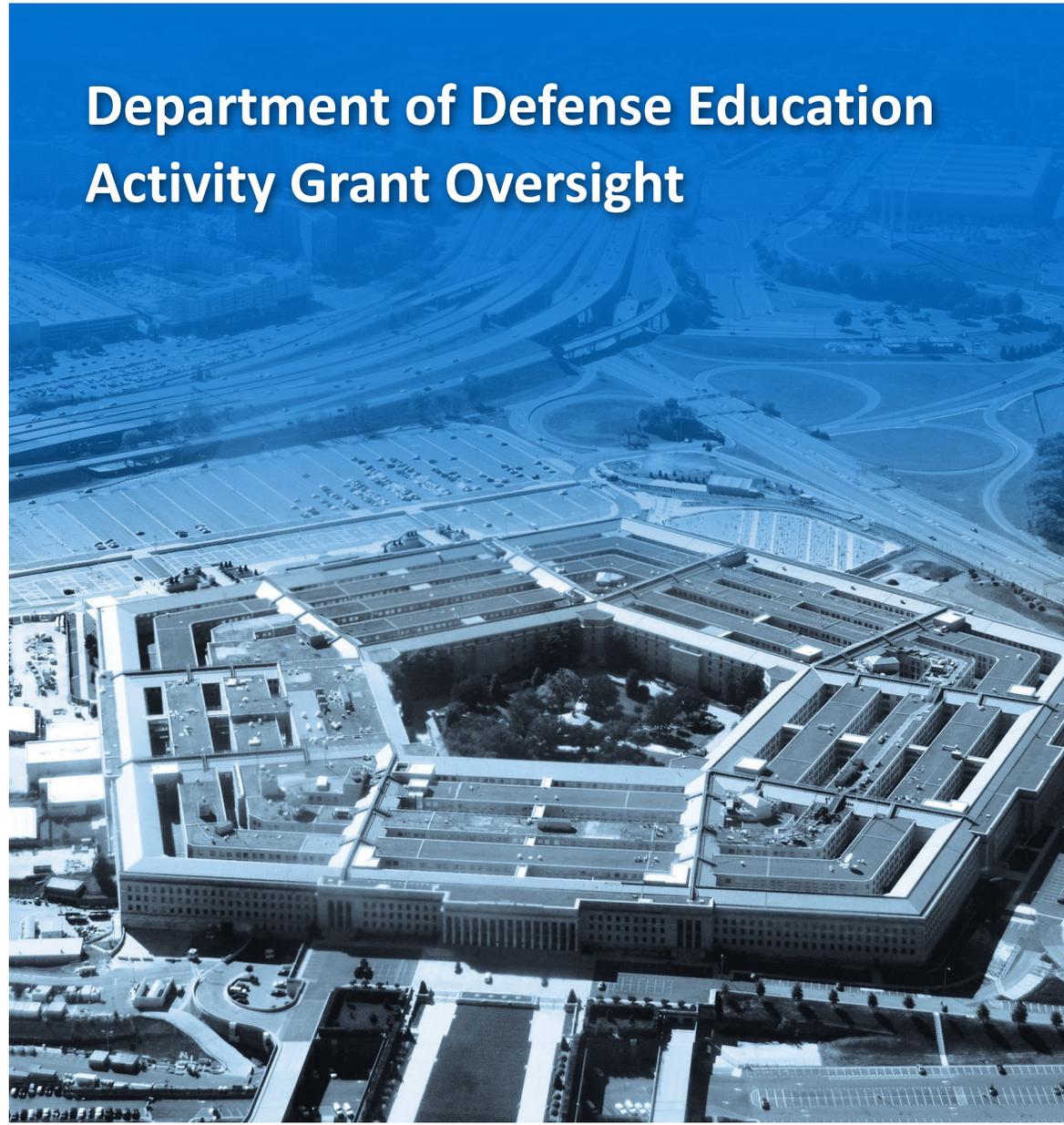




# INSPECTOR GENERAL

*U.S. Department of Defense*

OCTOBER 5, 2021



## Department of Defense Education Activity Grant Oversight

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE





# Results in Brief

## Department of Defense Education Activity Grant Oversight

October 5, 2021

### Objective

The objective of this audit was to determine whether the Department of Defense Education Activity (DoDEA) was verifying that grantees met the terms and conditions of grants. We also determined whether DoDEA was verifying that grantees met the grant interim goals.

### Background

The U.S. Senate Committee on Finance requested that we conduct this audit. The U.S. Senate Committee on Finance received allegations that DoDEA conducted little to no monitoring of its grants and did not maintain adequate grant records to allow proper oversight. DoDEA plans, directs, coordinates, and manages pre-kindergarten through 12th grade educational programs and schools located on select military installations.

DoDEA's Education Partnership and Resources Division (Partnership) executes the DoDEA grant program with assistance from the DoDEA Procurement Division. DoDEA Partnership required assistance from contractors, currently Safal Partners, Inc. (Current Contractor), with the preaward through closeout phases of the grant process. Additionally, the contractors provided the grantees support in building the grantee's capacity to serve the military student population throughout the grant and to sustain those activities after the grant ended.

The DoDEA grant program supports research-based programs to increase student achievement and ease the challenges that military dependent children face

### Background (cont'd)

due to their parents' service. Between FYs 2016 and 2020, the DoDEA Procurement Division awarded 186 grants, with a total award value of \$186.3 million.

### Findings

DoDEA did not verify that, on a projected 70 of 186 grants, grantees were meeting the grant terms and conditions. This occurred because DoDEA did not have an adequate process to hold grantees accountable for submitting late performance and financial reports. Additionally, of the 186 grants in our universe, we project that 139 completed at least one implementation year that would require it to achieve interim goals. DoDEA did not verify, on a projected 100 of 139 grants, whether grantees met the interim goals. This occurred because DoDEA did not thoroughly review the annual performance reports to determine whether grantees met interim grant goals and take action to assist grantees that did not meet interim grant goals. As a result, we project that DoDEA potentially wasted \$49.9 million from FY 2016 through FY 2020 provided to grantees that did not meet the grant terms and conditions, did not meet the interim goals and are not on track to meet all overall goals by the end of the grant, or both.

### Recommendations

We recommend that the Assistant Secretary of Defense for Manpower and Reserve Affairs, Office of the Under Secretary of Defense (Personnel and Readiness) require DoDEA officials to:

- establish a process to inform grantees that DoDEA will withhold grant funding when required reports are submitted late, and retain a history of grantees that submitted late reports and had funding withheld for use in evaluating the risk assessments for future DoDEA grant awards;
- review the 186 active DoDEA grants, determine if the grantee is meeting interim goals and is on-track to meet the overall goal by the end of each grant, and coordinate to develop a plan with those grantees that are not meeting the interim goals;



# Results in Brief

## *Department of Defense Education Activity Grant Oversight*

### **Recommendations (cont'd)**

- clarify the performance work statement to include the requirement and due date for the Current Contractor to provide a list of grantees that did not submit required reports after the close of each reporting cycle and to require the Current Contractor to evaluate all grantees' annual reports;
- develop a process to verify that grantees meet future interim goals in each implementation year. If grantees are not meeting interim goals, DoDEA officials should require the grantee to submit a corrective action plan detailing what it will do to meet the interim goals in the future. If grantees continue to miss interim goals, DoDEA officials should withhold funding to the grantee until the grantee proves it is meeting the interim goals; and,
- establish a process that tracks when grantees are not meeting interim goals or overall grant goals for use in evaluating the risk assessments for future DoDEA grant awards.
- DoDEA has reviewed all active grants for terms and conditions compliance, and grantees not meeting their interim goals will receive technical assistance and be offered a monitoring plan solution.
- DoDEA will modify the current contract to add the contractor due date for submitting the list of late grantees to DoDEA, and will revisit the current contract for further clarification related to verifying that the Current Contractor provides a written narrative that evaluates all grantees' annual reports.
- DoDEA will develop monitoring plans that include technical assistance specific to reporting requirements and surveillance of interim goals for all awarded grantees beginning FY 2021.
- DoDEA uses a tracking spreadsheet and the annual dashboards to monitor grantees who are currently not on target with interim goals, and considers this in future risk assessments.

We will close the recommendations once we verify that the agreed-upon actions are complete. Please see the Recommendations Table on the next page for the status of recommendations.

### **Management Comments and Our Response**

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs agreed with the recommendations. The Management Official stated the following:

- DoDEA follows the Code of Federal Regulations, which enables it to exercise judgment in remedies for noncompliance if the grantee fails to comply with any grant terms or conditions. DoDEA first uses direct engagement and case-by-case strategies to increase compliance, then moves to more punitive measures, such as withholding funding, until corrections are made and approved.

## Recommendations Table

Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs	None	1.a, 1.b, 1.c, 1.d, 1.e, and 1.f	None

**Note:** The following categories are used to describe agency management’s comments to individual recommendations.

- **Unresolved** – Management has not agreed to implement the recommendation or has not proposed actions that will address the recommendation.
- **Resolved** – Management agreed to implement the recommendation or has proposed actions that will address the underlying finding that generated the recommendation.
- **Closed** – The DoD OIG verified that the agreed upon corrective actions were implemented.





**INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
4800 MARK CENTER DRIVE  
ALEXANDRIA, VIRGINIA 22350-1500**

October 5, 2021

**MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR PERSONNEL  
AND READINESS**

**SUBJECT: Department of Defense Education Activity Grant Oversight  
(Report No. DODIG-2022-001)**

This final report provides the results of the DoD Office of Inspector General's audit. We previously provided copies of the draft report and requested written comments on the recommendations. We considered management's comments on the draft report when preparing the final report. These comments are included in the report.

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs agreed to address all the recommendations presented in the report; therefore, we consider the recommendations resolved and open. As described in the Recommendations, Management Comments, and Our Response section of this report, we will close the recommendations when you provide us documentation showing that all agreed-upon actions to implement the recommendations are completed. Therefore, please provide us, within 90 days your response concerning specific actions in process or completed on the recommendations. Send your response to either [followup@dodig.mil](mailto:followup@dodig.mil) if unclassified or [rfunet@dodig.smil.mil](mailto:rfunet@dodig.smil.mil) if classified SECRET.

If you have any questions, please contact me at [REDACTED]

A handwritten signature in black ink, appearing to read "Theresa S. Hull", is positioned above the typed name.

Theresa S. Hull  
Assistant Inspector General for Audit  
Acquisition, Contracting, and Sustainment

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# Introduction

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## Objective

The objective of this audit was to determine whether DoD Education Activity (DoDEA) was verifying that grantees met the terms and conditions of grants. We also determined whether DoDEA was verifying that grantees met the grant interim goals. See Appendix A for a discussion of the scope and methodology and prior audit coverage related to the audit objective.

## Background

The U.S. Senate Committee on Finance requested that we conduct this audit. The U.S. Senate Committee on Finance received allegations that DoDEA conducted little to no monitoring of its grants and did not maintain adequate grant records to allow proper oversight. DoDEA is responsible for managing the education of military dependent children around the world. It is a DoD field activity aligned under the Assistant Secretary of Defense for Manpower and Reserve Affairs, Office of the Under Secretary of Defense (Personnel and Readiness). The Assistant Secretary of Defense for Manpower and Reserve Affairs is responsible for the development and delivery of all personnel policy and for implementing human resource solutions that support the total force and mission readiness.

DoDEA plans, directs, coordinates, and manages pre-kindergarten through 12th grade educational programs and schools located on select military installations. Headquartered in Alexandria, Virginia, DoDEA employs approximately 15,000 personnel who provide education to more than 64,475 children. DoDEA operates 160 schools, including one virtual high school, worldwide divided into three geographic regions:

- the Europe region, which includes the countries of Bahrain, Belgium, Germany, Italy, the Netherlands, Spain, Turkey, and the United Kingdom;
- the Pacific region, which includes the countries of Japan and Korea; and
- the Americas region, where DoDEA operates 50 schools located in 7 states, Puerto Rico, and Cuba.

Additionally, DoDEA reported that more than 1.1 million military-connected students attend public schools. A military-connected student is an elementary or secondary school student who is a dependent of a member of the Armed Forces; a dependent of a DoD civilian employee, or a dependent of a person who is not a member of the Armed Forces or a DoD civilian employee, but who is employed

on Federal property. Public Law 109-364, “The John Warner National Defense Authorization Act for FY 2007,” Section 574(d), authorized DoDEA to share experiences, expertise, and resources with public schools that educate military-connected students.

### ***DoDEA Grant Program***

The DoDEA’s Education Partnership and Resources Division (Partnership) executes the DoDEA grant program with assistance from the DoDEA Procurement Division. The DoDEA grant program supports research-based programs to increase student achievement and ease the challenges that military dependent children face due to their parents’ service. The DoDEA grant program develops and implements projects designed to:

- promote student achievement in the core curriculum areas,
- ease the challenges that military students face due to transitions and deployments,
- support the unique social and emotional needs of military students,
- promote distance learning opportunities,
- improve educator professional development,
- enhance and integrate technology, and
- resource multi-tiered systems of support learning environments so that transitioning military-connected students are afforded the opportunity to increase educational continuity and address core content gaps due to relocations.

