement.
- Two of the SEAs did not provide a count of the schools identified as distinguished.

One of the SEAs that did not have a count of distinguished schools indicated to us during our visit that they did not currently have a definition of “adequate yearly progress.”¹⁵ Such a definition is needed to categorize Title I schools as “meeting adequate yearly progress,” “identified for improvement,” or “identified as distinguished.” The other SEA without a count indicated during our visit that so far only one school (not in program year 1996/1997) has been designated as distinguished because few schools had the required three years of academic assessment data to even be eligible for consideration.

During our visits, we noted that two states obtained their count of schools identified as distinguished as follows:

- In one state, elementary and secondary schools are only eligible to be recognized in the distinguished schools programs in alternate years. Once recognized, a school is not eligible to reapply for five years.
- In another state, the SEA provides a list of schools that are candidates for distinguished school status. The LEAs can nominate schools from that list but are not required to do so.

OIG Observations – For fiscal year 1999, ED plans to use the information on the count of distinguished schools to measure the performance of the Title I program. However, that information may not be available since not all states have a definition of adequate yearly progress. Moreover, some school’s lack of three years of trend data and the methodologies used by some states (such as the alternating between elementary and secondary schools and the voluntary nominations) appears to render a trend in the number of Title I schools “identified as distinguished” invalid for purposes of measuring Title I program performance.

Subsequent to our work, ED issued a pre-publication copy of its combine FY 1999 report and FY 2001 plan. In that document, ED dropped the indicator on the count of distinguished schools.
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Student Proficiency Levels

We reviewed the year-end reports filed by the five SEAs we visited for program year 1996/1997. These reports did not include data on student proficiency levels. Although the form requests data on student proficiency levels, the law does not require a final

¹⁵ The SEA had submitted recommendations for defining “adequate yearly progress” to the state legislature.

assessment system until program year 2000/2001. The results of such assessments are used to determine student proficiency levels.

In a separate section of this report, we discuss the processes and controls used to administer and score academic assessments and report the results. During our visits, we noted that:

- Spring 1998 was the first time three of the states administered their statewide assessment instruments.
- In all five states, both the LEAs and the SEA received the results of the statewide assessment from the contractor that scored the assessment.
- In four states, the SEA had the results from the statewide assessment at the student level in electronic form. In one of those states, the results are maintained for the SEA in a separate database at a contractor's site. In the fifth state, the SEA will have the results at the student level in electronic form in the future.

In one state, the LEAs determined, within state guidelines, the levels of student proficiency using their own methodology. Such methodologies can include additional factors beyond the results of assessment scores on standardized tests, such as grades. SEA officials noted that this system allows districts to use local standards appropriate for their student population. The LEAs in this state submitted to the SEA, by school, disaggregated numbers and percentages of students at each proficiency level. The SEA manually entered the data from each LEA into its computer and ran edit checks.

OIG Observations – For fiscal year 1999, ED plans to use information on student proficiency levels to measure performance of the Title I program. However, that information may not be available since some states have just started using their statewide assessment systems. Further, the authorizing legislation does not require that states have a final assessment system in place until program year 2000/2001.

Subsequent to our work, ED issued a pre-publication copy of its combined FY 1999 report and FY 2001 plan. In that document, ED noted that some states do not have the necessary data on student proficiency levels.

SEA Evaluation

During our visits to the SEAs, we asked state officials for their comments and opinions on the Title I program and Title I reporting. Each of the following comments were made by a SEA official. Since these comments were made by one individual, they may not be representative:

- The Title I requirements were a driving force in the implementation of a statewide standards-based accountability system. This system will be used to determine student learning needs, improve school programs, and recognize outstanding academic achievements of students.
- ED does not provide sufficient notice of changes in the format and content of the Title I report to allow the state to update its data collection system.

SEA officials in all five SEAs we visited mentioned using or planning to use assessment data to identify schools in need of improvement.

ED Activities to Improve the Data Collection Process for the Title I Program

ED is working with several states on the Integrated Performance and Benchmarking System (IPBS) for elementary and secondary program data collections. The goal of the IPBS is to reduce paperwork and to streamline the federal education program reporting system in such a way that it provides states, districts, school boards, and parents with accurate, comparable information about federal program results.

PERKINS PERFORMANCE REPORTS

Summary – For fiscal year 1999, ED is not planning to use state reports as a data source for GPRA reporting on the Perkins program because the information needed would not be available in those reports. For fiscal year 2000, ED is planning to use placement data from state reports in its GPRA reporting on the Perkins program. Recent amendments to the authorizing legislation of the Perkins program will require ED to report state-by-state comparisons of performance information. SEAs have differed on how they define vocational students for reporting on the Perkins program. In addition, SEAs have not always had access to student level data on vocational students and thus may have difficulty obtaining performance data on the Perkins program. This situation poses a particular challenge to ED in meeting the requirement to report state-by-state comparisons of information. To address this challenge, ED has been working with states to develop an accountability framework. This framework should assist states in moving toward comparable definitions.

Reporting for the Perkins program is more complicated than reporting for the Title I program because it involves both secondary and postsecondary programs. Thus, local entities, in addition to LEAs, receive Perkins funds and provide data on the program. In addition, more than one state agency can be involved in the administration of the program. For example, the SEA can administer the secondary programs, while the state agency responsible for colleges and universities administers the postsecondary programs.

Appendix B contains the percentage of Perkins funds budgeted in fiscal year 1998 for the secondary and postsecondary programs in each of the states we visited. In three of the states, over 60 percent of the funds were used in secondary programs. In a fourth state, the funds were divided equally between secondary and postsecondary programs. In the fifth state, 35 percent of the funds were used in secondary programs. In that state, the SEA was not the primary reporting agency for the Perkins program. Our work focused on the SEAs and the secondary programs.

The authorizing legislation for the program was reauthorized in October 1998 only a few months prior to the beginning of our review. The prior authorizing legislation for the Perkins program (Perkins II) required a performance measurement system. Perkins III expanded on those requirements. Appendix A contains information about the performance measurement requirements of the Perkins program. As we were conducting our review, states were in the process of adjusting their systems to comply with Perkins III.

The program year 1996/1997 Perkins performance report requested enrollment data and a description of the state's performance measurement system for its Perkins program. The OMB clearance on the form expired on January 31, 1997. Due to the pending reauthorization of the Perkins program, a new clearance was not obtained. Instead, ED

obtained a voluntary agreement with the states to use the form.¹⁶ A new form for the performance report is being developed for program year 1999/2000, which will incorporate the new Perkins requirements.

Enrollment Data

SEAs obtained enrollment data for the Perkins program from the LEAs using processes similar to the Title I program: hardcopy or electronic, such as a SEA-supplied diskette. The states varied in the detail that the LEAs provided the SEAs. For example, one SEA received the social security numbers of the vocational students, while another SEA received only district level counts of the vocational education students by gender, special populations, and subject areas. The SEAs compared the current year data to data from prior years. One SEA indicated that they also compared the data to other SEA information it had on student enrollment.

We reviewed the Perkins performance reports for program year 1996/1997 for each of the five states we visited.¹⁷ The draft instructions for the performance report contained sample tables for the SEAs to use in reporting enrollment data. All five states submitted enrollment tables that were modified from the sample enrollment tables in the draft instructions for the report. The draft instructions for the report also requested explanatory information on the data in the enrollment tables, for example, how was enrollment defined. None of the states provided all the requested explanatory information. For example, two states provided no explanation of how enrollment was defined.

Changing Nature of Vocational Education

In recent years, vocational education has increased the emphasis on academic skills. The Perkins Act recognizes this change in vocational education by requiring academic and technical achievement as an area of performance measurement.

