

LEGISLATIVE SPECIAL REPORT

EARN A DEGREE - GRADUATE EARLY INITIATIVE (EDGE)

FOR THE PERIOD JULY 1, 2009 - JUNE 30, 2011

REPORT OVERVIEW

- No consistent and reliable process for determining the number of students with EDGE credits enrolling in higher education institutions
- Lack of consistent data records necessary to facilitate the retrieval of summarized statistical information
- Some EDGE class credits recorded in consortia databases are not supported by source documents



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WEST VIRGINIA LEGISLATURE
Joint Committee on Government and Finance

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The West Virginia Legislature:

Upon the request of the West Virginia Legislature, we analyzed and summarized the statistical data of the Federal Tech Prep Grant, Earn a Degree – Graduate Early Initiative (EDGE). Specifically, we compiled and summarized data pertinent to measuring the impact the program has had on West Virginia students transitioning to higher education institutions, and we compiled and summarized financial data in order to facilitate the reader’s understanding of the major categories of EDGE expenditures for fiscal years 2010 and 2011. Although we did not audit the EDGE program, we reviewed the EDGE enrollment databases to determine the reasonableness of the overall recorded data and performed some limited testing in order to obtain additional assurance of the validity of the number of students cited in the database as earning EDGE credit. In addition, we reviewed the financial data provided by the nine EDGE consortia to assess the overall reasonableness of the expenditures reported. However, we performed no audit tests to substantiate the accuracy of the financial data provided by the consortia.

Respectfully submitted,

A handwritten signature in cursive script that reads "Stacy L. Sneed".

Stacy L. Sneed, CPA, CICA, Director
Legislative Post Audit Division

SLS/cdo

**EARN A DEGREE – GRADUATE EARLY INITIATIVE
JULY 1, 2009 – JUNE 30, 2011**

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**EARN A DEGREE – GRADUATE EARLY INITIATIVE
JULY 1, 2009 – JUNE 30, 2011**

**EDGE INITIATIVE CONTACTS
FOR ANALYSIS PERIOD OF JULY 1, 2009 THROUGH JUNE 30, 2011**

Dr. Kathy D’AntoniTech Prep Coordinator
Peggy Talley Eastern Panhandle Coordinator
Diane Braun.....Mid-Ohio Valley Coordinator
Linda CroninNorth Central Coordinator
Grover Duling.....Potomac Highlands Coordinator
Nicole Stanley Southern Mountains Coordinator
Bob McClainWestern Coordinator
Edith Worrells Whitewater Coordinator
Ruth Boyd.....Southeastern Coordinator
Fred OelschlagerNorthern Panhandle Coordinator

EARN A DEGREE – GRADUATE EARLY INITIATIVE
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INTRODUCTION

POST AUDIT AUTHORITY

This is the special report on the EDGE Initiative. We conducted the work for this report pursuant to Chapter 4, Article 2 of the West Virginia Code, as amended. Section 5 of this Article states “...The Legislative Auditor shall have the power and authority to examine the revenues, expenditures and performance of every spending unit of the state government and for these purposes shall have the authority, by such means as are necessary, to require any person holding office in the state government or employed by the state, to allow him to inspect the properties, equipment, facilities and records of the various agencies....”

BACKGROUND¹

West Virginia’s Tech Prep Consortia established the West Virginia EDGE Initiative in 2001. EDGE is an acronym for Earn a Degree - Graduate Early and is a by-product of the seamless curriculum initiative that focuses on curriculum alignment between education levels. The goals of the alignment process are to identify curriculum gaps, eliminate curriculum duplication and set curriculum mastery levels to pre-determined standards. Students who participate in the EDGE Initiative can earn community and technical college (CTC) credit, free-of-charge. The West Virginia EDGE Initiative focuses on connecting public schools with higher education for all students. The goals of the West Virginia EDGE Initiative are:

1. to provide an opportunity for all students to establish a college transcript while in high school,
2. to increase the number of students attending community and technical colleges, and
3. to establish a pathway that allows students to obtain an associate degree one year after high school or along with a high school diploma.¹

EDGE PROGRAM FUNDING

The Carl D. Perkins Vocational and Applied Technology Act of 1998 provides federal funds to help states “develop more fully the academic, vocational, and technical skills of secondary students and postsecondary students who elect to enroll in vocational and technical education programs.” The U.S. Department of Education's Office of Vocational and Adult Education (OVAE) administers the Perkins Act and ensures equal access to those programs, services, and activities that Perkins grants support. The West Virginia Community and Technical College Education Council (the Council) has been the recipient of the Perkins’ grants for the State of West Virginia and, in accordance with State statute, is responsible for the distribution of federal vocational education funding provided under the Perkins Act.