### ***Contractor Assistance for DoDEA Grant Oversight***

DoDEA Partnership required assistance from contractors with the preaward through closeout phases of the grant process. Additionally, the contractors provided the grantees support in building the grantee’s capacity to serve the military student population throughout the grant and to sustain those activities after the grant has ended. Since 2008, DoDEA issued various contracts to assist with the DoDEA grant program. DoDEA refers to these contractors as the Evaluation Technical Assistance Center (ETAC). DoDEA contracted with Leed Management Consulting, Inc. (Previous Contractor) from September 30, 2014 to September 29, 2018 for the grant program. On September 24, 2018, DoDEA issued a task order to Safal Partners, Inc. (Current Contractor) for the:

- review of grant applications,
- data collection and management,

- technical assistance and evaluation support,
- design and delivery of professional learning opportunities for grantees,
- grant-related reporting, and
- DoDEA grant website development and maintenance.

The Current Contractor is a firm of former teachers, administrators, nonprofit leaders, and management consulting professionals that provide its clients with technology solutions, technical assistance, and strategic communications. The task order included an initial base year and four option years with a total award amount of \$2.5 million.

### ***DoDEA Grants Pre-Award Process***

DoDEA Partnership ensures funding is available for awarding grants and creates the Broad Agency Announcement (BAA) for each FY grant program. The BAA established the grant objectives and focus areas, length of grants, eligibility of the military-connected student enrollment, and the measurement of outcomes. The DoDEA Procurement Division posts the BAA online for the official notification of the award announcement.<sup>1</sup> Simultaneously, the DoDEA Procurement Division creates the grant terms and conditions for each FY. The FY grant terms and conditions outlines the performance management, monitoring, and reporting requirements for the DoDEA grants program. DoDEA updates the grant terms and conditions each FY. DoDEA did not make any major changes to the terms and conditions from FY 2016 through FY 2020.

Grant applicants prepare and submit applications online.<sup>2</sup> Grantee applications include no more than three overall specific goals and the strategies to accomplish the specific goals. The grantee establishes interim goals to achieve by the end of each implementation year, all leading to overall goal achievement by the end of the grant. For example, a grantee established an overall goal to increase the level of social and emotional support by 20 percent for military dependent students at two high schools by June 2021. The interim goals were to:

- establish baseline data for the school climate by June 2017,
- achieve a 5 percent increase by June 2018,
- achieve a 10 percent increase by June 2019, and
- achieve a 15 percent increase by June 2020.

<sup>1</sup> The BAAs are posted at <https://www.grants.gov>.

<sup>2</sup> Grantees submit applications at <https://www.grants.gov>.

The grantee established a peer mentorship program and offered military transition counselors for group or individual student support as strategies to implement the goal.

DoDEA Partnership retrieves the grantee applications and required federal forms from the online platform, and provides them to the ETAC for merit scoring and ranking in accordance with the BAA requirements. The Current Contractor developed scoring guidelines based on the evaluation criteria outlined in the BAAs to document its review of the grantee applications. The Current Contractor returns the scored and ranked list to DoDEA Partnership. DoDEA Partnership conducts a risk assessment review on each grantee, reviews funding availability, and considers the Current Contractor's merit scoring to make a final decision on which applicants to award a grant. According to a DoDEA Partnership official, a high merit score and ranking does not automatically mean a grantee will be awarded a grant because funding availability and past performance are also considered. DoDEA Partnership proposes a final award list for approval by the DoDEA Director. The DoDEA Procurement Division awards the grant to the grantee once approved by the DoDEA Director.

### ***DoDEA Grant Awards***

The DoDEA grant program provides resources to military-connected local educational agencies. During FYs 2016 to 2019, DoDEA required local educational agencies to have a 15 percent or greater military-connected student enrollment to be eligible for grants. In FY 2020, DoDEA lowered the requirement to 10 percent or greater for military-connected student enrollment. Since 2009, DoDEA awarded 475 grants, totaling more than \$522 million to military-connected local educational agencies. Additionally, DoDEA awarded the National Math Science Foundation more than \$40 million to assist in the foundation's efforts to improve graduation rates for military-connected students. DoDEA reported that the grant program has served almost 3.2 million students (31 percent military-connected) in more than 3,129 non-DoDEA schools across the United States.

Between FYs 2016 and 2020, the DoDEA Procurement Division awarded 186 grants, with a total award value of \$186.3 million. The grants are approximately 54 months long. See Table 1 for a breakdown of total number of grants awarded by FY.

*Table 1. Total Number of Grants Awarded by FY*

FY	Number of Grants	Award Value (in millions)	Expended Value (in millions)*
2016	56	\$66.5	\$45.2
2017	45	36.9	20.5
2018	35	36.1	14.1
2019	29	24.4	2.9
2020	21	22.4	0
<b>Total</b>	<b>186</b>	<b>\$186.3</b>	<b>\$82.7</b>

\* The expended values are as of September 1, 2020 for the FY 2016 through FY 2019 grants and as of October 6, 2020 for the FY 2020 grants.

Source: DoDEA.

### ***DoDEA Grants Post Award Administration***

Within 2 weeks of each award cycle, DoDEA Partnership, along with the Current Contractor, host a post-award webinar with the grantees to discuss annual event dates and requirements of the reporting cycle. Current Contractor officials stated that they meet with each individual grantee to review the grantees evaluation plan, alignment of strategies and metrics with the grant goals, and grant baseline. In addition to the individual grantee meetings, the Current Contractor leads an annual 3-day meeting to discuss grant evaluation, performance management, and reporting.

According to Current Contractor officials, the grant applications and baselines are included in the ETAC website. In October 2018, the Current Contractor developed and launched a new ETAC website to serve as the central information hub for grantees, interested stakeholders, and the public.<sup>3</sup> The Current Contractor implemented system enhancements since the launch of the ETAC website, including a feature that allowed grantees to upload their performance reports beginning in October 2019. The Current Contractor continues to enhance the ETAC website to offer technical assistance resources, opportunities for grantee interaction, dissemination of best practices, promotion of success stories, and grant compliance and monitoring tools. The Current Contractor ensures the grantees submit their performance and financial reports through the ETAC website and provides an overview of the report status and progress toward meeting goals through the ETAC website dashboards to DoDEA Partnership.

<sup>3</sup> The ETAC website is located at <https://dodeagrants.org>.

Additionally, DoDEA Partnership officials stated that they monitor the grants, which includes ongoing financial and programmatic monitoring; periodic site visits and telephone conferences; frequent tracking with an invoice tracking sheet; and ongoing technical assistance to grantees to ensure successful project implementation. DoDEA Partnership officials stated that they also conduct interim and annual reviews of performance evaluations and recommendations provided by the Current Contractor to ensure grantees are complying with the terms and conditions, and program requirements.

## **Review of Internal Controls**

DoD Instruction 5010.40 requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls.<sup>4</sup> We identified internal control weaknesses. DoDEA did not have an adequate process to hold grantees accountable for submitting late performance and financial reports. Additionally, DoDEA did not thoroughly review the annual performance reports to determine whether grantees met interim grant goals and take action to assist grantees that did not meet grant goals. We will provide a copy of the final report to the senior official responsible for internal controls in DoDEA.

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<sup>4</sup> DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013.

## Finding

### DoDEA Conducted Inadequate Oversight of Grantees

DoDEA did not verify that, on a projected 70 of 186 grants, grantees were meeting the grant terms and conditions. This occurred because DoDEA did not have an adequate process to hold grantees accountable for submitting late performance and financial reports. Additionally, of the 186 grants in our universe, we project that 139 completed at least one implementation year that would require it to achieve interim goals. DoDEA did not verify, on a projected 100 of 139 grants, whether grantees met the interim goals. This occurred because DoDEA did not thoroughly review the annual performance reports to determine whether grantees met interim grant goals and take action to assist grantees that did not meet interim grant goals. As a result, we project that DoDEA potentially wasted \$49.9 million from FY 2016 through FY 2020 provided to grantees that did not meet the grant terms and conditions, did not meet the interim goals and are not on track to meet all overall goals by the end of the grant, or both.

### DoDEA Grantees Not Meeting Grant Terms and Conditions

DoDEA did not verify that, on a projected 70 of 186 grants, grantees were meeting the grant terms and conditions. Grantees did not meet the terms and conditions of the grants because they did not submit all required reports on time. See Appendix B for the results of our sample review. Specifically we found instances when:

- the grantees submitted at least one required report after the due date established in the grant terms and conditions,
- DoDEA and the grantees could not provide to us for verification, required reports established in the grant terms and conditions, and/or,
- DoDEA and the grantees provided the required report but could not support if the grantee submitted the report on time.

The grant terms and conditions require all grantees to submit performance and financial reports throughout each school year. The grantees must submit three interim performance reports that identify the grant strategy activities that occurred each school semester. Specifically, the grantees must submit the fall performance report by January 31, the spring performance report by July 31, and the summer performance report by October 31. The grantees must also submit an annual performance report on October 31 that summarizes the grant activities

for the full school year. The terms and conditions do not specifically state what actions will occur if a grantee fails to submit the required reports on time. The terms and conditions include a general remedies section that states that failure to materially comply with a term or condition of the grant could result in the temporary withholding of cash payments pending the correction of the deficiency. A DoDEA official explained that they considered a late report a material weakness because grantees are made aware of all due dates upon receipt of grant award and are expected to ensure reports are submitted on or before the deadline.

The third-party evaluator must attach a written narrative to the annual performance reports. The third-party evaluator is a contractor who the grantee is required to hire for independent grant evaluations, observations, and assessments. The written narrative details the third-party evaluator’s observations of the grantee’s activities for the school year and includes an assessment of baseline data and results achieved. Finally, the grantees must submit one annual financial report on October 31. Additionally, the grant terms and conditions also require the grantees to keep all records pertinent to their award for 3 years from the date they submit their final financial report under the award. Therefore, the grantees should be able to provide all performance and financial reports along with support for when they submitted each report until 3 years after their grant closes.

*For a projected 70 of 186 grants, grantees submitted required reports after the due date established in the grant terms and conditions, could not provide some reports, and could not support submittal dates for some reports.*

However, for a projected 70 of 186 grants, grantees submitted required reports after the due date established in the grant terms and conditions, could not provide some reports, and could not support submittal

dates for some reports. The late reports were provided between 1 and 37 days late, with an average of 9 days late. For example, on one grant, the grantee submitted four reports past the due date and DoDEA and the grantee officials could not locate two required reports in their files. Specifically, the grantee in this example submitted:

- the 2016-2017 annual financial report 1 day late,
- the 2018-2019 spring interim performance report 1 day late,
- the 2018-2019 annual financial report 7 days late, and
- the 2020-2021 fall interim performance report 3 weeks late.

Additionally, DoDEA and the grantee could not provide the 2017-2018 and the 2018-2019 summer interim performance reports because the project director for the grant changed.

In another example, one grant had instances in which DoDEA and the grantee located the required report in their files, but could not support if they submitted the report within the timeframes established in the grant terms and conditions. The grantee did not date the annual performance reports for reporting years 2016-2017 and 2017-2018. DoDEA requested that the grantee confirm the submission dates but the grantee's current project director could not access the old files to confirm the submission dates.

## DoDEA Lacked an Adequate Process to Hold Grantees Accountable for Late Reports

DoDEA did not have an adequate process to hold grantees accountable for submitting late performance and financial reports. DoDEA officials stated that grantees were required to submit their reports to the Previous Contractor through e-mail. According to a DoDEA Partnership official, the Previous Contractor e-mailed the grantee confirming receipt of the required report. However, DoDEA did not always include copies of the required reports in its grant files. DoDEA had to contact the grantee to request the required report or confirmation e-mails when we requested missing reports or the submission dates for undated reports. For 9 of the 70 sample grants, DoDEA informed us that the grantee could not locate the reports or the confirmation e-mails due to a change in personnel.

*DoDEA did not have an adequate process to hold grantees accountable for submitting late performance and financial reports.*

In October 2018, the Current Contractor developed and maintained an online ETAC website for DoDEA to allow grantees to complete, submit, and store required interim and annual reports.<sup>5</sup> According to DoDEA officials, current grantees must submit all required reports in the ETAC website, which captures the date of submittal and stores all reports.

The Current Contractor e-mailed grantees 1 to 2 weeks prior to the start of a reporting cycle to remind grantees of the required report due dates. The Current Contractor was required to collect all performance reporting information submitted by the grantee including the interim and annual performance reports, the annual financial reports, and any supplemental documentation or data grantees provided to support the grant goals and annual report narrative. According to Current Contractor officials, the Current Contractor provided DoDEA with a list of grantees that did not submit required reports after the close of each reporting cycle to inform DoDEA that those grantees did not

<sup>5</sup> The ETAC website is located at <https://dodeagrants.org>.

comply with the grant terms and conditions. The performance work statement between DoDEA and the Current Contractor did not include a specific timeframe for submitting the list of grantees. Current Contractor officials originally stated they provided the list to DoDEA 2 weeks after the close of each reporting period. However, a DoDEA Partnership official stated that she requested the Current Contractor provide the list within 5 business days after the close of the reporting cycle. The Current Contractor officials later clarified that they provided DoDEA the list of late grantees within 5 business days of the close of a reporting cycle but no later than 2 weeks after a reporting period close.

According to a DoDEA Partnership official, DoDEA placed grantees that were late submitting a required report in a noncompliant status and withheld payments until the grantee submitted the late report and therefore returned to a compliant status. After receiving the list of late grantees from the Current Contractor, DoDEA e-mailed the project director of each grant to inform them that DoDEA did not receive the report as required by the terms and conditions, and therefore listed the grant as noncompliant. Additionally, the e-mail stated that noncompliance with grant terms and conditions was an evaluation criteria used to complete DoDEA's risk assessment for future DoDEA grant awards, and the reporting website would remain open for an additional week to allow the grantee to submit the late report.

