

Management audit and functional analysis report National Department of Education

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**Prepared for
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President
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The audit undertaken looked at all functions and roles of the National Department of Education. This involved one on one interviews with all NDOE employees who generously and enthusiastically gave their time to meet with the auditor and candidly discuss the critical imperatives regarding the technical assistance and requirements of the NDOE has to perform to ensuring the States are providing quality education services. Many of the National Education employees courteously made themselves available on frequent occasions and participated in follow-up discussions to questions. As there are too many to name individually in this section of the report, the auditor would like to take this opportunity to offer sincerest thanks for your time and efforts. *(A list of persons interviewed appears in the attachment section of this report).*

Special thanks are extended to Secretary Mr. Casiano Shoniber of the National Department of Education. Without his continuous support and assistance, the assignment of undertaking and completing this audit would have been considerably more challenging.

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The unswerving dedication to the audit process by the President Mr. Manny Mori ensured that total co-operation was provided by all relevant government personnel throughout the entire audit inspection conducted within the FSM National Government.

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Donna Wrembeck

A

ABBREVIATIONS

AA/AS	Associate Arts / Associate Science Degree
BA/BS	Bachelor of Arts / Bachelor of Science Degree
B.Ed	Bachelor of Education Degree
CIMS	Continuous Improvement Monitoring System
COMET	College of Micronesia Entrance Test
DOE	Department of Education
ECE	Early Childhood Education
ESG	Education Sector Grant
FACSSO	FSM Association of Chief State School Officers
FSM	Federated States of Micronesia
HESA	Department of Health, Education and Social Affairs
JEMCO	Joint Economic Management Committee
PLPT	Pohnpei Language Proficiency Test
MA/MS	Master of Arts / Master of Science Degree
MRC	Management Review Council
NBC	New Baseline Curriculum
NDOE	National Department of Education
PREL	Pacific Resources for Education and Learning
PRIDE	Pacific Regional Initiatives for the Delivery of basic Education
PTC	Parents and Teacher Conferences
PTA	Parent and Teacher Associations
SCL	State Code of Laws (Pohnpei State Code of Laws)
SEG	Supplemental Education Grant
SIP	School Improvement Plans
SPED	Special Education
T3	Technical and Vocational Education and Training
TNA	Training Needs Analysis
TOEFL	Testing of English as a Foreign Language

EXECUTIVE SUMMARY

The vast majority (98+%) of funding for the education system in the FSM comes from the economic assistance provided by the Compact of Free Association. The two major education funding sources are the Education Sector Grant (ESG) and the Supplemental Education Grant (SEG).

Within the education sector in the Federated States of Micronesia (FSM), the National Department of Education (NDOE) is the smallest of all the educational organizations. It has an annual budget of approximately \$1.7 million with the department employing 31 people.

While the National Department of Education is the smallest of all the Departments, it has one of the most important roles. FSM NDOE is well positioned to take the lead in developing necessary standards, accreditation policies, in-service professional development training programs, data collection from State Department and improve monitoring and evaluation to ensure consistency and accuracy in implementation of all programs. This will assist State Educational Departments develop programs for greater enhancement of student learning and teacher professionalism.

This Management Review found that, of the 120 performance criteria established, the National Department of Education is fully compliant with 48 (40%). Areas where the Review noted excellent efforts on the part of the National DOE are in the operations of the scholarship board, the Special Education Monitoring and the development of curriculum standards. With regards to the latter, these programs featured development of detailed curriculum benchmarks and standards which was supplied to the State Departments of Education. The program involving curriculum standards was designed to assist States in the development of their own curriculum framework ensuring consistency across all State Departments of Education.

The department was assessed during the Review as being non-compliant with 18 criteria (15%). General areas of non-compliance include the lack of in-service training or staff (skills) development. The Review noted that 35% of teachers have not achieved the qualifications for certification. Development of standards requiring the integration of ECE into the National Education System has not been developed. Programs for gifted and talented students and the recruitment processes for employees are other areas of non-compliance. The development of detailed policies and procedures for the department are viewed as a means of supporting compliance in the future.

Of the remaining Review performance criteria, the department was assessed as being partially compliant in 47 criteria (39%). In many of the areas of partial compliance, the auditor felt that solutions to these issues were fairly straight forward and capable of being rectified. Addressing the following areas of partial compliance would see the department soundly positioned, with a potential of between 50% and 77% compliance:

- Annual Planning reporting, monitoring and evaluation
- performance evaluation processes
- monitoring and evaluation of standards
- standardized professional development programs for teacher in-service training
- training needs analysis
- management of property inventories and internal audits

- textbook quality and suitability.
- Teacher certification

There were four (4) criteria which could not be assessed due to circumstances such as the funding being withdrawn from the programs. These are not significantly large numbers however, these programs have impact on the whole of the department.

In summary, the review found the following issues to be matters of concern as far as their impact on educational operational service delivery is concerned:

- The need to improve data collection and verification through the establishment of minimum standards for data management.
- Non alignment of curriculum standards developed at the National level with implementation and an understanding of a focus on standards and benchmarks at the State level.
- Lack of performance monitoring and evaluation procedures to include regular internal school reviews with external monitoring by NDOE.
- Absence of professional development programs for teachers.
- Strategic planning – mission statement is complex and confusing
- Limited effective monitoring and evaluation of annual activities. Not supported through the development of Annual Plans
- Absence of promulgated policy and procedures for the department in most areas.
- Absence of any review of National Standardized Testing program processes to improve relevance, coverage and accuracy of students' actual capabilities in achieving benchmarks.
- Failure of technical assistance offered by the National Department of Education being taken up by States Departments.
- Position Descriptions that are not reflective of current tasks or duties performed by staff.
- Absence of any true monitoring and evaluation conducted on programs within State Education Departments.

The review found that many of the issues facing the National Department of Education are reflected in the State Department of Educations. It is also noted that the State Departments have openly sought strong leadership and clear direction from their National Counterparts. Executive Order No. 1 Section VII (as amended April 2008) mandates the FSM NDOE to assume a leadership coordination and supportive role to State Departments. The audit inspector believes that there is potential scope for National DOE to take on a greater leadership role.

Naturally, the delivery of educational services at a State level is very much the responsibility of the State departments. However, an enhanced leadership and coordination role by NDOE can be achieved through NDOE providing support and guidance to State Departments which would not impact on the statutory sovereignty of States and their rights to deliver operational educational services.

SUMMARY OF RECOMMENDATIONS

The following recommendations are made as a result of the management audit conducted of the FSM National DOE. In brackets after the recommendation appears the page number reference for that specific recommendation. The justification for the recommendation will appear in the relevant section within the body of this report.

Management audits have been conducted Yap, Kosrae and Pohnpei States and a number of recommendations have been made. This report, in most instances supports those recommendations as also being applicable for educational service delivery across all FSM departments.

Strategic Management

Recommendation One:

It is recommended that the NDOE take a lead role in establishing a working group to review all indicators which have been developed with the purpose of identifying alternative, meaningful and useful measures of educational progress. (P20)

Recommendation Two:

It is recommended that scanning and analysis of tests results be done and returned to State DOEs in a timely manner to allow for implementation of change. (P21)

Recommendation Three:

It is recommended that NDOE provide technical assistance to State DOEs and that State DOEs accept assistance in developing strategies for addressing areas of weaknesses and concerns in accordance with the mandate with Executive Order No.1. (P21)

Recommendation Four:

It is recommended that the Executive Order for the Department of Education be updated to reflect the need for a greater role in providing assistance to State Departments of Educations with the over-viewing implementation of initiatives to achieve greater consistency across all Departments of Education. (P26)

Recommendation Five:

It is recommended that the State Department of Educations accept technical assistance being offered by the National DOE and National DOE take a lead role to ensure the implementation and consistency of programs developed within the FSM in accordance with the mandate in Executive Order No.1. (P29)

Recommendation Six:

It is recommended that a training needs analysis be conducted to find significant and appropriate training needs of teachers in each State and further, for NDOE to undertake to develop and implement in-service training programs for teachers on topics which have broad application to the teaching profession. (P29)

Recommendation Seven:

It is recommended that National Department of Education develop criterion on which applicants for positions in the education department be assessed against during the interview process, with the view of identifying the most appropriate candidate for selection. (In addition to that of the Division of Personnel process) (P35)

Recommendation Eight:

It is recommended that National Department of Education develop policies and procedures regarding position requirements within divisions. (P38)

Recommendation Nine:

It is recommended that personnel within SPED division, when providing technical assistance over the internet or telecommunications, make detailed notations of such contacts and attach those notes to the relevant file. (P39)

Recommendation Ten:

It is recommended that the National Department of Education undertake to develop a wide ranging multi-disciplined testing regime to identify students who are gifted or talented in the arts, science and technology. (P48)

Recommendation Eleven:

It is recommended that monthly scheduled monitoring meetings of the strategy and program plans are conducted with the view of reviewing outcomes and outputs in line with objectives. Further, any necessary changes to program plans are to be undertaken and a full written report to be submitted to Division chiefs and Secretary outlining results from monitoring meetings. (P50)

Recommendation Twelve:

It is recommended that the States acknowledge the need to allow the National Department of Education a greater leading role in the implementation of the Strategic Plan and the need for the State Strategic Plans to be incorporated into the National Strategic Plan to allow for greater consistency of implementation of educational reform in accordance with the mandate with Executive Order No.1. (P51)

Recommendation Thirteen:

It is recommended that a training needs analysis be undertaken for ECE teachers to establish accurate and detailed training needs. (P53)

Recommendation Fourteen:

It is recommended that the development of ECE teacher training needs are undertaken at the national level to ensure consistency and continuity across all State Education Departments. (P53)

Recommendation Fifteen:

It is recommended that the National Department of Education implement a standardized data information collection system across all Education Departments to allow for uniformity and accuracy of data collection in accordance with the mandate with Executive Order No.1. (P53)

Pedagogy

Recommendation Sixteen:

It is recommended that the NDOE undertake a greater role in monitoring and evaluation of State DOEs to ensure that implementation of Standards are incorporated into State Department programs as intended by the NDOE in accordance with the mandate in Executive Order No.1. (P56)

Recommendation Seventeen:

It is recommended that National Department of Education develop guidelines for textbook needs through consultation and centralization with the State DOEs in the procurement of textbooks for the purpose of achieving consistency in standards of learning content contained in textbooks. (P58)

Recommendation Eighteen:

It is recommended that a monitoring and evaluation team be convened to undertake the required monitoring and evaluation of developed programs introduced to the State DOEs and further, status reports provided to Secretary and Directors of relevant Education Departments with further strategies for greater compliance. (P59)

Recommendation Nineteen:

It is recommended that a skills audit be conducted to assess the true skill levels of staff members other than teachers is undertaken. This would allow for the development of standards and measurable targets for professional development and to be improved with the implementation of monitoring, ensuring that ALL members of Departments of Education with the FSM are afforded opportunities. (P61)

Recommendation Twenty:

It is recommended that NDOE make submissions of possible sanctions against State DOEs if data is not provided in a timely and accurate manner for the submission of the JEMCO 20 Indicators Reports. (P63)

Recommendation Twenty-One:

It is recommended that the National Department of Education undertake a review of the FSM National Minimum Competency Standards Based Tests for all tested subject areas to ensure the tests actually test the required benchmark appropriately. (P65)

Recommendation Twenty-Two:

It is recommended that the NDOE through the development of legislation ensure the requirement of State Departments of Education to participate in the NST and further, the NDOE develop National Standardized Tests to be conducted at the State level. (P65)

Administration

Recommendation Twenty-Three:

It is recommended that criterion be developed for the selection of Scholarship Board members to ensure appropriate and qualified members are selected. (P71)

Recommendation Twenty-Four:

It is recommended that the Board consider giving a prescribed number of scholarships to those students who achieve academic excellence with further consideration being given to funding the whole of the post-graduate studies under the deemed priority area. (P72)

Recommendation Twenty-Five:

It is recommended that the NDOE be the central collection point for reports from private schools in all States and that NDOE provide information to the SDOEs in accordance with the mandate in Executive Order No.1. (P78)

Recommendation Twenty-Six:

It is recommended that the selection and hiring of special instructors is guided by policy and procedures. (P80)

Recommendation Twenty-Seven:

It is recommended that documented policy and procedures – designed to compliment and reinforce Financial Management Regulations provisions – are developed by the NDOE in accordance with the mandate in Executive Order No.1. (P81)

Recommendation Twenty-Eight:

It is also recommended that a systematic budgetary reporting regime is instituted so as to regularly inform the Secretary on financial status of the Department. (P81)

Recommendation Twenty-Nine:

It is recommended that grant terms and conditions are strictly adhered too ensuring grants are able to be full expended and meet audit scrutiny. (P84)

Recommendation Thirty:

It is recommended that a HR specialist review current job descriptions to ensure accuracy as well as the adequacy of performance evaluation forms with a view towards determining the efficacy of such forms in truly monitoring and evaluating performance. (P85)

Recommendation Thirty-One:

It is recommended that written policy and procedures be developed on breaches of disciplines and disciplinary action in accordance with Title 52 of the FSM Code of Law and all staff members of the National Department of Education are provided a copy of developed policies and participate in awareness sessions. (P87)

Recommendation Thirty-Two:

It is recommended that Principals and State and National Department of Education employees are included into the Teacher Certification Policy to ensure that those recruited and appointed into key positions meet the minimum standards established. (P89)

Recommendation Thirty-Three:

It is recommended that NDOE prepare and implement annual professional development plans for policy makers and specialists engaged in system support at National and State levels in order to improve the quality of support services offered to States and schools. (P89)

Recommendation Thirty-Four:

It is recommended that NDOE establish a centralized resource data library to promote the professional development for all levels of teachers and principles. Topic areas should include leadership, multi-grade teaching contexts, teaching English as a second language and other areas of development as identified in accordance with the mandate in Executive Order No.1. (P89)

Recommendation Thirty-Five:

It is recommended that a training needs analysis is conducted for teacher in-service training needs. A detailed report outlining the training needs is to be provided to relevant heads of State and National Departments of Education with appropriate training being developed from identified needs in accordance with the mandate in Executive Order No.1. (P89)

Recommendation Thirty-Six:

It is recommended that before any data is collected related to salary and conditions for persons performing duties (in research projects) equivalent to the teaching professional that criteria are established skills against the specific research project. . (P92)

Recommendation Thirty-Seven:

It is recommended that policies and procedures are developed to ensure assignment, transfer, leave and paid positions of staff members is clearly defined within the Department of Education. (P92)

INTRODUCTION

Background

This report represents the findings of a management audit and functional analysis conducted in the FSM National Government of the National Department of Education (NDOE) between May 2010 and June 2010.

The National DOE management audit is the fourth of similar audits undertaken throughout the Federated States of Micronesia (FSM). These audits have been commissioned by the Department of Education, FSM National Government in accordance with the provisions outlined under Education Sector Grants and Joint Economic Management Committee (JEMCO) Resolution 2009-9.

Yap DOE was the first jurisdiction to be audited in 2008 with a Management Audit Report being submitted in December of that year. Kosrae was the second audit conducted in 2009-2010 with the report being submitted in March of 2010, Pohnpei was the third audit conducted in 2010 with the report being submitted in May 2010.

Scope of Audit.

A Contract of Services was developed to identify the terms of reference of the audit. In accordance with the provisions of that Contract, it was sought that a thorough review and analysis of NDOE personnel structure, policies, and the way in which personnel are hired within the department was to be conducted. The end result of the audit includes the submission of a report containing recommendations for consideration.

General Scope of work

The general scope of work included:

- Reviewing National DOE personnel structures, policies and personnel hiring processes;
- Addressing DOE's compliance with internal and external performance standards, laws and policies, with an emphasis on personnel management policies;
- Ensuring best practices are implemented;
- Evaluating the effectiveness of management practices and where necessary produce a personnel re-structuring plan for the department.

Objectives

A primary and a number of secondary objectives were developed in order to achieve the stated aim of the audit. These include:

Primary

Review and analyse National DOE structure and systems to determine the extent to which the department is in compliance with internal and external laws and policies, including its performance in personnel structure, policies, and hiring practices of education personnel, and the effectiveness and efficiency of operations, controls, service plans and individual performance targets as well as statutory and legal liabilities, in the provision of effective support to schools and other academic institutions so as to promote improved student learning.

Secondary

- a. Conduct thorough reviews and analysis of NDOE's personnel structure, policies and the state's hiring practices of education personnel,
- b. Identify deficiencies and anomalies within the said department's system,
- c. Make recommendations for possible remedial measures, policy changes and personnel re-structuring based on good practices, research findings and principles and
- d. Produce a personnel re-structuring plan for NDOE to implement.

Methodology

The evaluation design adopted for this task reflects a qualitative approach, incorporating consultation with jurisdictional representatives across each of the key activity areas / phases, and content analyses of relevant documents. In order to maximise the outcomes from the consultation process, both group and individual sessions were conducted, the first designed to contextualise issues; while the latter was designed to drill down into specific areas of interest.

Three distinct phases were used:

Phase 1. Establishing criteria

This phase involved the identification of relevant internal and external performance evaluation criteria from source materials including mission and vision statements, plans, goals, objectives, targets, service standards and statutory requirements and provisions.

Phase 2. Collection, analysis and evaluation of performance data and evidence

This phase involved the collection, analysis and evaluation of performance data and evidence for each of the criteria identified in Phase 1. Analysis and evaluation was conducted against data-based indicators and means of verification, with triangulation from a variety of sources. Activities included:

- interviews with management and staff,
- interviews and focus group discussions with stakeholders including, employers and other relevant government organizations,
- review of documentary evidence including strategic plans, monitoring and evaluation reports and service delivery data,
- identification and analysis of trends and patterns in data.

Phase 3. Reporting

This phase involved the development by the auditor of a report to the client detailing the findings of the audit, including recommendations and relevant restructuring plans.

Overall, the multi-faceted evaluation method adopted is recognized within the social science discipline as a technique to reduce subjectivity typically associated with second-order interpretations of interview data, content analyses and observational studies.

Content analyses were undertaken of all relevant documents. These analyses assessed the quality of information contained within the documents; its relevance and currency to the respective operating environments; and its utility for the intended audiences. As part of this process, various agency documents including strategic plans and organizational orders and procedures (where available) were also obtained to contextualise their relevance.

The audit process adopted for the National DOE mirrors the approach undertaken with the Yap DOE audit in 2008, the Kosrae and Pohnpei audit in 2010. The primary reasons include:

- Adopting (and replicating) an audit framework which had been demonstrated as effective;
- Providing methodological consistency across all State and National agencies;
- Creating an opportunity (at a later time) to compare findings between all jurisdictions reviewed.

The National Department of Education is a small organization which allowed for individual interviews to be conducted. This was found to be more effective in eliciting information. Additionally, it must be noted that the National DOE has not developed a departmental policies and procedures manual similar to that utilized by Yap DOE. It was therefore, necessary to adopt alternative methods to identify operational procedures.

Structure of Report

Where possible, the structure of the Yap, Kosrae, and Pohnpei Audit Reports has been replicated within this report. This is particularly so with regards to the structure of the audit categories. Slight alterations do appear, however any differences relate specifically to the unique characteristics of the areas of review and findings of the National DOE operational environment.

As with the Yap, Kosrae and Pohnpei Audit Reports, this National report will consist of four sections. These are:

Section One: Category 1. Strategic Management

This section contains themed tables outlining sources, criteria and means of verification used to conduct the audit, plus a determination of the extent to which the Department of Education is in compliance with the criteria. The compliance determination is accompanied with a narrative including a functional analysis of relevant management processes, recommendations and action plans.

This category includes key functions of educational management and development. It includes the collection and analysis of data and other sources of information; the formulation of medium and long-term strategies; the development of annual programme plans and budgets; monitoring and evaluation and reporting.

Section Two: Category 2. Pedagogy

This section contains themed tables outlining sources, criteria and means of verification used to conduct the audit, plus a determination of the extent to which the Department of Education is in compliance with the criteria. The compliance determination is accompanied with a narrative including a functional analysis of relevant pedagogical processes, recommendations and action plans.

This category includes key functions of education service delivery. It includes the preparation, trialing and approval of curricula; the design, development and distribution of textbooks; selection and distribution of teaching and learning materials; initial and in-service training of teachers; school monitoring and inspection and student testing.

Section Three: Category 3. Administration

This section contains themed tables outlining sources, criteria and means of verification used to conduct the audit, plus a determination of the extent to which the Department of Education is in compliance with the criteria. The compliance determination is accompanied with a narrative, including a functional analysis of relevant administrative processes, recommendations and plans.

This category includes key functions of system administration, operations and routine maintenance. It includes human resource management; administration; filing and logistics.

Section Four: Findings from interviews, conclusion and stakeholder discussions

This section contains a report and analysis of the findings of interviews conducted with staff of the Department of Education, as well as stakeholders.