In addition, recent education reforms have recognized the importance of providing all students with training that prepares them for employment.

These changes in vocational education complicate the process of defining the population of vocational students for data collection.

SEAs define vocational students differently. For example, in one state we visited, a vocational education student is defined as:

“A student who is enrolled in a planned, sequenced, and organized system of coherent courses that leads to employment and/or advanced training.”

In another state we visited, a vocational education student is defined as:

¹⁶ Although the paperwork clearance had expired, under ED’s General Administrative Regulations, SEAs were still required to supply the data.

¹⁷ The program year 1996/1997 reports were the most recent reports available to us at the time of our review.

“A student who has declared that they are pursuing a program aimed at employment in a pre-baccalaureate setting, or enrolled in a one-course occupational program, or enrolled in a second course of a multi-course occupational program.”

Neither definition equates to the definition of a *vocational education concentrator* used by ED in the fiscal year 2000 Perkins program performance plan:¹⁸

“A student who completes 3 or more Carnegie units¹⁹ in a single specific labor market preparation program area.”

OVAE conducted a study of the SEA definitions of vocational education students using the 1994 enrollment charts.²⁰ This study grouped the definitions into two categories:

- A student who took at least one vocational education course – 36 SEAs.
- A student who was enrolled in a vocational education program – 15 SEAs.²¹

The OVAE study also noted that states differed in the range of grades that SEAs included when counting vocational students:

<u>Range of Grades</u>	<u># of SEAs Using that Range</u>
Grades 6-12	5
7-12	19
9-12	25
10-12	1
11-12	<u>1</u>
Total	51

OIG Observations – Perkins III requires that ED disseminate state-by-state comparisons of performance information. Currently, states do not have uniform definitions of vocational education students. The legislation does not impose a definition for vocational students. In addition, the legislation does not grant the Secretary the authority to require states to adopt specific definitions. Instead, OVAE has been working with states to develop a definition of a *vocational education concentrator*.

¹⁸ This definition was used by ED in its fiscal year 2000 program performance plan for Perkins prepared to meet the requirements of the Results Act. The definition has not been imposed on the states through regulation.

¹⁹ A Carnegie unit is a standardized measure of class time equivalent to one fifty-minute course, five times a week for an entire school year.

²⁰ *Study of State Data on Vocational-Technical Education, 1993-1994*. OVAE.

²¹ The total is 51 for the 50 states and the District of Columbia.

Performance Measurement Systems

The program year 1996/1997 reports of the states we visited included lists of the performance areas to be measured, such as academic achievement or placement. In some cases, the reports included the performance measure, and, in a few cases, the level of outcome expected to be achieved. However, the reports generally did not include the actual performance data for any of the measures. The prior authorizing legislation (Perkins II) did not require states to report this information to ED.

During our visits, we noted the following about the development of performance measurement systems for vocational education programs:

- One SEA is in a consortium with other states to develop core competencies for technical skills. The consortium was viewed as a cost-effective way to develop an examination to assess technical skills. The target date for the first test is 2003.
- One SEA mentioned that they started working in 1997 with the state agency responsible for postsecondary programs to develop a shared vision of kindergarten through 14-level education. That effort involved stakeholders throughout the state.
- In another state, the SEA is currently working with the state agency responsible for the postsecondary Perkins programs and the state's Department of Labor to develop core indicators and levels of performance to satisfy the requirements of the Perkins Act and the Workforce Investment Act of 1998. The SEA is also involving local agencies in the development process.

High Stakes are Associated with Perkins Reporting (which first became effective for school year 1999-2000)

Sanctions – “If an eligible agency fails to meet the state adjusted levels of performance, has not implemented an improvement plan..., the Secretary may, after notice and an opportunity for a hearing, withhold from the eligible agency all, or a portion of, the eligible agency’s allotment under this Title.” (Perkins III, section 123(d)(2))

Rewards – A state that exceeds its agreed upon performance levels for Perkins, the Adult Education and Family Literacy Act, and Workforce Investment Act Title I is eligible to receive incentive grants. (Workforce Investment Act, section 503)

Perkins III requires performance measurement of academic achievement and placement among other core indicators. One source of data on academic achievement is statewide assessments. In a separate section of this report, we discuss the processes and controls used to administer and score assessments and report the results. In addition, in a separate section of this report, we discuss the processes and controls for obtaining placement data on vocational education students.

During our visits, we noted the following about data collection for the vocational education performance measurement systems:

- One SEA plans to use the academic assessment data for all tenth grade students who took the test instead of just vocational education students because SEAs will not be able to identify vocational education students out of the pool of students tested. The data for the measure of retention (students who do not drop out) will also be school-wide instead of solely for vocational education students.
- One SEA allows LEAs to choose from one of three options for how the LEA will measure academic achievement.
- One SEA receives the placement data on program completers from the LEAs in January of the following year, which is after the December due date of the Perkins report.
- One SEA recently switched from gathering placement data through surveys of former students to obtaining the data from searches of records.
- One SEA indicated that it compared information reported by LEAs to results of state board exams and other industry certifications as a way of gauging the school districts' accuracy in reporting data to the SEA.
- One SEA mentioned joint planning sessions with other state agencies to determine the needs for collaborative data collections and data sharing.

OIG Observations – Building performance measurement systems is a difficult task requiring the involvement of many stakeholders. Beyond developing the measures, states face the challenge of obtaining credible data in a cost-effective manner. This is especially challenging when the SEA does not have student level data.

SEA Evaluation

During our visits to the SEAs, we asked state officials for their comments and opinions on vocational education, the Perkins program, and Perkins reporting. Each of the following comments were made by a SEA official. Since these comments were made by only one individual, they may not be representative.

- Vocational technical education helps prepare all learners for continuing education.
- The performance measurement system needs to satisfy not only Perkins requirements but should also be aligned with and viewed as a vital component of the overall accountability system for education.

- There is a need for additional guidance and standards on the use of employment service and unemployment data and student tracking.
- The information requested by ED is needed by the state also.

ED Activities to Improve the Data Collection Process for the Perkins program

ED has been working with the states to develop an accountability framework for vocational education. This framework should assist states in moving toward comparable definitions. This activity was, in part, in response to the requirement that ED “disseminate state-by-state comparisons of the information” to the public and Congress. OVAE provided additional information on its activities to improve data quality and comparability among states in its response to this report, which is in Appendix H.

DATA ON ACADEMIC ACHIEVEMENT

This section contains information on how the states we visited administered their statewide academic assessments, scored the assessments, and reported and used the results. As part of our work, we did not evaluate the validity of the academic assessments used by the five states we visited nor did we evaluate the appropriateness of the use of those assessments. Our work concentrated on the processes used to administer the assessments, collect and report the results, and the controls used in those processes.

Summary - Both the Title I and Perkins programs require data on academic achievement. All five states we visited had a statewide assessment system that was required by state statutes. In all five states, a testing contractor developed and scored the assessment, and reported the results to the LEAs and the SEA. In one state, staff of the SEA conducted a quality control check of the contractor's work. All five states had test security measures in place. However, the specific measures used varied in each state. All five states indicated that the results are or will be used to identify schools and districts in need of improvement.

Both the Title I and Perkins programs require data on academic achievement. One source of data on academic achievement is the results of tests (academic assessments).

All five of the states we visited had a statewide assessment system. All five systems were required by state statutes. Those systems are described in Appendix C. Three of these states used criterion-referenced tests.²² The other two states used norm-referenced tests.²³ One of these states plans to augment the norm-referenced test with questions based on the state's content standards. The other state, which is currently revising its curriculum, plans to have a criterion-referenced test in use by spring 2000.