The DoDEA e-mail did not mention any funding impacts to the grantee for submitting the reports late. According to a DoDEA Partnership official, a DoDEA employee entered a note within an invoicing spreadsheet maintained in the grant file on the DoDEA share drive that stated to hold invoicing when a grantee was late submitting a required report. When the grantee submitted the report, a DoDEA official deleted the note. As a result, DoDEA could not support that it withheld payments when grantees submitted a required report late. The Assistant Secretary of Defense for Manpower and Reserve Affairs should require DoDEA officials to establish a formal process to inform grantees that DoDEA will withhold grant funding when required reports are submitted late, and retain a history of grantees that submitted late reports and had funding withheld for use in evaluating the risk assessments for future DoDEA grant awards.

## DoDEA Grantees Not Meeting Interim Grant Goals

*DoDEA did not verify, on a projected 100 of 139 grants, whether grantees met the interim goals.*

whether grantees met the interim goals. The 100 grantees were not meeting at least one interim goal and are not on track to meet all of the overall goals by the end of the grant.

Of the 186 grants in our universe, we project that 139 completed at least one implementation year that would require it to achieve interim goals. DoDEA did not verify, on a projected 100 of 139 grants,

The grant terms and conditions did not discuss grant goals aside from stating that grantees will include information related to progress towards goals in the required performance reports. According to DoDEA officials, goal attainment does not affect the grantee's terms and conditions. The BAAs required the grantee to identify the grant goals in its grant application and stated that grant goals should be specific, measurable, attainable, relevant, and time-bound.

The first year of the grant is called the planning year. Grantees use the planning year to build communication systems so all stakeholders understood the purpose of the grant, identify key activities to prepare for strategy implementation, provide professional learning to support school staff in applying strategies, and collaborate with the third-party evaluator to plan for an evaluation approach with appropriate tools and measures. The second year through the end of the grant are implementation years, when the grantee implements and monitors strategies, and the third-party evaluator receives the data required to analyze project implementation and outcomes. For example, as of school year 2020-2021, a grant awarded in FY 2016 finished its planning year and three implementation years and is executing its final implementation year. See Table 2 for the completion status of grants for the 2020-2021 school year based on the award year.

*Table 2. Completion Status of Grants From FY 2016 Through FY 2020*

Award Year	Planning Year	Implementation Year			
		1	2	3	4
2016	X	X	X	X	2020-2021
2017	X	X	X	2020-2021	
2018	X	X	2020-2021		
2019	X	2020-2021			
2020	2020-2021				

Source: The DoD OIG.

The grantees on a projected 100 of 139 grants did not meet all interim goals during the implementation years. For example, in FY 2016, DoDEA awarded a grant to increase the Partnership for Assessment of Readiness for College and Careers English Assessment scores by 8 to 9 percent across five schools by June 2021. The grantee established interim goals to increase the scores by 3 to 4 percent by June 2018, and 6 to 7 percent by June 2020. However, the annual performance reports for the first two implementation years identified that the scores decreased an average of 8.2 percent the first year and 6.6 percent the second year. The annual performance report stated that the coronavirus disease-2019 (COVID-19) pandemic prevented any assessments for the

third implementation year. The grantee probably would not meet the overall grant goals by the end of June 2021 because the consistent decrease in assessment scores during the first and second implementation years of the grant and the lack of assessments in the third implementation year of the grant. The grantee would have to increase by almost 15.6 percent from the last reported scores to achieve the overall 9 percent increase.

## DoDEA Did Not Review Annual Performance Reports

*DoDEA did not thoroughly review the annual performance reports to determine whether grantees met interim grant goals and take action to assist grantees that did not meet interim grant goals.*

DoDEA did not thoroughly review the annual performance reports to determine whether grantees met interim grant goals and take action to assist grantees that did not meet interim grant goals. The grantees submitted performance reports online using a template form.

The online template form included a drop down field related to goal status. The choices available to select were “establishing baseline,” “on target,” “not on target,” “completed,” and “completed-exceeded goal.” In addition to the template form, the third-party evaluator was responsible for attaching a written narrative to the annual performance report for the implementation years. For 31 of the 70 sample grants, the third-party evaluator selected the “on-target” drop down field on the online form for the annual performance reports indicating that the goals were progressing as expected toward the intended outcomes, but did not support that in the written narrative and other attached documentation. For example, one FY 2016 grant included three overall goals within a school district: increase math test scores by 8 percent, increase English test scores by 8 percent, and decrease behavioral issue referrals by 8 percent. To meet that, the interim goals for the school year 2019-2020 were: increase math scores by 6 percent, increase English test scores by 6 percent, and decrease behavioral issue referrals by 6 percent. The annual performance report online form for school year 2019-2020 identified that all goals were on-target. However, the annual performance report written narratives identify that by the end of school year 2019-2020, the school district experienced a 12.2 percent decrease in math test scores, a 2.1 percent decrease in English test scores, and a 40 percent increase in behavioral issue referrals.

DoDEA and the Current Contractor reviewed the data dashboard, populated with data from the online form, to identify the grantees’ progress toward meeting goals during the 2019-2020 school year. If the grantees selected on-target, DoDEA identified the grantee as meeting the grant terms and conditions, even in instances in which the written narratives and other attached documentation indicated that

the grantees were not meeting interim goals. According to a DoDEA Partnership official, with recent grants, DoDEA and the Current Contractor advised against setting goals with annual incremental increases, instead encouraging grantees to select a broader goal that spanned the full 5 years of the grant. DoDEA used the terminology of “on-target” and “not on-target” to identify a successful trajectory toward overall goal success and not a year-by-year judgement.

However, a year-over-year comparison of interim results to the baseline is imperative to ensure that grantees actually are on-target to meet the overall goal of the grant. According to Current Contractor officials, the grantee established baseline data during the grant application process. Baseline data was the initial measurement used to gauge progress toward an overall goal. Additionally, the Current Contractor training provided to the grantees explained that goals without an evaluation were meaningless. Ongoing evaluations provide timely feedback and allows for mid-course adjustments, and the annual summative evaluations determine if the grantee made progress toward achieving outcome measures. Without comparing interim results to the baseline throughout the implementation years of the grant, the grantee would not know if the strategies that it implemented were effectively achieving the desired results.

Current Contractor officials stated that it supported the grantees in establishing baselines during the planning year through one-on-one consultations and evaluation plan feedback. DoDEA and Current Contractor officials explained that there are instances in which a grantee did not establish a baseline during the planning year or had to re-establish a baseline during the implementation years of the grant. For example, the grantee had to establish a new baseline because the state changed the standardized reading assessment test. Current Contractor officials stated that it was the third-party evaluator’s responsibility to track progress against the baseline during the implementation years and report on the progress in the annual performance reports.

The performance work statement contained in the contract between DoDEA and the Current Contractor did not explicitly include a requirement for the Current Contractor to review if the grantees were meeting interim goals during the implementation years. As a result, Current Contractor officials stated that they did not read all annual performance written narratives provided by the third-party evaluators. A performance work statement for the contractor described the expected performance objectives and standards. The performance work statement stated that the Current Contractor would evaluate the annual reports and accurately synthesize data at the program level for grantees to answer what

strategy-based activities they completed for each grant goal, what challenges they encountered and how they addressed those challenges, and their planned next steps for each grant goal.

Current Contractor officials stated that it was not the company’s responsibility to track if each grantee was meeting the interim goals during the implementation years. According to Current Contractor officials, the grantee program directors and the third-party evaluators reported on the status of the project goals through the semester and annual reporting. Current Contractor officials stated that they only reviewed the data included in the performance report forms to ensure that it populated correctly in the annual online dashboard. According to a DoDEA Partnership official, DoDEA intended for the Current Contractor to read the annual performance reports and written narratives. A DoDEA Partnership official stated on April 23, 2021, that DoDEA discussed its expectations with the Current Contractor.

*DoDEA or the Current Contractor did not thoroughly review the annual performance reports for the 186 active DoDEA grants to identify if grantees were meeting interim grant goals and take subsequent action to assist those grantees that were not meeting grant goals.*

However, DoDEA or the Current Contractor did not thoroughly review the annual performance reports for the 186 active DoDEA grants to identify if grantees were meeting interim grant goals and take subsequent action to assist those grantees that were not meeting grant goals. The Assistant Secretary of Defense for Manpower and Reserve Affairs should require DoDEA officials to review the 186 active DoDEA grants, determine if

the grantee is meeting interim goals and is on-track to meet the overall goal by the end of each grant, and coordinate to develop a plan with those grantees that were not meeting the interim goals.

## DoDEA Officials Updated the ETAC Contract

In response to questions discussed with DoDEA and the Current Contractor during the audit, DoDEA revised the performance work statement on April 28, 2021 to include new deliverables and detailed guidance on contractor responsibilities regarding reporting and filing at a cost increase of \$120,633. Specifically, DoDEA updated the performance work statement with the following requirements.

- The Current Contractor must electronically file all grantee performance and financial reporting in the respective official grant file folder on the DoDEA website. These actions should assist DoDEA officials with supporting grantee reports and submission dates.

- The Current Contractor must submit semester reports to DoDEA on April 30 and October 31 for each reporting cycle. The semester reports required the Current Contractor provide information on grantees that did not submit reports on time as established in the terms and conditions. The terms and conditions required grantees to submit reports on January 31, July 31, and October 31 of each year. However, the updated performance work statement did not require the Current Contractor to provide a timely list of grantees that did not submit required reports after the close of each reporting cycle established in the terms and conditions. DoDEA officials needed a list of grantees that did not submit required reports within an adequate timeframe of each reporting due date to be able to take immediate actions with the grantee. Therefore, the Assistant Secretary of Defense for Manpower and Reserve Affairs should require DoDEA officials to clarify the performance work statement to include the requirement and due date for the Current Contractor to provide a list of grantees that did not submit required reports after the close of each reporting cycle.
- The Current Contractor must submit annual reports to DoDEA that provide a written narrative evaluating the grantees' annual reports and accurately reporting program-level for grantees. The performance work statements stated that the written narrative, at a minimum, must answer four questions including:
  - which grantees are not on-target to achieve their goals, why are they not on-target, and what steps did the grantees identify to get back on-target; and
  - what challenges had grantees encountered and how had they or will they address these challenges?
- The Current Contractor is required to provide specific grantee information, including which grantees self-reported a goal status of not on-target in the semester report.

However, we identified that in most instances, the grantee identified the interim goal as on-target but the written narrative and other documentation attached did not support that grantees were meeting interim goals. Therefore, only reviewing the reports in which the grantee self-reported as not on-target is not sufficient. The Assistant Secretary of Defense for Manpower and Reserve Affairs should require DoDEA officials to clarify the performance work statement further to verify that the Current Contractor provides a written narrative that evaluates all grantees' annual reports and accurately reports data for all grants at the program level. Additionally, the Assistant Secretary of Defense for Manpower and Reserve Affairs should require DoDEA officials to develop a process to verify that grantees meet future interim goals in each implementation year. If grantees are not meeting interim goals, DoDEA officials should require the grantee to submit

a corrective action plan detailing what it will do to meet the interim goals in the future. If grantees continue to miss interim goals, DoDEA officials should withhold funding to the grantee until the grantee proves it is meeting the interim goals.

## DoDEA Potentially Wasted Federal Funds for Grants

*We project that DoDEA potentially wasted \$49.9 million from FY 2016 through FY 2020 provided to grantees that did not meet the grant terms and conditions, did not meet the interim goals and are not on track to meet all overall goals by the end of the grant, or both.*

As a result, we project that DoDEA potentially wasted \$49.9 million from FY 2016 through FY 2020 provided to grantees that did not meet the grant terms and conditions, did not meet the interim goals and are not on track to meet all overall goals by the end of the grant, or both. Government audit standards define waste as the act of

using or expending resources carelessly and relates it primarily to mismanagement, inappropriate actions, and inadequate oversight.<sup>6</sup> DoDEA potentially wasted money because it continued to pay grantees that were not meeting the grant terms and conditions, did not meet the interim goals and are not on track to meet all overall goals by the end of the grant, or both.

A DoDEA Partnership official stated that the grant goals were how the grantee received its merit scores to obtain the grant award. According to DoDEA Partnership officials, lack of goal attainment did not affect a grantee meeting the terms and conditions, but did affect a grantee's risk level of poor performance regarding future awards. However, DoDEA Partnership officials also explained that a grantee failing to meet a goal does not imply that the grantee should not be awarded future grants. According to DoDEA Partnership officials, DoDEA learned as much from grantees' achievements as they did from what the grantees did not achieve. However, the grantee received the grant based on achieving the grant goals and DoDEA should weigh heavily the inability of grantees to meet goals when considering them for future grants.

A DoDEA Partnership official explained that DoDEA awarded multiple grants to many of the school districts because of the eligibility requirement for military-connected student enrollment. We identified that our sample of 70 grants included 58 unique grantees. Of those 58 unique grantees, 39 of them received multiple DoDEA grants from FY 2016 through FY 2020. Of the 58 unique grantees receiving DoDEA grants from FY 2016 through FY 2020:

- 19 grantees received 1 grant,
- 27 grantees received 2 grants,

<sup>6</sup> Government Accountability Office, "Government Auditing Standards," July 2018.

