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April 5, 2013

Mr. Laurence Spring, Superintendent
Members of the Board of Education
Schenectady City School District
108 Education Drive Schenectady, NY 12303

Report Number: S9-12-27

Dear Mr. Spring and Members of the Board of Education:

A top priority of the Office of the State Comptroller is to help school district officials manage their districts efficiently and effectively and, by so doing, provide accountability for tax dollars spent to support district operations. The Comptroller oversees the fiscal affairs of districts statewide, as well as districts' compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving district operations and Board of Education governance. Audits also can identify strategies to reduce district costs and to strengthen controls intended to safeguard district assets.

In accordance with these goals, we conducted an audit of eight school districts throughout New York State. The objective of our audit was to determine whether school districts have designed Credit Recovery Programs (CRPs) to meet the requirements of Section 100.5(d)8 of the New York State Commissioner of Education's Regulations (Regulations). We included the Schenectady City School District (District) in this audit. Within the scope of this audit, we examined the policies and procedures of the District and reviewed its CRP for the period July 1, 2011, to May 4, 2012.

This report of examination letter contains our audit results specific to the District. We discussed the audit results with District officials and considered their comments in preparing this report. We provided District officials an opportunity to respond to this report, but they did not do so. At the completion of our audit of the eight school districts, we prepared a global report that summarizes the significant issues we identified at all of the school districts audited.

Summary of Findings

The District has designed the CRPs in accordance with Regulations and have ensured that students in CRPs have made satisfactory progress in the previously failed subject areas. In all 20 classes we examined, the teachers actively instructing students were certified in the subject areas and the CRPs met New York State learning standards. District officials maintained adequate documentation of each participating student's progress in the CRP and adopted formal

procedures for establishing and approving CRPs. In addition, the District designed an adequate system of access controls for online study.

Background and Methodology

The Schenectady City School District is located in the City of Schenectady, in Schenectady County and has about 9,700 students. The District has 21 schools in operation, one of which is a high school, and employs approximately 1,600 staff. The District's operating expenditures totaled \$153.6 million in the 2011-12 school year. Major costs included administration and operations. These expenditures are funded primarily through State aid and property taxes.

The District is governed by a seven-member Board of Education (Board). The Board's primary function is to provide general management and control of the District's financial and educational affairs. The Superintendent of Schools (Superintendent) is the chief executive officer of the District and is responsible, along with other administrative staff, for the day-to-day management of the District under the direction of the Board.

Typically, a student successfully passes a high school class and, if applicable, a Regents exam, and is awarded credit for the course. If a student is unable to complete a course satisfactorily, then the student can earn the credit by alternative means, as listed in the Regulations. A make-up credit program may include, but is not limited to, repeating an entire course, taking the course again as part of a summer school program, receiving intensive instruction in the deficiency areas of the course, or pursuing digital learning (online study). The Regulations allow school district officials to provide such programs to students who were previously enrolled in a course, but failed to demonstrate mastery of the intended course outcomes. To receive credit, the student must successfully complete a make-up credit program and demonstrate mastery of the subject by passing the Regents examination in the subject or completing some other assessment required for graduation.

Our audit focused specifically on students' participation in programs other than summer school or repeating the entire course to make up credit; namely, we examined intensive instruction in deficiency areas and online study. These educational programs are referred to as CRPs.

The Regulations include the following requirements:

- Instruction by a Certified Teacher – The CRP must ensure that the students receive equivalent, intensive instruction in the deficiency areas of the course under the direction of and/or supervised by a teacher certified in the subject area. An official of the New York State Department of Education (Department) told us that a teaching assistant could be the teacher of record, if the teaching assistant is under the supervision of a certified teacher. School districts using this approach should maintain documentation of the interactions between teaching assistants and the certified teachers overseeing the instruction.
- Alignment With the Learning Standards – The CRP must be aligned with the applicable Learning Standards for such subject.

- CRP Design and Student Participation Approval – A school-based panel (consisting of, at a minimum, the principal, a teacher in the subject area for which the student must make up credit, and a guidance director or other administrator) must approve the student’s participation in the CRP.

In the 2010-11 and 2011-12 school years, the District offered 421 and 413 CRP classes, respectively. Per District officials, in order to qualify for the CRP, a student needs to have failed the course and meet attendance requirements. If the course has a Regents exam, then the student needs to be able to sit for the exam to be eligible to take the class as credit recovery.

The District allows students to take part in the following CRP courses online: English 9, English 10, English 11, Global History 9, Global History 10, U.S. History, Economics, Participation in Government, Algebra, Geometry, Biology, and General Earth Science.

To complete our objective, we interviewed District officials, and reviewed policies, procedures, student information, the CRP course list, and the online learning program. We conducted our audit in accordance with generally accepted government auditing standards (GAGAS). More information on such standards and the methodology used in performing this audit is included in Appendix A of this report.