During our visits, we noted that:

- All five states involved a testing contractor in the system.
- In all five states, the testing contractor developed and scored the assessment, and reported the results to the LEAs and SEA. The assessments that were criterion-referenced to state standards were developed by the testing contractors with the oversight of the SEA.

²² A criterion-referenced test is a test designed to determine whether each student has achieved specific skills or concepts. Each individual is compared with a preset standard for acceptable achievement. The performance of other examinees is irrelevant.

²³ A norm-referenced test is a test designed to rank each student with respect to the achievement of others in broad areas of knowledge. Each individual is compared with other examinees and assigned a score.

- In four states, the SEA contracted with the testing contractor. In the fifth state, one that used a norm-referenced test, the LEAs contracted with the testing contractor.
- In all five states, the tests were administered by LEA staff.

Administering the Assessment

The first place that the validity and the reliability of the assessment data can be compromised is during the testing process. All the SEAs that we visited had test security measures in place. These measures included:

- ✓ Designated assessment coordinators at districts and schools,
- ✓ Training of coordinators and test proctors/administrators,
- ✓ Policy and procedure manuals on test administration,
- ✓ Logs maintained on the quantity and location of test materials,
- ✓ Certifications of actions taken by responsible officials, and
- ✓ Preprinted labels for shipment of test materials to the contractor.

Officials in one SEA mentioned that the state does not have a test manipulation penalty. If irregularities are discovered in the administration of the tests, professional standards boards handle the allegations administratively.

Testing in two states was simultaneous throughout the state. In the other three states, a time period (two months, three weeks, and two weeks) was given for when the districts were to conduct the assessment. In one of those states, testing was simultaneous within the school; that is, within a school all fourth graders would take the reading test at the same time. To encourage districts to ensure that all students are tested, one SEA counted absent students in the aggregate score as having the minimum score.

IDEA requires inclusion

The Individuals with Disabilities Education Act Amendments of 1997 (IDEA) requires that students with disabilities be included in general state and district-wide assessment programs. (section 612 (a) (17))

OIG Observations – While the test administration controls discussed above can reduce the risk of errors and irregularities, ultimately, proper test administration depends on the proficiency of those administering the assessment. The results of academic assessments are important because, in some states, the results are used to rank schools. The results can also inform decisions about funding and state accreditation. Therefore, it is important that the tests are administered properly.

Scoring of the Assessment

The testing contractors scored the assessment in all five states. Answers for multiple choice questions were scanned into computers. Edit checks were done on the results. In some cases, tests were checked manually and the results compared to the results generated by the computer. The performance-based assessments (such as essays and short-answer questions) were scored manually. In one state, staff of the SEA conducted a quality control check by rescoring a sample of the assessments and comparing the results to the contractor's results. In two of the states we visited, school districts received preliminary results to review for possible errors.

OIG Observations – While we did not verify its effectiveness, we believe that the quality control check by SEA staff of contractor results would provide greater assurance concerning the reliability of the data. We also believe that a preliminary review of the results by school districts could help identify any errors in the scoring.

Reporting and Use of the Results

The testing contractor provided the results to the LEAs and SEAs in either hardcopy, electronic format or both. SEAs publicly disseminated the disaggregated results by LEAs and/or schools, often on the Internet. Individual results were provided to the parents of the students. The student report provided to parents in one state contained:

- ✓ the results of the test (numerical scores and proficiency levels),
- ✓ specific comments about the student's performance-based tasks (*i.e.* comments on the student's essay),
- ✓ comparison of the student's score to the average scores of the school, district and state, and
- ✓ explanatory information on the results (definitions of the proficiency levels and overview of the test content).

The student's score was displayed as a range and a caution was included on the report that the range represented the scores the student might receive if the test was taken more than once.

Disaggregation of the data was based on the initial coding of the student demographics (*e.g.*, gender, ethnicity, low income, migrant, limited English proficiency (LEP), and disability status) of the test document. In the states we visited, the test administrators either coded the test documents by hand or affixed labels with pre-identified student information to the test documents. In one of the states that used the coding by hand method, state officials indicated that there was a minor risk that errors could be made in coding the forms. One of the states that used the pre-identified student information has instituted a no over-ride policy. Hand changes to the student information on the test documents would not be used.

All five states indicated that the results are or will be used to identify schools and districts in need of improvement. In some cases, the use of the data is currently limited because of the lack of trend data. States also plan to use the data to evaluate individual student progress, generate information for accountability, and allow for comparison between schools and districts. In one state, teachers are required to participate annually in a staff development program on the use of tests within the instructional program designed to improve the student's academic achievement. In another state, in the future, a satisfactory score on the statewide assessment will be necessary to receive a diploma.

OIG Observations – We believe that the usefulness of the data is enhanced when contextual information is provided. In addition, we believe that cautions about data limitations should be reported with the data. The results of assessments are often analyzed by the disaggregation categories. Those analyses depend on the accuracy of the initial coding of the test documents.

PLACEMENT DATA

This section contains information on how states we visited obtain placement data on vocational education students.

Summary - For the Perkins program, each state's performance measurement system must include a measure of placement in postsecondary education or employment. Data on placement can be obtained from either a survey of former students or from a search of state unemployment compensation and postsecondary records. In one of the states we visited, the LEA conducted the survey using guidance provided by the SEA. The SEA had set a minimum response rate. In another state, the search of records was conducted by another entity and the results provided to the SEA.

The authorizing legislation for the Perkins program requires that each state's performance measurement system include a measure of "placement in postsecondary education or employment." That legislation does not establish the method for collecting the data.²⁴

Placement data can be obtained from either a survey of former students or from a search of state unemployment compensation and postsecondary records. Below is an example of each method.

Survey Method

In one state we visited, the LEAs obtained placement data from former students. The SEA provided guidance on how the survey was to be conducted including providing a sample form to be sent to each student. Each year, the LEAs obtain the placement status of current year graduates and prior year graduates. The status of current year graduates is their placement status between June and September of that year. The status of the prior year graduates is their placement status the following April or ten months after graduation.

To obtain the data, the LEAs send surveys to each student. The survey asked the student's educational status (attending or not attending school) and employment status (employed, full-time military, unemployed, or not in labor force). If employed, students were also requested to provide information about whether their employment is related to their vocational training and their salary level. The LEAs categorize the students responses into one of the following six categories:

- (1) Military,
- (2) Employed in a related field (full or part-time),

²⁴ Unlike the Perkins Act, the Workforce Investment Act Title I requires the use of wage records to obtain data: "In measuring the progress of the state on state and local performance measures, a state shall utilize quarterly wage records, consistent with state law." (section 136(f)(2))

- (3) Pursuing additional education,
- (4) Employed in an unrelated field,
- (5) Unemployed, and
- (6) Not in the labor force.

The SEA's instructions state that the students should be categorized as high as possible on the above list.

The LEAs provide totals for each category by vocational program and demographics to the SEA. The SEA set minimum response rates for the survey. The SEA indicated that it was considering a review of LEAs' records of the student surveys as a way of verifying the placement data.

Records Search Method

Another SEA we visited obtained the placement data from a search of state unemployment compensation and postsecondary financial aid records. The search was actually conducted by another entity in the state government and the results provided to the SEA. Officials indicated that they had difficulty tracking students who attend postsecondary institutions out of state and do not receive financial aid.

OIG Observations on the method used to collect the data - While not without deficiencies, data obtained from searches of records is generally more reliable than self-reported data obtained from surveys of former students. In addition, searches of records are generally less expensive than surveys of former students and do not burden the former students with paperwork. However, there are complex legal issues associated with record searches including SEAs having students' social security numbers. If SEAs have student social security numbers, they must ensure the security of that information.