- 10 grantees received 3 grants, and
- 2 grantees received 4 grants.

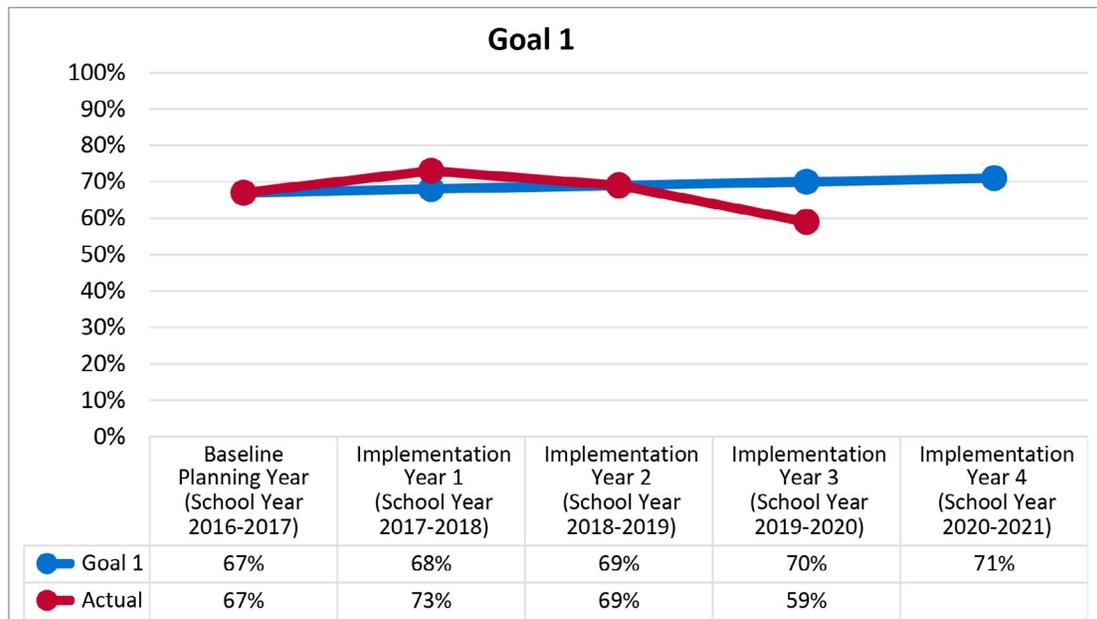
DoDEA awarded multiple grants to 27 grantees in our sample that did not meet at least one interim goal in another grant and probably would not meet all of the overall goals by the end of the grant. For example, DoDEA awarded one grantee a grant in FYs 2016, 2017, and 2018, totaling \$3.5 million, but the grantee did not meet interim goals for the previous grants. We reviewed the FY 2016 and FY 2018 grants and identified that the FY 2016 grant included two goals.

The grantee’s first established goal was to increase military-connected student scores in elementary schools on math assessments from a baseline of 67 percent to 71 percent by achieving the following interim goals:

- 68 percent by the end of the first implementation year;
- 69 percent by the end of the second implementation year; and
- 70 percent by the end of the third implementation year.

The grantee reported an actual interim score of 73 percent by the end of the first implementation year but reported a decrease in the actual interim score to 69 percent by the end of the second implementation year. By the end of the third implementation year, the grantee again reported a decrease in the actual interim score to 59 percent, which was below the interim goal of 70 percent and below the original baseline from the planning year. The grant is in its fourth and final year and the grantee is not on track to achieve the 12 percent increase in a single year required to meet the overall goal of 71 percent. See Figure 1 for an illustration of goal 1 compared to the actuals observed.

Figure 1. Goal 1 Math Scores by Year Compared With Actual Observed Math Scores



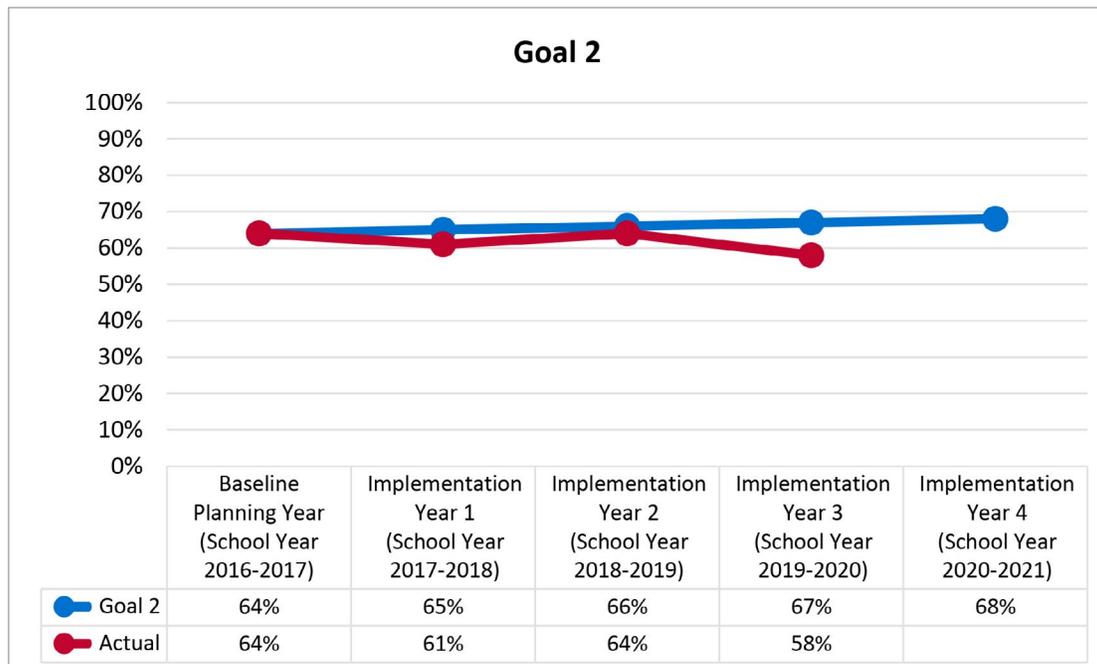
Source: The DoD OIG.

The grantee’s second established goal was to increase military-connected student scores in middle schools on the STAR 360 math assessment from a baseline of 64 percent to 68 percent by achieving the following interim goals:

- 65 percent by the end of the first implementation year;
- 66 percent by the end of the second implementation year; and
- 67 percent by the end of the third implementation year.

The grantee reported an actual interim score of 61 percent by the end of the first implementation year and an actual interim score of 64 percent by the end of the second implementation year. By the end of the third implementation year, the grantee reported a decrease in the actual interim score to 58 percent, which was below the interim goal of 67 percent and below the original baseline from the planning year. The grant is in its fourth and final year and the grantee is not on track to achieve the 10 percent increase in a single year required to meet the overall goal of 68 percent. See Figure 2 for an illustration of goal 2 compared to the actuals observed.

Figure 2. Goal 2 Math Assessment Scores by Year Compared With Actual Observed Scores



Source: The DoD OIG.

The grantee was not achieving its interim goals for the FY 2016 grant and probably would not meet all of the overall goals by the end of the grant, but DoDEA awarded another grant to the grantee in FY 2018. For the FY 2018 grant, the grantee established one goal to increase the percentage of military-connected

5th grade students scoring proficient or above on the District Science, Technology, Engineering, and Math performance assessment. The grantee established that the goal would increase from the baseline by 2 percentage points each implementation year. However, the grantee did not meet the interim goals for the planning year and the first implementation year because the grantee only established the baseline during the first implementation year. The grantee did not achieve its interim goals and is not on track to meet all of the overall goals by the end of the grant.

DoDEA did not identify instances in which grantees were consistently missing interim goals for use when awarding new grants. If a grantee was not meeting interim goals, it will most likely not meet the overall goal by the end of the grant. Goal achievement is important when assessing future risk. The Assistant Secretary of Defense for Manpower and Reserve Affairs should require DoDEA officials to establish a process that tracks when grantees are not meeting interim goals or overall grant goals for use in evaluating the risk assessments for future DoDEA grant awards.

## **Management Comments on the Finding and Our Response**

### ***Management Comments on the Interim Goal Analysis***

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs stated that the auditors classified grants as failures if one interim goal was unmet at the time of reporting. He stated the more accurate representation for grant success would be to look at the sum of the multiple goals and measures at the time of reporting. According to the Management Official, DoDEA did not intend for interim goals to be used as a program evaluation measure and uses them to monitor progress and assess pacing. He stated that using interim goals to punish grantees would be counterproductive because it would reduce the honest dialogue between the grantee and DoDEA.

The Management Official stated that all grants in the audit sample were impacted by the COVID-19 pandemic during the 2019-2020 school year. He explained this impaired the ability of all public schools to meet their educational goals and caused assessments to be cancelled in 2020, impacting the collection of monitoring data that grantees relied on for metrics in reporting. The Management Official stated that the report did not provide meaningful context for falling short of interim goals. He stated that the third-party independent evaluators required for each grant frequently reported meaningful progress toward interim goals. The Management Official stated that the auditors were provided grantee generated documentation that substantiated evidence of a return on investment related to

the evaluator's efforts. The Management Official identified six examples of positive returns-on-investment realized by grantees during the COVID-19 school year. Additionally, the Management Official stated that Figures 1 and 2 do not tell the full story of the grant. He stated several key points that the figures did not reveal, including that the grantee experienced an implementation dip in years 1 and 2, COVID-19 affected assessment timing and format, the goal 1 drop is mainly from the third-grade students, and 77 percent of the parents reported their child feels successful in math.

### ***Our Response to Management Comments on the Interim Goal Analysis***

A DoDEA Partnership official stated that the grant goals were how the grantee received its merit scores to obtain the grant award. Therefore, it is important that the grantees meet interim goals throughout the grant to ultimately achieve the overall goals by the end of the grant. We did not base our overall determination on missing one interim goal. We reviewed the interim goal attainment throughout all the years of the grant that had been completed, and determined if the interim goals were on a positive or negative trajectory to meet the overall grant goals. We reviewed the annual performance report written narratives prepared by the third-party evaluators and determined that the progress reported was not enough to meet the interim goals. During this audit, we identified that not all grants were impacted by COVID-19 during the 2019-2020 school year. However, we did consider limitations associated with COVID-19 impacts. The six examples of positive returns identified by the Management Official only focused on the achievements made during the 2019-2020 school year. Five of the six grants were awarded in FY 2016 and therefore had completed their planning year and two implementation years prior to the 2019-2020 school year. The remaining example was awarded in FY 2017 and therefore had completed its planning year and one implementation year prior to the 2019-2020 school year. We reviewed the grantees' achievements during all implementation years and identified some positive strategies such as increasing the number of laptops in schools to provide students on-line learning resources, sending teachers to summer training programs, and providing summer tutoring to students. However, the grantees are not on track to meet all overall goals by the end of the grant because the negative trajectory of the interim goals. Additionally, although the Management Official stated several key points related to the grantee depicted in Figures 1 and 2, the fact remains that the grantee was not meeting the interim goals.

### ***Management Comments on the Classification of Waste***

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs stated that the audit lacks evidence of waste because challenges in meeting interim goals or submitting a late report does not equate to waste. The Management Official stated that the standard the auditors used for determining a grant wasted Government funds was if one report was submitted one day late. He explained that a school system's changing ecosystem results in factors beyond DoDEA's and the District's control to include a change in project directors, illness, change in District leadership, weather emergencies, or a pandemic.

### ***Our Response to Management Comments on the Classification of Waste***

Government audit standards define waste as the act of using or expending resources carelessly and relates it primarily to mismanagement, inappropriate actions, and inadequate oversight. DoDEA conducted inadequate oversight of grantees. Specifically, DoDEA did not verify that, on a projected 70 of 186 grants, grantees were meeting the terms and conditions and, on a projected 100 of 139 grants, whether grantees met interim goals. As a result, DoDEA potentially wasted money because it continued to pay grantees that were not meeting the grant terms and conditions, did not meet the interim goals and are not on track to meet all overall goals by the end of the grant, or both. Table 3 in Appendix B identifies that most grants reviewed had multiple issues with submitting reports and interim goals. Therefore, stating that we determined a grantee wasted Government funds based on one instance of a report being submitted one day late is not accurate. Additionally, we gave DoDEA the opportunity to review the list of late reports and considered all information provided to us. For example, we identified a grantee submitted one report 60 days late but DoDEA provided support that they approved an extension to submit the report due to wildfires causing school evacuations; therefore, we did not count the report as late.

### ***Management Comments on the Sample and Projections***

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs stated that the auditors did not choose a stratified random sampling with proportional representation. He stated that the auditors oversampled Stratum 1 by reviewing 100 percent of the grants with expenditures over \$1 million. According to the Management Official, the grants in Stratum 1 were older, had more expenditures, more interim targets, and more

required reports so they had more opportunities to miss a reporting deadline or an interim target. The Management Official stated that while 9 percent of grantees are in Stratum 1, 24 percent of the audit sample is in this stratum.

The Management Official stated that the auditors extrapolated findings from the nonrepresentative sample to the entire population of grants funded by the program. He stated that the sample was different from the total universe of grantees in terms of funds expended, years completed, size, and complexity.

