



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

GRETCHEN WHITMER
GOVERNOR

MICHAEL F. RICE, Ph.D.
STATE SUPERINTENDENT

February 16, 2021

Mr. Richard Lowe, Chief Internal Auditor
State Budget Office
Office of Internal Audit Services
111 S Capitol Ave
8th Floor, Romney Building
Lansing, MI 48933

Dear Mr. Lowe:

In accordance with the State of Michigan, Financial Management Guide, Part VII, enclosed is our final corrective action plan to address recommendations contained within the Office of the Auditor General's report of the Michigan Department of Education and Virtual Learning in Traditional Public Schools Performance Audit (313-0224-16).

Questions regarding the corrective action plan should be directed to me at 517-335-6858 or HengesbachC2@michigan.gov.

Sincerely,

Caitlin Hengesbach

Caitlin Hengesbach, CPA
Audit Manager
Office of Financial Management

cc: Executive Office
Office of the Auditor General
Senate Appropriations Committee Chair
House Appropriations Committee Chair
Senate Appropriations Sub-Committee Chair
House Appropriations Sub-Committee Chair
Senate Fiscal Agency
House Fiscal Agency
Kyle L. Guerrant, Deputy Superintendent, MDE
William A. Pearson, Ed.D., Interim Deputy Superintendent, MDE
Ann Richmond, Director, Office of Financial Management, MDE

STATE BOARD OF EDUCATION

CASANDRA E. ULBRICH – PRESIDENT • PAMELA PUGH – VICE PRESIDENT
TIFFANY D. TILLEY – SECRETARY • TOM MCMILLIN – TREASURER
JUDITH PRITCHETT – NASBE DELEGATE • ELLEN COGEN LIPTON
NIKKI SNYDER • JASON STRAYHORN

608 WEST ALLEGAN STREET • P.O. BOX 30008 • LANSING, MICHIGAN 48909
www.michigan.gov/mde • 833-633-5788

Michigan Department of Education
 Performance Audit of Virtual Learning in Traditional Public Schools
 Issued By The Office of the Auditor General (OAG)
 August 2020
 Department Final Corrective Action Plan

Summary Response Matrix

	Complied	Will Comply	Partially Complied	Will Not Comply
Agrees		1, 2, 3, 4, 5, 6		
Partially Agrees				
Disagrees				

Final Corrective Action Plan (CAP)

Finding Number 1

Finding Title: Strategy needed to evaluate the virtual learning provided by traditional public schools.

Department Response

Management Views: Agree

Planned Corrective Action and Milestones (Management Response):

The Michigan Department of Education (MDE) will suggest user-friendly, effective evaluation tools to districts, and leverage partnerships to evaluate the quality and effectiveness of virtual learning provided by traditional public schools. Michigan Virtual (MV) currently evaluates the effectiveness of courses listed in the Statewide Catalog. The MDE does not have resources available to complete an additional high-quality study of virtual learning. The MDE is currently involved in two efforts related to learning during the COVID-19 pandemic. Virtual learning is a major component of both efforts. One is a study of the effects COVID-19 is having on students and learning. The other effort is an ongoing analysis of extended COVID-19 learning plans and the preparedness plans submitted by local and intermediate school districts and public school academies.

Anticipated Compliance Date: December 31, 2021

Responsible Individual: Dr. William Pearson, Interim Deputy Superintendent

Finding Number 2

Finding Title: MDE ended the collection of certain student-level data that is needed to compare the effectiveness of virtual and non-virtual courses.

Department Response

Management Views: Agree

Planned Corrective Action and Milestones (Management Response):

The MDE requested legal clarification from the Attorney General to validate its interpretation of, and compliance with, statutory requirements to collect other student-level data. The Attorney General agreed with the OAG's interpretation. MDE in collaboration with CEPI will begin collecting TSDL data before the Spring submission period in 2021. MDE will seek legislative change regarding the collection in the TSDL.

Anticipated Compliance Date: December 31, 2021

Responsible Individual: Dr. William Pearson, Interim Deputy Superintendent

Finding Number 3

Finding Title: Improved guidance needed for monitoring and evaluating school districts' compliance with State laws and MDE policies related to virtual learning.

Department Response

Management Views: Agree

Planned Corrective Action and Milestones (Management Response):

The finding reflects what was in place during fiscal year 2015-2016. Many revisions to the State Aid Act and School Code have been made since then, and current law has different requirements. The MDE will provide additional training to local and intermediate school districts and public school academies. In addition, MDE will review the Pupil Accounting Manual and Pupil Membership Auditing Manual regarding the pupil audit process to determine what improvements can be made to ensure that local and intermediate school districts and public school academies comply with State of Michigan law and MDE policies. The MDE will review current law and recommend changes to improve and clarify State of Michigan law related to virtual learning. The MDE will also address the audit comments with local and

intermediate school districts and public school academies before the release of the next annual Pupil Accounting Manual and Pupil Membership Auditing Manual.

Anticipated Compliance Date: December 31, 2021

Responsible Individual: Ann Richmond, Director of Office of Financial Management
Kyle Guerrant, Deputy Superintendent

Finding Number 4

Finding Title: Improvement needed to demonstrate virtual learners' participation and virtual course attendance.

Department Response

Management Views: Agree

Planned Corrective Action and Milestones (Management Response):

The finding reflects what was in place during fiscal year 2015-2016. Many revisions to the State Aid Act and School Code have been made since then, and current law has different requirements. The MDE will provide additional training to local and intermediate school districts and public school academies. In addition, MDE will review the Pupil Accounting Manual and Pupil Membership Auditing Manual regarding the pupil audit process to determine what improvements can be made to ensure that local and intermediate school districts and public school academies comply with virtual course enrollment, attendance, and participation requirements for virtual students in the latest guidance. The MDE will review current law and recommend changes to improve and clarify State of Michigan law related to virtual learning.

Anticipated Compliance Date: December 31, 2021

Responsible Individual: Ann Richmond, Director of Office of Financial Management
Kyle Guerrant, Deputy Superintendent

Finding Number 5

Finding Title: Process needed to help ensure compliance with certain requirements of Section 21f and communication of statutorily provided opportunity to enroll in virtual courses.

Department Response

Management Views: Agree

Planned Corrective Action and Milestones (Management Response):

The MDE will update guidance to ensure local and intermediate school districts and public school academies report required information and properly communicate a student’s right to enroll in virtual courses to students and parents. The MDE will work with local and intermediate school districts and public school academies to report the per pupil cost of providing virtual courses and other requirements per Section 21f.

Anticipated Compliance Date: December 31, 2021

Responsible Individual: Dr. William Pearson, Interim Deputy Superintendent

Finding Number 6

Finding Title: Improved procedures needed to help ensure that buildings used for virtual learning are properly approved and suitable environments for virtual learners.

Department Response

Management Views: Agree

Planned Corrective Action and Milestones (Management Response):

The MDE will initiate meetings with the Department of Licensing and Regulatory Affairs (LARA) and the Center for Educational Performance and Information (CEPI) to review current laws and implement procedures to help ensure that buildings used by traditional public schools as virtual learning education centers are properly coded in CEPI systems to be approved by the Superintendent of Public Instruction and LARA.

Anticipated Compliance Date: December 31, 2021

Responsible Individual: Kyle Guarrant, Deputy Superintendent