OIG Observations on controls over the collection of placement data - While we did not verify the effectiveness of the following controls, we believe the following controls could provide greater assurance concerning the reliability of the data:

Privacy / Data Collection

“To protect the privacy of families whose children are in school, states and the federal government has established strong legal statutes to keep private the information in education records that schools maintain on students.” (NCES/NFES. *Protecting the Privacy of Student Records: Guidelines for Education Agencies*. 1997)

These privacy statutes in some states preclude the SEA from collecting social security numbers of secondary students. However, a social security number is generally needed to track students to unemployment compensation records.

When SEAs have the social security numbers of students, SEAs need to maintain security over the system so that the information is protected. NCES has issued guidance on security over systems: *Safeguarding Your Technology: Practical Guidelines for Electronic Information Security*.

- Setting a minimum response or match rate;
- Reviewing the data to determine the effect of any systematic bias in the results caused by being unable to obtain data on any particular subgroup (*e.g.* students attending schools out of state);
- Reviewing the records of surveys or matches conducted by LEAs; and
- Disclosing the process used to collect the data and the percentage of students for whom data was obtained.

ED Comments on Report

OESE and OVAE provided written comments on the draft of this report, which are reprinted in appendices G and H, respectfully.

OESE noted that to improve data quality, in addition to the consolidated performance report and the development of IPBS mentioned in the report, provisions related to performance data have been included in the proposal for reauthorization of ESEA.

OVAE stated that the results presented in this report are consistent with what OVAE has learned during the course of working with states to implement Perkins III. In their comments, OVAE provided more detailed information on the requirements of the Perkins Act, efforts to improve data quality and comparability among states, and plans for future GPRA reporting. OVAE noted that the new requirements substantially increased the complexity of data collection. OVAE's goal is to have a vocational and technical education data system that is reliable, comparable among states, consistent over time, and timely. To build that system, OVAE is working closing with the states.

In addition, department officials noted that our work was limited to the SEA level and did not include a review of the consistency of data collection within states. Department officials also noted that by their nature state standards and assessment systems change and, thus, consistency of data will always be an issue.

OESE and OVAE also provided technical comments that we incorporated where appropriate throughout the text.

OBJECTIVES, SCOPE, AND METHODOLOGY

In December 1998, ED's Planning and Evaluation Service requested that we review the processes used by SEAs to collect and report data to ED. We conducted this review to meet that request and to follow-up on concerns that GAO raised about elementary and secondary performance information in its review of ED's fiscal year 1999 Annual Plan.

Objectives

The objectives of our review were to identify the:

- (1) processes used by SEAs to accumulate and report data to ED;
- (2) controls that ensure the reliability of data submitted by SEAs to ED;
- (3) limitations or weaknesses in the data submitted by SEAs to ED; and
- (4) barriers or obstacles to improving the quality of data submitted by SEAs to ED.

Scope

Our review focused on two major state formula grant programs:

- Grants for Schools Serving At-Risk Children authorized by Title I/Part A of the Elementary and Secondary Education Act, which has an annual appropriation of over \$7 billion; and
- Vocational and Technical Education Assistance to the States authorized by Title I of the Carl D. Perkins Vocational and Technology Education Act of 1998, which has an annual appropriation of over \$1 billion.

Our work focused on the SEAs and not on the local or federal level. For the Title I program, we focused on indicator 1.1 *State and Local Assessments* (academic assessments) and indicator 2.1 *Recognition for Quality* (count of distinguished schools) from the fiscal year 1999 Title I program performance plan.²⁵ For the Perkins program, we focused on the secondary education program because the postsecondary program in some of the states we visited was administered by a different state agency. Appendix A

²⁵ For fiscal years 1999 and 2000, ED submitted an "Annual Plan" to Congress to meet the requirements of the Results Act. Those Annual plans contain "Program Performance Plans" for each of ED's programs reported individually or grouped by related program purpose. ED's Annual Plans include "Program Performance Plans" for both the Title I and Perkins programs. Throughout this document, the phrase "program performance plan" refers to those documents.

contains background information on the Title I and Perkins programs and on the program performance plans for both programs.

Methodology

To achieve our objectives, we interviewed SEA officials and reviewed documents at five SEAs: California, Georgia, Massachusetts, Minnesota, and New Jersey. Appendix B provides a statistical profile for each of the five SEAs. Although the five SEAs selected are not statistically representative and thus the results cannot be projected, they provide insight into the processes used by SEAs in providing data to ED for the Title I and Perkins programs.

We limited our time on-site to one or two weeks at each SEA. The SEA officials that we spoke with during our visits included program directors for Title I and Perkins, and managers and staff responsible for statewide assessments and for data management. We did not visit LEAs or interview staff from LEAs. We did not independently verify the information provided by SEA officials. We did not conduct tests of controls or perform substantive tests on any data.

We reviewed the logs maintained by ED on the receipt of performance reports for both programs. We did not perform tests to determine the accuracy of those logs. We reviewed the program year 1996/1997 performance reports on both programs for the five states we visited. We also reviewed the program year 1997/1998 Perkins performance report for New Jersey. The program year 1997/1998 Perkins performance reports for the other four states and the Title I reports for all five states were not available at the time of our review.

We reviewed research about performance measurement and educational assessments to obtain a technical understanding of the concepts and identify current practices. We reviewed the FY 1999 and FY 2000 program performance plans for the Title I and Perkins programs. Appendix E contains definitions of the technical terms used in this report.

Our work did not include a review of the validity²⁶ of the indicators in ED's annual plans. In addition, our work did not include a review of the validity²⁷ of any of the assessment instruments used by the states to measure academic achievement.

Developing educational assessment and performance measurement systems are dynamic and evolving processes that can be affected by statutory and regulatory changes.

²⁶ In this context, validity is defined as the extent to which performance is adequately measured. A measured value is valid if it adequately represents actual performance.

²⁷ In this context, validity refers to the precision with which the assessment measures what it is suppose to measure.

Therefore, the results we have reached in this report reflect a “snapshot” of the processes of data accumulation and reporting by these SEAs.

We conducted our review between January and June 1999. We visited four of the SEAs in January and February 1999, and the fifth, Georgia, in April, May, and June of 1999. To update our report, in March 2000, we reviewed the sections on the Title I and Perkins programs in the pre-publication copy of ED’s combined FY 1999 report and FY 2001 plan. In performing this review, we followed the President’s Council on Integrity and Efficiency (PCIE) *Quality Standards for Inspections* dated March 1993.

Appendix A – Background on Title I and Perkins Programs

The Title I Program Requires Assessments of Academic Achievement

The Elementary and Secondary Education Act (ESEA) amended by the Improving America's Schools Act (IASA) in 1994, requires that SEAs have "high-quality, yearly student assessments" by school year 2000/2001. Those assessments are a data source for indicators in the fiscal year 1999 and 2000 Title I program performance plans.²⁸ ESEA requires that these assessments:

- (1) include at least mathematics and reading or language arts;
- (2) be the same assessments used for all children, if the State measures the performance of all children;
- (3) be administered at least once in grades 3 to 5, once in grades 6 to 9, and once in grades 10 to 12; and
- (4) allow for disaggregation of results by gender, by each major racial and ethnic group, by English proficiency status, by migrant status, by students with disabilities, and by economic status.

One purpose of these assessments is to identify schools and districts in need of improvement.

SEAs will report educational assessment data on Title I participants to ED in the *Consolidated State Performance Report for State Formula Grant Programs Under the Elementary and Secondary Education Act and Goals 2000: Educate America Act*.