### ***Our Response to Management Comments on the Sample and Projections***

The sample is representative of the population because we took a population, partitioned it into subpopulations and used Cochran's methodology for estimating sample size with continuous data (Cochran, Wm. G., *Sampling Techniques*, 3rd Ed. 1977) to calculate the stratum sample sizes. Using the sample sizes calculated by this formula, we randomly selected sample items from each subpopulation. It is common with this methodology for higher dollar value stratum to be optimally represented in the sample, as seen in the sample design. The sample size does not need to be proportionally allocated to the stratum size with this methodology. However, it does provide an optimal allocation wherein larger accounts (i.e. older grants) with more years of data are substantively represented in the sample. The projection results would not have changed significantly if we had used a proportionally allocated sample design.

### ***Management Comments on the Increase in Scope***

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs stated that the auditors expanded the original scope of the audit from only looking at the terms and conditions to also reviewing the grantee's interim goal attainment.

### ***Our Response to Management Comments on the Increase in Scope***

The U.S. Senate Committee on Finance requested that we conduct this audit. The U.S. Senate Committee on Finance received allegations that DoDEA conducted little to no monitoring of its grants and did not maintain adequate grant records to allow proper oversight. After announcing the audit, we determined the terms and conditions were standard across all grants, only provided due dates for the grantee to submit required reports, and contained no goal specific terms or conditions. The announcement memorandum provided to DoDEA at the start of the audit stated that we may revise the objective as the audit proceeds. Additionally, the

Government Accountability Office Government Auditing Standards explains that auditors may need to refine or adjust the audit objectives, scope, and methodology as work is performed. To address the allegations received by the U.S. Senate Committee on Finance, we expanded the scope to review interim goal achievement because we needed to verify that DoDEA was performing adequate oversight on the performance of grants.

### ***Management Comments on Awarding Future Grants***

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs stated that for DoDEA to avoid being accused of awarding grants to grantees that do not meet performance goals on prior grants, the draft report recommends instituting a policy barring grantees from submitting new proposals for three years.

### ***Our Response to Management Comments on Awarding Future Grants***

The draft report does not recommend instituting a policy barring grantees from submitting new proposals for three years. The draft report states that DoDEA did not identify instances in which grantees were consistently missing interim goals for use when awarding new grants. We recommended that the Assistant Secretary of Defense for Manpower and Reserve Affairs require DoDEA officials to establish a process that tracks when grantees are not meeting interim goals or overall grant goals for use in evaluating the risk assessments for future DoDEA grant awards.

## **Recommendations, Management Comments, and Our Response**

### ***Recommendation 1***

**We recommend that the Assistant Secretary of Defense for Manpower and Reserve Affairs, Office of the Under Secretary of Defense (Personnel and Readiness) require DoDEA officials to:**

- a. establish a formal process to inform grantees that DoDEA will withhold funding when required reports are submitted late, and retain a history of grantees that submitted late reports and had funding withheld for use in evaluating the risk assessments for future DoDEA grant awards.**

### ***Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs Comments***

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs agreed with the recommendation, but stated that recommending DoDEA withhold funding as the only course of action for late reports, without consideration of real-life events or school district operations, increases the risk to the government that the grant will be unsuccessful because grants are dynamic. The Management Official stated that DoDEA follows the Code of Federal Regulations, which enables it to exercise judgment in remedies for noncompliance if the grantee school district fails to comply with any term or condition of the grant award. He explained that one remedy may include withholding funding; however, other remedies available include implementing corrective action plans, executing site visits, requiring prior approvals, and providing technical assistance. The Management Official suggested that DoDEA first use direct engagement and case-by-case strategies to increase compliance, then move to more punitive measures such as withholding funding or cost disallowances, until corrections are made and approved. DoDEA stated that those processes are already in practice and that it currently records incidents by grantee, to be included as past performance data as a risk factor for future DoDEA grant awards.

### ***Our Response***

Comments from the Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs addressed the recommendation. Therefore, the recommendation is resolved but will remain open. We identified that after receiving the list of late grantees from the Current Contractor, DoDEA e-mailed the project director of each grant to inform them that DoDEA did not receive the report as required by the terms and conditions, and therefore listed the grant as noncompliant. However, the DoDEA e-mail did not mention any funding impacts to the grantee for submitting the reports late. According to a DoDEA Partnership official, a DoDEA employee entered a note within an invoicing spreadsheet maintained in the grant file on the DoDEA shared drive that stated it held invoicing when a grantee was late submitting a required report. When the grantee submitted the report, a DoDEA official deleted the note. As a result, DoDEA could not support that it withheld payments when grantees submitted a required report late. The Management Official stated that DoDEA's current approach records incidents by grantee and is included as a risk factor for future DoDEA grant awards. We will close the recommendation when the

Management Official provides support that DoDEA's process informs grantees that submitting late reports could result in withholding funding and retains a history of grantees that had funding withheld.

- b. review the 186 active DoDEA grants, determine if the grantee is meeting interim goals and is on-track to meet the overall goal by the end of each grant, and coordinate to develop a plan with those grantees that are not meeting the interim goals.**

### ***Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs Comments***

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs agreed with the recommendation, stating that DoDEA has reviewed all active grants for terms and conditions compliance and grantees not meeting their interim goals will receive technical assistance and be offered a monitoring plan solution.

### ***Our Response***

Comments from the Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs addressed the recommendation. Therefore, the recommendation is resolved but will remain open. The Management Official stated that DoDEA reviewed all active grants. We will close the recommendation when the Management Official provides the results of the DoDEA review and supports that DoDEA provided technical assistance and monitoring plans to grantees not meeting their interim goals.

- c. clarify the performance work statement to include the requirement and due date for the Current Contractor to provide a list of grantees that did not submit required reports after the close of each reporting cycle.**

### ***Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs Comments***

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs agreed with the recommendation and stated the Current Contractor provides DoDEA with a listing of all grantees that do not submit required reports on time, in accordance with the performance work statement, dated April 26, 2021. He stated that DoDEA will modify the current contract to add the contractor due date for submitting the list of late grantees to DoDEA.

### ***Our Response***

Comments from the Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs addressed the recommendation. Therefore, the recommendation is resolved but will remain open. The Management Official stated that DoDEA will modify the current contract. We will close the recommendation when the Management Official supports that the performance work statement was modified to add the contractor due date for submitting the list of late grantees to DoDEA.

- d. clarify the performance work statement further to verify that the Current Contractor provides a written narrative that evaluates all grantees' annual reports and accurately reports data for all grants at the program level.**

### ***Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs Comments***

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs agreed with the recommendation and stated that the performance work statement, dated April 26, 2021, already includes the requirement for the contractor to provide a written narrative that evaluates the grantees' annual reports. He stated that DoDEA will revisit the current contract for further clarification related to this recommendation.

### ***Our Response***

Comments from the Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs addressed the recommendation. Therefore, the recommendation is resolved but will remain open. The performance work statement, dated April 26, 2021, includes the requirement for the contractor to provide a written narrative that evaluates the grantees' annual reports and states that the narrative may include copies of the annual dashboard. We identified that the Current Contractor used the annual dashboard, populated with data from the online form, to identify the grantees' progress toward meeting goals. However, we identified that in most instances, the grantee identified the interim goal as on-target, but the written narrative and other documentation attached did not support that grantees were meeting interim goals. Therefore, only reviewing the reports in which the grantee self-reported as not on-target is not sufficient. The Management Official stated that DoDEA will revisit the current contract for further clarification related to verifying that the Current Contractor provides a written narrative that evaluates all grantees' annual reports

and accurately reports data for all grants at the program level. We will close the recommendation when the Management Official provides support that DoDEA further clarified the performance work statement.

- e. **develop a process to verify that grantees meet future interim goals in each implementation year. If grantees are not meeting interim goals, DoDEA officials should require the grantee to submit a corrective action plan detailing what it will do to meet the interim goals in the future. If grantees continue to miss interim goals, DoDEA officials should withhold funding to the grantee until the grantee proves it is meeting the interim goals.**

### ***Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs Comments***

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs agreed with the recommendation, stating that DoDEA will develop monitoring plans for all awarded grantees beginning FY 2021. According to the Management Official, the monitoring plan will include technical assistance specific to reporting requirements and surveillance of interim goals. During monitoring plan reviews, the grantee will have the opportunity to submit a corrective action plan for any interim goals that are not on target. The Management Official also stated that the performance work statement, dated April 26, 2021, includes the requirement for the Current Contractor to coordinate with grantees on the importance of the technical assistance offered and the process needed to achieve their project goals. He explained that DoDEA will ensure that the Current Contractor meets the requirements of the performance work statement through weekly meetings with the Grant Program Manager during which grantee compliance and reporting is discussed.

### ***Our Response***

Comments from the Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs addressed the recommendation. Therefore, the recommendation is resolved but will remain open. The Management Official stated that DoDEA will develop monitoring plans for all awarded grantees beginning FY 2021 and the grantee will have the opportunity to submit a corrective action plan for any interim goals that are not on target. We will close the recommendation once the Management Official provides support

that DoDEA developed monitoring plans that included technical assistance specific to reporting requirements and surveillance of interim goals beginning with FY 2021 grants.

- f. establish a process that tracks when grantees are not meeting interim goals or overall grant goals for use in evaluating the risk assessments for future DoDEA grant awards.**

### ***Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs Comments***

The Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs agreed with the recommendation, but stated that DoDEA already identifies grantees who are noncompliant. He explained that DoDEA emails the grantees and continues to monitor those who are currently noncompliant with reporting or not on target with progress benchmarks, using a tracking spreadsheet. The tracking spreadsheet is taken into consideration for future risk assessments. The Management Official also stated this process is included in the performance work statement, dated April 26, 2021, which includes the requirement for the contractor to ensure the website has a semester and annual dashboard that can be used to track grantee goal status reporting.

### ***Our Response***

Comments from the Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs addressed the recommendation. Therefore, the recommendation is resolved but will remain open. The Management Official stated that DoDEA uses a tracking spreadsheet and the annual dashboards to monitor grantees who are currently not on target with interim goals and considers this in future risk assessments. We will close the recommendation when the Management Official provides support that DoDEA considered past interim or overall grant goal attainment when evaluating risk for future DoDEA grant awards.

## Appendix A

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### Scope and Methodology

We conducted this performance audit from February 2021 through August 2021 in accordance with generally accepted government auditing standards. 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our announced objective included a review of the grant terms and conditions. We identified the terms and conditions included limited requirements related to grant performance. Therefore, we also reviewed the interim goal achievement during our audit. To determine whether DoDEA was verifying that grantees were meeting the grant terms and conditions and interim goals, we interviewed officials from the following components to identify the roles and responsibilities and obtained grant documentation including the FYs 2016 to 2020 grant terms and conditions for the DoDEA grants program:

- Assistant Secretary of Defense for Manpower and Reserve Affairs, Office of the Under Secretary of Defense for Personnel and Readiness;
- DoDEA Education Partnership and Resources Division;
- DoDEA Procurement Division; and
- The Current Contractor.

The Current Contractor reviewed and commented on relevant portions of the draft report and any comments provided were considered in preparing the final report.

### Universe and Sample of DoDEA Grants

From FY 2016 through FY 2020, DoDEA Procurement Division awarded 186 grants, with a total award value of \$186.3 million. Of the \$186.3 million, DoDEA expended \$82.7 million, for the execution of grants. We reviewed a statistical sample of 70 grants, with a total award value of \$82.2 million. Of the \$82.2 million, DoDEA expended \$44.5 million. See Appendix C for the statistical sample plan.

### DoDEA Grant Documentation Analysis

For each grant selected, we obtained specific grant documentation, including Broad Agency Announcement (BAAs), terms and conditions, project narratives, grant awards, interim and annual performance reports, annual financial reports, and supporting documentation to the annual performance reports. In total, we

observed and reviewed 908 grantee reports including 520 interim performance reports, 194 annual performance reports and associated written narratives and supporting documentation, and 194 annual financial reports. Due to the COVID-19 pandemic, DoDEA cancelled the July 31 and October 31 interim performance reports for the 2019-2020 school year. Additionally, we had limited data to evaluate progress towards goals during school year 2019-2020 because the COVID-19 pandemic forced cancellation of most school testing and activities. When assessing interim goals during school year 2019-2020, we considered limitations associated with COVID-19 impacts.

We also reviewed two ETAC contracts that provided the review of grant applications, management of grantee data, evaluation support and learning for grantees, DoDEA website management and maintenance, and grant-related reporting. Specifically, after obtaining access to the ETAC website, we reviewed the ETAC annual dashboards that included data from FY 2015 to identify unique grantees that had multiple awards since FY 2015. We also reviewed interim and annual performance and financial reports that were not contained in the DoDEA grant files. We compared the submission dates of the interim and annual performance and financial reports to the terms and condition and BAA requirements to determine whether the reports were timely. We reviewed the project narratives to identify the specific goals of the grants. We then compared the overall and interim grant goals to the annual performance reports and supporting written narratives prepared by the third-party evaluator to determine whether grantees were meeting the grant goals.

We also reviewed the following Federal and DoD guidance related to grants.

- Chapter 63, title 31, United States Code
- Title 2 Code of Federal Regulations (CFR) part 200
- Title 2 CFR part 1104
- Title 32 CFR Part 21
- Title 32 CFR Part 22
- DoD Regulation 7000.14-R, DoD Financial Management Regulation,” volume 12, chapter 5

## **Internal Control Assessment and Compliance**

We assessed internal controls and compliance with laws and regulations necessary to satisfy the audit objective. In particular, we assessed the risk assessment, control activities, and monitoring-related internal control components and underlying principles significant to determining whether DoDEA is verifying that grantees are meeting grant terms and conditions and interim goals.

