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April 5, 2013

Dr. Marion H. Martinez, Superintendent
Members of the Board of Education
Binghamton City School District
164 Hawley Street, Binghamton, NY 13901
Binghamton, NY 13901

Report Number: S9-12-26

Dear Dr. Martinez 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 Binghamton City School District in this audit. Within the scope of this audit, we examined the District's policies and procedures and reviewed its CRPs for the period July 1, 2011, to May 21, 2012.

This report of examination letter contains our findings and recommendations specific to the District. We discussed the findings and recommendations with District officials and considered their comments, which appear in Appendix A, in preparing this report. District officials agreed with our findings and plan to initiate corrective action. 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 generally designed the CRP in accordance with Regulations and have ensured that students have made satisfactory progress in the previously failed subject areas. However, improvements opportunities are available over the approval of participation in CRPs and

documentation of certified teachers. In 25 of 26 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 CRPs and adopted formal procedures for establishing CRPs. In addition, the District designed an adequate system of access controls for online study. However, District officials do not always maintain documentation to support the approval of the students' participation in the CRPs.

Background and Methodology

The Binghamton City School District, which is located in the City of Binghamton in Broome County, enrolls about 5,700 students. The District has 10 schools in operation, including one high school, and employs approximately 900 staff. The District's operating expenditures totaled \$96.7 million in the 2011-2012 school year; major costs included personal service costs and operations. These costs 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 who successfully passes a high school class and, if applicable, a Regents exam, 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 District must ensure that the students in CRPs 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 Education Department (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.
- 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 year, the District offered 85 and 93 CRP classes, respectively. The District’s high school offers CRPs through on-line courses. According to District procedures, a student “has to have earned an F”¹ to be enrolled in a CRP. Students who are currently failing a course can participate in an “on-line early intervention recovery” program.² If a student is in danger of failing a course, the student would still be required to continue attending their normal course as laid out in the schedule, but would now also have to attend and take part in the online component as well.

The District offered the following credit recovery classes for the 2010-11 school year: English 11, English 12, Integrated Algebra, Geometry, Consumer Math, Global 10, U.S. History, Economics, Government, Biology, Earth Science, Chemistry and Environmental Science. In the 2011-12 school year, the District offered CRPs in English 11, English 12, U.S. History, Economics and Government.

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 B of this report.

Audit Results

The District has generally designed the CRPs in accordance with Regulations and has ensured that students have made satisfactory progress in the previously failed subject areas. However, improvements opportunities are available over the approval of participation in CRPs and documentation of certified teachers. In 25 of the 26 classes we examined, the teachers actively instructing students were certified in the subject areas and the CRPs met Learning Standards. District officials maintain adequate documentation of each participating student’s progress in the CRPs, and adopted formal procedures for establishing and approving CRPs. In addition, the District designed an adequate system of access controls for online study. However, District officials do not always maintain documentation to support the approval of the students’ participation in the CRPs.

Instruction by a Certified Teacher – The District is not 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.

¹ An “F” indicates a student failing to obtain credit for the class, with a grade falling below 65 for the year.

² District officials were unable to identify the number of students that were enrolled in online pro-active credit recovery in 2010-11. In 2011-12 there were eight pro-active credit recovery instances.

The District offers an online learning program for students enrolled in a CRP. The District assigned two certified teachers to provide instruction and monitor the students in the online CRP. The teachers record students' attendance and monitor their progress. They have access to the students' records in the online CRP. We judgmentally tested the records of 26 CRP classes, and found that, in 25 of these classes, teachers certified in the subject area were instructing the students in the CRP. However, teachers were generally not certified in all the subject areas for all the students receiving CRP instruction. For example, on certain days in 18 of the 26 classes, the students received instruction from two teachers who were collectively certified in all the subject areas. Although District officials told us that students can receive instruction from a teacher certified in the subject area when it is needed, there was no documentation to show that students had interactions with teachers who were certified in the subject area they were studying.

Alignment With the Learning Standards – The District's CRP courses were aligned with the Learning Standards. According to District officials, they reviewed all the online CRPs that were offered to District students to verify alignment with the Learning Standards. District officials indicated that teachers reviewed the online courses and made edits where needed to ensure conformance with the Learning Standards. However, the District has no documentation of this review process.

CRP Design and Student Participation Approval – The District has adopted formal guidelines for establishing, approving, and administering CRPs to ensure that each school is following the Regulations. The guidance counselors and teachers recommend which students should be enrolled in the online CRP. The guidance counselors' recommendations are discussed with the students and their parents, and are approved by the Associate Principal. The guidance counselors enroll approved students in the student management system.

However, the District does not maintain documentation to show that it uses a school-based panel to approve students' participation in the CRPs, as the Regulations require. We judgmentally tested the records of 26 CRP students in the 2010-11 and 2011-12 school years and found no documentation of the discussions approving their participation. District officials stated that they do draw up a credit recovery contract between each CRP student and the District, and that the contract is signed by the student, the guidance counselor, and the Assistant Principal. However, the District was able to provide us with credit recovery contracts for only 13 of the above 26 students. District officials explained that the guidance counselors failed to keep copies of the credit recovery contracts for the remaining students.

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. We were able to review students' progress reports in the online learning system. The progress reports included login time, time spent on course work, and grades. The District also maintains students' attendance records, transcripts, and report cards.