Indicator 1.1 *State and Local Assessments* in the fiscal year 1999 Title I program performance plan states:

“Increasing percentages of students in Title I schools will meet or exceed the basic and proficient levels in state and local assessments (where in place).”

This indicator is intended to measure progress in achieving the first objective in the program performance plan:

“Student achievement in Title I schools and high-poverty schools generally will show significant improvement in core subjects.”

²⁸ For fiscal years 1999 and 2000, ED submitted an “Annual Plan” to Congress to meet the requirements of the Results Act. Those Annual Plans contain “Program Performance Plans” for each of ED’s programs reported individually or grouped by related program purpose. ED’s Annual Plans include “Program Performance Plans” for both the Title I and Perkins programs. Throughout this report, the phrase “program performance plan” refers to those documents.

Appendix A (continued)

For the fiscal year 2000 program performance plan, the assessment indicator (1.2 *Meeting or Exceeding State Performance Standards*) was revised to:

“By 2002, 32 states with 2 years of assessment data and aligned standards and assessments will report an increase in the percentage of students in schools with at least 50% poverty who meet proficient and advanced performance levels in reading and math on their state assessment systems.”

Also for fiscal year 2000, the first objective was revised to:

“Performance of the lowest achieving students and students in the highest poverty public schools will increase substantially in reading and math.”

These revisions increase the focus on progress of the most at-risk students and schools. The revisions to the indicator change the calculation from the “percentage of students” to the “number of states that report.”

Subsequent to our work, ED issued a pre-publication copy of its combined FY 1999 report and FY 2001 plan. In that document, ED used an assessment indicator (1.2 *Meeting or Exceeding State Performance Standards*) that is essentially the same as the indicator used in the FY 2000 plan. Data on FY 1999 was not included because FY 1999 data will not be available until Fall 2000.

The Title I Program Requires That States Designate Distinguished Title I Schools

IASA requires that states designate as distinguished any Title I school which for three consecutive years has exceeded the state’s definition of adequate progress.²⁹ For fiscal year 1999, ED plans to use the count of distinguished Title I schools to measure the performance of the Title I program for GPRA reporting.

Indicator 2.1 *Recognition for Quality* in the fiscal year 1999 Title I program performance plan is:

“Increasing numbers of high-poverty schools will be designated as distinguished schools by their states.”

This indicator is intended to measure progress in achieving Objective Two of the Title I program performance plan:

²⁹ Improving America Schools Act (IASA), Section 1117(c)(2)(A).

Appendix A (continued)

“Increase the number of Title I schools actively working to enable students to reach high standards each year.”

In the fiscal year 2000 program performance plan, instead of the count of distinguished schools being used to measure progress, the measure (2.2 Improving Schools) was changed to:

“By the year 2000, an increasing percentage of Title I participating schools will report that they have met or exceeded state or district standards for progress for two consecutive years.”

Objective Two was also revised in the fiscal year 2000 Title I program performance plan to:

“Increase the number of Title I schools using standards-based reform and effective strategies to enable all students to reach state and local performance standards.”

Subsequent to our work, ED issued a pre-publication copy of its combined FY 1999 report and FY 2001 plan. In that document, ED moved indicator 2.2 (*Improving Schools*) from Objective 2 (*Reform Strategies*) to Objective 1 (*Student Performance*) because the indicator was more closely related to student performance. In addition, ED deleted the phrase “for two consecutive years.” Data on FY 1999 was not included because FY 1999 data will not be available until Fall 2000.

Perkins III Requires Performance Measurement Systems

Amendments to the authorizing legislation of the Perkins Vocational Education Program were signed into law on October 31, 1998. Those amendments, referred to as Perkins III, require the states to identify core indicators of performance in a minimum of four areas:³⁰

- (1) attainment of academic and vocational and technical proficiencies;
- (2) attainment of secondary degree;
- (3) placement in postsecondary education or employment; and
- (4) outcomes of non-traditional programs.

The law also requires states to establish levels of performance for those indicators “in a percentage or numerical form so as to be objective, quantifiable and measurable.”

³⁰ The prior law required a measure of academic attainment and an additional measure from another area such as attainment of secondary degree or placement in postsecondary education or employment.

Appendix A (continued)

These areas of performance are included in the fiscal year 1999 and 2000 program performance plans for Perkins. For the fiscal year 1999 plan, the data source for many of these indicators will be studies from PES and from NCES. Our review does not cover the data in the PES or NCES studies.

For the fiscal year 2000 program performance plan, one of the data sources for indicator 3.1 *Secondary Student Outcomes* is state performance reports. The data sources for the other indicators in the fiscal year 2000 program performance plan will be studies from PES and NCES. Indicator 3.1 states:

“By 2002, an increasing proportion of vocational concentrators³¹, including special populations, will attain high school diplomas, enter postsecondary programs, or attain employment.”

This indicator is intended to measure progress in achieving Objective Three of the program performance plan:

“Ensure that concentrators, including special populations, make transitions to continuing education, work, or other career options.”

Subsequent to our work, ED issued a pre-publication copy of its combined FY 1999 plan and FY 2001 report. In that document, ED noted that data from the various studies and evaluations will be phased out and replaced with data from the state performance reporting that is required by Perkins III.

Perkins III requires states to include in their plan for the Perkins program how the state “will ensure locally-reported data and data reported to the Secretary are complete, accurate, and reliable.” States are required to report disaggregated data on the performance indicators. ED is to “make state reports available to the public and Congress and shall disseminate state-by-state comparisons of information.” Additional information on the requirements of Perkins III is included in OVAE’s response to this report, which is in Appendix H.

³¹ Concentrators are defined in the Perkins program performance plan as “students who complete 3 or more Carnegie units in a single specific labor market preparation program area.” A Carnegie unit is a standardized measure of class time equivalent to one fifty-minute course, five times a week for an entire school year.

Appendix B – Statistical Profiles of the Five SEAs Visited

	California	Georgia	Massachusetts	Minnesota	New Jersey
Public enrollment:					
K-8	3,903,505	943,086	653,183	577,612	809,874
9-12	<u>1,465,241</u>	<u>345,419</u>	<u>240,419</u>	<u>248,094</u>	<u>296,831</u>
Total	5,368,746	1,288,505	893,602	825,706	1,106,705
# of districts	1,006	180	353	419	608
% of students with disabilities	9.5%	9.5%	16.0%	10.6%	16.3%
Poverty rate	25%	20%	16%	14%	14%

The enrollment figures, number of districts, and percentage of students with disabilities are based on 1996 information and were obtained from the Council of Chief State School Officers' (CCSSO's) 1997 report *State Education Indicators with a Focus on Title I*. The poverty rate was obtained from the Education Week's report *Quality Counts '99*. That report did not indicate the year of the data.

	California	Georgia	Massachusetts	Minnesota	New Jersey
Expenditures per pupil	\$4,299	\$5,183	\$5,785	\$5,738	\$7,966
% of average district funding that is federal	9.5%	7.4%	5.4%	4.4%	3.3%

The expenditures per pupil and the percentage of federal funding are based on 1995 information and were obtained from the CCSSO's 1997 report *State Education Indicators with a Focus on Title I*. The percentage of average district funding that is federal is not equivalent to the percentage of funding that is federal for the state or SEA.

	California	Georgia	Massachusetts	Minnesota	New Jersey
% of Perkins for secondary program	62%	50%	73%	35%	65%

Perkins funds are divided by the states between secondary and postsecondary programs. The percentage of Perkins funding for secondary programs was obtained from ED's Office of Vocational and Adult Education and is based on fiscal year 1998 state budgets.