However, because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that might have existed at the time of this audit.

## Use of Computer-Processed Data

We used computer-processed data from the ETAC, including annual performance reports and dashboard screen shots identifying if the grant was on-target or not on-target. The ETAC is a DoDEA system developed by the Current Contractor on the DoDEAGrants.org website to serve as the central information hub for DoDEA grantees. It includes an online reporting section where grantees complete, submit, and store performance reports. To validate information contained within the ETAC, we selected a statistical sample of 70 DoDEA grants and obtained grant file documentation from DoDEA to support the details of the grants. We also reviewed the written narratives and attachments related to each annual performance report to verify the status of the grants. We determined that the data were sufficiently reliable for the purposes of this report.

## Use of Technical Assistance

The DoD OIG Quantitative Methods Division assisted with the project sample selection and statistical projection of results. See Appendix C for the statistical sample plan.

## Prior Coverage

During the last 5 years, the DoDEA Internal Review issued one report discussing the DoDEA's grant program. The DoDEA Internal Review reports are not available over the Internet.

### ***DoDEA Internal Review***

Internal Review Report No. 2017-02, "DoDEA Grant Program," February 21, 2018

The DoDEA Internal Review determined whether DoDEA properly administered its grants in accordance with applicable federal laws, regulations, and guidance and whether DoDEA had a sufficient and effective grant monitoring system. The DoDEA Internal Review determined that DoDEA administered its grants program properly during FY 2017 in accordance with applicable Office of Management and Budget guidance and DoD regulations and policy. However, the DoDEA Internal Review noted that there was a lack of proper grant documentation in its grant files based on an Atlantic Management Center Inc. review of DoDEA's grants program. The DoDEA Internal Review recommended

the DoDEA Education Partnership and Procurement Divisions follow up with the Atlantic Management Center Inc. recommendations and document its results including specific corrective action planned and executed.

The DoDEA Internal Review stated that the primary issue was the process to identify Single Audit Act findings specific to DoDEA grants. DoDEA was not querying the Federal Audit Clearinghouse to identify audit findings and recommended that the DoDEA Educational Partnership and Procurement Divisions review relevant Single Audit Act results listed in the Federal Audit Clearinghouse at least once a year. The DoDEA Internal Review also recommended that the DoDEA Educational Partnership and Procurement Divisions maintain a database tracking audit findings related to DoDEA grants and management decision letters and accompanying responses from the grant recipient. Additionally, the DoDEA Internal Review recommended the DoDEA Educational Partnership and Procurement Divisions conduct and document a quality control review of its pre-award procedures and an annual review of active grantees' SF 425 and quarterly financial invoicing as accepted into Wide Area Workflow.

## Appendix B

### Sample Grant Analysis Results

Of the 70 sample grants reviewed, 48 grants were not meeting the grant terms and conditions or interim goals.<sup>7</sup> Specifically, 29 of the 70 grants were noncompliant with their terms and conditions because the grantees had at least one problem with submitting required reports on time.<sup>8</sup> Of the 70 grants reviewed, 58 grants completed at least one implementation year, so we could make a determination related to the interim goals.<sup>9</sup> Of the 58 grants, 42 grants were not meeting at least one interim goal. See Table 3 for a summary of the terms and conditions and interim goal review.

*Table 3. Summary of Grant Terms and Conditions and Interim Goal Review*

Grant Number	At Least One Required Report was Submitted Late	At Least One Required Report Could Not be Provided	At Least One Required Report was Undated	At Least One Interim Goal was Not Met
HE1254-16-1-0005				X
HE1254-16-1-0006	X			X
HE1254-16-1-0007			X	X
HE1254-16-1-0010				X
HE1254-16-1-0012	X			X
HE1254-16-1-0013	X	X		X
HE1254-16-1-0014	X			X
HE1254-16-1-0015	X			X
HE1254-16-1-0016				
HE1254-16-1-0017	X			
HE1254-16-1-0021				X
HE1254-16-1-0024				X

<sup>7</sup> None of the table totals sum to 48 because many of the grants had multiple problems as indicated by multiple "Xs" in the row for the grant. The 48 grants referred to in the report are the grants in the table that contain at least one "X," which means they had at least one problem with the terms and conditions, the interim goals, or both. There are 22 grants in the table that do not contain any "Xs," which means those grants did not have problems with the terms and conditions or interim goals.

<sup>8</sup> The three totals of the table related to reporting do not sum to 29 because 8 grants had more than 1 problem. Four of the eight grants had two problems: the grantees submitted at least one required report late and at least one report could not be provided. Two of the eight grants had two problems: the grantee submitted at least one required report late and at least one report was undated. The remaining two of the eight grants had all three problems: the grantees submitted at least one required report late, at least one report was undated, and at least one report could not be provided.

<sup>9</sup> Although we could not make a determination related to interim goals for the 12 grants that did not complete at least one implementation year, we reviewed those grants for compliance with the terms and conditions.

Table 3. Summary of Grant Terms and Conditions and Interim Goal Review (cont'd)

Grant Number	At Least One Required Report was Submitted Late	At Least One Required Report Could Not be Provided	At Least One Required Report was Undated	At Least One Interim Goal was Not Met
HE1254-16-1-0025				
HE1254-16-1-0026	X		X	X
HE1254-16-1-0028	X	X		X
HE1254-16-1-0030				X
HE1254-16-1-0032				X
HE1254-16-1-0036	X			X
HE1254-16-1-0038	X			X
HE1254-16-1-0040				X
HE1254-16-1-0043	X			X
HE1254-16-1-0047			X	X
HE1254-16-1-0048	X		X	X
HE1254-16-1-0051				
HE1254-16-1-0052				X
HE1254-16-1-0053	X			X
HE1254-16-1-0056				X
HE1254-16-1-0057	X			X
HE1254-17-1-0001				X
HE1254-17-1-0003		X		X
HE1254-17-1-0012				X
HE1254-17-1-0017	X	X	X	X
HE1254-17-1-0020	X	X		
HE1254-17-1-0024	X	X		X
HE1254-17-1-0025	X			X
HE1254-17-1-0026				X
HE1254-17-1-0030				X
HE1254-17-1-0033				
HE1254-17-1-0034	X			X
HE1254-17-1-0038	X			X
HE1254-17-1-0039				X
HE1254-17-1-0041	X			X
HE1254-17-1-0044				X

Table 3. Summary of Grant Terms and Conditions and Interim Goal Review (cont'd)

Grant Number	At Least One Required Report was Submitted Late	At Least One Required Report Could Not be Provided	At Least One Required Report was Undated	At Least One Interim Goal was Not Met
HE1254-18-1-0001	X	X	X	
HE1254-18-1-0004	X			
HE1254-18-1-0007				
HE1254-18-1-0009				X
HE1254-18-1-0010				X
HE1254-18-1-0012	X			
HE1254-18-1-0014				
HE1254-18-1-0018				
HE1254-18-1-0020				
HE1254-18-1-0025	X			
HE1254-18-1-0033				X
HE1254-18-1-0035				
HE1254-18-1-0036	X			X
HE1254-18-1-0038				
HE1254-19-1-0002*				X
HE1254-19-1-0004				Cannot determine
HE1254-19-1-0006				Cannot determine
HE1254-19-1-0014				Cannot determine
HE1254-19-1-0017				Cannot determine
HE1254-19-1-0018				Cannot determine
HE1254-19-1-0020				Cannot determine
HE1254-19-1-0025				Cannot determine
HE1254-19-1-0033				Cannot determine
HE1254-20-1-0006				Cannot determine
HE1254-20-1-0014				Cannot determine

Table 3. Summary of Grant Terms and Conditions and Interim Goal Review (cont'd)

Grant Number	At Least One Required Report was Submitted Late	At Least One Required Report Could Not be Provided	At Least One Required Report was Undated	At Least One Interim Goal was Not Met
HE1254-20-1-0015				Cannot determine
HE1254-20-1-0022				Cannot determine
<b>Total</b>	<b>26</b>	<b>7</b>	<b>6</b>	<b>42</b>

\* Grant HE1254-19-1-0002 has a FY 2019 award number but began its period of performance in November 2018 and therefore conducted its planning year and first implementation year along with the other FY 2018 grants. Therefore, we could make a determination related to interim goals for this FY 2019 grant, but could not do so for the other FY 2019 grants.

Source: DoD OIG.

## Appendix C

### Statistical Sample

**Population.** From FY 2016 through FY 2020, DoDEA Procurement Division awarded 186 grants, with a total award value of \$186.3 million. Of the \$186.3 million, DoDEA expended \$82.7 million, for the execution of grants.

**Sample Plan.** The DoD OIG Quantitative Methods Division developed a stratified sampling plan to determine whether grantees are meeting the terms and conditions of grants. The DoD OIG Quantitative Methods Division selected a random sample of 70 grants, with a total award value of \$82.2 million to review. Of the \$82.2 million, DoDEA expended \$44.5 million. See Table 4 for our population and sampling plan.

*Table 4. Population and Sampling Design*

Total	Stratum	Population Size	Award Value	Expended Value	Sample Size	Award Value	Expended Value
1	>=\$1,000,000	17	\$32.1	\$22.8	17	\$32.1	\$22.8
2	>=\$500,000 <\$1,000,000	58	69.2	42	21	26.2	15.7
3	>=\$100,000 <\$500,000	64	44.4	17.1	20	14	5.7
4	>\$0<\$100,000	22	15.5	838,700	7	4.5	275,524
5	Zero Expended	25	25.1	0	5	5.5	0
<b>Total</b>		<b>186</b>	<b>\$186.3 million</b>	<b>\$82.7 million</b>	<b>70</b>	<b>\$82.2 million*</b>	<b>\$44.5 million</b>

\* Column does not sum due to rounding.

Source: DoDEA.

**Analysis and Interpretation.** Tables 5 through 8 provide the DoD OIG Quantitative Methods Division's statistical projections of these amounts across the population at a 90-percent confidence level.

*Table 5. Projection of the Grantees Not Meeting the Grant Terms and Conditions*

	Grantees Not Meeting Terms and Conditions	Award Value (in millions)	Expended Value (in millions)
Upper Bound	84	\$84.6	\$37.6
Point Estimate	70*	70.1	31.1
Lower Bound	55	55.5	24.7

\* The point estimate of 70 in this table is the projection of grantees not meeting the terms and conditions, and is different from the 70 sample grants.

Source: The DoD OIG.

*Table 6. Projection of the Grantees Not Meeting the Grant Interim Goals*

	Grantees Not Meeting Interim Goals	Award Value (in millions)	Expended Value (in millions)
Upper Bound	114	\$114.1	\$50.7
Point Estimate	100	100.2	44.5
Lower Bound	86	86.4	38.4

Source: The DoD OIG.

*Table 7. Projection of the Grantees Not Meeting the Grant Terms and Conditions, Not Meeting the Interim Goals, or Both*

	Grantees Not Meeting the Grant Terms and Conditions and/or Interim Goals	Award Value (in millions)	Expended Value (in millions)
Upper Bound	125	\$125.5	\$55.7
Point Estimate	112	112.4	49.9
Lower Bound	99	99.3	44.1

Source: The DoD OIG.

*Table 8. Projection of the Grantees that Goal Attainment Could Not be Determined*

	Grantees that Could Not be Determined	Award Value (in millions)	Expended Value (in millions)
Upper Bound	57	\$56.8	\$25.2
Point Estimate	47	47.2	21.0
Lower Bound	38	37.6	16.7

Source: The DoD OIG.

## Management Comments

### Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs



MANPOWER AND  
RESERVE AFFAIRS

**OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE**  
1500 DEFENSE PENTAGON  
WASHINGTON, D.C. 20301-1500

9/10/2021

MEMORANDUM FOR THE DEPARTMENT OF DEFENSE INSPECTOR GENERAL

SUBJECT: DoDEA Management Comments for the DoD IG Draft Report, "Audit of DoDEA Grant Oversight" (Project No. D2021-D000AT-0089.000) dated August 11, 2021.

The Department of Defense Education Activity (DoDEA) submits the attached response (TAB A) to the subject draft report. The DoDEA response addresses the recommendations contained in the draft report, and provides appropriate information about steps already taken and progress updates.

DoDEA has no significant issues with the recommendations and requests the attached DoDEA response be incorporated into the final DoD IG report.

DoDEA has done a thorough public release review of all information in the draft report and the management response and has concluded there is no objection to public release of the final report by the DoD IG. I concur with their conclusion.

HEBERT.LERNES.J. [REDACTED]

Lernes J. Hebert  
Performing the Duties of the Assistant secretary  
of Defense for Manpower and Reserve  
Affairs

Attachments:  
As stated

## Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs (cont'd)

### Executive Summary

The Department of Defense Education Activity (DoDEA) appreciates that the Department of Defense Inspector General (DoD IG) is providing the opportunity to comment on the recommendations provided in the Draft Report, "Audit of DoDEA Grant Oversight" (Project No. D2021-D000AT-0089.000) dated August 11, 2021.

DoDEA has several concerns regarding the methodology this audit used in its analysis. DoDEA believes that auditors oversampled the stratum of grantees creating more opportunity for "failure" according to the revised criteria established by the auditors.

The original scope of the audit was to determine if and how DoDEA verified that grantees met the terms and conditions of their grants. Essentially, this equates to verifying whether required semester and annual reports were being submitted on time. After the audit had started and the sample had been pulled, the DoD IG team expanded the audit scope to assess whether DoDEA verifies grantees' success as determined by interim goals met.