** Note: - The review of National DOE found a number of issue identical (and relevant) to the Yap, Kosrae and Pohnpei reviews. While seeking to ensure this document can be reviewed as a 'stand alone' evaluation of National DOE, issues and findings complimentary with State departments will not always be repeated in this report.*

*** Also Note: That the performance Indicators in each of the Audit tables have been color coded to clearly identify status as either in:*

1. Compliance  2. Partial compliance  or 3. non compliance 

Organizational Profile

The National Department of Education is an organization of 34 personnel however, there is only 31 positions currently filled at the time of the management audit with three vacancies. The 2010 approved National Education Budget for the NDOE is \$1,717,701.00. This is made up of Sector Grant and Supplemental Education Grant allocations.

The National Department of Education was formed from the Department of Health and Social Services by Presidential Decree in 2008. The roles and responsibilities of the NDOE are outlined in Title 40 of the FSM Code of Law and Presidential mandate (Executive Order No1 section V11). These include:

- Administration and coordination of the Education System
- Establishing and monitoring Standards
- Developing Programs
- Providing Technical Assistance
- Conducting School Accreditation
- Conducting Teacher Certification
- Supporting post-secondary education programs and projects
- Chartering Private Schools
- Administering National Scholarship program

The relationships between National and State Department of Educations is one of strategic importance. The core mission of the National DOE is to set, monitor and report on education standards and to provide technical assistance to ensure that all standards are achieved.

The National Department of Education has a responsibility for providing technical Assistance to 254 schools within the FSM. This includes ECE / Sped Centers. The below table indicates the break down.

Number of Schools

1. Number of Schools by elementary and secondary level, including ECE/Sped centers					
State	ECE	Elementary	Secondary	Other	No. School
Chuuk	45	87	21		153
Kosrae	*	7	1		8
Pohnpei	*	31	3		34
Yap	26	30	3		59
FSM	71	155	28	0	254

* Chuuk and Yap States have many small schools on scattered outlying islands. This presents problems in communication, transport, management, monitoring and supervision.

Enrolment figures show a decline of 1,883 from 32,335 in 2008 to 30,752 in 2009. The net migration rate in 2009 was -21.03 per 1,000 population, suggesting that approximately 2,100 people migrated out of FSM. Out-migration cannot account for the full decline in enrolment. In 2009, Chuuk reported a fall in private schools of 237, from 1,672 in 2008 to 1,435 in 2009. Enrolment figures were not provided by Pohnpei, Yap and Kosrae for private schools in 2009. Movement from state to private schools cannot account for the decline in enrolment.

Enrolment

State	Elementary		Secondary		Total	
	Male	Female	Male	Female	Male	Female
Chuuk	6027	5833	1469	1601	7469	7434
Kosrae	754	751	271	267	1025	1018
Pohnpei	4122	3968	1259	1280	5381	5248
Yap	1177	1058	5000	415	1677	1473
FSM	12080	11610	3499	3563	15579	15173

Total male enrolment is 50.66% and female enrolment is 49.33%. At elementary level, male enrolment is 50.99% and female enrolment is 49.00% of the total. At secondary level, male enrolment is 49.54% and female enrolment is 50.45% of the total.

The NDOE has developed National Curriculum Minimum Standards in Vernacular Language for ECE to Grade 12. However, the curriculum is not widely implemented or resourced within the State Departments of Educations and there is little instruction in local languages beyond Grade 3. However, there are some basic concept books and dictionaries for ECE to Grade 2. There are few advanced or extended text books available for study in local languages from Grade 3 to 12. Most instructional materials are purchased in English language texts. The task for developing materials in local languages falls to each of the State Educational Departments.

To ensure the preservation of the culture and traditions for the people of FSM and to prepare them for communication with demands in the greater world environment, the FSM seeks to develop a bilingual society. The education system is bilingual, with English becoming the language of instruction after Grade 3, when students have already mastered literacy skills in their vernacular language. The system is one of maintenance of the vernacular language and instruction in the vernacular should continue up to Grade 12.

Section 1: Strategic Management Compliance

Mission, Goals and Policy

Twenty (20) indicators have been identified by JEMCO as a means of measuring systems inputs and some outputs (refer to Management Audit and Functional Analysis Report – Yap Department of Education – p. 16). Findings during the Pohnpei and Kosrae Management Audit revealed that the 20 indicators provide limited capacity to meaningfully determine the extent to which a State DOE is achieving its missions and goals. Within a National Department of Education context, those 20 indicators are just as limited in their usefulness. It is recommended that the NDOE take a lead role in establishing a working group to review all indicators which have been developed with the purpose of identifying alternative, meaningful and useful measures of educational progress. (**Recommendation 1 refers**).

The FSM National Standardized Tests (NST) is a series of test instruments used as the basis for measuring the effectiveness of the National Curriculum Minimum Standards which are implemented in schools across the FSM. A new NST for English Language Arts standards (Reading and Literature) was developed and administered in 2009 for the first time and then again in 2010. The culmination of both standards is based on a 40 items test in Reading and Literature. The results from these tests indicated that sixth grade students are not adequately prepared to be able to respond correctly to these benchmarks inquired.

During the recent audit it was found that the current NST, developed for English Language Arts standards, was developed to measure the effectiveness of the National Curriculum Minimum Standards. It was found that the NST has been developed in such a way that it does not adequately measure the competencies against established National Curriculum benchmarks for reading and literature. The test results from 2009 indicate that 11% or 177 six graders (1,608) were achieving at the competence level.

6th Grade 2009

Level Percents for All Students for Each Rubric Level of Standards				
	Well Below	Below	Minimum Competency	Competence
Standard 2 READING	-42%	-25%	22%	12%
Standard 4 LITERATURE	-50%	-26%	15%	9%
Standards Combined (n=1608)	-43%	-26%	20%	11%

6th Grade 2007-2008

Proficiency Levels	Numbers of items Correct (63 possible)	Percent of items correct	Actual Numbers of FSM Students per level	Actual Percent of FSM Students per level
Advanced	57-63	90%-100%	68	5%
Proficient	51-56	80%-89%	111	8%
Basic	45-50	70%-79%	137	10%
Below Basic	0-44	0%-69%	990	76%

The table above indicates the number of 6th grade students who actually participated in the language arts NST. Of a total number of nine hundred ninety (990) six graders who participated in the 2008 Spring NST tests, *seventy six percent (76%)* of them are considered not proficient in the English language. Ten percent (10%) are in the category of *Basic* and eight percent (8%) are proficient. The remaining five (5%) are placed in the Advanced category.

At the time of this Audit, results for 2010 had not been scanned or analyzed. Further, at the time of this audit the new NST math test had not been developed. This has led to a situation where no NST were administered in 2009 or 2010. Therefore students' performances compared to the national curriculum standards are not available. Test results are analysed and provided back to the State DOEs. This information assists teachers with understanding how their students performed and at what level they are performing at. Alterations to the way curriculum is being taught can be a direct outcome of these results. However, when results are not being provided in a timely manner, implementation of any change is difficult for teachers. It is recommended that scanning and analysis of tests results be done and returned to State DOEs in a timely manner to allow for implementation of change. **(Recommendation 2 refers)**. There is a lack of deep analysis of the data with the intention of developing, responding and solving any weaknesses identified. Information when provided is broken down to classroom level. There is the capacity to further analyze this information down to individual student level if requested. This would allow for more accurate interpretation of the strengths and weaknesses of those individual students. Further assistance can be provided by the National DOE by coordinating with subject specialists and present findings of test analysed and provide assistance and advice on how to best address the weaknesses identified. It is recommended that NDOE provide technical assistance to State DOEs and that State DOEs accept assistance in developing strategies for addressing areas of weaknesses and concerns in accordance with the mandate in Executive Order No.1. **(Recommendation 3 refers)**.

The T3 program has recently been handed over to the States to incorporate into their programs. This program was funded and run by the NDOE and was the only program that the NDOE implemented and ran fully for the States. Funds were rescinded. It was anticipated the transitional process for this transition would take approximately one year. The NDOE ceased the program at the end of March 2010 however, limited transitional support was provided to the States.

Below - Audit Table 1 – incorporating Performance Indicators 1 to 6

	Source	Criteria	Means of Verification	Compliance Status
1	Mission Statement	The mission of the FSM Department of Education is to provide equal access to education for all the citizens of the FSM and to develop in our young people the essential attitudes, skills and knowledge that will enable them to participate in and contribute to the development of their communities, state and the nation but also to provide appropriate education for young adults who may be able to work elsewhere in the world. It is also the mission of the national education to assist the FSM States to help the young people to understand and respect their culture and heritage, to recognize and influence changes occurring in modern and traditional lifestyles, to develop interest and respect for their own environment as well as others.	Evidence of progress towards compliance with performance indicators specified in Strategic Plan document	Partial Compliance FSM National DOE is setting standards for teachers, curriculum, and schools. There is scope for National DOE to take on more of a lead role in assisting the states develop participation between schools and communities for greater understanding of culture and heritage within the school environment.
2	Strategic Goal One and Objectives	Improve the quality of learning in the FSM. 1. To reform the National Curriculum Standards and Benchmarks. 2. To improve students' access to learning opportunities. 3. To improve the provision of Special Education Programs 4. To improve the provision of Early Childhood Education Services 5. To improve the provision of textbooks and other materials.	Published Curricula Number of schools successfully implementing the curricula NST results Training provided Guidelines issued All schools have a school improvement plan SPED monitoring reports State compliance with Special Education provision requirements ECE enrolment rates	Partial Compliance Detailed student learning outcomes for English have been developed with the other three subjects. Guidelines for school improvement plans have been developed and are to be issued to all DOE's. However no requests have been forthcoming from State DOE's for technical assistance and training. NDOE and SDOEs work closely together through the monitoring program to ensure that students with disabilities participate in learning programs.

			<p>ECE curriculum standards developed Minimum provision of textbooks in 5 subjects per student % of education funds spent on textbooks and materials Textbook inventories and monitoring reports Annual increase in donor grant awards</p>	<p>No work is currently being undertaken within the ECE program in the NDOE. No curriculum has been developed at the National level to assist that State DOE's nor have any policies or procedures. There is limited textbook monitoring being undertaken by the NDOE to ensure minimum provisions. (Pohnpei SDOE 11 schools monitored).</p>
<p>3</p>	<p>Strategic Goal Two and Objectives</p>	<p>Improve the quality of teaching in the FSM. 1. To ensure that all teachers in the FSM education system are certified. 2. To improve the provision of professional development opportunities for teachers and education staff. 3. To introduce models of innovative improvement strategies in teaching. 4. To address the issues of low teacher status and salary. 5. To support improvements in initial and post-graduate teacher Preparation programs. 6. To advise State Directors of Education on the optimum levels of teacher deployment.</p>	<p>Annual increase in the % of teachers, principals and others certified Annual decrease in the % of teachers seeking AA/AS degrees Teacher Professional Development standards Annual improvements in student achievement Annual professional development plans Improvement strategies Documented Research report Teacher salary reform Annual increase in entrants to Teacher Corps Annual increase in funding for teacher professional development Annual increase in scholarships in education Increase in number of education courses available by distance education Equitable teacher: student ratios across all states Number of teachers attending professional development courses</p>	<p>Partial Compliance There is an annual increase of teachers receiving minimum certification across SDOEs. However, some teachers are still not meeting the minimum teacher certification standard by not passing the NSTT. The development and conducting of workshops for the National writing strategy and the MTE. Not all teachers are attending or accessing professional development courses in areas such as multi-grade teaching or other skills development areas relevant to needs.</p>

4	Strategic Goal Three and Objectives	<p>Consolidate performance monitoring and data based decision-making system.</p> <ol style="list-style-type: none"> To establish comprehensive Education standards and monitoring systems through a School Accreditation System. To revise national student Assessment procedures. To establish standards, monitoring systems and support systems for National and State Departments of Education. To establish a unified education management information system to improve data collection and analysis and support evidence based decision making. Improve data-based decision making and strategic planning. Achieve equitable distribution of grants. 	<p>Standards developed Annual monitoring reports on % of schools Principal performance monitoring Teacher performance monitoring Follow-up reports Revised annual NST report NST Science tests Audit reports Statewide System of Support guidelines Annual increase in the number of days of support provided by NDOE Unified MIS Number of days training provided Timely data analysis reports Annual performance reports Coordinated NDOE & SDOE planning Formal Statewide System of Support Per student allocation of grants</p>	<p>Partial Compliance Certification of teachers within the FSM education system has been a priority area for sometime and all efforts are being undertaken to ensure teachers are meeting the minimum requirement. However, State DOEs must ensure they do not take on new hires without this minimum qualification.</p> <p>A draft of the standards for the monitoring and support systems for National and States has been developed.</p> <p>BSSP developed a unified system for NDOE however this system was never implemented.</p>
5	Strategic Goal Four and Objectives	<p>Strengthen participation and accountability of the education system to communities.</p> <ol style="list-style-type: none"> To develop a National Policy Community Participation in Education. To develop a program of public reporting of standards and achievement in the education system. 	<p>Written National Policy on Community Participation in Education Education Community Liaison Officer School Improvement Plans Annual public performance reports</p>	<p>Non Compliance At this time there has been no policy developed for Community Participation in Education. The draft accreditation system does allow for public reporting, but at the time of the audit the documentation for accreditation system was still only in draft format.</p>
6	Strategic Goal Five and Objectives	<p>Ensure that education is relevant to the life and aspirations of the FSM people, meets manpower needs,</p>	<p>Post-secondary policy Number of post-secondary students</p>	<p>Partial Compliance The National Scholarship Program is post-secondary program.</p>

		<p>improves lifelong learning, enables students to complete Post-Secondary education and assists in the economic and social development of the FSM.</p> <ol style="list-style-type: none"> 1. To develop a coordinated program to address the role of FSM education in meeting the economic and workforce development needs in the FSM. 2. To improve access to vocational education opportunities. 3. To improve the relevancy of education to the economic and social development needs of the FSM. 	<p>enrolled in vocational courses</p> <p>Annual increase in vocational education courses</p> <p>Revised curricula</p>	<p>Responsibility for the T3 program has been taken away from the NDOE and returned to the States.</p> <p>Curriculum has been developed for the CTE program, however development has stopped and at the time of the audit there has been no move to implement the curriculum.</p>
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Responsibility and Authority of the Secretary of Education

The Secretary of Education’s responsibilities and authority are outlined in the FSM Code of Law Chapter 40. The Secretary duties and requirements outlined within the FSM Code of Law and Executive Order No. 1 Section VII. There is evidence that technical assistance is being provided to the State Department of Educations through such programs as the National Writing Strategy. This program has been implemented in three of the four states, with Yap yet to participate in the program. The initial implementation has taken place with the training of selected staff members to be trainers of the writing strategy. There is no evidence of ongoing follow-up by the National Department of Education to ensure State DOEs are fully implementing the program. Assistance is being provided to students who wish to further their education at a post-secondary level through coordination and cooperation with college institutions by the awarding of scholarships through the National Scholarship Program which is administered by National Department of Education.

The FSM National JEMCO 20 Education Indicators Report, quarterly and annual budget reports, and scholarship reports are developed as required, however there is limited accountability from Division Chiefs to ensure that necessary reports are provided in a timely manner. Evidence was found that reports are either not submitted to the Secretary or presented directly to the requesting party (Congress). This is inefficient and does not allow for relevant Divisional Chiefs to be kept fully informed of Department activities.

The reason Partial Compliance and Non Compliance has been given in this performance criteria, is the role of the Secretary NDOE within the Executive Order No. 1 is not clearly defined. It provides for the role of the Department of Education and the responsibilities without clearly defining the role of the Secretary. Further, the Executive Order outlines the Divisions within the Department and their responsibilities. The FSM Code of Law Title 40 provides for the role of the Secretary with only two areas being consistent with the current role being undertaken by the Secretary. During the audit it was found at times NDOE loses focus of core business of the Department. Demands are made from outside sources that change the focus of the Department or Divisions within the Department with resources and staff members being moved from their operational functions to these new imperatives. An example of this is in the area of ECE where the specialist engaged to develop policy and curriculum framework was required to develop and implement the close-up program. During the interview the ECE specialist it was indicated that this was a direct cause for work not being commenced on core business.

This demand on the organization has meant that some programs have not been achieved. In some instances some have not commenced as indicated within the Integrated Sector Program Plan. It is recommended that the Executive Order for the Department of Education be updated to reflect the need for a greater role in providing assistance to State Departments of Educations with the over-viewing implementation of initiatives to achieve greater consistency across all Departments of Education. **(Recommendation 4 refers)**.

Below - Audit Table 2 – incorporating Performance Indicators 7 to 10

Responsibility and Authority of the Secretary of Education				
7	FSM Code Title 40 Chapter 1 Section 103	Secretary of Education shall administer and coordinate the FSM	Standards set	Partial Compliance The Secretary of NDOE has ensured the

		<p>Educational System in relation to</p> <ul style="list-style-type: none"> a) promote education by setting minimum standards for educational administration, programs and facilities b) coordinate efforts to obtain foreign assistance for programs c) provide technical assistance to the States d) coordinate efforts which seek to meet the needs of FSM students in the area of post-secondary education 	<p>Foreign assistance coordinated</p> <p>Extent of technical assistance given to states</p> <p>Programs directed towards post-secondary education</p>	<p>promotion of education by the development of the National Curriculum Standards and Benchmarks. Further development of English Language Arts Student Learning Outcomes, Standards for Educational Administration, Programs and Facilities has been undertaken with further development in other subject areas to take place.</p> <p>No evidence of foreign assistance sought through grant writing.</p> <p>Technical assistance is provided to states through workshops being provided (National Writing Strategy), however there is very little follow-up to ensure ongoing commitment by states.</p> <p>There is limited coordinated effort in the area of post-secondary education. National Scholarship Program partially meeting the needs of those students in post-secondary education</p>
8	FSM Code Title 40 Chapter 1 Section 103	<p>The Secretary shall advise the chairperson of the Board of Regents of the College of Micronesia in education matters including:</p> <ul style="list-style-type: none"> a) educational needs and abilities of student classes or age groups advancing towards post-secondary education b) FSM manpower requirements which might be met through training programs at the College of Micronesia c) Opportunities and programs to transfer FSM students to 	<p>Number of meetings with Board of Regents</p> <p>Minutes of issues discussed</p>	<p>Non Compliance</p> <p>The Secretary has not advised the Board of Regents of the College of Micronesia in relation to the needs of student or academic capability in post-secondary education. Advances made towards advising the Board or administration of the College has not achieved the desired outcome. There are no documented minutes of meetings attended.</p> <p>AusAID scholarships provide students opportunity to transfer from COM to</p>

		<p>specialized programs in other colleges</p> <p>d) Problems which inhibit efforts to meet FSM manpower needs</p>		<p>other colleges in specialized programs.</p>
9	<p>FSM Code Title 40 Chapter 1 Section 103</p>	<p>The Secretary shall communicate and consult with members of State Boards of Education on:</p> <ul style="list-style-type: none"> • Promoting education • Setting minimum standards • Providing technical assistance • Coordinating educational services • Building consensus • Assisting Boards of Education in the performance of their duties 	<p>Number of meetings with State Board of Education</p> <p>Minutes of meetings held and issues discussed.</p>	<p>Non Compliance</p> <p>The Secretary does not meet with the State Board of Education, in promoting education, setting minimum standards providing technical assistance or coordinating education services. This is done at the level with the Directors of Education at the State level. All assistance is provided to the Directors to ensure the Directors at the State level are able to provide to their relevant State Boards the necessary assistance and guidance.</p>
10	<p>FSM Code Title 40 Chapter 1 Section 103</p>	<p>The Secretary shall have the authority to:</p> <ul style="list-style-type: none"> • Issue reports • Prepare National Education Plans • Establish temporary committees to conduct studies • Prepare budgets and administer funds • Issue guidelines and procedures • Act upon education matters assigned by the President 	<p>Reports issued</p> <p>Plans developed</p> <p>Committees established</p> <p>Budgets prepared</p> <p>Guidelines and procedures developed</p> <p>Number of matters assigned by President.</p>	<p>Partial Compliance</p> <p>The Secretary develops reports as required, such reports are the JEMCO 20 indicators, quarterly performance reporting, annual budget reports. A line item budget is prepared, that aligns with the integrated sector program plan.</p> <p>Development of guidelines and procedures has been developed in areas such as the School Improvement Plan.</p>

Role of Administration of National Department of Education

The Compact of Free Association (Amendments of 2003) requires sector grant funding to be used to support and improve educational systems at primary, elementary and secondary level. It also directs resources towards advancing education systems, providing vocational training, improving accountability, raising staff skill levels and making education relevant to the needs of economy. The National Department of Education has undertaken to fulfil these requirements through the implementation of such programs as, Special Education Programs, National Curriculum Benchmarks and Standards, School Accreditation Programs and School Improvement Policies, CTE and Teacher Certification Program. The development of programs by the NDOE to State Department of Educations to assist in implementation is not sufficient to ensure compliance. Greater follow-up through monitoring and evaluation of programs should be undertaken with technical assistance being provided to ensure consistency and sustainability of such programs. The audit found that assistance is being offered to the State Departments of Education, however, the offer of assistance is most often not being accepted. It is recommended that the State Department of Educations accept Technical Assistance being offered by the National DOE and National DOE take a lead role to ensure the implementation and consistency of programs developed within the FSM in accordance with the mandate in Executive Order No.1. **(Recommendation 5 refers)**.