As a mechanism for distributing the funding provided, State statute directs the Council to use the State Board of Education (the State Board) as its fiscal agent². Therefore, funding received through Perkins grants are deposited into the State Board’s *Consolidated Federal Funds for Vocational Development*

¹ Information reproduced from EDGE Initiative handbook & from West Virginia Tech Prep website: <http://careertech.k12.wv.us>.

² See WV Code §18B-2B-6-c(50) for statutory guidance on the receipt and disbursement of federal vocational education funding provided under the Carl D. Perkins Vocational and Technical Education Act of 1998.

Fund (WVFIMS Fund No. 8714). From its inception in 2001 through the end of State fiscal year 2011, funding for the West Virginia EDGE Initiative was obtained through a set-aside³ in the Perkins grants.

A significant majority of the monies set-aside for the EDGE Initiative were disbursed to the nine EDGE consortia pending the Department of Education's pre-approval of the Consortia's sub-recipient grant proposals. However, a relatively small amount of EDGE funds were disbursed from the Vocational Development Fund by the State Board to pay for overhead costs incurred for administering the EDGE program. Effective for federal fiscal year 2011-12, "Tech Prep, Title II" funds used to fund the State's EDGE Initiative program were eliminated from the Perkins grants.

REPORT SCOPE

We have prepared a descriptive statistical analysis based on data provided by each EDGE consortia for the period of July 1, 2009 through June 30, 2011. Our scope included a review of the EDGE enrollment database to determine the reasonableness and sufficiency of the data contained therein. We also tested the accuracy of the consortia reported number of students receiving EDGE credits for our two-year review period. In addition, we summarized consortia reported expenses into a consolidated expense statement with accompanying pie charts for fiscal years 2010 and 2011.

We did not conduct our work in preparing this report in accordance with Generally Accepted Governmental Auditing Standards because we did not audit the EDGE Initiative.

OBJECTIVES AND METHODOLOGIES

The objectives of our statistical analysis were to provide relevant summarized data of the costs and impact of the EDGE Initiative to the West Virginia Legislature. In order to achieve these objectives, we reviewed applicable sections of the EDGE handbook, we conducted interviews with consortia coordinators, and we prepared written narratives to understand the reporting requirements of each consortium. We obtained a listing of students enrolled in EDGE credit classes during fiscal years 2011 and 2010 from the EDGE consortia. We analyzed the EDGE databases of enrolled students and performed some limited testing in order to obtain reasonable assurance of the validity of the number of students cited as earning EDGE credit⁴ (***See Appendix B***). However, we did not audit the enrollment database and offer no opinion on the reported data.

The financial information presented in this report is inclusive of all nine EDGE consortia. Each consortium provided this information independently and we, in turn, compiled the information into statements and charts to facilitate the reader's understanding of the major categories of EDGE expenditures reported by each consortium for fiscal years 2010 and 2011. However, we performed no

³ Set-asides are allocations for particular programs that are guaranteed or "set-aside" at the start of the allocation process.

⁴ Auditors conduct tests in order to obtain information about a population by examining only a part of it. Once completed, the auditors can estimate, within a predetermined degree of reliability, the characteristics of a population (e.g., error rate).

audit procedures on this financial information, and we provide no assurance as to accuracy of the financial information presented (*See Appendix A*).

This report is intended solely to provide useable and relevant information for the members of the West Virginia Legislature and the management of the EDGE Initiative. However, once provided to the West Virginia Legislature, this report may be a matter of public record and its distribution is not limited.

CONCLUSIONS

There have been no consistent guidelines developed by the EDGE Initiative and implemented by the nine consortia for tracking program outcomes. As a result, the data records provided to us by the consortia varied greatly in content and in format. Failure to establish and maintain consistent records on program outcomes is detrimental to determining if the EDGE program is meeting its goals and objectives (*See Informational Item #1*).