The auditors classified grants as failures if one interim goal was unmet at the time of reporting. A significantly more accurate representation for grant success would be to look at the sum of the multiple goals and measures, at the time of reporting. As a result, DoDEA believes that the audit's projections of waste based on this methodology are misleading.

DoDEA uses interim goals for progress monitoring, to assess pacing, and to focus discussion. These interim goals are meant to guide grantees so that if they need to change operations at the interim goal mark there is time to correct. Using interim goals to punish grantees would be counterproductive, as it would reduce the honest dialogue necessary to adapt in a challenging environment. The DoDEA Grant Program often incorporates grantee challenges into its Community of Practice network for case review so that all grantees benefit and learn from the challenges experienced by a grant that has found a solution to a shared problem. Interim goals were not designed or intended to be a program evaluation measure.

No meaningful context for falling short of interim targets was provided. DoDEA grants cited as "waste" supported schools showing smaller coronavirus disease 2019 (COVID-19) learning losses than states that have reported data for the same period, e.g., Virginia and Texas. Without DoDEA grant supported activities, many of which are cited in this response, the military-connected students served in these schools would likely have experienced much greater learning loss.

The grant program staff must balance the need for firm Federal grant requirements with the flexible local assessments that are essential to meet the shifting needs of each district.

DoDEA takes great exception to the auditors' finding that these investments have been a waste of funds. Each grant has an outside evaluator professionally trained in the field of education. Their evaluation reports detail numerous examples where the "failed" grants continue to make sustainable progress; significantly and positively impacting local school districts serving military-connected students. DoDEA evaluates the success of a grant at the completion of the grant, not at a single-point interval during the grant cycle.

## Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs (cont'd)

The DoDEA response to this report details our concerns about the auditors' approach, and our disagreement on the return on investment for military-connected public schools. DoDEA also provides information on steps already taken, in several cases *prior to the audit*, to address the report's recommendations.

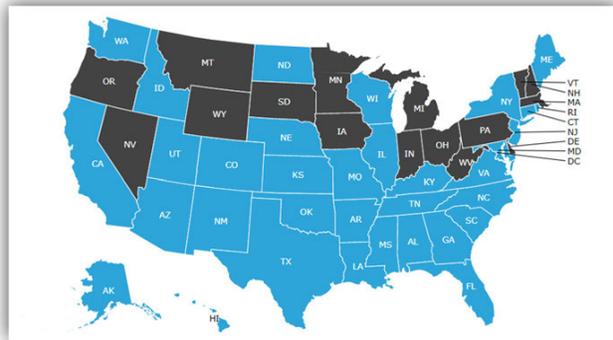
With regards to the DoDEA Grant Program, the DoDEA has no significant issues with the recommendations in the draft report.

### Background

Since 2009, DoDEA has awarded over 500 grants, totaling more than \$500 million, to support highly-impacted military-connected public school districts. These grants have served over 3 million students (31 percent military connected) in more than 3,000 public schools throughout the United States. The Draft Report covers fiscal years 2016 through 2020, during which DoDEA awarded 186 grants with a total award value of \$186.3 million. DoDEA has impacted 37 states as identified by state, in blue, below (Figure 1).

Figure 1: DoDEA Grants State Impact

### DoDEA Grants



The number of DoDEA grants awarded per state since 2009 shown in Table 1.<sup>1</sup> Specific details regarding each state's active grants can be found at DoDEA's grant site, [www.dodeagrants.org](http://www.dodeagrants.org).

<sup>1</sup> States with smaller numbers of military-connected children would be less likely to be eligible for grants.

## Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs (cont'd)

**Table 1: All DoDEA Grantees (2009-2020)**

State	#	State	#	State	#	State	#	State	#
AL	19	HI	13	MA	0	NM	7	SD	2
AK	11	ID	3	MI	0	NY	27	TN	4
AZ	9	IL	11	MN	0	NC	20	TX	51
AR	1	IN	0	MS	4	ND	2	UT	5
CA	62	IA	0	MO	9	OH	0	VT	0
CO	22	KS	22	MT	1	OK	26	VA	42
CT	3	KY	5	NE	2	OR	0	WA	41
DE	0	LA	8	NV	1	PA	0	WV	0
FL	25	ME	1	NH	0	RI	2	WI	8
GA	13	MD	12	NJ	1	SC	12	WY	0

Grants are awarded for five years. Each year, grantees have four reports to submit (fall semester, spring semester, annual evaluation, and cumulative). In a given year, grants typically have one to three interim goals. Grants may have between five and 15 goals over the life of the grant. The interim reports provide status updates on each grant’s progress toward these goals. Many factors influence a grantee’s ability to meet interim goals – personnel changes, district or state changes in standardized testing instruments, the COVID-19 pandemic, etc.<sup>2</sup>

**Part 1: Lack of Evidence of Proposed Waste**

The audit report lacks evidence of waste because submitting a late report does not equate to waste.

**Late Reports**

One report submitted one day late was the standard the auditors used for determining a grant wasted Government funds. Despite all of the challenges that grantees face, the average late report was past-due by only nine days, less than two business weeks.

While DoDEA does not condone submitting reports late, the grant program staff are aware that their role is to support grantees. DoDEA engages directly with school district leadership grantees when a deadline is missed. In most cases, the district grant project director or a supervisor submits the report within 24 hours. DoDEA accepts a past-due report in draft and records it as not fully submitted. The grant program staff discusses the delay with the district personnel and a new deadline for the final report is determined on a case-by-case basis.

<sup>2</sup> In school years (SYs) 2019-2020 and 2020-2021 all active grants were impacted by COVID-19. District and State Assessment and Accountability waivers were granted by the U.S. Department of Education for all 50 states in SY 2019-2020. This impacted the tracking of interim measures based on standardized assessment and accountability measures. Some assessments were cancelled; others were not comparable to prior years, having been taken by a sub-set of students or under atypical conditions (e.g., at home, online).

## Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs (cont'd)

A school system's changing ecosystem results in factors beyond DoDEA's and the District's control: a change in project directors, illness, change in District leadership, weather emergencies, a pandemic, etc. Though the auditors briefly mentioned COVID-19, no acknowledgement is made that for the past 18 months school administrators have focused on addressing huge challenges related to online learning, safety and hygiene, cancellation of local and national summative exams, etc., rather than focusing on submitting grant reports on time. The U.S. Department of Education does not expect communities hit by hurricanes to meet grant report submission timelines without fail, and DoDEA does not either.

DoDEA respectfully partners with the grant school districts to set high expectations for timely report submission as soon as reasonably possible in the wake of an interruption. The DoDEA grant program's philosophy is to support grant execution with the bigger picture in mind - to improve student learning. DoDEA staff holds grantees accountable for reporting in a collaborative manner in order to meet all of the grant requirements in a reasonable manner.

As mentioned, the average report is nine days late. However, if after working with the grantee for two calendar weeks a report is not submitted, consistent with best grant management practices, DoDEA withholds funding until the grant returns to compliant status. Delays or non-compliance is noted by the DoDEA grant program staff in the grantee's file and may play a role in risk assessments for future DoDEA grant awards.

### **Interim Goals**

The audit report lacks evidence of waste because challenges in meeting interim goals does not equate to waste.

All grants included in the audit sample were impacted by COVID-19 during SY 2019-2020. COVID-19 impaired *all* public schools' abilities to meet their educational goals. The public schools supported by the DoDEA grant program were no exception. Virginia reported assessment scores showing a 9% drop in reading, a 28% drop in mathematics, and a 22% drop in science over SY 2018-19 scores. Texas showed a 15% drop in the percentage of students meeting or mastering the state standards in math and a 4% drop in reading between 2019 and 2021 (<https://tea.texas.gov/sites/default/files/2021-staar-analysis-presentation.pdf>). This is the same environment that impacted DoDEA's grantees.<sup>3</sup>

The COVID-19 world health crisis caused assessments to be cancelled in 2020 (formative, interim, and summative), thus thwarting the collection of monitoring data that grantees relied on for metrics in reporting. Recognizing this, the U.S. Department of Education granted official nationwide exceptions to assessment and accountability monitoring, scoring, and reporting. To this end, the Department of Education froze improvement and accountability for a full instructional year.

Even so, the third-party independent educational evaluators required for each grant frequently reported meaningful progress toward interim goals and high impact practices. The auditors were provided grantee generated documentation that substantiated evidence of a return on investment

<sup>3</sup> VA ranks first (72,632), TX (63,340) second with the most military-impacted student's enrolled in local LEAs.

## Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs (cont'd)

related to the educational evaluator's efforts. During the COVID-19 pandemic many districts were able to support a higher standard of continuity of education as a result of their DoDEA grant(s).

Among the positive returns on investment realized by grantees which the auditors, according to their methodology, listed as "failures" and wasted Government funds are the following:

- A **North Carolina** grantee that recalibrated its student information systems to enable it to identify military-connected students and support their academic and behavioral needs more effectively.<sup>4</sup>
- A **Washington state** grantee<sup>5</sup> that transformed K-12 science education by forming 12 community partnerships with: West Sound Science, Technology, Engineering, and Mathematics (STEM) Network, Logan Center at the Institute of Systems Biology, WA STEM, Olympic Educational Service District 114, Olympic College, University of Washington, Washington State University, Western Washington University, Washington State Teachers Association, the Office of Superintendent of Public Instruction, and the National Science Teachers Association. The grantee reported that the grant led to a sustained and transformational change in their district's science education:

*"Each DoDEA funded project has been leveraged to literally reinvent the science experience for students in this school system. A student who graduated from our district 10 years ago did not go through such a well-articulated, expertly taught, relevant, technology rich science scope-and-sequence than the students who are in kindergarten now and will be partaking in Science for the next 18 years .... DoDEA's investment in our school district is improving the quality of science education for both military dependent and non-military dependent students. One has to wonder what amazing contributions these future scientists will make in the world after graduating from this school district."*

- A **Virginia grantee** wrote that its grant ensured that its teachers and students made a smooth transition to online learning in March 2020 when all public schools in the state closed:

*"...when the traditional school day shifted, teachers and students moved comfortably into their new virtual learning platforms. Through the implementation of the [DoDEA grant], teachers and students both had a framework for virtual learning, and they had access and experience. As part of the grant, teachers had already developed curricula that integrated the use of technological platforms and devices. Teachers were already*

<sup>4</sup> HE1254-16-1-0047.

<sup>5</sup> HE1254-16-1-0021.

## Management Official Performing the Duties of the Assistant Secretary of Defense for Manpower and Reserve Affairs (cont'd)

*utilizing Google Classroom which helped students transition to working independently, at home and seeking feedback from their teacher. Students already had active accounts on various virtual platforms (e.g., Google Classroom, IXL, Study Island, Apex) because of grant funding and were accustomed to the technology devices and various digital platforms—they knew how to access their online learning materials and how to collaborate with Students using digital tools while engaged in station learning.”<sup>6</sup>*

- A **South Carolina** grantee used its grant to provide online live tutoring to support remote learning.<sup>7</sup>
- A second **Washington** state grantee offered additional assessment platforms to support remote learning and provide quality data in the absence of traditional assessments.<sup>8</sup>
- An additional **Virginia** state grantee has pursued and gained the Purple Star School designation as a result of its grant efforts.<sup>9</sup>

Every one of the above examples were taken from grants that the auditors classified as a waste of Government funds based on their methodology.

Many times, a single graph does not tell the full story of the grant. This is true of Figures 1 and 2 in the audit report. The grant<sup>10</sup> that was used to illustrate a waste of Government funds serves a 54% military-connected student population. It supports students of families assigned to Scott Air Force Base in Illinois.

Below are some key points that the figures did not reveal about this grant, but which the grantee’s third-party external evaluator and DoDEA’s educators took into consideration when providing technical assistance:

- Districts implementing new initiatives often encounter an “implementation dip”<sup>11</sup> as this grantee did in Years 1 and 2.
- Due to COVID-19 this grantee, like many others, collected data using remote assessments. These were different in terms of date of exam (fall 2020 versus spring

<sup>6</sup> Excerpt from SY 2019-2020 Annual Report (HE1254-16-1-0038).

<sup>7</sup> HE1254-16-1-0056.

<sup>8</sup> HE1254-17-1-0024.

<sup>9</sup> HE1254-16-1-0026

<sup>10</sup> HE12541610024

<sup>11</sup> An implementation dip is defined in Michael Fullan’s resource, “Leading in a Culture of Change” in this article: <https://learningforward.org/journal/implementation-2/up-close-8/>.

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2020), format (virtual instead of in-person), and took place after an extended period of remote learning and the summer vacation.<sup>12</sup>

- The Goal 1 drop is mainly from the third-grade students (79% - 66%). The program director is aware of this issue and attributes it to curriculum shifts that that are ultimately intended to increase student outcomes for this goal.
- The Stay-at-Home order enforced during the spring of 2020 and the changing instructional environment required in fall 2020 impacted students learning mathematics. This impact was not specific to the DoDEA's grantee's school. The impact appeared in the states using the STAR360 assessments nationwide. STAR 360 is an assessment suite that measures students' reading and math mastery
- In the elementary school, three different Making Sense of Mathematics and Teaching (MSMT) courses were offered, resulting in significant gains by teachers in all four Making Sense of Mathematics and Teaching content areas. In 2020, for Goal 1, 77% of parents reported that their child feels successful in math.
- In the middle school (Goal 2), three different MSMT courses were offered. Teachers showed significant gains in two Learning Mathematics for Teaching content areas (associated with MSMT courses). Middle school students showed improvement on the content test, mindset profile, and math self-efficacy survey used by the grant evaluator to show student gains in middle school related to the goal. In 2020, 63% of parents reported that their child feels successful in math.
- The professional learning is indicative of the Learning Mathematics for Teaching courses teachers engaged in through the grant. The professional learning supported a partnership with the University of Northern Iowa, which has strengthened the instruction of several cohorts of educators. Due to its success, this approach is being replicated in other sites.<sup>13</sup>

In conclusion, DoDEA does not view these grants as a waste of Federal funds.