The audit found that State Departments of Education have the responsibility of developing in-service training for teacher development. Management Audits undertaken in Yap, Kosrae and Pohnpei found that no regular in-service training has been developed. The National Department of Education is best situated to undertake the development of in-service training for teachers within the FSM, particularly for topic areas with broad application across the nation. It is recommended that a training needs analysis be conducted to find significant and appropriate training needs of teachers in each State and further, for NDOE to undertake to develop and implement in-service training programs for teachers on topics which have broad application to the teaching profession. **(Recommendation 6 refers)**.

Below - Audit Table 3 – incorporating Performance Indicators 11 to 25

Education System – Role of Administration of NDOE				
11	Executive Order No 1 Section VII	Carrying out the functions of the National Government in promoting education	Means of promoting	Non Compliance The NDOE has no means of verification of promotion of education services provided by the National Government.
12	Executive Order No 1 Section VII	Responsible for the planning, development, and promotion of National Goals and Standards in the field of education.	Plans developed National goals and standards developed Dissemination process	Partial Compliance Standards in Curriculum have been developed and disseminated to the SDOE. NDOE has developed CTE Standards, School Accreditation, Teacher Certification and Self-Assessment for Education for the SDOEs to implement into their departmental

				frameworks.
13	Executive Order No 1 Section VII	Implementation of National education programs	Documented evidence of number of programs implemented	Partial Compliance No documented evidence in the way of reports was provided on the implementation of programs such as Close-up Program and Rural Internet Connectivity. These programs are being implemented in all State DOE's. A report on Bridging the Gap was provided however it did not state any implantation of programs, the report outlined problems being faced.
14	Executive Order No 1 Section VII	Coordination of US Federal education programs	Means of coordination with US programs	Compliance SPED is the only Division within NDOE that has coordination with US programs. Reports outlining specific indicators as nominated by the US Office of Special Education Programs (OSEP) are provided by SPED NDOE. The NDOE serves as the State Education Agency responsible for the general supervision of special education and related services delivered in the four states. Each state provides quarterly reports to the NDOE SPED for inclusion in the State Performance Plan.
15	Executive Order No 1 Section VII	Encourage the teaching of vernacular languages and other foreign languages	Programs related to languages being implemented with emphasis on vernacular	Partial Compliance VLA has standards and benchmarks developed at the National level.
16	Executive Order No 1 Section VII	Ensure in-service teacher training and other staff development programs	In-service training programs developed and delivered Staff development programs implemented	Partial Compliance In-Service Training – Evidence found of the only in-service training program was the Writing Project to improve the standard of student writing. Staff members have undertaken development relating to their job description. One staff member has been on a 12 month secondment to PREL with another going to China and to

				Solomon Islands. When requested this information was not provided.
17	Executive Order No 1 Section VII	Assist with effective services for handicapped children and youth	Services provided to handicapped youth	Partial Compliance Through the SPED Division of the NDOE monitoring is conducted of services provided for children with special needs at the State level. However not all children are being encapsulated within this monitoring program.
18	Executive Order No 1 Section VII	Issue charters to non-public schools throughout the FSM.	Number of charters issued	Compliance The NDOE has issued 17 charters to non-public schools. All charters have been issued in accordance with Title 40.
19	Executive Order No 1 Section VII	Assist with post-secondary education	Programs developed to support post-secondary education	Non Compliance Programs to support post-secondary education are through programs such as AusAID and the awarding of scholarships through the Chinese Scholarship program.
20	Executive Order No 1 Section VII	Provide technical assistance to State DOE's	Examples of types of technical assistance provided	Partial Compliance Technical assistance provided at this time has been the development of the National Writing Strategy, CTE Standards MTEC, Principals' Institute, ICT program and guidance on SIP.
21	Executive Order No 1 Section VII	Issue teacher certificates	Percentage of teacher certificate issued	Partial Compliance Evidence indicates that not all teachers within the FSM undertaking teaching instruction have the minimum teacher certificate. At present 32% of the teachers have the necessary certificate.
22	Executive Order No 1 Section VII	Provide support services to and receive advice and assistance from the FSM Board of Education	Documented evidence of support given and received from FSM Board of Education	This criterion could not be assessed as no board of education has been put in place at the time of the audit.
23	Executive Order No 1 Section VII	Report on the condition and progress of education in the Nation	Documented evidence of reports furnished	Compliance Documented evidence showed that the FSM National JEMCO 20 Education Indicators Report is furnished which

				outlines the progress and conditions of education within the Nation of the FSM. This report is compiled from data supplied by all the States and measures the statuses and progress of the schools throughout the FSM. However, discussions with the data manager for the NDOE indicated the JEMCO report will be meet the required deadline this year.
24	Executive Order No 1 Section VII	Promote the cause of education in the FSM	Evidence of types and quality of promotion undertaken	Non Compliance The NDOE does not undertake to do any active quality promotion of education within the FSM. This is generally left to the SDOEs to fulfil this role.
25	FASCCO Resolution FR 09-03	That NDOE establish an annual conference forum in collaboration with COM-FSM the FSM States and NDOE	Conference established Evidence of minutes from meetings	Compliance Annual Conference in the form of MTEC

Organization of the Department of Education

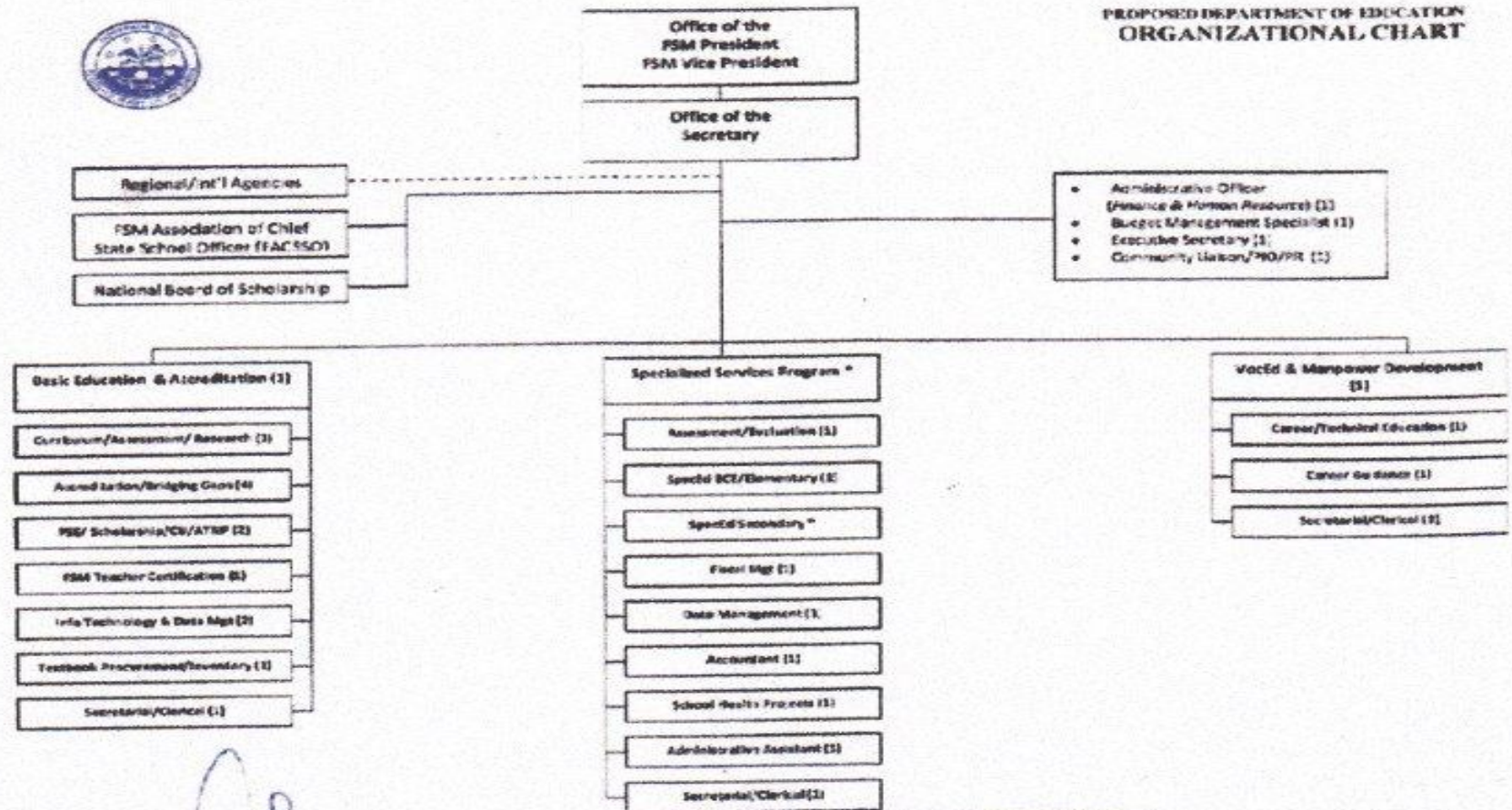
The National Department of Education has three Divisions as mandated by the Executive Order No.1 Section VII. The chart below provides a graphic of the organizational structure. The chart identifies boards, divisions, agencies and positions. However, it does not provide any detailed description of functions and tasks of the divisions, defined roles of coordinators and subordinates or reporting and other relationships between hierarchical levels within the organization.

Pages 22 to 30 of the Management Audit and Functional Analysis Report – Yap State Department of Education deals with Organizational Chart structure, span of control (supervisors / subordinated, functional analysis of tasks and job descriptions). A number of recommendations are made on P30 of that report. This audit supports the comment made in the Yap DOE Report and the recommendations made.

Below - Audit Table 4 – incorporating Performance Indicator 26

Organization of the Department				
26	Executive Order No.1. Section VII	The Department of Education shall consist of three Divisions a) Division of education systems support b) Division of vocational career and technical education c) Division of SPED	Actions towards Division education support system 16 duties as outlined in the Executive Order No.1. Section VII (as amended April 2008) Division of Vocational Career and Technical Education 9 duties Division of SPED 5 duties	Partial Compliance The NDOE has established three divisions within NDOE. The chart does show: <ul style="list-style-type: none"> • Staffing patterns • Lines of authority and accountability • Location of Managerial Positions. Further each of the Divisions is not fully meeting the required duties as defined within the Executive Order.

Org Chart



[Signature]
 Secretary, Department of Education

6/19/08
 Date

[Signature]
 President, Federated States of Micronesia
 06-19-08
 Date

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Employment Practices

The National Department of Education is required to be an equal opportunity employer, recruiting staff with the minimum qualifications determined for the position advertised. Analysis of current examination announcements indicate that advertised positions are generic with diminutive detail given to actual job detail. Current recruitment processes for personnel require the Secretary to notify the Division of Personnel in the Department of Administration that a vacancy exists. The position is given a classification and the Division of Personnel develops an advertisement in accordance with the position description. Applications are received and a list of those applicants most qualified for the position is provided to the Secretary for selection of the preferred applicant. Selections usually take place through a panel type discussion which occurs between members which have knowledge of the position to be filled.

While the audit was being conduct, SPED engaged two new staff members to the program. The new staff members possessed the required minimum qualifications (both had obtained masters). The Division of Personnel had provided a list of candidates for the Division Chief to make his selection from with the highest ranked candidate to the lowest ranked according to Personnel. It is felt that NDOE should play a greater role in the assessment of possible candidates for positions within DOE.

Positions within NDOE are filled mostly by men, this includes all Divisional Chiefs. Of the current 31 positions 26 (84%) are occupied by men this includes all put one of the specialist positions, with the remaining 8 (26%) being fill by women, with these positions being mostly administrative, with 1 (3%) position being a specialized as teacher certification. During the audit it was found the female staff members are as capable as their male counterparts if not more so. However, there appeared to be no consideration to their abilities.

It is recommended that National Department of Education develop criterion on which applicants for positions in the education department be assessed against during the interview process, with the view of identifying the most appropriate candidate for selection. (In addition to that of the Division of Personnel process). **(Recommendation 7 refers)**.

Below - Audit Table 5 – incorporating Performance Indicators 27 to 28

Employment Practices				
27	FSM Code Title 52 Chapter 1 Subchapter I Section 113 and 116 (Merit Principles)	The National Public Service System shall be administered in accordance with the merit principles set forth below: (1) Equal opportunity for all regardless of sex, race, age, religion, political affiliation, ancestry, family or place of	Application of principles in selection process	Partial Compliance NDOE employees a large majority of males within the department as specialists. Of the 31 staff members only 8 are female (26%), with 7 of the 8 have administrative positions and 1 (3%) having a specialists role in the area of teacher certification. All Divisional

		<p>origin.</p> <p>(2) No discrimination against any person because of a physical handicap unconnected to his ability to perform effectively the duties of the position in which he is employed or in which he is seeking employment; PROVIDED that the employment of said physically handicapped person will not be hazardous to him nor endanger the health and safety of others.</p> <p>(3) Impartial Selection</p> <p>(4) Just opportunity for promotion</p>		<p>Chiefs are male and Bridging the Gap specialists male. Technical Specialist being provided is also a male.</p> <p>Selection is conducted through a selection panel once a list of possible candidates has been provided by Division of Personnel.</p> <p>There is no clear policy or guidelines established within the Department for opportunity for promotion from within the Department.</p>
28	<p>FSM Code Title 52 Chapter 1 Subchapter III Section 132-135 (Appointment and Promotion of Employees)</p>	<p>All positions made shall be recruited by advertisement and in compliance with section 132.</p> <p>The Personnel Officer shall cause to be established a separate class list for all vacancies that exist.</p> <p>Vacancies shall be filled in accordance Section 135.</p>	<p>Documented eligibility lists</p> <p>Procedure compiling with provisions of Section 135</p>	<p>Partial Compliance</p> <p>Vacancies are advertised through the Personnel Office in accordance with Section 132. Vacancies have been unfilled for long periods of time. Some position descriptions appear to be to generic and broad.</p>

Assignment of Personnel

National DOE personnel are assigned to positions within the Department on the basis of specific needs which have been identified for a position. However there is an absence of documented policies or procedures to effect such assignment nor are there any description documents outlining the requirements of personnel to fulfil those positions. As stated earlier, other imperatives often hinder the ability of those personnel assigned to undertake specific duties to actually fulfil their role. The auditor found that the underlying assignment of personnel is done with the best intention of delivering quality service and technical assistance as mandated. During the audit it was often found that personnel were not performing their required tasks and program to which they had been assigned, appeared to be stalled or commencement delayed. The table below indicates divisions and positions within each division. It is recommended that National Department of Education develop policies and procedures regarding position requirements within divisions. **(Recommendations 8 refers).**

SPED personnel are tasked to conduct monitoring evaluations on the Local Education Agencies (LEAs). These personnel are specifically trained in the field of conducting monitoring evaluations however, budget limitations restrict their ability to perform follow up evaluations where necessary.

NDOE Division	Position	NDOE Division	Position
Administration		Basic Education / Accreditation	
	Secretary, Department of Education		Chief Basic Education and Accreditation
	Development Officer		Program Manager ECE and Elementary Program
	Administrative Officer II		Education Specialist Bridging Gaps - Chuuk
	Fiscal Management Specialist		Education Specialist Bridging Gaps - Kosrae
	Administrative Clerk (contractual)		Education Specialist Bridging Gaps – Pohnpei
			Education Specialist Bridging Gaps – Yap
CTE and Vocational Education Manpower Development			Textbook Procurement / Inventory
	Chief Division CTE / Vocational Education Manpower Training		Secretary I
	CTE Curriculum Specialist (Vacant)		Administrator Post Secondary
	CTE Career Counsellor (Vacant)		Education Specialist Curriculum Assessment and Research
	Secretary CTE and Vocational Education		FSM Teacher Certification Specialist
			Student Services Specialist

Specialized Services			Information Technology Technician (Specialist)
	Chief Specialized Service - Special Education Assessment and Data Coordinator		Management Information Specialist
	Education Specialist		
	Secretary		
	Education Specialist (New)		
	Fiscal Management Specialist		
	Management Information Specialist		
	Executive Secretary		
	Accountant III (Vacant)		
	Early Childhood Specialist (Vacant)		

Below - Audit Table 6 – incorporating Performance Indicator 29

	Assignment of Personnel			
29	No official policy based on excepted practice	The Secretary shall make all assignments of personnel in the best interest of the educational systems and should rely upon qualifications, certification.	NDOE criteria for assignment. Assignment data.	Non Compliance No evidence was able to be produced on written criteria for assignment of personnel. However, some roles have been changed as deemed necessary by the Secretary.

Services with Children with Disabilities

The National SPED division has the responsibility as serving as the State Education Agency (SEA) responsible for the general supervision of special education and related services delivered in the four States of the FSM. The National SPED develops in consultation with the States, the Local Education Agencies (LEAs) State Performance Plan. This plan is developed to cover a period of five years. Deficiencies in specific indicators are nominated by the donor organization.

SPED division provides to the LEAs detailed schedules of monitoring visits. Monitoring reports are developed which outline the necessary improvements needed to ensure compliance with the specific program objectives. During the visitations by monitoring teams, draft monitoring reports are provided to the recipient department and in-depth discussions are held with relevant personnel. These discussions focus on ensuring State departments fully understanding the requirements to ensure compliance with identified deficiencies in program approach.

Detailed records required to be kept as necessitated by the donor should be retained by the Division of SPED. However, during the period of this Audit, a request for documentation relating to emailed letters, technical advice or details of phone calls made was not capable of being complied with. It is recommended that personnel within SPED division, when providing technical assistance over the internet or telecommunications, make detailed notations of such contacts and attach those notes to the relevant file. **(Recommendation 9 refers)**.

The Division of SPED appears to meet all the requirements as set out Title 40 of the FSM Code as well as the requirements of policy documents specific for the Division of SPED. Staff members are provided opportunities to undertake development of skills, such as computer training specific to their job requirements, which enhances their capabilities to undertake their jobs with greater skills.

A comprehensive annual report is developed for the donor summarizing the LEAs performance reports. This report details the areas of non compliance with the LEAs SPED programs and areas being resolved in accordance with recommendations set out by the monitoring and evaluation team. The National SPED performs the role of providing technical assistance in accordance with donor requirements as far as compliance with all legislative and policy requirements.

Below - Audit Table 7 – incorporating Performance Indicators 30 to 51

Services with Children with Disabilities				
30	FSM Code Title 40. Education Chapter 1 Section 107. (Procedures to ensure education for children with disabilities).	The Secretary shall establish, in cooperation and consultation with the State Directors of Education and Health Services of each State, a procedure to ensure the ongoing identification, diagnosis,	SPED monitoring report.	Compliance Document evidence was provided by NDOE SPED in the form of the monitoring report. This report is done with no Divisional written procedure, however the donor provides written

		certification, and education of children with disabilities.		instruction to NDOE SPED on the specific indicator areas which need to be addressed in the report. The report is then compiled in consultation with LEAs.
31	FSM Code Title 40. Education Chapter 2 Subchapter III Section 235. (State responsibility).	On or before July 1 of each year, each State shall report to the Secretary of Education the extent to which it is providing the special education for children with disabilities necessary to implement this subchapter. The report shall detail the means which the State uses to provide for the free appropriate special education of children with disabilities.	Copies of last 3 annual reports.	Compliance This is a State requirement and not for the NDOE to report on.
32	Individuals with Disabilities Improvement Act, Public Law and the FSM Public Law 14-08	Meets Requirements NDOE Determines State meets all requirements of Part B IDEA and P.L. 14-08, letter to be issued to Director of Education commending efforts on fully implementing special education programs and services	Evidence of letters issued to any State for full implementation	Compliance Evidence was provided showing compliance letters issued by Chief of SPED on behalf Secretary of NDOE. Letter contains a summary of update on required improvements and commendations.
33	Individuals with Disabilities Improvement Act, Public Law and the FSM Public Law 14-08	Needs Assistance NDOE Determines State needs assistance in implementation of requirements of Part B of IDEA or P.L. 14-08 one or more actions to be taken <ul style="list-style-type: none"> • Advises state of available sources of technical assistance, including assistance from Office of FSM Special Education Program, technical assistance providers approved by NDOE, work with appropriate technical assistance resources. • Directs use of State Level IDEA Part B funds on area/s which needs 	Documented evidence of assistance provided. Advice provided to state of available sources of technical assistance.	Partial Compliance Evidence of emails was provided indicating assistance provided back to the states in the form of monitoring reports with necessary recommendations. It was not indicated during the audit if workshops have been conducted in all states.