Online Access Controls – Districts should have access controls in place to ensure the individual working on an online CRP program is the student approved to participate in the CRP. We found the District’s system controls are adequate to ensure that only qualified enrolled students can access the CRP course and to mitigate the risk of student cheating.

The student's information is assigned to the District's online learning system administrator, who assigns the student a username and a password in the online learning system. The student must meet his/her certified teacher for the online credit recovery course for the student’s status to be activated as a participant in the online learning system.

Teachers and guidance counselors have access to the system. The District has established controls to mitigate the risk of cheating. For example, although students get the entire module of the course, along with unit tests, when they are registered for a course, the unit tests must be taken in the presence of the teacher. The teachers check the online system and attendance records to determine if the student took the test with a certified teacher present. If a certified teacher was not present, the student’s grade for the class is removed and the student has to take another unit test with the certified teacher present. Teachers also check the student's login and the amount of time the student spent studying the course material online. The teachers also have the ability to reset the unit tests for students, as necessary.

Recommendations

1. The District should ensure that teachers certified in the areas taught direct or supervise the equivalent, intensive instruction received by students in the CRPs.
2. The District should maintain documentation regarding the approval of students’ participation in credit recovery programs.

The Board has the responsibility to initiate corrective action. Pursuant to Section 35 of the General Municipal Law, Section 2116-a (3)(c) of the Education Law, and Section 170.12 of the Regulations of the Commissioner of Education, a written corrective action plan (CAP) that addresses the findings and recommendations in this report must be prepared and forwarded to our office within 90 days. To the extent practicable, implementation of the CAP must begin by the end of the next fiscal year. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. The Board should make the CAP available for public review in the Clerk’s office. Our office is available to assist you upon request. If you have any further questions, please contact Ann Singer, Chief of Regional and Statewide 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

RESPONSE FROM DISTRICT OFFICIALS

The District officials' response to this audit can be found on the following pages.



Binghamton City School District

Christopher Columbus School
164 Hawley Street
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(607) 762-8100
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October 15, 2012

Ms. Ann Singer
Chief of Regional and Statewide Projects
Office of the State Comptroller
State Office Building - Room 1702
44 Hawley Street
Binghamton, NY 13901-4417

Dear Ms. Singer:

The Binghamton City School District thanks the Comptroller's Office for the opportunity to reflect on the processes and procedures surrounding the implementation of our Credit Recovery Program. We appreciate the analysis of the district's program as reflective of the Commissioner of Education's Regulations 100.5(8). The Binghamton City School District strives to provide the greatest possible service at the lowest possible cost to taxpayers. We believe our credit recovery program is one such program that exemplifies this effort.

This letter is in response to the recent findings of the audit conducted by the State Comptroller's Office of the Binghamton City School District's Credit Recovery Program and includes the corrective action plan. The following are the corrective actions proposed for each recommendation included in the audit report:

Audit Recommendations:

- 1) The District should ensure that teachers certified in the areas taught provide the equivalent, intensive instruction received by students in the CRP's.
- 2) The District should maintain documentation regarding the approval of students' participation in credit recovery programs.

Implementation Plan of Actions:

- 1) The audit identified one instance where the certified teacher was not listed as being present during instruction. Beginning with the 2012-2013 Credit Recovery Program, each certified teacher providing direct instruction in the district's Credit Recovery Program will be listed as such in the scheduler in the student management system.

- 2) Student contracts are signed upon student's induction into the Credit Recovery Program. Several contracts for student participants from two years ago were missing from their student records. Guidance Counselors will maintain student contracts in the student's cumulative folder. A memo will be sent by the Building Principal directing Guidance Counselors to maintain these contracts for the life of the cumulative folder.

The recommendations put forth by the Comptroller's Office are appreciated. We will continue to review each of the areas noted in the recommendations. The recommendations and action steps noted above will benefit the District and its taxpayers by identifying additional ways to strengthen the District's Credit Recovery Program.

The staff who shared the draft report during the exit conference on October 9, 2012 were informed and courteous. As shared during the exit conference, an additional purpose of the audit was to inform the New York State Education Department how the current regulations might expand to include additional guidance to districts in developing quality credit recovery programs. While the District agrees with the recommendations of the audit, we wish to emphasize the importance of providing flexibility to program development to ensure that opportunities for recovering credit are available to all students.

Please direct any questions regarding the District's response to the Audit Report to my attention.

Sincerely,

Peggy Wozniak, Ed.D.
Superintendent of Schools

cc: New York State Education Department, Office of Audit Services
Tonia Thompson, Assistant Superintendent for Curriculum, Instruction and Accountability
Roxie Oberg, Principal, Binghamton High School

APPENDIX B

AUDIT METHODOLOGY AND STANDARDS

We reviewed the 2010-11 and 2011-12 course curriculum guide that describes the original class course and what is covered in the course, interviewed teachers and a guidance counselor to find out and review any documentation that was kept on the credit recovery program. 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, an interim student progress report, student attendance records in the credit recovery program, teacher - student performance in the online credit recovery system and results 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 and that the district did maintain documentation that supported student learning progress and participation. Using a non-biased judgmental sampling method, we tested a sample of 26 CRP instances 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.