Our plan for this report included analyzing and testing the accuracy on the number of students reported by the consortia that received EDGE credit for EDGE classes taken during fiscal years 2011 and 2010. However, we were unable to test the data provided by the Western Consortium since the consortium was unable to provide us with reliable supporting source documents necessary to validate the data included within the electronic database. Based on the results of our testing of the databases for the remaining eight consortia, we determined there was an error rate between 1.6% and 4.3%. These eight consortia listed 20,195 students⁵ as receiving EDGE credit for EDGE classes taken during fiscal years 2010 and 2011. Utilizing statistical software⁶, we projected there were at least 324 but not more than 878 students listed in the database that either did not earn EDGE credits in accordance with EDGE criteria or documentation was not maintained to support the database entries. Thus, based on our projection, we are 90% confident that between 19,871 and 19,317 students in the regions covered by the eight EDGE consortia participated in the EDGE Initiative and earned EDGE credit during the two-year period tested (*See Informational Item #1*).

Our reporting plan also included analyzing and testing the accuracy on the number of students reported by the consortia that applied EDGE college credits in their pursuit of degrees or certifications at Higher Education institutions. However, the EDGE consortia do not have a consistent and reliable procedure for tracking this data. Such data, if obtained and reported, would be an important measure in assessing the success of the program, and therefore useful in funding considerations (*See Informational Item #2*).

⁵ Each student counted once regardless of the number of EDGE credit courses taken and passed during our two-year review period.

⁶ U. S. Dept. of Health and Human Resources—Office of Inspector General. (2007) RAT-STATS (Version 2) [Software]

EXIT CONFERENCE

We discussed this report with management of the EDGE Initiative on December 21, 2011. All informational items and recommendations were reviewed and discussed. Management's response has been included in Appendix C of this report.

**EARN A DEGREE – GRADUATE EARLY INITIATIVE
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INFORMATIONAL ITEMS

Item 1 Lack of a Consistent and Reliable EDGE Database Record

Condition: The EDGE program performance databases provided by the EDGE consortia varied greatly in content and in format. During fiscal year 2010, each consortium maintained their database of EDGE participants independently. The result was lack of a consistent and reliable database structure necessary to facilitate auditing of the outcomes of program expenditures. In fiscal year 2011, consortia coordinators began using the West Virginia Education Information System (WVEIS) to record and track EDGE participants; however, the information maintained in WVEIS regarding EDGE participants continued to be insufficient and varied.

As stated earlier, each consortium’s database records were maintained independently. These records are not compiled into a combined database containing information for all EDGE consortia. If this had been the case, it would have facilitated the retrieval of summarized statistical data for the EDGE Initiative.

For the nine EDGE consortia, there were 21,466 students⁷ recorded in the database as receiving EDGE credit during fiscal years 2010 and 2011. However, we determined supporting documents provided by the Western Consortium did not conform to corresponding data contained within the EDGE database nor did it conform to corresponding information contained within the West Virginia Department of Education’s Class Enrollment Database. After further inquiry, we determined these supporting documents were created after we requested them—which suggested that original supporting documents were either never generated or the data was not maintained. As a result, we were unable to test the information recorded in the Western Consortium’s database.

After excluding the Western Consortium, there were 20,195 students⁷ recorded in the databases as receiving EDGE credits for our two-year test period and we selected a sample of these students for testing. During our test, we noted some students received EDGE class credits even though the credits were not documented on original source documents from which the database records were presumably created⁸. When applied to the total population of students in

⁷ Each student was counted once regardless of the number of EDGE credit courses successfully completed by each student during our two-year review period.

⁸ See Appendix B for further details on the exceptions noted in our test of EDGE credits.

the databases, we projected the number reported by the consortia to be overstated by a minimum of 324 and a maximum of 878, as shown below:

Total Population of Students Included in Audit Test	20,195
Minimum Error Rate for Population	1.6 %
Minimum Overstated Amount ⁵	324
Maximum Error Rate for Population	4.3 %
Maximum Overstated Amount ⁵	878

Criteria:

WV Code §5A-8-9 states in part:

“...The head of each agency shall:

(a) Establish and maintain an active, continuing program for the economical and efficient management of the records of the agency.

(b) Make and maintain records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures and essential transactions of the agency designed to furnish information to protect the legal and financial rights of the state and of persons directly affected by the agency’s activities....” **(Emphasis Added)**

Cause:

According to the Tech Prep Coordinator, consortia coordinators have different backgrounds and skill levels; therefore, the Tech Prep Coordinator gave each consortium the authority to make and maintain documents in their own manner.

Effect:

The total costs of the EDGE program for fiscal years 2010 and 2011 was \$816,065.73 and \$713,688.38, respectively. However, inconsistent, varied, and in many cases, deficient, data reporting has resulted in records that do not facilitate auditing of the outcomes of program expenditures. The ability to obtain summarized statistical data for the EDGE Initiative is further complicated due to each consortium maintaining their records independently with no procedure whereby database records are compiled into a record containing data for all consortia.