		<p>assistance</p> <ul style="list-style-type: none"> Identifies the State as high-risk grantee and impose special conditions on State's grant under Part B of Act. 		
34	Individuals with Disabilities Improvement Act, Public Law and the FSM Public Law 14-08	<p>Needs Intervention If Secretary determines State needs intervention in implementing requirements of Part B of the Act, following shall apply</p> <ul style="list-style-type: none"> NDOE may take any action described in Needs Assistance NDOE takes one or more of required actions <ul style="list-style-type: none"> State to prepare corrective action plan or improvement plan if Secretary determines State able to correct in one year State to enter into specific compliance agreement Secretary reason to believe State cannot correct problem within one year Each year of determination withholds not less than 20 percent and not more than 50 percent of State's IDEA Part B funds, until determination State has sufficiently addressed areas Seeks to recover funds under IDEA Part B Withholds, whole or part any further payments to State under Part B of Act Refers matter to appropriate enforcement action, including FSM Attorney General. 	<p>Evidence of intervention as determined by NDOE</p> <p>Documented evidence of results from determined intervention.</p>	<p>Compliance</p> <p>Detailed Intervention Reports are provided to SDOEs with the necessary plans which have been developed in consultation with the SDOE, ensuring areas of required interventions which need amending are undertaken.</p> <p>Consent agreement is entered into by the SDOE and NDOE which outlines in detail restrictions and requirements of the necessary SDOE.</p> <p>However, plans are not developed if the issue is training, legislative or a need to update policies.</p>
35	Individuals with Disabilities Improvement Act, Public Law	Needs Substantial Intervention Notwithstanding taking actions	Evidence of any substantial intervention taken as determined by	<p>Compliance</p> <p>A detailed plan was provided for</p>

	and the FSM Public Law 14-08	<p>under needs assistance and needs intervention, at any time NDOE determines State needs substantial intervention in implementation or there is substantial failure to comply with conditions take one or more actions</p> <ul style="list-style-type: none"> • Recover funds under IDEA Part B • Withhold in whole or par further payments to State • Refers the case to FSM Attorney General for appropriate enforcement action. 	<p>NDOE.</p> <p>Documented evidence of results from determined intervention.</p>	<p>inspection during the monitoring report which was developed showing activities with outcomes, timelines and budget expenditures.</p> <p>This plan goes further to redirecting of funds to ensure areas of compliance are met.</p> <p>Problem solving is undertaken to ensure all necessary outcomes and objectives are met.</p>
36	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III NDOE Verification and Monitoring: LEA Quarterly Reports	<p>On a quarterly basis, four LEA's submit to NDOE a quarterly progress report that reviews fiscal, compliance and performance data and information relevant to the IDEA Part B SPP indicators, including formal complaints, mediation and due process requests and results. Fiscal reviews to ensure expenditures for quarter are consistent with approved IDEA grant appropriation for the LEA. Compliance and performance reviews monitor IDEA compliance areas and progress made on priorities identified in LEA's LPP for SPED.</p>	<p>Evidence of 3 quarterly reports submitted from each local educational agency for last two years.</p>	<p>Compliance</p> <p>All LEAs submitted to NDOE quarterly progress reports with fiscal compliance and performance data and relevant information within the required timeframe as set out by NDOE.</p> <p>It was noted during the audit that some IDEA compliance areas were not acknowledged in the quarterly reports and further comments were required.</p> <p>This is a requirement of the States not the NDOE. However NDOE follow up to ensure reports are submitted.</p>
37	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: LEA Quarterly	<p>NDOE to provide written notification of the quarterly progress report submission requirements.</p>	<p>Documented evidence of written quarterly progress report submission requirements.</p>	<p>Compliance</p> <p>Evidence provided during the audit indicated that within 2 weeks of reports being received reports are reviewed for accuracy and comments made in accordance with policies.</p> <p>NDOE provides written notification to LEA's of quarterly progress report</p>

	Reports			submission requirements.
38	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(4) NDOE Verification and Monitoring	Within 2 weeks of receiving completed LEA quarterly progress reports NDOE shall review information for accuracy.	Documented evidence of quarterly reports reviewed for accuracy within 2 weeks of being received.	Compliance All reports reviewed during audit showed that within the 2weeks are required within the policies quarterly reports were reviewed for accuracy and comments made where areas of discrepancy or inconsistency occurred.
39	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: LEA Quarterly Reports	Within two weeks of receiving the Quarterly Report NDOE shall issue an official 'Response' letter to the LEA director describing findings, including concerns regarding accuracy of data and information in comparison to previous quarterly reports and any corrective action requirements from the on-site monitoring visit.	Letters provided to LEA Directors of each LEA with required information.	Compliance All LEA Directors were provided a response letter with findings from the review. This letter contained necessary corrective action to be taken and any necessary technical assistance that maybe necessary during the corrective action.
40	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: 618 Data Reports – Section 3	NDOE will review LEA 618 data generated by SITS. Any increase or decrease of 10% from previous 618 reports will be flagged for NDOE to issue a written notice requesting explanation for change.	Evidence of last 3 flagged 618 reports and issuance of written notice with request for explanation.	Compliance Documented evidence was provided to show that requests for explanation of screening teams to explain increase or decrease of 10% was undertaken.
41	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification	NDOE to verify the LEA's capacity for collecting and compiling the required 618 data through the LEA Quarterly Reports and On-site Monitoring visits. Table 1. Child Count Table 2. Personnel Table 3. Educational Environment	Documented evidence of 618 data collected in accordance with table requirements.	Compliance All 618 tables examined during the audit had been correctly compiled and completed in accordance with the requirements.

	and Monitoring: 618 Data Reports – Section 4	Table 4. Exiting Table 5. Discipline Table 6. Assessment Table 7. Dispute Resolution		
42	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: On-Site Monitoring - Section 1	NDOE to provide written notification to each LEA of scheduled on-site monitoring/verification visit, including required documentation for review prior to and during visit.	4 written notifications to LEA's.	Compliance LEAs are provided a written notification of scheduled on-site monitoring visit, requesting documents required prior to and during the visit. This letter is scanned and emailed to the relevant LEAs.
43	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: On-Site Monitoring - Section 2	The NDOE monitoring team reviews previously submitted LEA quarterly reports and other relevant reports as background information of compliance and performance progress and issues identified by the LEA in preparation for the visit. The NDOE monitoring team will utilize the FSM-NDOE On-Site Monitoring Team Checklist, included as Appendix B, to document information previously reported for each SPP/LPP Indicator.	Last 4 FSM-NDOE On-Site Monitoring Team Checklists and quarterly reports.	Compliance Evidence showed that monitoring team checklist is developed and quarterly reports are utilised to ensure all necessary information is gathered prior to undertaking an on-site monitoring visit.
44	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: On-Site Monitoring - Section 3	During the visit the NDOE monitoring team completes the FSM-HES On-Site Monitoring Team Checklist with 'evidence' obtained through conducting a series of activities. A review of the completed LEA Monitoring/Verification Visit Checklist • Review of students files using the Child Record Review of Checklist	Last 4 On-Site Monitoring Team Checklists with 'evidence obtained.	Compliance Evidence was provided to show student files are reviewed using the child record review checklist prior to the on-site monitoring visit. These files are also used as part of the monitoring visit along with interviews conducted with relevant staff members, parents and students.

		<ul style="list-style-type: none"> • Verification of procedures and services provided in the LEAs is conducted through interview with LEA Advisory Panel members, special education staff, school personnel, parents, and students with disabilities as appropriate 		
45	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: On-Site Monitoring - Section 4	NDOE issues Monitoring/Verification Report and Determination Letter to the LEA Director describing findings and corrective action requirements, including levels of intervention – incentives or sanctions – for ensuring completion of corrective action requirements, as needed. The NDOE Monitoring/Verification Report serves as the point of identification for noncompliance requiring correction by the LEA no later than one year from the date of the Report	Copies of last 4 Monitoring/Verification Report and Determination Letters to LEA Directors	Compliance Documented evidence was provided to show monitoring teams provide to LEA Directors prior to departing a draft copy of the Monitoring/Verification Report. Discussions are held between the LEA Director and the monitoring team ensuring full understanding of the concerns raised by the monitoring team. The report identifies corrective actions to be taken and also provides commendation for areas which have been corrected.
46	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: On-Site Monitoring - Section 5	NDOE <i>Continuous Improvement Monitoring System</i> includes the following enforcement actions to ensure timely correction of identified non-compliance and incentives for progress on prioritized improvement strategies.	Copies of enforcement actions / incentives or sanctions taken against all 4 LEA's.	Compliance Documented evidence indicated actions taken against LEA's are closely monitored to ensure corrective action is taken within the timeframe outline in the monitoring report. Progress is monitored.
47	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM	Focused Monitoring NDOE may, based on review of progress being made by an LEA to correct areas of non compliance, provide for additional on-site Focused Monitoring visits to further verify progress and to offer focused	Documented evidence of Focused Monitoring conducted with focused technical assistance provided.	Partial Compliance Documented evidence was provided to show focused monitoring is undertaken; however this is not always done by a follow-up focused monitoring visit. Technical assistance is provided through communications and the

	Part III(2) NDOE Verification and Monitoring: On-Site Monitoring - Section 6	technical assistance in support of efforts to correct areas of non compliance in timely manner.		development of a plan ensuring timeframes is met. Focused monitoring visits would have greater impact on ensuring compliance with the overall timely corrective actions of the plan.
48	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part VI NDOE Verification and Monitoring: National SPP Meeting	NDOE convenes FSM National SPP/Advisory Panel to prioritize National initiatives for targeting improved performance based on review of each LEA’s progress on its LPP targets and improvement activities. Information from LEA quarterly reports, NDOE on-site verification and monitoring visits, and updated LPPs identify common issues across LEAs, as well as unique issues experienced in each LEA. Data collected serves Panel to analyse progress towards meeting Indicator Targets and make adjustments as necessary to be reported in FSM Annual Performance Report for Special Education.	Copy of last three convened National SPP/Advisory Panel meetings.	Compliance Evidence was provided to show National SPP/Advisory Panel assist in the prioritizing of initiatives through the consultation with State LEA’s. States specify issues to be discussed, what they believe should happen. NDOE assist with the development of meeting Indicator Targets and make the necessary adjustments in the FSM annual performance report.
49	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part VI NDOE Verification and Monitoring: National SPP Meeting - Section 1	NDOE schedules and notifies each LEA of the FSM National SPP/Advisory Panel meeting.	Last three notices of scheduled FSM SPP/Advisory Panel meetings.	Compliance Documented evidence in the form of letters provided to LEA’s notifying of scheduled FSM SPP/Advisory Panel meetings. Letter is further scanned and emailed to Director of LEA’s and phone calls are made to ensure knowledge of meetings.
50	Source Document Continuous Improvement Monitoring System Procedures	During meeting each LEA will present progress on the LEA’s LPP targets and improvement activities.	Evidence of progress on LEA’s LPP targets and improvement activities being met.	Compliance LEA’s provided documented evidence of targets and improvements activities

	2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part VI NDOE Verification and Monitoring: National SPP Meeting- Section 2	NDOE will also report on findings resulting from on-site verification/monitoring visit.	Report on findings from on-site visit	being undertaken and met from on-site visits.
51	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part VI NDOE Verification and Monitoring: National SPP Meeting- Section 3	NDOE will compile and summarize LEA data for the Annual Performance Report in meeting the requirements of reporting to the public and OSEP	Copies of 2006, 2007, 2009 Annual Performance Reports	Compliance Evidence provided by NDOE in the form of the comprehensive report which summarizes the annual performance reports from each of the LEA's data. This report is then submitted to OSEP for consideration as part of funding requirements.

Services for Gifted and Talented Children

The National Department of Education had not developed any programs for those students who could be deemed to be gifted or talented. An in-depth analysis of data for test results could be utilized to establish those students who are demonstrating characteristics of being gifted and talented. It is recommended that the National Department of Education undertake to develop a wide ranging multi-disciplined testing regime to identify students who are gifted or talented in the arts, science and technology. **(Recommendation 10 refers)**.

Below - Audit Table 8 – incorporating Performance Indicators 52

Services for Gifted and Talented Children				
52	FSMC, Title 40. Education Chapter 1 §106. Gifted and talented students.	The Secretary shall establish, in cooperation and consultation with the State Directors of Education , programs to identify and encourage students who demonstrate an extraordinary ability to learn.	Programs developed to identify and encourage students	Non Compliance No evidence was provided to support the development any programs for gifted and talented students.

Role of the Community

This criterion was unable to be assessed due to funding support being taken from this program during this fiscal year.

Below - Audit Table 9 – incorporating Performance Indicators 53

Role of the Community				
53	Strategic Plan 2009-2015 Strategic Goal 4 Objective 1	To develop a national policy for community participation in education	Development of policy	This criterion cannot be assessed at this time. National Congress withdrew financial support for the development of national policy for community participation in education. The education committee at the Congressional level felt there was not a need for policy to be developed for community participation at this time. Standing committee report 16-88 (May 29 2010)

Strategic Planning

The National Department of Education has developed a Focused Strategic Plan 2009 – 2015. This plan provides an opportunity for the Department to focus its activities and identify measurable priorities. Five (5) Strategic Goals were identified within the Strategic Plan. A range of objectives with strategies and programs for achieving those objectives were developed and are incorporated within the plan. Each strategy is accompanied by various educational performance indicators to determine progress. There is no allowance within the Strategic Plan for a review to be conducted.

It is acknowledged that Strategic Plans are intended to guide the Department for the long term. They are intended as a document with built-in flexibility to adapt to changes within the operating environment. Further, strategies described in a Strategic Plan are intended to be broad in nature (as they need to embrace the diverse functions of the department). To achieve the vision and goals of the Strategic Plan, the department must develop and implement divisional annual plans. Divisional plans cannot sit in isolation from the boarder longer term plan, but must be linked and inter-related so as to achieve the overall strategic goals.

The Strategic Plan outlines the vision of the Department, which is: *'The National Department of Education provides high quality services that support an effective and efficient education system that meets the development needs of the people of FSM'*.

Work plans developed against the strategic plan will become the basis of an internal management system that will enable the Secretary of Education and Division Chiefs to monitor and evaluate performance and to ensure quality, effectiveness and efficiency. This is outlined on p. 21 of that Strategic Plan.

The National Department of Education has developed priority objectives for each of the strategic goals. Timeframes for the completion of strategies and objectives have been formulated. It was found during the audit that some monitoring of the plan does take place. However, this monitoring is not done in specific timeframes (e.g. monthly) and no report is generated from meetings outlining necessary changes to the plans to ensure outcomes are able to meet in accordance with objectives. It is recommended that monthly scheduled monitoring meetings of the strategy and program plans are conducted with the view of reviewing outcomes and outputs in line with objectives. Further, any necessary changes to program plans are to be undertaken and a full written report to be submitted to Division chiefs and Secretary outlining results from monitoring meetings. (**Recommendation 11 refers**).

Strategic Plans are generally developed for periods of three to five years. The *Focused Strategic Plan* describes the planned activities of the National Department of Education. The activities are designed to achieve the education goals contained within the National Strategic Development Plan 2004-2013 as well as the Millennium Development Goals for education. Five (5) education goals have been identified.

These are:

- Improve the quality of learning the FSM
- Improve the quality of teaching in the FSM
- Consolidate performance monitoring and data based decision-making system
- Strengthen participation and accountability of the education system to communities

- Ensure that education is relevant to the life and aspirations of the FSM people, meets manpower needs, improves lifelong learning, enables students to complete Post-Secondary education and assists in the economic and social development of the FSM.

The National Department of Education, in cooperation with the States and the College of Micronesia, is developing a national system of support to State Departments of Education. This support is intended to improve the provision of technical assistance to States through the development of statutory program guidelines and more efficient planning and targeting of effort. It is anticipated that accountability in the education sector will be improved through public disclosure of student, school and state performance data as well as other measures that fall under the remit of the Secretary.

In the first year of the plan, NDOE will focus on strategic priorities, including;

- Accreditation
- Teacher certification and professional development
- Data management and reporting
- Development of a State-wide System of Support, with special emphasis on providing support to Chuuk
- Improving access to vocational education opportunities for all students.

For these priorities to be achieved it is recommended that the States acknowledge the need to allow the National Department of Education a greater leading role in the implementation of the Strategic Plan and the need for the State Strategic Plans to be incorporated into the National Strategic Plan to allow for greater consistency of implementation of educational reform in accordance with the mandate in Executive Order No.1. (**Recommendation 12 refers**).

Below - Audit Table 10 – incorporating Performance Indicators 54 to 57

Strategic Planning				
54	National DOE Focussed Strategic Plan 2009-2015	A monitoring and evaluation team will be established to collect and analysis data, prepare reports and provide analysis on progress.	Monitoring and Evaluation team established Monitoring and Evaluation team collecting data and preparing reports	Non-Compliance No evidence was provided to indicate that NDOE has established a monitoring and evaluation team for the collection and analysis of data. Further no reports have been provided or analysis on progress.
55	National DOE Focussed Strategic Plan 2009-2015	The monitoring and evaluation team will prepare a milestone report at the end of year one. This report will outline progress and necessary to the Focused Strategic Plan. Further	Evidence of milestone report for 2010.	Non Compliance No documented evidence could be provided to the auditor in the form of a report being developed which would analysis the progress of data collected.

		milestone reports will be produced at the end of years 3 and 5.		This is an ongoing objective with further milestone reports which are required in 2012 and at end of the strategic plan
56	National DOE Focussed Strategic Plan 2009-2015	Time frames for the completion of strategies and objectives and activity costs shall inform annual budget planning.	Evidence of annual budget plans aligning with objectives within strategic plan.	Partial Compliance Evidence was provided in the form of an annual budget plan, aligning with objectives within the strategic plan and, the FSM integrated sector program plan. However, objectives are not always met through imposed budgetary restraints.
57	FACSSO Resolution FR 07-094 School Improvement Guidelines	The Secretary shall establish standards for school improvement plans and based on guidance on contained in the document <i>school improvement planning: Guidance for Departments of Education, Elementary and Secondary Schools.</i>	Guidelines Developed	Compliance Evidence was provided to the auditor by NDOE indicating the development of school improvement plans. Whilst, technical assistance is available by NDOE, State DOE's have not sought such assistance. The School improvement plans are available on the NDOE website.

Early Childhood Education

Early Childhood Education has been incorporated into State Education Programs. NDOE therefore needs to develop a guide on ECE standards for the State DOEs which aligns with National education requirements. The National Education Department needs to integrate the States’ Early Childhood Education Standards into the National Education System. Monitoring should be undertaken by the National Department of Education to ensure appropriate programs are being implemented at the State levels.

A training needs analysis should be undertaken establishing an accurate representation of training needs of ECE teachers. It is recommended that a training needs analysis be undertaken for ECE teachers to establish accurate and detailed training needs. **(Recommendation 13 refers)**. Through the Focused Strategic Plan, ECE is to develop standards that require States to integrate early childhood education into the national education system. This has not been undertaken at the time of the audit. It is recommended that the development of ECE teacher training needs are undertaken at the national level to ensure consistency and continuity across all State Education Departments. **(Recommendation 14 refers)**.

Data systems are to be developed to ensure data collection is correct and done in a timely manner. This has not been undertaken at the time of the audit and data collected remains inaccurate. The below tables indicate the differences in data collected.

Totals	4-5 years data collection 1	ECE data collection 2
2009	1861	2406
2008	3988	No data available

Data collection is inconsistent. Not all State Departments submit data to the NDOE in regards to ECE enrolment. This is due to the SDOEs using two distinct different data management systems. This requires information to be converted prior to actual sharing with other Departments, hence inhibiting information flow. It is recommended that the National Department of Education implement a standardized data information collection system across all Education Departments to allow for uniformity and accuracy of data collection in accordance with the mandate with Executive Order No.1. **(Recommendation 15 refers)**.

In discussions with the ECE specialist it was found that other imperatives have taken priority over the needs of the ECE program which have delayed development of guidelines and other requirements of the national ECE program.