These examples are a small representation of the DoDEA Grant Program and the student learning these funds support. DoDEA firmly believes this grant program is improving the outcomes for military-connected students and others attending these local grantee schools throughout the United States.

The DoDEA Grant Program funds represent valued investments for military-connected students in local communities and schools. These grants afford grantees opportunity to leverage relationships in their midst; to build strong education programs; to support more students and to

<sup>12</sup> As educators, DoDEA staff were aware that state assessment directors reported that the districts, states, and the nation as a whole experience notable drops in assessment scores due to changes in administration and the student testing experience.

<sup>13</sup> More information is available in these videos: Additional insights can be seen in these two videos: [https://drive.google.com/file/d/1IZu28HoiAH-A9zJ6TM5NFU6Vjtr\\_svFO/view](https://drive.google.com/file/d/1IZu28HoiAH-A9zJ6TM5NFU6Vjtr_svFO/view) and [https://drive.google.com/file/d/1Jqm35j0ONKR05qd\\_AePoMd\\_fCUcxVKeN/view](https://drive.google.com/file/d/1Jqm35j0ONKR05qd_AePoMd_fCUcxVKeN/view).

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inspire their futures. DoDEA grants fund opportunity, and an opportunity for military-connected communities, faculty, parents and students cannot be categorized as waste. The DoDEA Grant Program funds possibilities.

### Part 2: Methodology

#### Selecting a Subset of Records to Review

The auditors represent that they used the Neiman Allocation Method for drawing their sample of records to review. They did not choose stratified random sampling with proportional representation – the more commonly used sampling method for educational grant review. The Neiman Allocation Method is typically used when deciding on a sample for a survey that has not yet been collected. The population of interest is divided into strata (or groups) that are thought to have equal costs.

In this case, the costs of selecting one grant over another (for review) were equal if one only considered that no new data collection was required. All grants files were available. In a key respect, however, the strata or groups were obviously unequal – violating a condition for using the Neiman Allocation Method. The condition that was violated is that the strata are NOT equal, but the method assumes that they are.

Grants in Stratum 1 were older, had more expenditures, more interim targets, and more required reports. They had many more opportunities to miss a reporting deadline or an interim target. By the criteria that auditors used to define failure, grants in Stratum 1 were at much higher risk of failure. Despite this, the auditors oversampled Stratum 1. Oversampling would not have occurred had they used a stratified random sample with proportional representation. **The key takeaway is that while 9% of grantees are in Stratum 1, 24% of the audit sample is in this Stratum.**

**Table 2: Audit Sample Oversampled Stratum 1**

Total	Stratum by Expenditure	Population		Audit Sample		
		Number of Grants	Percent of Grants in Stratum	Number of Grants	Percent of Audit Sample in Stratum	
	Stratum 1	>=1 million \$	17	9%	17	24%
	Stratum 2	.5mil to \$999,999.	58	31%	21	30%
	Stratum 3	\$100,000 to .5 mil	64	34%	20	29%
	Stratum 4	0 to \$100,000	22	12%	7	10%
	Stratum 5	Zero expended	25	13%	5	7%
<b>Total</b>			<b>186</b>	<b>100%</b>	<b>70</b>	<b>100%</b>

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Second, 100% of the grants in Stratum 1 were reviewed. The auditors' sampling method pulled an average of one third or fewer grants from the strata less at risk for failure but pulled 100% of the grants in Stratum 1. (Please see Table 3, below.)

**Table 3: Audit Sample Drew Unequal Proportions of Grants from Each Strata**

Total	Stratum by Expenditure	Population Size	Sample Size Award Value	% of All Grants in Stratum Pulled for Audit
Stratum 1	>=1 million \$	17	17	100%
Stratum 2	.5mil to \$999,999.	58	21	36%
Stratum 3	\$100,000 to .5 mil	64	20	31%
Stratum 4	0 to \$100,000	22	7	32%
Stratum 5	Zero expended	25	5	20%
<b>Total</b>		<b>186</b>	<b>70</b>	<b>38%</b>

The disproportionate sample draw had meaningful consequences for the auditors' conclusions. DoDEA suggested that the auditors conduct a second draw; weight their data to compensate for the inadequacies of their sample; or sample using the more typical stratified random sample of non-survey data. The opportunity to correct errors in advance of publishing this report were declined.

### Projections

**In the report the auditors extrapolate findings from the non-representative sample discussed above to the entire population of grants funded by DoDEA.** But the sample was different from the total universe of grantees in terms of funds expended, years completed, size, and complexity.

The oversampled grants were also the ones most likely to be in their final years and fully involved in implementation when the global pandemic struck. State and national reporting has shown that COVID-19 dramatically impacted student performance, collection of assessment data, and many school activities. These impacts started appearing in reports received in the summer of 2020 and continued in SY 2020-2021.

Most fundamentally, the audit report is without context. A DoDEA grant is listed as a failure when an interim target is missed by a couple of percentage points. Yet national data indicate larger drops in assessment scores during the same period due to COVID-19. The Virginia Department of Education (VDOE) reported on August 21, 2021, that:

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The SOL<sup>14</sup> pass rates in 2020-2021 were anticipated by school divisions and VDOE, given the impact of the pandemic as reported on local assessments administered earlier in the school year. Pass rates in federally required SOLs are 69% for reading, 54% for mathematics, and 59% for science. Last year was not a normal school year for students and teachers, in Virginia or elsewhere, *so making comparisons with prior years would be inappropriate. (2020-2021 SOL Test Results Reflect National Trends, Unprecedented Challenges: Results Set Baseline for Recovery, Release Date: August 21, 2021.)*

In the same environment, many of the grants that the auditors classified as failures performed much better. **Rather than being “failures,” it is more likely that without the grant support, these DoDEA-supported schools would have seen even larger drops in performance in this environment.**

### **Implications for Risk Management**

For DoDEA to avoid being accused of awarding grants to grantees that do not meet performance goals on prior grants, the draft report recommends instituting a policy barring grantee from submitting new proposals for three years. A grantee that received an award in September 2020 would not be eligible to get a second grant until September of 2024.

### **Part 3: Response to Recommendations**

#### **Recommendation 1**

- a. **Establish a formal process to inform grantees that DoDEA will withhold funding when required reports are submitted late, and retain a history of grantees that submitted late reports and had funding withheld for use in evaluating the risk assessments for future DoDEA grant awards.**

**DoDEA Response:** CONCUR WITH COMMENT. DoDEA follows 2 CFR 200.339 with respect to remedies for non-compliance by an award recipient which enables the agency to exercise judgment (discretion) in their remedies for non-compliance if the non-Federal entity (grantee school district) fails to comply with any term and/or condition of the award. One of those remedies may include withholding funding; however, it is NOT the only absolute remedy available. 2 CFR 200.339 (f) states “*Take other remedies that may be legally available.*” Other agency remedies available include:

- implementing corrective action plans,
- site visits,
- requiring prior approvals, and
- technical assistance

By recommending that DoDEA withhold funding *as the only course of action because of late reports*, without consideration to real life events or school district operations, this

<sup>14</sup> Standards of Learning annual assessment.

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increases the risk to the Government that the grant will be unsuccessful, because grants are dynamic and withholding funds would likely create a cascade of negative impacts.

DoDEA suggests that it first use time-tested, direct engagement, case-by-case strategies to increase compliance with less punitive remedies for non-compliance. If at the end of the specified time period the district has yet to rectify the non-compliance issue, then DoDEA suggests moving to more punitive measures (currently in practice) such as withholding funding or cost disallowances, until corrections are made and approved. DoDEA currently uses this approach and records incidents by grantee, to be included as past performance data as a risk factor for future DoDEA grant awards.

- b. Review the 186 active DoDEA grants, determine if the grantee is meeting the interim goals and is on-track to meet the overall goal by the end of each grant, and coordinate to develop a plan with those grantees that are not meeting the interim goals.**

**DoDEA Response:** CONCUR WITH COMMENT. DoDEA has reviewed all active grants for terms and conditions compliance. Grantees not meeting their interim goals will receive technical assistance and be offered a monitoring plan solution.

- c. Clarify the performance work statement to include the requirement and due date for the Current Contractor to provide a list of grantees that did not submit required reports after the close of each reporting cycle.**

**DoDEA Response:** CONCUR WITH COMMENT. DoDEA's Current Contractor provides DoDEA a listing of all grantees that do not submit required reports on time as a current, standing practice. This is also included in the Performance Work Statement (PWS) for contract HE125418F0360 – Modification P0006.3.6.2 (April 26, 2021), which states “Provide information such as the name and grant year of those grantee’s who did not submit reports (to include those in draft status) on time as indicated in the grantee’s terms and conditions for award.” DoDEA will further modify the current contract to add the contractor due date for this recommendation.

- d. Clarify the performance work statement further to verify that the Current Contractor provides a written narrative that evaluates all grantees’ annual reports and accurately reports data for all grants at the program level.**

**DoDEA Response:** CONCUR WITH COMMENT. This is included in the PWS for contract HE125418F0360 – Modification P0006.3.6.4 (April 26, 2021), which states “Provide a written narrative which evaluates the grantees annual reports and accurately synthesize data at the program level for grantees. The narrative may include copies of the annual report dashboard; however, should consist of a table of contents and written narrative that at minimum answers the following questions: 1) What grantees as indicated by the annual report written by the third-party evaluator have goal status “not

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*on target”? Provide explanation for why the goal status is “not on target” and any planned next steps grantees have identified to get goal status back to “on-target”. 2) What fidelity/process data have been collected for each grantee’s strategy? 3) What professional learning have grantees conducted and how is its effectiveness being assessed? 4) What challenges, if any, have grantees encountered and how have they been or are being addressed? 5) What lessons learned and/or best practices have been discovered?” DoDEA will revisit the current contract for further clarification related to this recommendation.*

- e. Develop a process to verify that grantees meet future interim goals in each implementation year. If grantees are not meeting interim goals, DoDEA officials should require the grantee to submit a corrective action plan detailing what it will do to meet the interim goals in the future. If grantees continue to miss interim goals, DoDEA officials should withhold funding to the grantee until the grantee proves it is meeting the interim goals.**

**DoDEA Response:** CONCUR WITH COMMENT. DoDEA will develop monitoring plans for all awarded grantees beginning FY 2021. This monitoring plan will include technical assistance specific to reporting requirements and surveillance of progress benchmarks (interim goals). During monitoring plan reviews, the grantee will have the opportunity to submit a corrective action plan for any progress benchmarks that are not on target. Additionally, DoDEA has asked the Current Contractor in the PWS for contract HE125418F0360 – Modification P006.3.2.3 (15) (April 26, 2021) to “*Work with grantees to ensure they understand the purpose of the Technical Assistance (TA) offered and the process needed to achieve their project goals. This would begin with ETAC conducting a careful analysis of the grantee’s materials, reports, and brief informational interview with project staff to formulate “pain points” that have kept the district from meeting project goals. After analyzing the reporting and interview data, ETAC would identify solutions and develop an individualized corrective action or work plan with concrete objectives and TA to support the successful execution to attain the desired outcomes.*”

In order to ensure that the Current Contractor meets the requirements of the PWS, the Grant Program Manager has a standing weekly telephonic meeting to review PWS deliverables. During the weekly call grantee compliance is discussed, reporting (missed and accurate) is discussed and the Grant Program Manager can request subsequent and supporting documentation based on real-time awareness. Additionally, the Current Contractor and the Grant Program staff convene during the annual Community of Practice meeting (in-person or virtually) and schedule in-person meetings as necessary for subsequent collaboration based on need and the severity of the issues related to progress benchmarks.

- f. Establish a process that tracks when grantees are not meeting interim goals or overall grant goals for use in evaluating the risk assessments for future DoDEA grant awards.**

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**DoDEA Response:** CONCUR WITH COMMENT. During program review, DoDEA identifies grantees that are out of compliance. Through tracking via a spreadsheet, DoDEA emails such grantees and continues to monitor those that are currently out of compliance with reporting or not on target with progress benchmarks. This record is taken into consideration for future risk assessments.

This process is also included in PWS for contract HE125418F0360 – Modification P0006.3.2.3 (14) (April 26, 2021), which states “*Ensure website has appropriate dashboards for grantee reporting to include Semester dashboard and Annual dashboard that can be used to track DoDEA grantee grant goal status reporting.*” These dashboards are an additional tool for evaluating risk for future DoDEA grant awards. Over the time period addressed in this audit (2016-2020) DoDEA has made improvements and refined the information available through the dashboard. This has increased DoDEA’s grant monitoring ability to be more effective and efficient.

## Acronyms and Abbreviations

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- BAA** Broad Agency Announcement
- DoDEA** Department of Defense Education Activity
- ETAC** Evaluation Technical Assistance Center



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