Appendix C – Descriptions of the Systems for Assessment of Academic Achievement

California

Senate Bill 376, passed in 1997, required all California school districts to use a single, national norm-referenced, standardized test to test each pupil in grades 2 to 11 by May 15 of each fiscal year, beginning with the 1997-1998 school year.

System name	Standardized Testing and Reporting Program (STAR program)
Assessment instrument	Stanford Achievement Test, Ninth Edition, Form T
Assessment type	Norm-referenced test
Proficiency levels	Four (below basic, basic, proficient, and advanced)
Grade levels tested	Grades 2-11
Assessment coverage for grades 2-8	Reading, written expression, spelling, math
Assessment coverage for grades 9-11	Reading, writing, math, history/social science, science
Disaggregation categories	Gender, ethnicity, limited English proficient (LEP) students, Title I students, migrant students, students in special education, and gifted and talented students
Administration of the assessment	By May 15 of each fiscal year
Initial assessment	Spring 1998 (1997-98 school year)

California plans to augment the STAR test with additional questions specifically based on the state's content standards (criterion-referenced). In addition, the state plans to implement additional testing called the "Assessment of Applied Academic Skills" for all students in grades 4, 5, 8 and 10 in reading, writing, math, history/social science and science. This assessment, which will employ matrix sampling, is designed to show how well students can apply their knowledge.

Appendix C (continued)

Georgia

Georgia State Code requires the State Board of Education to perform an assessment of the effectiveness of education programs and supervise the development of reports on the comprehensive evaluation of public schools, local systems, and regional agencies. Below is a summary of the current and planned assessments:

Assessment instruments	Writing Assessment (WA)	High School Writing Test (HSWT)	Iowa Tests of Basic Skills (ITBS)	High School Graduation Tests (HSGT)	Criterion-Referenced Competency Tests (CRCT)
Assessment type	--	--	Norm-Referenced	--	Criterion-referenced
Proficiency levels	--	Two (pass/fail)	Three (less than proficient, proficient, advanced)	Two (pass/fail)	--
Grade levels tested	3, 5, 8	11	3, 5, 8	11, 12	1 - 8
Assessment coverage	3 rd (imaginative writing), 5 th (assigned prompt), 8 th (assigned narrative prompt),	Persuasive writing prompt	English language arts, mathematics, science, social studies	English language arts, writing, mathematics, social studies, and science	English language arts, reading, mathematics
Administration of assessment	Spring	Fall/Spring	Spring	Fall/Spring	Spring
Initial assessment	Mid 1990's	Mid 1990's	--	Mid 1990's	Planned for Spring 2000

The State Board of Education is currently working on revisions to the core curriculum. Following the adoption of the revised core curriculum, the Board is to contract for the development of criterion-referenced tests to measure the adopted curriculum.

Appendix C (continued)

Massachusetts

The Educational Reform Act of 1993 required the Massachusetts Board of Education to adopt a system for evaluating the performance of public school districts and the individual schools within them on an annual basis. The system must include a mechanism for measuring whether students' performance is or is not improving from year to year.

Assessment instrument	Massachusetts Comprehensive Assessment System (MCAS)
Assessment type	Criterion-referenced
Proficiency levels	Four (advanced, proficient, needs improvement, and failing)
Current grade levels tested	4, 8, and 10
Future grade levels tested	2, 4, 6, 8 and 10
Assessment coverage	English language arts, mathematics, and science and technology
Disaggregation categories	District, school, students attending the district for more than three years, regular education students, students with disabilities, LEP students, and migrant students
Administration of the assessment	Spring
Initial assessment	May 1998 (1997-98 school year)

Appendix C (continued)

Minnesota

The Minnesota Comprehensive Assessment is the result of a 1997 statewide testing law, referred to as *Minnesota Statutes 120B.35 Student Achievement Levels*, that called for the creation of a comprehensive assessment system and use of statewide tests.

Assessment instruments	Minnesota Comprehensive Assessment (MCA)	Basic Standards Test (BST)
Assessment type	Criterion-referenced	Criterion-referenced
Proficiency levels	Four (novice, partially proficient, proficient, and advanced)	Percentile, no levels
Current grade levels tested	3, 5	8
Future grade levels tested	3, 5, 8, and 11	*(see below)
Assessment coverage	Math (3 rd and 5 th), reading (3 rd and 5 th) and writing (5 th)	Math, reading, writing
Disaggregation categories	District, school, gender, ethnicity, LEP students, students in special education, economically disadvantaged students	--
Administration of the assessment	Spring	Spring
Initial assessment	Spring 1998 (1997-98 school year)	Since Spring 1996; however, districts were allowed to use alternative tests until July 1998.

* The Minnesota SEA is considering replacing the Basic Standards Test (BST) with the new Minnesota Comprehensive Assessment (MCA) system.

Appendix C (continued)

New Jersey

The New Jersey Administrative Code requires a statewide assessment system.

Current assessment instruments	--	Early Warning Test (EWT 8) - <i>Grade Eight Proficiency Assessment</i>	High School Proficiency Test (HSPT 11) - <i>High School Proficiency Assessment</i>
Future assessment instruments	Early Warning Test (EWT 4) Elementary School Proficiency Assessment	Same	Same
Assessment type	Criterion-referenced	Criterion-referenced	Criterion-referenced
Current proficiency levels	Three (advanced, proficient, and partially proficient)	Three (advanced, proficient, and partially proficient)	Two (pass or fail)
Future proficiency levels	Three (advanced, proficient, and partially proficient)	Three (advanced, proficient, and partially proficient)	Three (advanced, proficient, and partially proficient)
Grade levels tested	Grade 4	Grade 8	Grade 11 and 12 (if a student fails to pass HSPT during grade 11)
Current assessment coverage	Literacy and language arts, math, and science	Reading, writing, and math	Reading, writing, and math
Planned future assessment coverage	Science, math, literacy and language arts, social studies, health/PE, world languages, and workplace readiness (school year 2001-02)	Science, math, literacy and language arts, social studies, health/PE, world languages, and workplace readiness (school year 2002-03)	Science, math, literacy and language arts, social studies, health/PE, world languages, and workplace readiness (school year 2004-05)
Disaggregation categories	District, school, Title I students, gender, ethnicity, LEP students, and students with disabilities	District, school, gender, ethnicity, Title I students, LEP students, and students with disabilities	District, school, gender, ethnicity, Title I students, LEP students, and students with disabilities
Additional disaggregation categories on future assessments	Low-income and migrant students	Low-income and migrant students	Low-income and migrant students
Administration of the assessment	May	March	October (grade 11) and April (grade 12)
Initial assessment	--	Early 1990's	Early 1990's

Appendix D – Acronyms

CCSSO	Council of Chief State School Officers
CRESST	National Center for Research on Evaluation, Standards, and Student Testing
ED	U.S. Department of Education
EIAC	Educational Information Advisory Committee of CCSSO
ESEA	Elementary and Secondary Education Act
GAO	General Accounting Office
GPRA	Government Performance and Results Act of 1993 (also known as the Results Act)
IASA	Improving America’s Schools Act, amendment to ESEA in 1993
IDEA	Individuals with Disabilities Education Act
IPBS	Integrated Performance and Benchmarking System
LEA	Local Education Agency
LEP	Limited English Proficiency
NCES	National Center for Education Statistics in ED
NFES	National Forum on Education Statistics (An appointed group that works with NCES)
OESE	Office of Elementary and Secondary Education in ED
OIG	Office of Inspector General
OMB	Office of Management and Budget
OUS	Office of the Under Secretary in ED
OVAE	Office of Vocational and Adult Education in ED
PCIE	President’s Council on Integrity and Efficiency
Perkins program	Vocational and Technical Education Assistance to the States, authorized by Perkins III
Perkins II	Carl D. Perkins Vocational and Applied Technology Education Amendments of 1990
Perkins III	Carl D. Perkins Vocational and Technology Education Amendments of 1998
PES	Planning and Evaluation Services in OUS in ED
Results Act	Government Performance and Results Act of 1993 (also known as GPRA)
SEA	State Educational Agency
Title I program	Grants for Schools Serving At Risk Children, authorized by ESEA

Appendix E – Terminology

The following definitions are used in this report:

Assessment – An exercise, such as a written test, portfolio or experiment, that seeks to measure a student’s skills or knowledge in a subject area. (EW)

Carnegie unit – A standardized measure of class time equivalent to one fifty-minute course, five times a week for an entire school year.