Below - Audit Table 11 – incorporating Performance Indicators 58 to 64

Early Childhood Education				
58	Executive Order No.1 Section VII C Division of Education (3)	Ensure that free and appropriate education is provided to children with special needs from 0 to 12 ages	Level monitoring of state programs	Compliant Evidence was provided during the audit of SPED (refer PI 30) that programs are being provided to children with special

				needs.
59	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 8	One (1) follow-up workshop conducted on ECE guidelines, policy and general facility standards	Workshops conducted Policies and general facility standards developed	Non Compliance No evidence was able to be provided to show workshops have been conducted with Chiefs or Specialists at state level confirming guidelines, policy and general facility standards on ECE issues.
60	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 8	Two (2) on-site monitoring of ECE guidelines and general facility standards conducted nationwide	On-site monitoring of ECE guidelines and facilities conducted	Partial Compliance Two ECE on-site visits were conducted however, no monitoring of guidelines and facility standards were conducted during the on-site visits.
61	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 9	Survey Reports on ECE SIPs conducted in all States. All ECE centers and sites surveyed and SIPs submitted to national government and grantor	All ECE centers and sites surveyed SIPs submitted	Non Compliance The auditor was not able to be provided with any audit report showing surveys are being conducted on state ECE centers. At the time of the audit no ECE centers or sites surveyed and SIPs have been submitted to National government and grantor.
62	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 9	Survey Reports on ECE SIPs conducted in all States. Two (2) on-site monitoring of ECE guidelines and general facility standards conducted nationwide.	Survey Reports conducted Two on-site monitoring visits conducted	Non Compliance No survey reports were able to be produced at the time of the audit regarding on-site monitoring visits which were conducted earlier in the year.
63	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 9	Survey Reports on ECE SIPs conducted in all States. Four (4) series of ECE teachers' trainings on ECE improvements conducted at the four states' DOEs.	Four ECE teachers' trainings conducted	Non Compliance At the time of the audit no ECE teacher trainings have been conducted. Nor have there been any other ECE improvements in the four states' DOEs.
64	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 9	Survey Reports on ECE SIPs conducted in all States. One (1) data system for ECE data and information developed.	One ECE data system and information developed.	Non Compliance No evidence was able to be produced to show development of any data system for ECE data and information development has not been commenced or researched.

Summary of compliance determinations			
Category 1: Strategic Management - 64			
Not determined	Compliance	Partial Compliance	Non Compliance
4	29	21	10
6%	45%	33%	16%

SECTION 2: PEDAGOGY COMPLIANCE

Curriculum and Instruction

The level defining student’s achievement is a major issue facing the education system by all State and National DOE. The National Department of Education has the responsibility of developing and implementing a number of Standards as set out in the FSM Code of Law and the Executive Order No. 1 Section VII. Such programs which have been developed and implemented include the National Writing Program, developed to improve the standard of student writing. The objectives of this strategy was to develop high quality professional development program in the teaching of writing, facilitate the delivery of a high professional development program for all teachers, and monitor and evaluate the standard of student writing. The audit found that of the four (4) states which were to participate in the program, only three (3) have at the time of the audit. A School Accreditation System has been developed. Two schools will be selected for implementation of the pilot program.

National Curriculum Standards and Benchmarks have been developed and disseminated to the State Departments of Education. However, there is no evidence the States have implemented the National Standards into State curriculum. As mentioned previously in this report, the NDOE offers technical assistance to the SDOEs with the onus resting on States to accept the assistance. Management Audits conducted in Yap, Kosrae and Pohnpei indicate that there had been no alignment between the National Curriculum Standards and benchmarks and those developed by the SDOEs. It is recommended that the NDOE undertake greater role in monitoring and evaluation to ensure that implementation of Standards are incorporated into State Department programs as intended by the NDOE in accordance with the mandate with Executive Order No.1. **(Recommendation 16 refers).**

Below - Audit Table12 – incorporating Performance Indicators 65 to 67

	Curriculum and Instruction			
65	FSMC, Title 40. Education Chapter 1 §110. National Curriculum Minimum Standards.	The Secretary shall establish, in cooperation and consultation with the State Boards of Education and the State Directors of Education, National Curriculum Minimum Standards.	Copies of National Curriculum Minimum Standards widely available	Compliance Evidence was provided to the auditor on the developed the National Curriculum Standards and Benchmarks which have been developed and disseminated to all State DOEs.
66	FSMC, Title 40. Education Chapter 1 §110. National Curriculum Minimum Standards.	State Departments of Education and Boards of Education shall ensure that the National Curriculum Minimum Standards are implemented through their State Curriculum framework.	Evidence where NDOE is monitoring implementation of State Standards.	This criterion refers to the responsibility of the State Departments of Education to ensure the National Curriculum Standards are implemented through their own developed State Frameworks.

67	FASCCO Resolution FR07-091	NDOE collaborate with State Departments to implement the National writing strategy throughout school year 2009-2010	Strategy developed and implemented	<p>Partial Compliance</p> <p>Evidence from reports provided indicated that the NDOE developed and conducted 2 workshops (20th and 26th January 2010) for the writing strategy. However Yap State has yet to participate in any writing strategy workshop.</p> <p>The other 3 State DOE's have not provided the required five (5) day's of training to each teacher in the appropriate course, nor have any reports been provided on the training undertaken by the SDOE to the NDOE. Further evidence indicated that NDOE has not conducted any monitoring or reported on the progress of the National Writing Strategy. This has left the strategy without clear direction.</p>
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Staff Development

Training in priority areas can only be undertaken after a training need analysis has been conducted to ensure the appropriate areas of skills development have been identified. For staff members within NDOE, there is no apparent in-service training conducted, apart from administration staff within SPED who were able to improve their skills in computer programs. This report focuses on the development of in-service training for teachers (an issue addressed in detail in performance criteria 26).

Consideration should be given to the development of skills of staff members within the State and National DOEs to ensure they are able to undertake their mandated roles. Curriculum Specialist, administrative officers, budgetary officers, and other job descriptions should be provided opportunity to enhance skills.

It is recommended that a skills audit be conducted to assess the true skill levels of staff members other than teachers is undertaken. This would allow for the development of standards and measurable targets for professional development and to be improved with the implementation of monitoring, ensuring that ALL members of Departments of Education with the FSM are afforded opportunities. **(Recommendation 19 refers)**.

Below - Audit Table 13 – incorporating Performance Indicators 68 to 69

Staff Development				
68	Executive Order No. 1 Section VII	The National Department of Education is responsible for ensuring in-service teacher training and other staff development programs.	In-service training programs developed and delivered Staff development programs implemented	Partial Compliance Evidence was produced for in-service training the form of the National Writing Strategy which has been developed. Training was provided to three of the four states in conducting train the training sessions. Technical assistance was offered to the State DOEs if required. Those teachers without minimum qualifications are provided opportunity through COM courses to obtain qualification. Teachers also undertake on-line courses. No emphasis has been placed on staff development programs by the NDOE at this time.
69	FASCCO Resolution FR07-091	NDOE provide technical and training to State DOE to conduct four train	Evidence of Training conducted	Partial Compliance A report was provided outlining the

		the trainer courses		workshop provided by the NDOE to the three states which participated in the one week train the trainer workshops. However, NDOE has not monitored or reported on any ongoing progress of this program. The program has not progressed beyond the original workshops.
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Reporting

The National Department of Education collates data provided by the SDOEs and presents this data in the JEMCO 20 Indicators Report. This report is submitted in July of each year in accordance with the FSM Education Sector Grant. The purpose of this report is to measure the status and progress of the schools throughout the FSM. These reports indicate if the JEMCO requirements are being met. Additionally, the reports can be used in decision making on educational issues within the Nation. However, the data provided for the report is not always accurate and there are issues with the consistency of data provided. During the audit it was found that some SDOEs do not provide the information in a timely manner or in the format as required by the data manager at NDOE. This makes the collation of the data difficult. Past reports have been submitted with gaps in the relevant data. Data managers at the State level for relevant DOEs must be made accountable for timely and accurate submission of data. It is recommended that NDOE make submissions of possible sanctions against SDOEs if data is not provided in a timely and accurate manner for the submission of the JEMCO 20 Indicators Reports. **(Recommendation 20 refers)**.

Below - Audit Table 14 – incorporating Performance Indicators 70 to 72

	Reporting			
70	FSM Code Title 40 Chapter 3 Subchapter III Student Loan and Revolving Fund Section 332 Reporting	The chief shall prepare and submit an annual report on the status of the fund prior to the opening of the regular May session of the Congress of the Federated States of Micronesia. Report shall include the total amount of outstanding current loans, total amounts of repayments collected in the prior fiscal year, the total amount of payments in default in the prior fiscal year, the number of loans made during the prior fiscal year, and such other information as may be appropriate	Copy of last three reports prepared	Compliance Evidence was provided for repayments of outstanding loans. Reports are provided on annual bases.
71	Compact of Free Association II 20 FSM JEMCO Education Indicators	Reporting on the 20 FSM JEMCO Education Indicators	Copy of last two JEMCO Education Indicator Reports	Partial Compliance The 20 FSM JEMCO Education Indicator Report has been developed and submitted in a timely manner. During the audit it was found the report required for this reporting period will not made the required timeframe. Further, this report is only as detailed as

				the data provided by the State DOE's. Some State DOE's are not providing data in a manner that allows for all criteria within the JEMCO report to be completed.
72	Guidelines on Scholarship Loans	Report to Congress on Scholarships awarded	Copy of last two reports provided to congress on Scholarships awarded	Compliance From the evidence provided these reports indicate number of scholarships awarded, area of critical need and amount of scholarship. All reports submitted in timely manner to congress.

Testing Program

The FSM National Standardized Test (NST) is a series of test instructions used as the basis for measuring the effectiveness of the National Curriculum Minimum Standards which are implemented in the schools across the FSM. In previous years, achievement criteria for student proficiencies were used in the order of advanced, proficient, basic and below basic. Based on recommendations by the Office of Insular Affairs and mandated by JEMCO, test instruments are evaluated for the reliability and validity. Test evaluation was further developed with new instruments which were to be more focused on standards and benchmarks rather than results based on the whole test. During the audit it was found that the new testing regime did not always test the benchmark. Some of the tests wording would have allowed for a double meaning.

Results in the area of reading and literature for grade 6 students indicated that 41% of students tested are testing at the well below level. That means they were unable to apply a variety of strategies to build comprehension in the analysis of the text. It is recommended that the National Department of Education undertake a review of the FSM National Minimum Competency Standards Based Tests for all tested subject areas to ensure the tests actually tests the required benchmark appropriately. (**Recommendation 21 refers**).

During the audit it was found there is no legislative or regulatory requirement for the states to participate in the National Standardized Tests. It is through the Executive Order No.1 Section VII, which requires the development and finalisation of the FSM curriculum minimum standards with associated student performance expectations, that it can be considered the authority comes from to develop and implement the NST. It is recommended that the NDOE through the development of legislation ensure the requirement of State Departments of Education to participate in the NST and further, the NDOE develop National Standardized Tests to be conducted at the State level (**Recommendation 22 refers**).

The NST is administered for the first time at the Grade 6 level. Consideration should be given to administering tests at a lower level, possibly commencing with Grade 2. This would allow those students not meeting performing to be recognized at a much earlier stage and for the development of programs to be implemented allowing students to meet the required competency levels. Waiting until the student has reached grade 6 before testing could be viewed as being too late.

Below - Audit Table 15 – incorporating Performance Indicators 73 to 74

	Testing Program			
73	Executive Order No. 1 Section VII FSM National Department of Education Mandate Part A Section 9, 10 and 12 JEMCO Education Indicator 13	Provide statistical data on the progress and condition of education in the FSM Develop and finalize the FSM curriculum minimum standards with associated student performance expectations.	Statistical data provided Test developed to assess student performance expectations Number of students achieving	Partial Compliance Evidence indicates the National Standardized Test is developed through a working group comprised of teachers from relevant grade level, curriculum specialist and NDOE representative. The test should be administered each

	Teacher Certification Policy	Number and percent of students achieving 'Proficiency' level and above, at selected grade levels for standardized tests (e.g. SAT 9) or criterion-referenced tests (e.g. locally developed tests). Provide and administer the Nation's Teachers Certification Program.	proficiency Teacher Certification Program being administered.	year between March and May to ensure that all students are encapsulated (including those on outer islands). The test however is not provided to all grade levels and is administered in only two subject areas math and language arts. This does not provide for complete overview of student proficiency. Teacher Certification Program is administered with the supervising of the NSTT.
74	FACSSO Resolutions	The Testing Specialist will: 1. Review for: a. Cultural appropriateness. b. Student's needs. c. Applicability to relevant state society. d. Reliability and validity. 2. Recommend changes in test use or type of test. 3. Take action.		Partial Compliance The math test is currently being rewritten and has not been administered since 2008. Language arts was reviewed in 2007 and administered in 2009. No review has been conducted for the reliability and validity of the testing program.

Student Assistance

Financial support for student loans and student loan revolving funds has been withdrawn by the National Congress for some years. However, it was noted that those students who were provided student loans in the past have been contacted with the review to establish the number of loans which have not been repaid. Records prior to the establishment of National Department of Education were not accurate or capable of being fully verified. Evidence obtained during the audit indicates that records maintained after the establishment of Department of Education are more accurate and well maintained.

The table below indicates numbers of possible outstanding loans by state. Letters requesting if loans were outstanding were sent to recipients trying to establish accuracy of the number of outstanding loans. Most recipients of the letter indicated they had repaid the loans however there was no documented evidence provided that these loans had been repaid. Current files indicate that six outstanding student loans are being sought, with two having been repaid and four are making regular payments.

State	Outstanding Numbers
Pohnpei	357
Chuuk	455
Yap	110
Kosrae	94
Total	1016

Below - Audit Table 16 – incorporating Performance Indicators 75 to 78

Student Assistance				
75	FSM Code Title 40 Subsection II (General Assistance) Section 321 Transportation of School Children	NDOE may provide suitable transportation to and from school for children from K to grade 12 and children with special needs. The Department shall adopt policy and procedures it deems necessary	Assistance provided Policy and procedures adopted.	This criterion could not be assessed as the legislation states that NDOE 'may' provide assistance. NDOE is not statutorily required to provide transport to those students. NDOE will adopt policy it deems necessary. However, NDO has not developed any policies or procedures
76	FSM Code Title 40 Subsection II (General Assistance) Section 325 Student Loan Revolving	The establishment of an ongoing fund to provide long term long interest loans from a revolving fund	Establishment of the revolving fund Entitlement criteria established	This criterion cannot be assessed at this time. National Congress withdrew financial support for student loans from

	Fund	to qualified students or are in need of financial assistance. In order to pursue full time course study at an institution of higher learning.	Minutes of funded minutes	a revolving fund.
77	Public Law 13-60 Amending Section 221 of FSM Code Title 54 Division of Education System Support	<p>Duties and Functions are as follows:</p> <ol style="list-style-type: none"> 1. Collect and publish data showing the condition and progress of post-secondary education for the FSM 2. Develop and establish administrative guidelines, regulations and procedures for operation of post-secondary loan and scholarship programs. 3. Assist with administration of national scholarship program; administer National Student Revolving Fund Program 4. Maintain a reliable record filing system of all scholarship and loan awards 5. Ensure repayment of student loans administered by Department 6. Assist with development of post-secondary orientation of programs for secondary-level students 7. Provide student services for citizens of the FSM enrolled in colleges and universities abroad. 	<p>Minutes of funded minutes</p> <p>Data collected</p> <p>Development of guidelines, regulations and procedures.</p> <p>Assistance provided</p> <p>Filing system maintained</p> <p>Evidence of loans repaid</p> <p>Program developed</p> <p>Evidence of services provided.</p>	<p>a revolving fund.</p> <p>Partial Compliance COMET results are collected by the College of Micronesia and the results are provided to the State Department of Educations. This information is also provided to the NDOE. These results indicate students who meet the requirements for entry to COM and higher education.</p> <p>Guidelines have been developed and are followed for the operation of the scholarship program. There is no funding made available for post-secondary loans.</p> <p>NDOE provides assistance to the Scholarship Board and the administration of the scholarship funds by ensuring all applications are completed and in the appropriate format. However there are no revolving funds.</p> <p>Student loans are being repaid, however records are considered inaccurate. Currently those students who have not repaid loans are currently at four, however other records show the number could be as high as 300 in some states.</p> <p>There are no programs developed to assist with orientation of secondary level students, nor providing services to</p>

				students enrolled in colleges and universities aboard at this time.
78	Executive Order No. 1 Section VII FSM National Department of Education Mandate Subsection A (5)	Ensure repayment of student loans administered by the department	Evidence of outstanding loans being repaid.	<p>Partial Compliance</p> <p>Records provided to the audit indicated 6 students had loans outstanding with 2 loans been repaid over the last 12 months, with 4 still outstanding. Records have only recently been kept updated with NDOE becoming a Department in its own right.</p>

Summary of compliance determinations			
Category 1: Strategic Management - 18			
Not determined	Compliance	Partial Compliance	Non Compliance
3	3	8	0
21%	21%	57%	0%

SECTION 3: ADMINISTRATION COMPLIANCE

National Scholarship Program

It must be noted at the beginning of this narrative, staff members responsible for the maintenance of the scholarship program were able to produce all the necessary documentation as currently existing during the audit. The National Department of Education administer the National Scholarship Program. There is no documented evidence on criteria on how members of the Scholarship Board shall be selected. It is recommended that criterion be developed for the selection of Board members to ensure appropriate and qualified members are selected. (**Recommendation 23 refers**).

This program is compliant with all aspects of performance criterion. Scholarships are grant to students in priority fields of study. Priority areas may be amended every three years, the below list of priority areas have not been amended for at least six years.

Major	Level of study	Number of awards and years of study
Medicine	Post-graduate	6 awards for 6 years
Law	Post-graduate	2 awards for 2 years
Accounting	Post-graduate	2 awards for 2 years
Education	Post-graduate	2 awards for 2 years
Economics	Post-graduate	2 awards for 2 years
Engineering	Post-graduate	2 awards for 2 years
Agriculture	Post-graduate	2 awards for 2 years
Fisheries	Post-graduate	2 awards for 2 years
Tourism	Post-graduate	2 awards for 2 years
Aviation	Post-graduate	2 awards for 2 years

A number of scholarships have been awarded to students undertaking studies at Palau Community College. Similar courses are available at the College of Micronesia. Before scholarships are awarded, the Board should undertake to ensure the FSM-COM is not offering the same course to students and recommend that students undertake study within the FSM. This would allow for cost efficiency within the program.

A large number of scholarships are awarded, with minimal amounts of funds being awarded to those students. The guidelines for the administration of the National Scholarship Program outlines that to be eligible, applicants shall be in good academic standing with a GPA acceptable to the institution in attendance or a cumulative GPA of 3.00 or better. When undertaking this audit it was noted that consideration was being given to applicants with GPA's of 2. This is in contradiction to the guidelines. It is recommended that the Board consider giving a prescribed number of scholarships to those students who achieve academic excellence with further consideration being given to funding the whole of the post-graduate studies under the deemed priority area. (**Recommendation 24 refers**).

Monitoring progress of students undertaking higher education through the scholarship program is not conducted on a regular basis. Students are not contacted to request updates on grade results. Results are provided when a further application for ongoing scholarship funding is being sought. Contact should be kept with students via email to ensure students are meeting the requirements of the scholarship conditions and updates of grades can be added to file on regular basis.

Below - Audit Table 17 – incorporating Performance Indicators 79 to 91

	National Scholarship Program			
79	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. III. Administration of the Post-Graduate Scholarship Funds	The Administrator for the Post-Secondary and Scholarship Unit within NDOE shall be the Administrator of the Post-Graduate Scholarship funds with the immediate supervision of the Assistant Secretary of Education.	Administrator appointed and assistance provided by Assistant Secretary of Education	Compliance The audit found that an administrator has been appointed to the National Scholarship Program in accordance with the provisions outlined in the guidelines for the administration of the National Scholarship Program 2006.
80	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. IV. Post-Graduate Scholarship Board	President shall utilize the existing five-member Scholarship Board for a term of two (2) years, members are residing in Pohnpei and National Government and four (4) States equally represented.	Board has five members from each of the four States and National Government	Compliance Reviewing the current board member it would found by the audit that the current Board is made up of the required representation from the four (4) States and National Government. However, it must be noted there is no criteria for the selection of Board members to ensure qualified members are selected.
81	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. IV. Post-Graduate Scholarship Board	Scholarship Board will conduct business when three (3) members are present. Functions to include but not limited to: (a) Recommends priority areas for post-graduate studies to President for review and approval. Priority areas may be amended every three years (b) Based on established priority	Documented evidence of priority recommendations made. Evidence of reviews of applicants	Compliance Minutes indicate meetings are conducted with at least three (3) members in attendance. Current Board members are reviewing priority areas, for consideration of amending. Scholarships are being awarded within the current established priority areas and within the availability of funds.