Recommendation:

We recommend the management of the EDGE Initiative comply with WV Code §5A-8-9. We also recommend the EDGE Initiative gather program data relevant to the goals of the EDGE Initiative and create a standardized reporting procedure that is consistent for all consortia. In addition, we recommend updating the WVEIS database or create a new database to include the course grade and final exam grade. Lastly, we recommend the EDGE Initiative develop and initiate a procedure whereby pertinent standardized electronic records are submitted to the Tech Prep Coordinator. This data, in turn, could be combined and summarized into information that is relevant to the EDGE program goals

and objectives and is readily available for analysis by EDGE program decision-makers and other interested parties.

Managements

Response: *See Appendix C.*

Item 2

Lack of Relevant Performance Measures

Condition:

In our opinion, the best measure of the impact of the EDGE program is the number of students that use EDGE college credits in their pursuit of degrees or certifications at higher education institutions. If available, one could perform a quick and effective analysis of the application of EDGE credits by students in relation to program funding costs for a given time period. This performance measure is tremendously relevant to the goal of all Tech Prep programs, which is to provide opportunities for students to earn college credit for their secondary coursework leading to an associate's degree or a certificate in a specific career field. However, there is no consistent and reliable procedure for determining the number of students with EDGE credits enrolling in West Virginia higher education institutions.

Although some consortia track the number of EDGE transcript requests and report this number as evidence of higher education enrollment, we contend requesting an EDGE transcript is not a reliable method of determining whether or not a student enrolled at a higher education institution. In addition, it is our understanding some consortia coordinators obtain enrollment information from certain higher education institutions on EDGE participant matriculation;⁹ however, this practice is not consistent and it is restricted to a minority of the nine consortia.

Criteria:

WV Code §5A-8-9 states in part:

The head of each agency shall:

(a) Establish and maintain an active, continuing program for the economical and efficient management of the records of the agency.

(b) Make and maintain records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures and essential transactions of the agency designed to furnish information to protect the legal and financial rights of the state and of persons directly affected by the agency's activities...." **(Emphasis Added)**

Cause:

The Tech Prep Coordinator stated the college accounting system (Banner) does not allow the entry of an identifier for EDGE credits applied to students' accounts.

Effect:

The total costs of the EDGE program for fiscal years 2010 and 2011 was \$816,065.73 and \$713,688.38, respectively. Historically, Perkins federal grants funded the EDGE program; however, effective for fiscal year 2012, funding for the program was eliminated from the federal budget. Therefore, if the EDGE program is to continue, the State must initiate funding. Certainly, a valuable

⁹ Enrolling in a higher education institution as a candidate for a degree or certificate

tool in assessing the degree to which the EDGE Initiative is fulfilling its goals and objectives—and therefore useful in funding considerations—is statistical data on number of students that use EDGE college credits in their pursuit of degrees or certifications at higher education institutions. However, the EDGE consortia do not have a consistent and reliable procedure for tracking this data. As a result, the EDGE consortia are unable to provide information vital to measuring the impact of the EDGE Initiative.

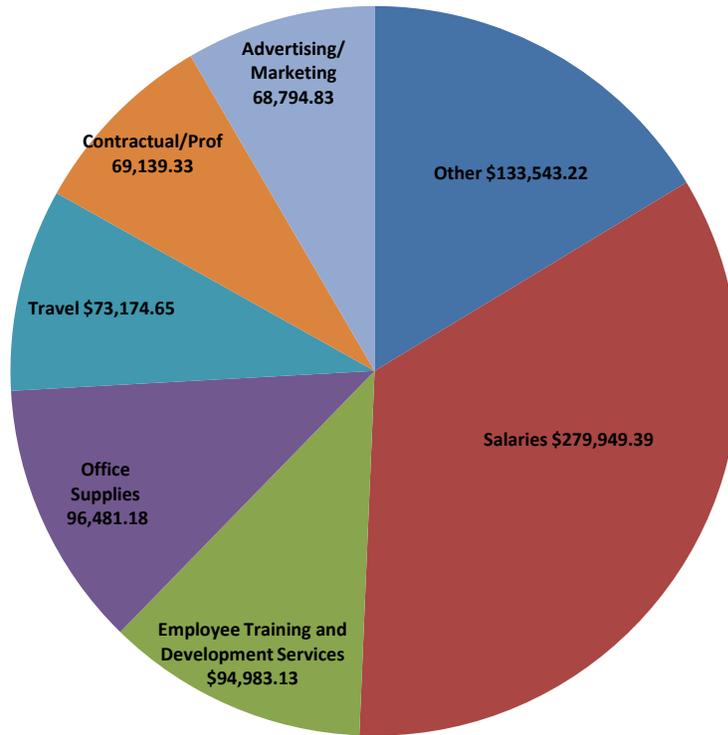
Recommendation: We recommend the management of the EDGE Initiative comply with WV Code §5A-8-9. We also recommend the management of the EDGE Initiative collaborate with all participating higher education institutions to create and maintain an accurate tracking database of all EDGE students who have enrolled in participating higher education institutions. If determined practical, we also recommend the information include data on whether or not matriculating students utilized EDGE course credits in their pursuit of degrees or certificates.