Concentrators – For the Perkins program, students who complete 3 or more Carnegie units in a single specific labor market preparation program area.

Controls – What an entity does to provide reasonable assurance that what should happen happens.

Criterion-referenced test – A test designed to determine whether each student has achieved specific skills or concepts. Each individual is compared with a preset standard for acceptable achievement. The performance of other examinees is irrelevant. (CRESST)

Disaggregated results / Disaggregation - Providing results for subgroups, for example, by gender or student economic status.

Norm-referenced test – A test designed to rank each student with respect to the achievement of others in broad areas of knowledge. Each individual is compared with other examinees and assigned a score. (CRESST)

Reliability – The precision with which a phenomena is measured. A measured value is considered reliable if it is accurate for its intended use. (OIG)

Validity - (1) The extent to which performance is adequately measured. A measured value is valid if it adequately represents actual performance. (OIG) (2) Refers to the precision with which an assessment measures what it is suppose to measure. (CRESST)

CRESST – Based on a definition from the *CRESST Assessment Glossary*.

EW – Definition from Education Week on the Web’s *Glossary of Terms*.

OIG – Definition developed by OIG.

Appendix F – Publications Cited in this Report

CRESST Assessment Glossary. National Center for Research on Evaluation, Standards, and Student Testing (CRESST). (Obtained from the Internet at www.cse.ucla.edu/CRESST/pages/glossary.htm)

Fiscal Year 1999 Annual Plan. ED, February 1998.

Fiscal Year 2000 Annual Plan. ED, February 1999.

Glossary of Terms. Education Week on the Web, 1999. (Obtained from the Internet at www.edweek.org/context/glossary)

Moving Towards A Results-Oriented Organization: A Report on the Status of ED's Implementation of the Results Act. ED-OIG, 1998. (ED-OIG/A17-70007)

Protecting the Privacy of Student Records: Guidelines for Education Agencies. National Center for Education Statistics (NCES) and National Forum on Education Statistics (NFES), 1997.

Quality Counts '99. Education Week on the Web, 1999.

Study of State Data on Vocational-Technical Education, 1993-1994. OVAE.

State Education Indicators with a Focus on Title I. CCSSO, 1997.

THE RESULTS ACT: Observations on the Department of Education's Fiscal Year 1999 Annual Performance Plan. GAO, 1998. (GAO/HEHS-98-172R)

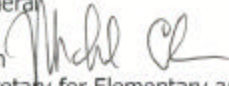
Appendix G – OESE’s Comments

MEMORANDUM

UNITED STATES DEPARTMENT OF EDUCATION
WASHINGTON, D.C. 20202-_____

FEB - 7 2000

To: Lorraine Lewis
Inspector General


From: Michael Cohen 
Assistant Secretary for Elementary and Secondary Education

Subject: Draft Audit Report – Data Accumulated by SEAs and Reported to
ED: ESEA Title I and Perkins Vocational Education Programs, ED/OIG Audit
Control Number: S17-90009

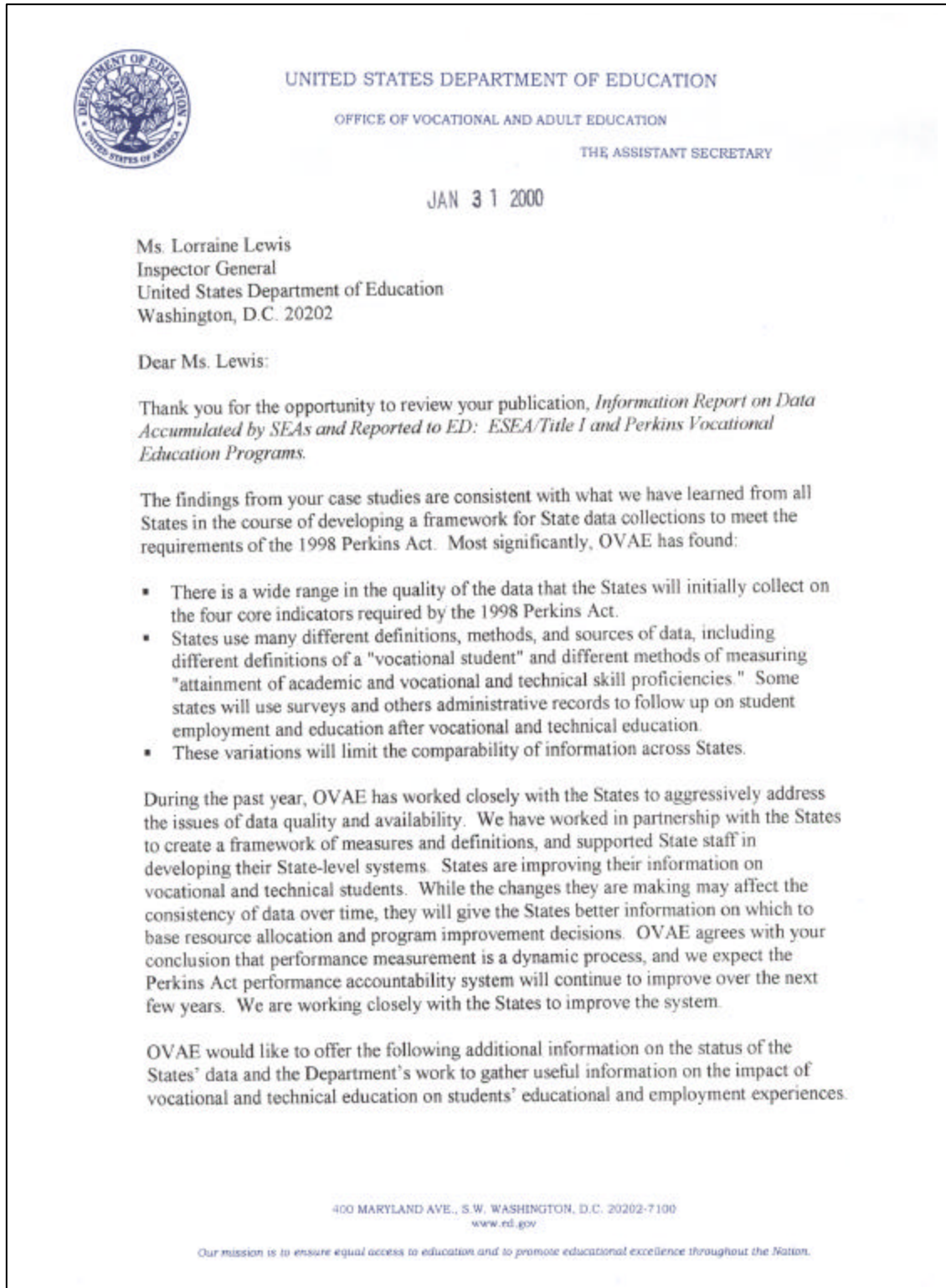
Thank you for the opportunity to comment on the subject draft report. Timely and accurate information is critical for the management of our programs, and for measuring their effectiveness. In an effort to improve both the timeliness and accuracy of information, we included provisions related to performance data in our proposal for reauthorization of the Elementary and Secondary Education Act. Title XI of the Administration’s proposal provides for better alignment of data provided to the Department by states with program performance indicators developed by the Department in response to the Government Performance and Results Act. In addition, our Title XI proposal would promote automation and consolidation of data reporting.