		<p>areas, availability of funds, review scholarship applications, select and recommend to President qualified applicants for scholarship award, determine the amount and number of awards per school-year.</p> <p>(c) Ensure scholarship recipients adhere to terms set forth in Section VI and VII of administrative guidelines.</p> <p>(d) Establish and recommend policies and procedures for expenditures and accountability for Post-Secondary Scholarship Program Funds.</p>	<p>and written recommendations made.</p> <p>Evidence that Sections VI and VII are being adhered to.</p> <p>Established policies and procedures.</p>	<p>Policies and Procedures are in place to ensure correct expenditure and accountability of Post-Secondary Scholarship Funds.</p>
<p>82</p>	<p>Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. VI. Scholarship Eligibility Criteria</p>	<p>To be eligible for National Scholarship award applicant shall:</p> <p>(a) Be citizen of the FSM</p> <p>(b) Accepted or currently enrolled in postgraduate studies program</p> <p>(c) Earned BA/BS or its equivalence</p> <p>(d) Good academic standing GPA acceptable to institution or cumulative GPA of 3.00 or better</p> <p>(e) Show proof of attendance or admission on full-time basis or carry at least 9 credit hours per semester.</p>	<p>Documented evidence scholarship criteria being followed.</p>	<p>Compliance</p> <p>Documented evidence was provided to the auditor showing all applicants meet the prescribed criteria before being considered for a scholarship.</p>
<p>83</p>	<p>Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. VII. Post-Graduate Scholarship Priority Field of Study</p>	<p>Scholarship Board established priority areas for post-graduate studies.</p>	<p>Evidence that Board is awarding within established priority areas.</p>	<p>Compliance</p> <p>Evidence indicated priority areas have been established by the Board, however these priority areas have not been reviewed for at least six years. It must be noted that the recent Board is undertaking a review of the current priority areas.</p>

84	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. VIII. Terms of Scholarship	Prior to receiving FSM National Scholarship award, receipt shall sign agreement that is part of the application	Evidence that agreement is signed	Compliance Applications scrutinized during the audit indicated that all fully completed scholarship applications have the agreement signed. This agreement acknowledges the recipient of a scholarship will return to the FSM and work within the chosen field of study.
85	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. IX. Amount of Awards	Total amount of scholarship funds awarded per year shall not exceed the amount available.	Evidence that funds do not exceed amount available.	Compliance The National Scholarship Program has a number of provisions and procedures in place which ensures the program is not able to exceed the amount set down. The Department of Finance will return any applications that exceed the balance of the program.
86	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. X. Information Dissemination	Post-Secondary Administrator shall send copies of guidelines and information on availability of scholarship funds, priority areas, and selection criteria to all State Departments of Education, COM-FSM Campuses, and other Institutions of Higher Education in Pacific and United States. Dissemination shall be done using the President's website, emails and other means of communication.	Evidence copies of guidelines and priority areas and selection criteria sent to relevant organizations.	Partial Compliance A copy of the criteria for eligibility for scholarships has only been sent to COM-FSM. Other learning Institutions of Higher Education have not received information. However, the Scholarship Application Form has been uploaded onto the FSM NDOE website, outlining all the eligible criteria. The guidelines have not been disseminated to any of the learning Institutions of Higher Educations, nor have they been uploaded onto the NDOE webpage.
87	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. XI Application Process	Scholarship applicant shall 1. Secure application form and return completed to Division of Education, HESA prior beginning of any semester. 2. Proof of FSM citizenship, school admissions or attendance, copy of college transcripts and three	4 application forms returned with all required information and certifications.	Compliance All applications are scrutinized to ensure they have all the required information for submission to the Board.

		<p>reference letters shall be provided with completed application form.</p> <p>3. Part E must be certified by institution's Director of Financial Aid or designee</p> <p>4. Division of Education personnel review application and correspond to students to ensure applications for financial assistance are complete</p>		
88	<p>Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006.</p> <p>XII. Scholarship Award Process</p>	<p>Only completed copies shall be submitted for Board's consideration for scholarship on review by Post-Secondary Administrator</p>	<p>5 copies of reviewed and submitted scholarship applications</p>	<p>Compliance</p> <p>Board only receives fully completed copies for review and consideration.</p>
89	<p>Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006.</p> <p>XIII. Notification of Awards</p>	<p>Postsecondary Administrator shall notify recipient and Financial Aid Director of institution of scholarship award amount by mail, email or telephone. Second half of award will be issued based on recipient's continued eligibility. Postsecondary administrator sends students' scholarship awards to institutions to settle financial obligations for that semester or year.</p>	<p>Documented evidence of notification of granted award.</p> <p>Evidence of continued eligibility and providing of second half of award.</p> <p>Documented Evidence of funds being sent and financial obligations settled.</p>	<p>Partial Compliance</p> <p>Recipients are not always notified of scholarship award. Emails are sent to the Financial Aid Director of Institution of Scholarship award.</p> <p>Transcripts are received prior to any further financial obligations sent to Institution.</p>
90	<p>Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006.</p> <p>XIV. Issuance of award check</p>	<p>1. Division of Education transmits student's scholarship check to institution via Registered/Certified mail.</p> <p>2. Issuance of second half of scholarship award will be contingent upon following:</p> <p>a. Receipt of original transcripts for previous terms</p>	<p>Evidence of checks being sent via registered/certified mail.</p> <p>Documented evidence of scholarship awarded.</p>	<p>Compliance</p> <p>All checks sent to Educational Institutions are by certified mail. Copies of receipt of certified mail kept for records.</p> <p>All required documentation is received prior to the issuance of any scholarship checks.</p>

		<p>b. That student carried full-term load in previous term c. That student is in good academic standing for previous term.</p> <p>3. Upon satisfaction of above requirements, Division of education will request issuance of student's second half or award from FSM Department of Finance and Administration.</p> <p>4. Upon issuance of scholarship check, Division of Education transmits to institution of student's attendance.</p>	<p>Documented evidence of issuance of checks transmitted to educational institution.</p>	
<p>91</p>	<p>Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. XV. Monitoring</p>	<p>Division of Education will monitor student progress by mail, email and / or onsite visits ensuring students are adhering to scholarship program requirements.</p>	<p>Documented evidence of monitoring of recipients.</p>	<p>Partial Compliance Progress of students is monitored when requests for further assistance for second scholarship payment. No on site visits are conducted by the scholarship program to ensure students are fulfilling requirements. However, Institutions will notify Scholarship program if students drop out or does not re-enrol.</p>

Private Schools

The audit showed the currently the National Department of Education has provided charters to 19 schools with funding being provided to 17 of those 19.

State	Name of School	Males	Females	Total Students	Boarding	80%	20%	Funding Provided
Chuuk State	Berea Christian Academy	222	268	490	0	\$55,840.46	0	\$55,840.46
	Mizpah Christian School	23	28	51	0	\$ 5,811.97	0	\$ 5,811.97
	Nukuno Christian School	15	9	25	0	\$ 2,735.04	0	\$ 2,735.04
	Pentecostal Lighthouse	35	51	86	0	\$ 9,800.57	0	\$ 9,800.57
	St. Cecilia School	123	152	275	0	\$31,339.03	0	\$31,339.03
	Saramen Chuuk Academy	71	114	185	0	\$21,082.62	0	\$21,082.62
	SDA-School Chuuk	99	101	200	0	\$22,792.02	0	\$22,792.02
	Xavier High School		79	79	91	\$ 9,002.85	\$42,216.49	\$51,219.34
Sub-Total		588	802	1390	91	\$158,404.56	\$42,216.49	\$200,621.05
<hr/>								
Kosrae State	SDA-School Kosrae	23	25	48	0	\$5,470.09	0	\$5,470.09
Sub-Total		23	25	48		\$5,470.09		\$5,470.09
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Pohnpei State	Calvary Christian Academy	154	143	297	0	\$33,846.15	0	\$33,846.15
	Catholic School-Pohnpei	104	135	239	0	\$27,236.47	0	\$27,236.47
	Our Lady of Mercy School	7	57	64	0	\$ 7,293.45	0	\$ 7,293.45
	SDA-School Pohnpei	290	243	533	0	\$60,740.74	0	\$60,740.74
	Pohnpei St. Paul Christian	16	11	27	0	\$ 3,076.92	0	\$ 3,076.92
	Ohwa Christian School	47	37	84	103	\$ 9,572.65	\$47,783.51	\$57,356.15
Sub-Total		618	626	1244	103	\$141,766.38	\$47,783.41	\$189,549.89
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Yap State	St Mary School	142	163	305	0	\$34,757.83	0	\$34,757.83
	SDA-School Yap	94	78	172	0	\$19,601.14	0	\$19,601.14
Sub-Total		236	241	477		\$54,358.97		\$54,358.97
<hr/>								
FSM Total		1465	1694	3159	194	\$360,000.00	\$90,000.00	\$450,000.00

The fund distributed to private schools is done by a formula this is dependent on number of students attending. Boarding schools are eligible for a percentage of the 20% allocated from the full amount. Once a charter has been approved and signed by the Secretary it is then reviewed by the State Director of Education and the State Board of Education in which the school is located. A report is provided by the private schools on the reconciliation of funds spent. A secondary report is provided to the SDOE outlining number of students enrolled, day's absence, teacher attendance and teacher absence, the report also indicates any work conducted on the school. This appears to place a significant demand on the private schools with regards to reporting requirements which the state schools do not have to participate in. It is recommended that the NDOE be the central collection point for reports from private schools in all States and that NDOE provide information to the SDOEs in accordance with the mandate with Executive Order No.1. **(Recommendation 25 refers)**.

Policies and procedures outlining distribution of funds and collation of information for reports have been developed by the NDOE. However a review of these policies indicates that the report should provide more information than currently being required. New information would included student attendance, student absenteeism, subjects taught, number of sessions taught, teacher attendance, teacher absenteeism, improvement to school facilities, EPA compliance and other relevant information deemed appropriate and necessary as part of the JEMCO 20 indicators report.

Below - Audit Table 18 – incorporating Performance Indicators 92 to 96

	Private Schools			
92	FSM Code Title 40 Chapter 1 Section 109 Executive Order No. 1	Persons wishing to establish and operate a private school must make application for charter to the Secretary and the application shall comply with Section 109 (2)(b).	Number of applications made	Compliance Evidence of applications made by persons wanting to operate private schools have done so in compliance of Section 109 (2)(b). All 17 applicants are in compliance.
93	FSM Code Title 40 Chapter 1 Section 109 Executive Order No.1	The Secretary shall issue a Charter for up to fifteen years in the form of a mutual agreement authorising the establishment of the school.	Number of charters issued	Compliance Evidence showed that the issuance of charters is done for a period of five years - Title 40 Chapter 1 Section 109 outlines that Charters shall be issued for up to fifteen years.
94	FSM Code Title 40 Chapter 6 Section 602 and 604	Aid to non-public schools fund program shall be administered in accordance with the Code and all funds shall be equally distributed.	Evidence of distribution of funding to non-public schools	Compliance Detailed evidence provided showed funds to non-public schools are distributed in accordance with the formula as set out in the guidelines established for the funding of non-

				public schools.
95	FSM Code Title 40 Chapter 6 Section 602 and 605	The Secretary shall prepare and submit to congress an annual report on the status of the aid to non-public schools fund program	Reports furnished	Compliance Evidence provided showed that an annual report is provided detailing expenditure of program funds.
96	FSM Code Title 40 Chapter 6 Section 606	The Secretary shall promulgate regulations governing the procedures for insuring and equitable distribution among the states and the process by which non-public schools may apply for funds	Regulations developed	Compliance Procedures have been developed in accordance with Title 40 Chapter 6 Section 606 which outlines the equal distribution of funds for which non-public schools apply and are allocated funds.

Hiring of Specialist

Specialists are hired without documented polices or procedures having been developed by the Department. Legislative requirements for the hiring of specialists are outlined in the FSM Code title 52. The NDOE works in consultation with the Attorney Generals office to ensure any contractual agreement entered into is of legal sufficiency. In the absence of policies and procedures for hiring of specialists, the process cannot be viewed as open and accountable. There is no guarantee the most qualified and skilled person is selected for the special or unique service.

It is recommended that the selection and hiring of special instructors is guided by the development of policy and procedures. (**Recommendation 26 refers**). (Additionally, it is recommended that there is development of policy and procedures manual for a range of operational and administrative mattes across the entire Department)

Below - Audit Table 19 – incorporating Performance Indicators 97 to 98

Hiring of Specialist				
97	FSM Code Title 52 Chapter 1 Subchapter 1 Section 117 (11) Persons retained by contract	That persons or organizations have been certified to provide a service which is special or unique and non-permanent and is essential to the public interest.	Policies or procedures complying with the provisions of Chapter 1 Title 52.	Partial Compliance Provisions of Title 52 regarding specialized services are adhered to however, the NDOE finance area have not developed any policies or procedures in relation to the provisions of Chapter 1 Title 52
98	FASCCO Resolution FR 08-17 Liaison Person in Guam	FSM DOE will hire a full time vocational liaison officer to be stationed in Guam	Position established	Non Compliance Evidence was unable to be obtained on the existence of a vocational liaison officer being engaged or stationed in Guam.

Fiscal Planning and Accounting Systems

Below table indicates expenditure of actual ESG and SEG allocation.

State	Total ESG and SEG allocation	Enrollment	Per pupil grant
Chuuk	\$15,483.527	14,930	\$1,037.07
Kosrae	\$ 3,898.452	2,043	\$1,908.18
Pohnpei	\$10,627.438	10,629	\$999.88
Yap	\$ 6,066,702	3,150	\$1,925.93
FSM	\$32,085,178	30,752	\$1,043.35

It must be noted that NDOE is in compliance with the procedures set down by the National Department of Finance and the requirements of the FMR. There was no evidence found during the audit of wilful malpractice or mismanagement of funds. However, supplemental grants usage needs to be closely monitored. Department of Finance has processes and systems in place where funds can not be expended without funds actually being in allocated accounts. There are no property management processes established by the relevant procurement officer and purchase requisitions are placed on a 'as needs' bases. In the absence of any appropriate and detailed policy and procedures, knowledge of such processes and systems is at risk of being lost if the relevant officer moves to another job description or retires.

Not only would documented policy and procedures reinforce FMR provisions, such procedural processes provide consistency, quality assurance, openness and accountability to the financial and budgetary processes.

The NDOE Budget Officer retains relevant information on finances and budgetary expenses. A major role for detailed recording of budgets and expenditure is to inform the Secretary on financial status of the department, so that informed decisions can be made when unforeseen circumstances occur. Reporting of expenditure is given to the Secretary when requested, but this is generally done through informal reporting. It should be a matter of general course that regular budget advice briefings be provided to the Secretary. Without regular structured and formalized reporting processes, it is difficult to accept that the Secretary is fully informed at all times on the situation of the department's budget. It is recommended that documented policy and procedures – designed to compliment and reinforce FMR provisions – are developed by the NDOE in accordance with the mandate with Executive Order No.1. **(Recommendation 27 refers)**. It is also recommended that a systematic budgetary reporting regime is instituted so as to regularly inform the Secretary on financial status of the Department. **(Recommendation 28 refers)**.

Below - Audit Table 20 – incorporating Performance Indicators 99 to 104

Fiscal Planning and Accounting Systems				
99	Amendment Memorandum (Date June 15 2005) to the Financial Management Regulations Amendment to Section 5.1(D) to FMR	Each FSM Government Agency through their administrative officer is required to submit to the procurement branch a list of their purchase requirements for the following month on a purchase requisition on the first working day of each month.	Evidence of policy and procedures consistence with the provision of 5.1(D) of the FMR	Partial Compliance The NDOE Administrative Officer submits purchase requisitions on an as needs basis. These requisitions are done in accordance with provisions of the National FMR's. However, complimentary policies and procedures have not been developed which are consistent with the provisions of 5.1(D) of the FMR.
100	Financial Management Regulations Part II Contractual Arrangements	FSM NDOE will comply with the provision of Part II of the FMR relating to contractual agreements	Evidence of policy and procedures consistence with the provision of FMR	Partial Compliance The NDOE Administrative Officer follows all necessary steps in accordance with the National FMR's in relation to contractual agreements. However, policies and procedures have not been developed which are consistent with the section of the FMR's.
101	Financial Management Regulations Part III Allottee's	FSM NDOE will comply with the provision of Part III of the FMR relating to Allottee's	Evidence of policy and procedures consistence with the provision of FMR	Partial Compliance The Secretary is on the list of Allottee's in relation to receiving funding. Policies and procedures have not been developed outlining consistency with the provisions of the FMR's.
102	Financial Management Regulations Part IV Sections 4.10, 4.11, 4.14, 4.16 and 4.17 Relating to travel	FSM NDOE will comply with the provision of Part IV Sections 4.10, 4.11, 4.14, 4.16 and 4.17 of the FMR relating to travel	Evidence of policy and procedures consistence with the provision of FMR	Partial Compliance Documented evidence showed that TA's where awarded in compliance with National FMR's. However, reports requiring to be submitted after 7 days of return were not available to the auditor. Policies and procedures have not been developed outlining consistency with the provisions of the FMR's.

103	Financial Management Regulations Part X Administration of Public Project Appropriations	FSM NDOE will comply with the provision of Part X of the FMR relating to Public Project Appropriations	Evidence of policy and procedures consistence with the provision of FMR	Partial Compliance Evidence obtained during the audit showed appropriations were made in accordance with FMR's. Policies and procedures have not been developed outlining consistency with the provisions of the FMR's.
104	FASCCO Resolution FR 08-15	That State and National Education Systems are closely audited by the Office of National Public Auditor and GAO	Evidence and findings of audits conducted	Partial Compliance National Public Auditor's office was undertaking an audit of the NDOE at the time of management audit. Public Auditor was looking at compliance with the integrated Sector Program Plan as well as the Supplemental Educational Grants. GAO office has not conducted any audits on NDOE at this time.

Federal Grant Conditions

The National Department of Education is subject to allocations of Supplemental Education Grants. The laws, regulations and requirements of the grants are outlined in the documentation supplied with the grant to ensure compliance, along with special terms and conditions. The audit was able to establish that most of the grant conditions were being adhered to, however some conditions were not followed in accordance with conditions set out. Plans are required to be submitted outlining the expenditure of the grant. While plans are provided, they did not offer details of expenditure as nominated within the terms and conditions of the grant.

It is recommended that grant terms and conditions are strictly adhered to, ensuring grants are able to be full expended and meets audit scrutiny. **(Recommended 29 refers)**.

Below - Audit Table 21 – incorporating Performance Indicators 105 to 107

	Federal Grant Conditions			
105	Education Sector Grant Award Public Law 108-188 Supplemental Grant FY 09 CFDA No. 15.875	Within 60 days of grant awarded, NDOE shall submit plan for expenditure of disapproved travel and fixed assets costs.	Plan developed and submitted within 60 days.	Partial Compliance Plan developed and submitted within timeframe. However, the plan does not provide full details of expenditure of nominated areas aligning to the grant.
106	Education Sector Grant Award Public Law 108-188 Supplemental Grant FY 10 CFDA No. 15.875	Education Sector Grant shall limit payment of teacher’s salaries to certified teachers or who have agreed to and are following approved program of professional development to certification.	Evidence of only teachers with certification or on approved programs being paid from Education Sector Grant.	Non Compliance There was no evidence that any follow-up is being done by the NDOE administrator to ensure that only teachers with qualifications are receiving funding from grant allocation.
107	Education Sector Grant Award Public Law 108-188 Supplemental Grant FY 10 CFDA No. 15.875	FSM DOE shall contract outside expertise to develop comprehensive technology plans including standards for students, teachers and administrators, budget and training schedules.	Outside contractors engaged. Comprehensive technology plans developed.	Partial Compliance In accordance with the grant being awarded, contractors have been engaged and a working group has been established for the development of the comprehensive technology plan. At the time of the audit the development of the plan was ongoing.

Personnel Performance Evaluation

Formal Personnel Performance Evaluation as outlined in Title 52 of the FSM Code of Law, is not being fully adhered to and can be considered as having fallen into disuse within the Department of Education. There is some verification to suggest that limited performance evaluation is taking place, albeit un-coordinated and infrequent. Performance evaluation is the responsibility of the Chief of each Division. Through discussions with the Chiefs, it was found that scheduled written performance evaluations no longer take place, due to step increases being no longer available. Staff members are not aware of their performance within the working environment other than informal conversations between Chiefs and relevant staff members.

To comply with the requirements of Evaluation Performance, the Secretary of Education needs to undertake a personnel review, including such areas as:

- all existing job descriptions to ensure personnel have a current, and up to date job description detailing required standards of performance
- ensuring all supervisors are aware of their role in performance evaluation of subordinates
- development of performance management protocols and guidance for supervisors to ensure objectivity, fairness and reliability
- training to be undertaken by supervisors in conducting performance evaluations
- clarification of policy on performance evaluation.

Evaluation needs to be conducted against actual duties. Currently no actual performance evaluation is being undertaken. Chiefs of Divisions undertake informal discussions with staff members with regards to assigned duties. Discussions center on progress of assignments and are not a true performance evaluation.

It is recommended that a HR specialist review current job descriptions to ensure accuracy as well as the adequacy of performance evaluation forms with the view of determining the efficacy of such forms in truly monitoring and evaluation performance. **(Recommendation 30 refers)**.