Managements

Response: *See Appendix C.*

Appendix A

Fiscal Year 2010 Expenses UNAUDITED



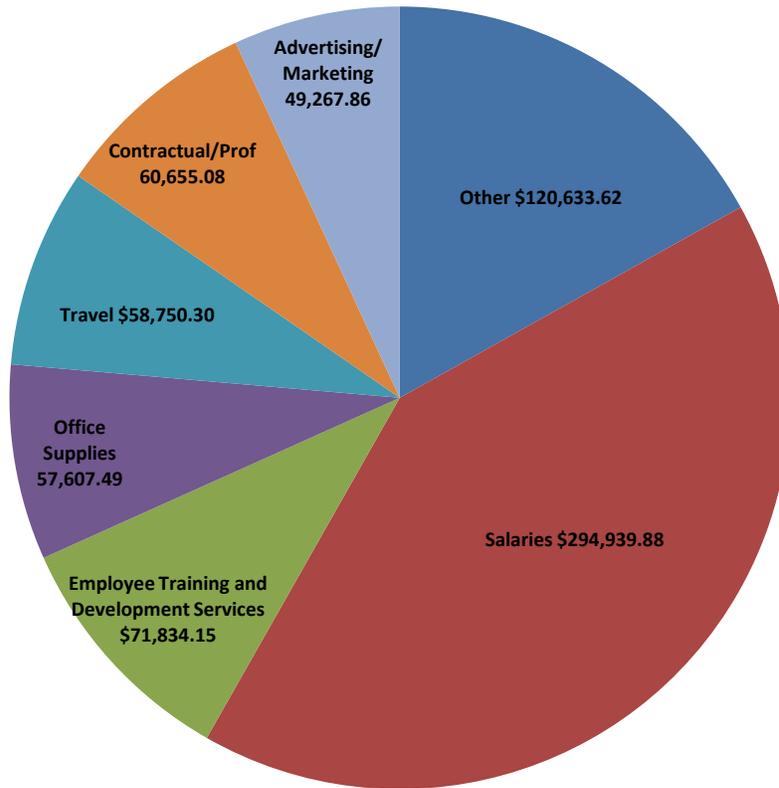
Expense Account	FY 2010
Salaries	\$279,949.39
Other ¹⁰	133,543.22
Office Supplies	96,481.18
Employee Training and Development Services	94,983.13
Travel	73,174.65
Contractual/Professional	69,139.33
Advertising/Marketing	68,794.83
TOTAL	\$816,065.73

¹⁰ Other Expenses – Includes postage, meetings, benefits, student recognition, awards, hospitality, parent workshops, etc.

Appendix A – Continued

Fiscal Year 2011 Expenses

UNAUDITED



Expense Account	FY 2011
Salaries	\$294,939.88
Other ¹⁰	120,633.62
Employee Training and Development Services	71,834.15
Contractual/Professional	60,655.08
Travel	58,750.30
Office Supplies	57,607.49
Advertising/Marketing	49,267.86
TOTAL	\$713,688.38

¹⁰ Other Expenses – Includes postage, meetings, benefits, student recognition, awards, hospitality, parent workshops, etc.