Audit Results

The District has designed the CRPs in accordance with Regulations and have ensured that students have made satisfactory progress in the previously failed subject areas. In all 20 classes we examined, the teachers actively instructing students were certified in the subject areas and the CRPs met New York State learning standards. District officials maintained adequate documentation over each participating student’s progress in CRP and adopted formal procedures for establishing and approving CRPs. In addition, the District designed an adequate system of access controls for online study.

Instruction by a Certified Teacher – The District is ensuring that the students have received equivalent, intensive instruction in the deficiency areas under the direction of and/or supervised by a certified teacher in the subject area.

The District uses an online learning program for students enrolled in CRPs. For the online CRP, the District has an Administrator who gives the student access to the CRP. Each CRP is scheduled for the student with a certified teacher in the subject matter. These individuals have been trained in the online CRP and are responsible for overseeing the CRP students and taking daily attendance. The teacher has the ability to assess the students’ progress reports in the online system. We judgmentally tested the records of 20 CRP classes and found that in all 20 classes, the teachers were certified in the subject areas.

Alignment With the Learning Standards – According to vendor documentation, the CRP courses were aligned with the Learning Standards. Per District officials, each teacher has the option to modify the CRP online course material based on the student’s needs and the teacher’s preferences. Each department reviews the specific online course to ensure alignment with the Learning Standards.

CRP Design and Student Participation Approval – The District has adopted formal guidelines for establishing and approving CRPs, to help in the administration of CRPs, and to ensure that each school is following the Regulations. Toward the end of the school year, the guidance counselors identify students who are at risk of failing a course. Also during this time, the Coordinator of Science, Business and Instructional Technology (Coordinator) identifies students who are failing and reviews the attendance of the students to determine potential staffing for the CRP. The teachers also notify the guidance counselors to identify students who are failing a course. At the end of the year, or when it is determined a student will fail a course, the student is first offered attendance in summer school. If the student does not attend or fails summer school, then the CRP is offered. The guidance counselors will notify the Coordinator, by email, of the students who did not pass or did not attend summer school, and who are scheduled to take CRP courses. The Coordinator, along with the Associate Superintendent, will approve the student for the CRP.

We found the District maintains documentation to support the approval of the CRP for each student, consistent with Regulations. We judgmentally tested the records of 20 students who participated in CRPs in 2011-12 and found documentation approving their participation. The documentation was in the form of email communication between the teachers, guidance counselors, and the principal.

Documentation of Participation and Progress – Good practice dictates, and Department staff told us, that District officials should maintain documentation of a student’s participation and learning progress to manage and evaluate the success of CRPs and demonstrate that students have achieved mastery of the learning outcomes of a subject. Further, the Regulations state that online learning programs should provide for documentation of satisfactory student achievement.

The District has maintained documentation to support the participation and learning progress of students in CRPs. This includes reports for each student enrolled in the CRP. The reports also serve as progress reports for the students. The reports show the student’s progress throughout the CRP, along with pre-unit and unit tests. The documentation for students enrolled in CRPs is similar to that of students in a traditional classroom environment. The CRP teacher maintains independent class rosters, attendance and grade books.

Online Access Controls – School districts should have access controls in place over online CRPs to ensure the individual working on the computer is the student approved to participate in the CRP. We found the District’s designed system controls are adequate for qualifying students before enrollment and mitigating the risk of cheating.

The guidance counselors direct the Coordinator to enroll the student in the online course, which is through email. The Coordinator, along with the Associate Superintendent, will approve the student in the CRP. To ensure that all students have previously failed the course prior to being enrolled in the credit recovery course, the Coordinator maintains a list of students who are failing the course.

The District has established controls to mitigate the risk of cheating. Each student is assigned an individual username and password so that they can access the online credit recovery system. Per discussions with various teachers, teachers require the student to take the tests at school and must unlock the tests for the student before they can access them. Teachers are able to monitor the student’s progress in real time, so they can see what the student is working on at all times.

Our office is available to assist you upon request. If you have any further questions, please contact Ann Singer, Chief of Statewide and Regional Projects, at (607) 721-8306.

Sincerely,

Steven J. Hancox, Deputy Comptroller
Office of the State Comptroller
Division of Local Government
and School Accountability

APPENDIX A

AUDIT METHODOLOGY AND STANDARDS

We interviewed District staff to find out and review any documentation that was kept on the credit recovery program. We reviewed core alignment documentation and discussion with District teachers. We reviewed the teachers that taught the credit recovery course, Teacher Certification certificates, the 2010-11 and 2011-12 report cards of the students participating in the credit recovery program, student progress reports, student attendance records in the credit recovery program to show that the program was addressing student needs and that the students were receiving equivalent, intensive instruction under the direction of a certified teacher. Using a non-biased judgmental sampling method, we tested a sample of 20 instances of credit recovery to determine the level of documentation maintained and compliance with regulations. We also reviewed documentation that the District maintained to support student learning progress and participation.

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