Below - Audit Table 22 – incorporating Performance Indicators 108

Personnel Performance Evaluation				
108	FSM Code Title 52 Chapter 1 Subchapter IV Section 141 (Performance Evaluations)	The NDOE shall develop performance evaluation for every class and shall rate each employee at least once a year. A copy of the evaluation shall be given to each employee. Performance evaluation shall be used for eligibility for step increases.	Performance evaluation criteria developed Frequency of performance evaluations Level of compliance with Section 141	Partial Compliance A performance evaluation criterion has been developed to undertake performance evaluation on each employee of the NDOE. However, there are only limited numbers of records of personnel evaluations having been conducted in the last two years. These reports have not been included in the personnel files. Verbal reporting

				has been done between the employee and supervisor. Annual written performance evaluations are not used for eligibility for step increases, nor as a factor for promotion.
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Penalty Sanctions

Disciplinary action taken within the Department of Education is governed by the provisions as found in Title 52 of the FSM Code of Law. Discussions with supervisors indicated that all disciplinary action is taken by the Secretary of Education with only recommendations being made by Supervisors as to what actions is to be taken for breaches of discipline. There is no written policy within the Department outlining disciplinary action or possible breaches of discipline by staff members. Discipline notices issued to staff members under the Code do not establish areas of insubordination and penalty allocation.

It is recommended that written policy and procedures be developed on breaches of disciplines and disciplinary action in accordance with Title 52 of the FSM Code of Law and all staff members of the National Department of Education are provided a copy of developed policies and participate in awareness sessions. **(Recommendation 31 refers)**.

Below - Audit Table 23 – incorporating Performance Indicators 109 to 110

Penalty Sanctions				
109	FSM Code Title 52 Chapter 1 Subchapter V Section 151	Disciplinary action: suspension. A management official may, for disciplinary purposes, suspend any employee without pay for such length of time as he considers appropriate. But not exceeding thirty days at anyone time or sixty days in any twelve month period	Process for compliance with Section 151 on suspensions	Partial Compliance Records indicate written disciplinary letters have been served with suspension action being taken. There is no written process for compliance with Section 151 on suspensions; however, the disciplinary process is followed according to Title 52 Chapter 1 Subchapter V Section 151.
110	FSM Code Title 52 Chapter 1 Subchapter V Section 152	Disciplinary action: dismissal; demotion. A management official may, for disciplinary reasons, dismiss or demote an employee when he determines the good of the public service will be served.	Process for compliance with Section 152 on dismissals	Partial Compliance Records indicate written letters of disciplinary have been served. There is no written process for compliance with Section 152 on dismissal; however, the disciplinary process is followed according to Title 52 Chapter 1 Subchapter V Section 152.

Data Collection

Data accuracy, consistency of reporting and coding of data is a problem which is being addressed with the development for ICT for States and National data systems. Training is required to ensure synchronization between EMIS and PEDMS as Data Managers are providing outdated information which further compromises the credibility of data being provided in reports. During the audit it was found there are no established policies or procedures at the National or State levels in relation to data collection or use of the data systems.

The establishment and implementation of one data delivery system across all the States and National Departments of Education should elevate the current situation where different programs are running and conversions are required before data can be read or shared.

Below - Audit Table 24 – incorporating Performance Indicators 111

Data Collection				
111	FASCCO Resolution FR09-02	<p>NDOE create data interpretation as immediate responses to the states for further evaluation of the education programs within the FSM education systems.</p> <p>In consultation with the States establish full implementation of a data delivery system plan</p>	<p>Plan developed</p> <p>Status of implementation</p>	<p>Partial Compliance</p> <p>A workgroup has been established to develop an IT program. This plan is still in the development stage and has yet to reach the implementation phase. The working group has undertaken consultation with the SDOEs for the establishment of a data delivery system plan that enables data interpretation. However, no plan has been developed for the evaluation of education programs within the FSM education systems.</p>

Teacher Certification

The National Department of Education through Title 40 Chapter 1 Section 105, is mandated to ensure teachers who undertake the role of providing classroom instruction have the minimum level of certification within public and private school system in the FSM. The teacher certification policy has established the minimum standards for teachers based on applicable performance competencies and educational backgrounds.

Consideration should be given to strengthen the Teacher Certification Policy through the development of legislation to prohibit SEG and ESG funding of salaries or activities for uncertified teachers. Additional, there should be a prohibition in the hiring of individuals who do not meet the statutory requirements for the position and proscribe an annual minimum number of hours of approved professional development training. It is recommended that Principals, and State and National Department of Education employees, are to be included into the Teacher Certification Policy to ensure those recruited and appointed into key positions meet the minimum standards established. **(Recommendation 32 refers)**.

Teachers qualification upgrading cannot be an ongoing indefinite program, it must be anticipated that those teachers currently employed will obtain the minimum required certification standards, and new employees will already have meet the minimum standards. By the implementation of the requirement of minimum qualification for teachers, it is envisaged that all teachers within the FSM will have reached minimum qualification within a short period of time. Teaching is a dynamic profession and new techniques must be brought into the classroom to ensure students are able to be taught with the most up-to-date programs. Therefore, consideration by the NDOE should be given to develop in-service professional development for all teachers, in areas such as improving teaching methodologies within the classroom and enhancing skills in teaching multi-grade levels within one classroom. . It is recommended that NDOE prepare and implement annual professional development plans for policy makers and specialist engaged in system support at National and State level in order to improve the quality of support services offered to States and schools. **(Recommendation 33 refers)**. This would provide for greater consistency across the FSM Departments of Education regarding professional development regarding teachers.

NDOE is to provide technical assistance in the implementation of the State professional development plans by conducting reviews and evaluations of such plans to ensure appropriateness of plans in relation to the required needs of teachers' professional development. Part of this professional development would be to conduct professional development conferences for teachers and education specialists to share experiences and engage in learning with like professionals.

It is recommended that NDOE establish a centralized resource data library to promote the professional development for all levels of teachers and principles. Topic areas should include leadership, multi-grade teaching contexts, teaching English as a second language and other areas of development as identified in accordance with the mandate in Executive Order No.1. **(Recommendation 34 refers)**.

Consideration should be given to establishing greater accesses to distance education programs, these programs allow for teachers to continue with their commitment to work and undertake necessary study in a cost efficient manner.

It is recommended that a training needs analysis is conducted for teacher in-service training needs. A detailed report outlining the training needs is to be provided to relevant heads of State and National Departments of Education with appropriate training being developed from identified needs in accordance with the mandate in Executive Order No.1. (**Recommendation 35 refers**).

State	Total Teachers	Certified Teachers	%	Request Certificates	%	Degree Required	% Degree	NSTT Required	% NSTT
Chuuk	901	0	0	166	18%	423	47%	312	35%
Kosrae	200	57	28.5%	16	11%	8	4%	119	60%
Pohnpei	497	0	0	356	72%	29	6%	112	22%
Yap	376	27	7%	0	0	223	59%	126	34%
Total	1974	84	4%	538	27%	683	35%	669	34%

32% of Teachers currently have teacher certificates, with 34.6% of teachers currently without certificates. Numbers indicate that Chuuk and Yap have the most number of teachers without certificates. The National Department of Education must play a lead role in the development and enhancement of teacher professional development through such activities as development conferences for teachers, and other annual programs of professional development which focus on improving aspects of achievement.

Below - Audit Table 25 – incorporating Performance Indicators 112 to 114

	Teacher Certification			
112	The FSM Teacher Certification Policy (AS Amended 2010) FSM Code Title 40 Chapter 1 Section 105. FASCCO Resolution FR 09-05	The Secretary shall sign and issue certification to a person to enable them to teach in the FSM school system. The FSM teacher certificate shall be issued to those who meet the necessary criteria outlined in Section IV (Teacher Certification Requirements Subsections) 1. Educational Background 2. National Standardized Test for Teachers (NSTT) 3. Certificate Eligibilities 4. Class and types of certifications	Compliance with criteria established in policy Register of certificates issued.	Partial Compliance Teacher certification policy has been established by the NDOE. This policy outlines the minimum standards required for teacher certification. Some teachers have not passed the NSTT and are still able to teach. This is not in accordance with the Teacher Certification Policy Part IV (2) A register of Teacher certificates issued is kept by the NDOE.

113	The FSM Teacher Certification Policy (As Amended 2010)	The Secretary shall establish guidelines for implementing the FSM teacher certification policy within 90 days after the signing of this policy (signed on April 20 2010)	Guidelines established.	Non Compliance No policies had been developed to ensure the implementation of the guidelines for teacher certification. The guidelines are clear and instructional in teacher certification and are a stand alone document.
114	The FSM Teacher Certification Policy (As Amended 2010)	There shall be a National Standardized Tests for Teachers which shall be administered by State DOE. Scoring, analysis and reporting shall be performed within 10 days after testing by NDOE during January and June each year. Any person applying or teaching shall pass the NSTT or its succeeding version.	NSTT administered NDOE to perform analysis 10 days after test administered. All teachers to pass NSTT	Partial Compliance The NSTT is administered, however this test is not being administered within the January and June timeframe of each year as required. Those teachers on outer islands are not receiving the test until later dates which alter the schedule. Evidence indicates that scoring, analysis and reporting is not performed by the states within 10 days of testing.

Employee Regulations for assignment, transfer, leave and paid positions

In determining staff assignments, consideration appears to be taken on imperatives which are presented to the Department by organizations external to the Department. Staff member's current duties along with their ability to be allocated to another assignments with minimal impact on the allocated program, is having significant impact on those programs the Department is required to undertake. Movement of staff is done with negligible consideration to objectives set out in the Strategies and Programs Document for 2010 and what impact this has on designated outcomes and outputs. There are no documented policies or procedures guiding assignment or transfer of staff within the Department to ensure that programs continue to be implemented.

FACSSO resolutions in-relation to the development and implementation to National Teacher salary and conditions for research projects has not been undertaken at the time of the audit. Further no data has been collected on the salary and conditions for those professions deemed equivalent to that of the teaching profession in either private or public sector. A criterion has yet to be developed to determine what is considered to be an equivalent profession that can be measured against. It is recommended that before any data is collected related to salary and conditions for persons performing duties (in research projects) equivalent to the teaching professional that criteria are established skills against the specific research project. **(Recommendation 36 refers)**.

It is recommended that policies and procedures are developed to ensure assignment, transfer, leave and paid positions of staff members is clearly defined within the Department of Education. **(Recommendation 37 refers)**.

Below - Audit Table 26 – incorporating Performance Indicators 115 to 117

Employee Regulations for assignment, transfer, leave and paid positions				
115	No Documented Policy	In determining transfer assignments, the Secretary of Education and the Administrative Staff will take into consideration: 1. Employee's present duties. 2. Employee's present location. 3. Supervisor's recommendations. 4. Employee's input	Evidence consideration prior to transfer.	Non Compliance There is no documented evidence of any consideration of employee's present duties, location, supervisor's recommendations or employee's input prior to transfer or change of assignments. This at times hinders the ability of employee's to complete assigned tasks.
116	FASCCO Resolution FR 07-092 Teacher Salary and conditions	That NDOE collaborate with State DOE's on the development and implementation of National Teacher salary and conditions of research project.	Evidence of implementation of a National teacher salary and conditions and research project	Non Compliance There is no documented evidence of any research being conducted on the development and implementation of National Teachers salary and conditions project.

117	FASCCO Resolution FR 07-092 Teacher Salary and conditions	NDOE to collect information on Salary and condition of service for equivalent professionals in the public and private sector	Evidence of information collected.	Non Compliance No information has been collected on salary conditions of service in equivalent professions in either public or private sector. No working group has been established at NDOE to undertake this task.
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Supplies, Equipment and Vehicles

The NDOE does not undertake any property audit within the Department. A list of assets is kept with the Department of Finance with no detailed list kept within the Department. There has been no asset audit conducted of the Department by either education staff members or Department of Finance staff members. A random audit was undertaken of assets within the office of Education. Five laptops were located during that audit. Only two of the laptops were located on the asset list. Of the five located, all five were not working. Nine other assets located during the audit were not on the fixed asset list. It was further noted during the audit that not all fixed assets had the required property identification as required under the FMR Part VII.

It is recommended that the NDOE undertake to conduct a fixed asset audit of all assets within the Department of Education, this audit is to be conducted on an annual bases and results provided to Department of Finance procurement section. (**Recommendation 37 refers**).

Below - Audit Table 27 – incorporating Performance Indicators 118 to 119

Supplies, Equipment and Vehicles				
118	Financial Management Regulations Part VII Property Section 7.2 Identification	The Secretary shall identify all property in accordance with provisions of Section 7.2	Compliance with Section 7.2	Non Compliance The auditor could not find a property list kept by the NDOE. All property lists are kept by the Department of Finance. Random checks of property within the NDOE office indicated that items within the office were not on the list. No audit has been conducted on property for NDOE by the NDOE office or Department of finance. Some items on the property list were not located within the NDOE office.
119	Financial Management Regulations Part VII Property Section 7.3 Control and Maintenance	The Secretary shall be responsible for the care and maintenance for all property assigned to his control.	Policies and procedures consistent with the provisions with Section 7.3 (A to H).	Non Compliance During the audit a number of property items were located that were no longer in working order. These items were not returned to Department of Finance. There are no policies or procedures established consisted with the provisions of Section 7.3 (A to H).

Food Services

The National Department of Education does not provide any assistance to any of the State DOEs in the area of the School Feeding Programs. Further, NDOE does not provide any assistance to communities with funding or any other assistance in food programs. Feeding programs are undertaken by individual SDOEs and their interaction with communities for assistance. This service should be left with the States as legislative and regulatory requirements are in place at the State level with policies and procedures being developed for implementation of services.

Below - Audit Table 28 – incorporating Performance Indicators 120

Food Services				
120	FSM Code Title 40 Subsection II (General Assistance) Section 323 School feeding program	The Department may assist any community in establishing a school feeding program	Assistance provided	<p>Compliance</p> <p>The NDOE provides guidance through the NDOE school accreditation program on the management of school feeding programs. The legislative requirement on NDOE is that it 'may' assist.</p>

Summary of Compliance Determinations			
Category 3: Administration Compliance - 42			
Not determined	Compliance	Partial Compliance	Non Compliance
0	16	18	8
0%	38%	43%	19%

CONCLUSION

This management audit found that the Department of National Education does not have any formal policy or procedure manual. While Department personnel know what the NDOE's roles and functions are (as outlined within the Executive Order No.1 Section VIII) the absence of documented internal policy and procedures does not allow for operations to be implemented with any sense of directed purpose.

It is the relationship between the NDOE and the SDOEs which is of major concern. There is a strong sense of 'state sovereignty' in the delivery of educational services by State departments. As a result, the states appear to fear a greater role by the National and the National seems to be reluctant to impinge on those State rights. The principle outcome is that the true potential of the NDOE is not being achieved.

Directors of Education at a State level seek leadership and direction (from the National DOE) in the administration of educational services and the implementation of programs. However, the perceived fear of a National department attempting to wrestle control over State obligations is inhibiting the existence of a meaningful partnership between the key players.

It is the view of the auditor that a stronger spirit of co-operation can be created, in that the National DOE is perfectly positioned to coordinate, guide, support and lead program development and design and to support the States with implementation. The States can still retain control over the operationalization of those programs – with no negative impact on State roles and responsibilities. The National DOE should be (as mandated in executive Order Number 1) taking on a stronger leadership role and providing clear direction for educational services throughout FSM through guidance and support to the States.

States have indicated their willingness to support the creation of National Standards. The FSM NDOE is the agency who must lead the way on the development of those standards, but also go further in providing enhanced levels of co-ordination in the adoption and implementation of those standards at a State level.

The precedent for such National / State cooperation and partnerships has already been established within the FSM in the area of policing, with FSM National Police supporting State activities, however with States ultimately retaining responsibility for the carrying out of policing operations. Within the law enforcement arena, State sovereignty is not threatened. The same result can be achieved within the educational system.

Clarifying the potential roles of the National department and a willingness by the States to allow this enhancement to occur, is a critical first step in the building of a coordinated, cohesive and effective educational system across the FSM.

Attachment 1 - List of Performance Indicators – 1 to 120.

Strategic Management Compliance				
	Source	Criteria	Means of Verification	Compliance Status
1	Mission Statement	The mission of the FSM Department of Education is to provide equal access to education for all the citizens of the FSM and to develop in our young people the essential attitudes, skills and knowledge that will enable them to participate in and contribute to the development of their communities, state and the nation but also to provide appropriate education for young adults who may be able to work elsewhere in the world. It is also the mission of the national education to assist the FSM States to help the young people to understand and respect their culture and heritage, to recognize and influence changes occurring in modern and traditional lifestyles, to develop interest and respect for their own environment as well as others.	Evidence of progress towards compliance with performance indicators specified in Strategic Plan document	<p>Partial Compliance FSM National DOE is setting standards for teachers, curriculum, and schools.</p> <p>There is scope for National DOE to take on more of a lead role in assisting the states develop participation between schools and communities for greater understanding of culture and heritage within the school environment.</p>
2	Strategic Goal One and Objectives	<p>Improve the quality of learning in the FSM.</p> <ol style="list-style-type: none"> To reform the National Curriculum Standards and Benchmarks. To improve students' access to learning opportunities. To improve the provision of Special Education Programs To improve the provision of Early Childhood Education Services To improve the provision of textbooks and other materials. 	<p>Published Curricula</p> <p>Number of schools successfully implementing the curricula</p> <p>NST results</p> <p>Training provided</p> <p>Guidelines issued</p> <p>All schools have a school improvement plan</p> <p>SPED monitoring reports</p> <p>State compliance with Special Education provision requirements</p>	<p>Partial Compliance</p> <p>Detailed student learning outcomes for English have been developed with the other three subjects.</p> <p>Guidelines for school improvement plans have been developed and are to be issued to all DOE's. However no requests have been forthcoming from State DOE's for technical assistance and training.</p> <p>NDOE and SDOEs work closely together through the monitoring program to ensure that students with disabilities</p>

			<p>ECE enrolment rates ECE curriculum standards developed Minimum provision of textbooks in 5 subjects per student % of education funds spent on textbooks and materials Textbook inventories and monitoring reports Annual increase in donor grant awards</p>	<p>participate in learning programs. No work is currently being undertaken within the ECE program in the NDOE. No curriculum has been developed at the National level to assist that State DOE's nor have any policies or procedures. There is limited textbook monitoring being undertaken by the NDOE to ensure minimum provisions. (Pohnpei SDOE 11 schools monitored).</p>
<p>3</p>	<p>Strategic Goal Two and Objectives</p>	<p>Improve the quality of teaching in the FSM. 1. To ensure that all teachers in the FSM education system are certified. 2. To improve the provision of professional development opportunities for teachers and education staff. 3. To introduce models of innovative improvement strategies in teaching. 4. To address the issues of low teacher status and salary. 5. To support improvements in initial and post-graduate teacher Preparation programs. 6. To advise State Directors of Education on the optimum levels of teacher deployment.</p>	<p>Annual increase in the % of teachers, principals and others certified Annual decrease in the % of teachers seeking AA/AS degrees Teacher Professional Development standards Annual improvements in student achievement Annual professional development plans Improvement strategies Documented Research report Teacher salary reform Annual increase in entrants to Teacher Corps Annual increase in funding for teacher professional development Annual increase in scholarships in education Increase in number of education courses available by distance education Equitable teacher: student ratios across all states Number of teachers attending</p>	<p>Partial Compliance There is an annual increase of teachers receiving minimum certification across SDOEs. However, some teachers are still not meeting the minimum teacher certification standard by not passing the NSTT. The development and conducting of workshops for the National writing strategy and the MTE. Not all teachers are attending or accessing professional development courses in areas such as multi-grade teaching or other skills development areas relevant to needs.</p>

			professional development courses	
4	Strategic Goal Three and Objectives	<p>Consolidate performance monitoring and data based decision-making system.</p> <ol style="list-style-type: none"> To establish comprehensive Education standards and monitoring systems through a School Accreditation System. To revise national student Assessment procedures. To establish standards, monitoring systems and support systems for National and State Departments of Education. To establish a unified education management information system to improve data collection and analysis and support evidence based decision making. Improve data-based decision making and strategic planning. Achieve equitable distribution of grants. 	<p>Standards developed</p> <p>Annual monitoring reports on % of schools</p> <p>Principal performance monitoring</p> <p>Teacher performance monitoring</p> <p>Follow-up reports</p> <p>Revised annual NST report</p> <p>NST Science tests</p> <p>Audit reports</p> <p>Statewide System of Support guidelines</p> <p>Annual increase in the number of days of support provided by NDOE</p> <p>Unified MIS</p> <p>Number of days training provided</p> <p>Timely data analysis reports</p> <p>Annual performance reports</p> <p>Coordinated NDOE & SDOE planning</p> <p>Formal Statewide System of Support</p> <p>Per student allocation of grants</p>	<p>Partial Compliance</p> <p>Certification of teachers within the FSM education system has been a priority area for sometime and all efforts are being undertaken to ensure teachers are meeting the minimum requirement. However, State DOEs must ensure they do not take on new hires without this minimum qualification.</p> <p>A draft of the standards for the monitoring and support systems for National and States has been developed.</p> <p>BSSP developed a unified system for NDOE however this system was never implemented.</p>
5	Strategic Goal Four and Objectives	<p>Strengthen participation and accountability of the education system to communities.</p> <ol style="list-style-type: none"> To develop a National Policy Community Participation in Education. To develop a program of public reporting of standards and achievement in the education system. 	<p>Written National Policy on Community Participation in Education</p> <p>Education Community Liaison Officer</p> <p>School Improvement Plans</p> <p>Annual public performance reports</p>	<p>Non Compliance</p> <p>At this time there has been no policy developed for Community Participation in Education.</p> <p>The draft accreditation system does allow for public reporting, but at the time of the audit the documentation for accreditation system was still only in draft format.</p>
6	Strategic Goal Five and Objectives	Ensure that education is relevant to the life and aspirations of the FSM	Post-secondary policy	<p>Partial Compliance</p> <p>The National Scholarship Program is</p>