Appendix B

EDGE CREDITS – DETAIL OF TEST RESULTS

The following table denotes the results for our test on the accuracy of the EDGE database records on the number of students receiving EDGE credits. The reporting period includes fiscal years 2011 and 2010:

	Northern Panhandle	Potomac Highlands	Eastern Panhandle	Mid-Ohio Valley	Southeastern	Southern Mountains	Western*	Whitewater	North Central	Total
Reported EDGE Students^x	2,884	1,325	1,456	3,344	2,669	2,492	1,271	2,345	3,680	21,466
Included in Test Population^x	2,884	1,325	1,456	3,344	2,669	2,492	*	2,345	3,680	20,195
Sample Size Tested	58	26	30	66	54	50	*	46	74	404
Number of Errors	0	1	3	3	0	0	*	3	2	12

* – The Western Consortium’s database record contained an additional 1,271 students that reportedly received EDGE credit for the two-year review period; however, these students were excluded from our test population since Western was unable to provide source documentation necessary to substantiate the entries in their database

^x – Each student was counted once regardless of the number of EDGE credit courses successfully completed by each student during our two-year review period.

Appendix C

TECH PREP COORDINATOR'S RESPONSE TO REPORT

Fiscal

The EDGE initiative is only one objective under the Title II, Tech Prep grant funded under the Federal Carl D. Perkins Legislation. The Tech Prep program focuses on the following four focus areas:

- Seamless access by the “middle group” of students to postsecondary
- Development of Programs of Study that seamlessly connect secondary and postsecondary
- Marketing of Technical programs and employment opportunities
- Access to college credit in high school (EDGE initiative)

By federal law the Tech Prep grant is a competitive grant that flows to local Tech Prep Consortia and is fiscally and operationally managed by the individual consortia. Each Tech Prep Consortia hires a coordinator based on their individual perceived needs.

Each consortium provides to local secondary school systems additional resources and services designed to transition more students to postsecondary education, more specifically to community and technical colleges. In addition to the resources provided to secondary schools, the consortia actively promote and market the respective consortium member community and technical college. **The Tech Prep Consortia is the ONLY entity that brings secondary and postsecondary to “the table” to coordinate resources and curriculum and to promote and work with students (secondary and adult) to access community and technical college education.**

EDGE Database Record

The EDGE is a viable tool that provides students a time shortened, cost savings resource. Since the inception of EDGE, the numbers of students participating has grown exponentially. In 2002, the numbers were manageable and were entered into a data base at the community and technical college central office. Within a few years, the numbers grew beyond the ability of one data entry person, so instead of a central data base, the individual consortia became responsible for data collection and reporting. The data is collected based on individual consortium guidelines and resources. One large barrier is the fact that Higher Education and Secondary Education Information Data Systems do not “talk” to each other. So the numbers of EDGE students matriculating to postsecondary education becomes a challenge requiring individual research and hand counting the numbers.

The fact remains that EDGE continues to grow exponentially and even though the EDGE Transcript Request web site may not be 100% reliable as to the number of students matriculating to postsecondary, it does **highly suggest** the number of students who are accessing the availability of the EDGE credit. These numbers continue to rise.

The main barrier to valid EDGE data collection is the collaboration between secondary and postsecondary to report the EDGE numbers and a designated state agency that “owns” the process.

Lack of Relevant Performance Measures

We agree that the best measure of the impact of the EDGE program is the number of students that use EDGE college credits in their pursuit of degrees or certifications at the postsecondary level. Furthermore, additional impact measures should be the percentage of EDGE students that must enroll in developmental education, grade point averages in college and degree or certification completion as compared to the general college student population. All of these measures could be utilized if an effective system of student data tracking existed.

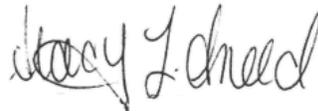
We also realize that the focus of this audit was on the EDGE component of Tech Prep. However, Tech Prep encompasses a broad array of activities as defined in the attached worksheets required to be completed by all Tech Prep Consortia on an annual basis.

STATE OF WEST VIRGINIA

OFFICE OF THE LEGISLATIVE AUDITOR, TO WIT:

I, Stacy L. Sneed, CPA, CICA, Director of the Legislative Post Audit Division, do hereby certify that the report appended hereto was made under my direction and supervision, under the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, and that the same is a true and correct copy of said report.

Given under my hand this 5th day of January 2012.



Stacy L. Sneed, CPA, CICA, Director
Legislative Post Audit Division

Notification of when the report was released and the location of the report on our website was sent to the Secretary of the Department of Administration to be filed as a public record. Report release notifications were also sent to the Tech Prep Coordinator; Superintendent, Department of Education; West Virginia Community and Technical College System; West Virginia Community and Technical College Council; Senate Education Chair; Governor; Attorney General; and State Auditor.