As noted in the report, we have already adopted a consolidated performance report that uses uniform data definitions wherever permitted by legislation. In addition we are actively participating in the development of the Integrated Performance and Benchmarking System, also mentioned in the draft report. As States adopt their final achievement standards and assessments for school year 2000-2001, we are confident that they will be able to supply us with performance information consistent with the Title I program performance plan.

I understand that my staff have provided you with some technical edits to the draft report.


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Appendix H – OVAE's Comments



Appendix H (continued)

Requirements of the Perkins Act

The requirements of Section 113 of the 1998 Perkins Act represent a significant departure from the requirements for data collection and reporting of previous law. (The requirements of the 1998 Act are described in Appendix A.) The new requirements substantially increased the complexity of data needed:

- There are four new core indicators required by the law.
- Each indicator contains multiple pieces of information; for example, "placement in, retention in, and completion of postsecondary education or advanced training, placement in military service, or placement or retention in employment" requires at least four different measures, including placement in postsecondary education and placement in employment.
- States must collect data for each indicator for secondary students, for postsecondary students, and for students in a number of special population groups.
- States may report data for each indicator by ethnicity in 1999-2000 and must report data by ethnicity in subsequent years.
- Student assessment must be tied to State academic standards, and States are still developing and implementing their standards and assessments.
- State academic assessments are administered in different grades (often 10th or 11th grade) which may not demonstrate the impact 11th and 12th grade vocational education had on student performance.
- States must assess student attainment of vocational and technical skill proficiencies, and such assessments are not available for many occupations and industries.
- Some States do not have access to administrative records data (for example, Defense records on military employment) that would improve follow-up on student employment and education.
- Not all States can collect social security numbers for secondary students, which are needed to use Unemployment Insurance wage records to follow up on student employment.

Prior to the implementation of the 1998 Act, States reported to OVAE only the numbers of students enrolled in vocational education. Very few States tracked the education and employment of students after they completed vocational and technical education. Most States will attempt comprehensive data collections for the first time in program year 1999-2000. States are still developing their definitions, measures, methodologies, and the hardware and software to gather data from local agencies. This work is significant and costly, and we applaud the States' efforts to get systems in place quickly.

The legislation does not grant the Secretary the authority to require States to adopt specific measures or definitions, and specifically limits the Secretary's role "to reaching agreement on the percentage or number of students who attain the States' adjusted levels of performance." We believe that Congress included this provision to preserve State flexibility, recognizing the wide variety of approaches that States take to measuring student outcomes -- particularly student attainment of academic proficiencies. As a result, OVAE is working closely with States to establish a voluntary framework for

Appendix H (continued)

vocational and technical education data that builds on States' existing data collections, so States will need make limited changes to adopt it, while creating some consistency across States.

The availability of incentive grants to States that meet their performance levels established under the Perkins Act, the Adult Education and Family Literacy Act, and Title I of the Workforce Investment Act supports system improvements. In order to qualify for incentive grants, States must submit their reports on time and with sufficient documentation of sound data collection and analysis methods to enable OVAE to determine if the States have met their targeted performance levels. We expect that the timeliness of data reporting and States' attention to data quality will improve as a result.

Department efforts to improve data quality and comparability among States

OVAE's goal is to have a vocational and technical education data system that is reliable, comparable among States, consistent over time, and timely. To build that system, OVAE has worked closely with States to create a framework of definitions and collection methodologies that we will encourage all States to use. OVAE has built and revised this framework with the assistance of national experts on data collection, State Directors of Vocational and Technical Education, State and local Information Management Systems staff, and State and local administrators.

- We held a forum on the framework in February 1999, in Kansas City, that was attended by 43 States.
- We held consultations with 23 states in May 1999 to receive their comments on the framework.
- We held a briefing for national education associations and other interested groups on the core indicator framework and process used to develop it in June 1999.
- We held consultations with the States in Chicago and Washington, DC, in August 1999, to establish quality criteria for the data.
- In November 1999, we conducted an institute on performance measurement systems in Phoenix, AZ, at which 14 State teams discussed how to coordinate their data collection and program improvement strategies across Perkins Act programs, Workforce Investment Act (WIA) partner programs, and Elementary and Secondary Education programs.
- On January 20th, 20 State teams met in Washington, DC to review the reporting requirements pursuant to the accountability measures under the Act and to develop strategies to obtain quality data.
- We are conducting another performance institute in Charleston, SC, in early March 2000, for additional States to develop data and program improvement plans.
- To provide more in-depth assistance and evaluation, eight States (NJ, IN, IL, MO, OH, VA, FL, and TX) are pilot-testing the framework to identify limitations, move towards State comparability, and develop model systems for other States.
- We have also worked with the Labor Department and the Rehabilitation Services Administration to develop common definitions across WIA partner programs.

Appendix H (continued)

Recognizing that all data collections have limitations, the Department is also working to document the factors that affect the validity and reliability of its data, and disclose the limitations to interpreting or comparing data across States that arise from definitional and methodological issues. The Perkins Act data is assessed on Department-wide "Standards for Evaluating the Quality of Program Performance Data" that include validity, accuracy, appropriate editing, correct calculations, timeliness, and full disclosure of limitations. We will document and report limitations along with the data, through the Department of Education's data quality "attestation" process. We believe that this disclosure of the definitions, methods, and limitations of Vocational and Technical Education data will make the information useful to Congress, the Department, the States, and other interested groups.

In order for OVAE to assess the quality of the data, we must understand State collection procedures and the limitations to State data, such as the limitations your report identified. We have much of this information and will continue to gather it each year. We get this information from the State plan and the performance accountability process:

- As part of their Perkins Act State Plans, the States describe how they will ensure that the data reported by their local educational agencies and postsecondary institutions and the data the States report to the Secretary are complete, accurate, and reliable.
- States must establish, in their State Plans, levels of performance for each of the core indicators, then reach agreement with the Secretary on the levels of performance to become eligible for incentive grants. To establish these levels, OVAE will ask States for any information on their data collection process that is necessary to ascertain whether the States' performance levels are rigorous and reflect continuous improvement of student performance, as required by the Act.

The information on State and local data collection methods will inform the analysis of the Perkins Act data quality, which will be reported along with the data, through the Data Quality Attestation process.

Program performance reports for GPRA

Previously, OVAE has not received information from the States on the education and employment outcomes of students. Therefore, we have relied on the periodic national longitudinal surveys conducted by the National Center for Education Statistics for information about the relationship between students' vocational and technical education, and their college and employment experiences.

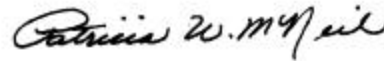
For the year 2000, OVAE has aligned its Perkins Act program performance indicators with the indicators required by the 1998 Act. As the State-reported data becomes available, it will be incorporated into the GPRA report. Concurrently, OVAE will continue to use national survey information to supplement State data. This will allow us to track changes from base-line data drawn from national surveys over time. The use of

Appendix H (continued)

national survey data will also provide information that is not subject to the issue of State comparability arising from the differences in State definitions and methods. Like the State data, the national data on Vocational and Technical Education will improve annually for a number of years.

Again, thank you for your work on this issue and the opportunity to comment on the findings.

Sincerely,



Patricia W. McNeil