		<p>people, meets manpower needs, improves lifelong learning, enables students to complete Post-Secondary education and assists in the economic and social development of the FSM.</p> <ol style="list-style-type: none"> 1. To develop a coordinated program to address the role of FSM education in meeting the economic and workforce development needs in the FSM. 2. To improve access to vocational education opportunities. 3. To improve the relevancy of education to the economic and social development needs of the FSM. 	<p>Number of post-secondary students enrolled in vocational courses</p> <p>Annual increase in vocational education courses</p> <p>Revised curricula</p>	<p>post-secondary program. Responsibility for the T3 program has been taken away from the NDOE and returned to the States.</p> <p>Curriculum has been developed for the CTE program, however development has stopped and at the time of the audit there has been no move to implement the curriculum.</p>
<p>Responsibility and Authority of the Secretary of Education</p>				
<p>7</p>	<p>FSM Code Title 40 Chapter 1 Section 103</p>	<p>Secretary of Education shall administer and coordinate the FSM Educational System in relation to</p> <ol style="list-style-type: none"> a) promote education by setting minimum standards for educational administration, programs and facilities b) coordinate efforts to obtain foreign assistance for programs c) provide technical assistance to the States d) coordinate efforts which seek to meet the needs of FSM students in the area of post-secondary education 	<p>Standards set</p> <p>Foreign assistance coordinated</p> <p>Extent of technical assistance given to states</p> <p>Programs directed towards post-secondary education</p>	<p>Partial Compliance</p> <p>The Secretary of NDOE has ensured the promotion of education by the development of the National Curriculum Standards and Benchmarks. Further development of English Language Arts Student Learning Outcomes, Standards for Educational Administration, Programs and Facilities has been undertaken with further development in other subject areas to take place.</p> <p>No evidence of foreign assistance sought through grant writing.</p> <p>Technical assistance is provided to states through workshops being provided (National Writing Strategy), however there is very little follow-up to ensure ongoing commitment by states.</p>

				There is limited coordinated effort in the area of post-secondary education. National Scholarship Program partially meeting the needs of those students in post-secondary education
8	FSM Code Title 40 Chapter 1 Section 103	The Secretary shall advise the chairperson of the Board of Regents of the College of Micronesia in education matters including: a) educational needs and abilities of student classes or age groups advancing towards post-secondary education b) FSM manpower requirements which might be met through training programs at the College of Micronesia c) Opportunities and programs to transfer FSM students to specialized programs in other colleges d) Problems which inhibit efforts to meet FSM manpower needs	Number of meetings with Board of Regents Minutes of issues discussed	Non Compliance The Secretary has not advised the Board of Regents of the College of Micronesia in relation to the needs of student or academic capability in post-secondary education. Advances made towards advising the Board or administration of the College has not achieved the desired outcome. There are no documented minutes of meetings attended. AusAID scholarships provide students opportunity to transfer from COM to other colleges in specialized programs.
9	FSM Code Title 40 Chapter 1 Section 103	The Secretary shall communicate and consult with members of State Boards of Education on: • Promoting education • Setting minimum standards • Providing technical assistance • Coordinating educational services • Building consensus • Assisting Boards of Education in the performance of their duties	Number of meetings with State Board of Education Minutes of meetings held and issues discussed.	Non Compliance The Secretary does not meet with the State Board of Education, in promoting education, setting minimum standards providing technical assistance or coordinating education services. This is done at the level with the Directors of Education at the State level. All assistance is provided to the Directors to ensure the Directors at the State level are able to provide to their relevant State Boards the necessary assistance and guidance.
10	FSM Code Title 40 Chapter 1 Section 103	The Secretary shall have the authority to:	Reports issued	Partial Compliance The Secretary develops reports as

		<ul style="list-style-type: none"> • Issue reports • Prepare National Education Plans • Establish temporary committees to conduct studies • Prepare budgets and administer funds • Issue guidelines and procedures • Act upon education matters assigned by the President 	<p>Plans developed</p> <p>Committees established</p> <p>Budgets prepared</p> <p>Guidelines and procedures developed</p> <p>Number of matters assigned by President.</p>	<p>required, such reports are the JEMCO 20 indicators, quarterly performance reporting, annual budget reports. A line item budget is prepared, that aligns with the integrated sector program plan.</p> <p>Development of guidelines and procedures has been developed in areas such as the School Improvement Plan.</p>
Education System – Role of Administration of NDOE				
11	Executive Order No 1 Section VII	Carrying out the functions of the National Government in promoting education	Means of promoting	<p>Non Compliance</p> <p>The NDOE has no means of verification of promotion of education services provided by the National Government.</p>
12	Executive Order No 1 Section VII	Responsible for the planning, development, and promotion of National Goals and Standards in the field of education.	<p>Plans developed</p> <p>National goals and standards developed</p> <p>Dissemination process</p>	<p>Partial Compliance</p> <p>Standards in Curriculum have been developed and disseminated to the SDOE. NDOE has developed CTE Standards, School Accreditation, Teacher Certification and Self-Assessment for Education for the SDOEs to implement into their departmental frameworks.</p>
13	Executive Order No 1 Section VII	Implementation of National education programs	Documented evidence of number of programs implemented	<p>Partial Compliance</p> <p>No documented evidence in the way of reports was provided on the implementation of programs such as Close-up Program and Rural Internet Connectivity. These programs are being implemented in all State DOE's. A report on Bridging the Gap was provided however it did not state any implantation of programs, the report outlined problems being faced.</p>
14	Executive Order No 1 Section VII	Coordination of US Federal education programs	Means of coordination with US programs	<p>Compliance</p> <p>SPED is the only Division within NDOE that has coordination with US</p>

				programs. Reports outlining specific indicators as nominated by the US Office of Special Education Programs (OSEP) are provided by SPED NDOE. The NDOE serves as the State Education Agency responsible for the general supervision of special education and related services delivered in the four states. Each state provides quarterly reports to the NDOE SPED for inclusion in the State Performance Plan.
15	Executive Order No 1 Section VII	Encourage the teaching of vernacular languages and other foreign languages	Programs related to languages being implemented with emphasis on vernacular	Partial Compliance VLA has standards and benchmarks developed at the National level.
16	Executive Order No 1 Section VII	Ensure in-service teacher training and other staff development programs	In-service training programs developed and delivered Staff development programs implemented	Partial Compliance In-Service Training – Evidence found of the only in-service training program was the Writing Project to improve the standard of student writing. Staff members have undertaken development relating to their job description. One staff member has been on a 12 month secondment to PREL with another going to China and to Solomon Islands. When requested this information was not provided.
17	Executive Order No 1 Section VII	Assist with effective services for handicapped children and youth	Services provided to handicapped youth	Partial Compliance Through the SPED Division of the NDOE monitoring is conducted of services provided for children with special needs at the State level. However not all children are being encapsulated within this monitoring program.
18	Executive Order No 1 Section VII	Issue charters to non-public schools throughout the FSM.	Number of charters issued	Compliance The NDOE has issued 17 charters to non-public schools. All charters have been issued in accordance with Title 40.
19	Executive Order No 1 Section VII	Assist with post-secondary education	Programs developed to support post-secondary education	Non Compliance Programs to support post-secondary

				education are through programs such as AusAID and the awarding of scholarships through the Chinese Scholarship program.
20	Executive Order No 1 Section VII	Provide technical assistance to State DOE's	Examples of types of technical assistance provided	Partial Compliance Technical assistance provided at this time has been the development of the National Writing Strategy, CTE Standards MTEC, Principals' Institute, ICT program and guidance on SIP.
21	Executive Order No 1 Section VII	Issue teacher certificates	Percentage of teacher certificate issued	Partial Compliance Evidence indicates that not all teachers within the FSM undertaking teaching instruction have the minimum teacher certificate. At present 32% of the teachers have the necessary certificate.
22	Executive Order No 1 Section VII	Provide support services to and receive advice and assistance from the FSM Board of Education	Documented evidence of support given and received from FSM Board of Education	This criterion could not be assessed as no board of education has been put in place at the time of the audit.
23	Executive Order No 1 Section VII	Report on the condition and progress of education in the Nation	Documented evidence of reports furnished	Compliance Documented evidence showed that the FSM National JEMCO 20 Education Indicators Report is furnished which outlines the progress and conditions of education within the Nation of the FSM. This report is compiled from data supplied by all the States and measures the statuses and progress of the schools throughout the FSM. However, discussions with the data manager for the NDOE indicated the JEMCO report will meet the required deadline this year.
24	Executive Order No 1 Section VII	Promote the cause of education in the FSM	Evidence of types and quality of promotion undertaken	Non Compliance The NDOE does not undertake to do any active quality promotion of education within the FSM. This is generally left to the SDOEs to fulfil this

				role.
25	FASCCO Resolution FR 09-03	That NDOE establish an annual conference forum in collaboration with COM-FSM the FSM States and NDOE	Conference established Evidence of minutes from meetings	Compliance Annual Conference in the form of MTEC
Organization of the Department				
26	Executive Order No.1. Section VII	The Department of Education shall consist of three Divisions a) Division of education systems support b) Division of vocational career and technical education c) Division of SPED	Actions towards Division education support system 16 duties as outlined in the Executive Order No.1. Section VII (as amended April 2008) Division of Vocational Career and Technical Education 9 duties Division of SPED 5 duties	Partial Compliance The NDOE has established three divisions within NDOE. The chart does show: <ul style="list-style-type: none"> Staffing patterns Lines of authority and accountability Location of Managerial Positions. Further each of the Divisions is not fully meeting the required duties as defined within the Executive Order.
Employment Practices				
27	FSM Code Title 52 Chapter 1 Subchapter I Section 113 and 116 (Merit Principles)	The National Public Service System shall be administered in accordance with the merit principles set forth below: (1) Equal opportunity for all regardless of sex, race, age, religion, political affiliation, ancestry, family or place of origin. (2) No discrimination against any person because of a physical handicap unconnected to his ability to perform effectively the duties of the position in which he is employed or in which he is seeking employment; PROVIDED that the employment of said physically handicapped person will not be hazardous to him nor endanger the health and safety of others.	Application of principles in selection process	Partial Compliance NDOE employees a large majority of males within the department as specialists. Of the 31 staff members only 8 are female (26%), with 7 of the 8 have administrative positions and 1 (3%) having a specialists role in the area of teacher certification. All Divisional Chiefs are male and Bridging the Gap specialists male. Technical Specialist being provided is also a male. Selection is conducted through a selection panel once a list of possible candidates has been provided by Division of Personnel. There is no clear policy or guidelines established within the Department for opportunity for promotion from within the Department.

		(3) Impartial Selection (4) Just opportunity for promotion		
28	FSM Code Title 52 Chapter 1 Subchapter III Section 132-135 (Appointment and Promotion of Employees)	All positions made shall be recruited by advertisement and in compliance with section 132. The Personnel Officer shall cause to be established a separate class list for all vacancies that exist. Vacancies shall be filled in accordance Section 135.	Documented eligibility lists Procedure compiling with provisions of Section 135	Partial Compliance Vacancies are advertised through the Personnel Office in accordance with Section 132. Vacancies have been unfilled for long periods of time. Some position descriptions appear to be to generic and broad.
Assignment of Personnel				
29	No official policy based on excepted practice	The Secretary shall make all assignments of personnel in the best interest of the educational systems and should rely upon qualifications, certification.	NDOE criteria for assignment. Assignment data.	Non Compliance No evidence was able to be produced on written criteria for assignment of personnel. However, some roles have been changed as deemed necessary by the Secretary.
Services with Children with Disabilities				
30	FSM Code Title 40. Education Chapter 1 Section 107. (Procedures to ensure education for children with disabilities).	The Secretary shall establish, in cooperation and consultation with the State Directors of Education and Health Services of each State, a procedure to ensure the ongoing identification, diagnosis, certification, and education of children with disabilities.	SPED monitoring report.	Compliance Document evidence was provided by NDOE SPED in the form of the monitoring report. This report is done with no Divisional written procedure, however the donor provides written instruction to NDOE SPED on the specific indicator areas which need to be addressed in the report. The report is then compiled in consultation with LEAs.
31	FSM Code Title 40. Education Chapter 2 Subchapter III Section 235. (State responsibility).	On or before July 1 of each year, each State shall report to the Secretary of Education the extent to which it is providing the special education for children with disabilities necessary to implement this subchapter. The report shall detail the means which the State uses to provide for the free appropriate special education of	Copies of last 3 annual reports.	Compliance This is a State requirement and not for the NDOE to report on.

		children with disabilities.		
32	Individuals with Disabilities Improvement Act, Public Law and the FSM Public Law 14-08	Meets Requirements NDOE Determines State meets all requirements of Part B IDEA and P.L. 14-08, letter to be issued to Director of Education commending efforts on fully implementing special education programs and services	Evidence of letters issued to any State for full implementation	Compliance Evidence was provided showing compliance letters issued by Chief of SPED on behalf Secretary of NDOE. Letter contains a summary of update on required improvements and commendations.
33	Individuals with Disabilities Improvement Act, Public Law and the FSM Public Law 14-08	Needs Assistance NDOE Determines State needs assistance in implementation of requirements of Part B of IDEA or P.L. 14-08 one or more actions to be taken <ul style="list-style-type: none"> • Advises state of available sources of technical assistance, including assistance from Office of FSM Special Education Program, technical assistance providers approved by NDOE, work with appropriate technical assistance resources. • Directs use of State Level IDEA Part B funds on area/s which needs assistance • Identifies the State as high-risk grantee and impose special conditions on State's grant under Part B of Act. 	Documented evidence of assistance provided. Advice provided to state of available sources of technical assistance.	Partial Compliance Evidence of emails was provided indicating assistance provided back to the states in the form of monitoring reports with necessary recommendations. It was not indicated during the audit if workshops have been conducted in all states.
34	Individuals with Disabilities Improvement Act, Public Law and the FSM Public Law 14-08	Needs Intervention If Secretary determines State needs intervention in implementing requirements of Part B of the Act, following shall apply <ul style="list-style-type: none"> • NDOE may take any action described in Needs Assistance • NDOE takes one or more of required actions 	Evidence of intervention as determined by NDOE Documented evidence of results from determined intervention.	Compliance Detailed Intervention Reports are provided to SDOEs with the necessary plans which have been developed in consultation with the SDOE, ensuring areas of required interventions which need amending are undertaken. Consent agreement is entered into by

		<ul style="list-style-type: none"> • State to prepare corrective action plan or improvement plan if Secretary determines State able to correct in one year • State to enter into specific compliance agreement Secretary reason to believe State cannot correct problem within one year • Each year of determination withholds not less than 20 percent and not more than 50 percent of State's IDEA Part B funds, until determination State has sufficiently addressed areas • Seeks to recover funds under IDEA Part B • Withholds, whole or part any further payments to State under Part B of Act • Refers matter to appropriate enforcement action, including FSM Attorney General. 		<p>the SDOE and NDOE which outlines in detail restrictions and requirements of the necessary SDOE.</p> <p>However, plans are not developed if the issue is training, legislative or a need to update policies.</p>
35	Individuals with Disabilities Improvement Act, Public Law and the FSM Public Law 14-08	<p>Needs Substantial Intervention Notwithstanding taking actions under needs assistance and needs intervention, at any time NDOE determines State needs substantial intervention in implementation or there is substantial failure to comply with conditions take one or more actions</p> <ul style="list-style-type: none"> • Recover funds under IDEA Part B • Withhold in whole or par further payments to State • Refers the case to FSM Attorney General for appropriate enforcement action. 	<p>Evidence of any substantial intervention taken as determined by NDOE.</p> <p>Documented evidence of results from determined intervention.</p>	<p>Compliance</p> <p>A detailed plan was provided for inspection during the monitoring report which was developed showing activities with outcomes, timelines and budget expenditures.</p> <p>This plan goes further to redirecting of funds to ensure areas of compliance are met.</p> <p>Problem solving is undertaken to ensure all necessary outcomes and objectives are met.</p>
36	Source Document Continuous Improvement	On a quarterly basis, four LEA's submit to NDOE a quarterly progress	Evidence of 3 quarterly reports submitted from each local	<p>Compliance</p> <p>All LEAs submitted to NDOE quarterly</p>

	Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III NDOE Verification and Monitoring: LEA Quarterly Reports	report that reviews fiscal, compliance and performance data and information relevant to the IDEA Part B SPP indicators, including formal complaints, mediation and due process requests and results. Fiscal reviews to ensure expenditures for quarter are consistent with approved IDEA grant appropriation for the LEA. Compliance and performance reviews monitor IDEA compliance areas and progress made on priorities identified in LEA's LPP for SPED.	educational agency for last two years.	<p>progress reports with fiscal compliance and performance data and relevant information within the required timeframe as set out by NDOE.</p> <p>It was noted during the audit that some IDEA compliance areas were not acknowledged in the quarterly reports and further comments were required.</p> <p>This is a requirement of the States not the NDOE. However NDOE follow up to ensure reports are submitted.</p>
37	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: LEA Quarterly Reports	NDOE to provide written notification of the quarterly progress report submission requirements.	Documented evidence of written quarterly progress report submission requirements.	<p>Compliance</p> <p>Evidence provided during the audit indicated that within 2 weeks of reports being received reports are reviewed for accuracy and comments made in accordance with policies.</p> <p>NDOE provides written notification to LEA's of quarterly progress report submission requirements.</p>
38	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(4) NDOE Verification and Monitoring	Within 2 weeks of receiving completed LEA quarterly progress reports NDOE shall review information for accuracy.	Documented evidence of quarterly reports reviewed for accuracy within 2 weeks of being received.	<p>Compliance</p> <p>All reports reviewed during audit showed that within the 2weeks are required within the policies quarterly reports were reviewed for accuracy and comments made where areas of discrepancy or inconsistency occurred.</p>
39	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the	Within two weeks of receiving the Quarterly Report NDOE shall issue an official 'Response' letter to the LEA director describing findings,	Letters provided to LEA Directors of each LEA with required information.	<p>Compliance</p> <p>All LEA Directors were provided a response letter with findings from the review. This letter contained necessary</p>

	Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: LEA Quarterly Reports	including concerns regarding accuracy of data and information in comparison to previous quarterly reports and any corrective action requirements from the on-site monitoring visit.		corrective action to be taken and any necessary technical assistance that maybe necessary during the corrective action.
40	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: 618 Data Reports – Section 3	NDOE will review LEA 618 data generated by SITS. Any increase or decrease of 10% from previous 618 reports will be flagged for NDOE to issue a written notice requesting explanation for change.	Evidence of last 3 flagged 618 reports and issuance of written notice with request for explanation.	Compliance Documented evidence was provided to show that requests for explanation of screening teams to explain increase or decrease of 10% was undertaken.
41	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: 618 Data Reports – Section 4	NDOE to verify the LEA's capacity for collecting and compiling the required 618 data through the LEA Quarterly Reports and On-site Monitoring visits. Table 1. Child Count Table 2. Personnel Table 3. Educational Environment Table 4. Exiting Table 5. Discipline Table 6. Assessment Table 7. Dispute Resolution	Documented evidence of 618 data collected in accordance with table requirements.	Compliance All 618 tables examined during the audit had been correctly compiled and completed in accordance with the requirements.
42	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: On-Site Monitoring - Section 1	NDOE to provide written notification to each LEA of scheduled on-site monitoring/verification visit, including required documentation for review prior to and during visit.	4 written notifications to LEA's.	Compliance LEAs are provided a written notification of scheduled on-site monitoring visit, requesting documents required prior to and during the visit. This letter is scanned and emailed to the relevant LEAs.

43	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: On-Site Monitoring - Section 2	The NDOE monitoring team reviews previously submitted LEA quarterly reports and other relevant reports as background information of compliance and performance progress and issues identified by the LEA in preparation for the visit. The NDOE monitoring team will utilize the FSM-NDOE On-Site Monitoring Team Checklist, included as Appendix B, to document information previously reported for each SPP/LPP Indicator.	Last 4 FSM-NDOE On-Site Monitoring Team Checklists and quarterly reports.	Compliance Evidence showed that monitoring team checklist is developed and quarterly reports are utilised to ensure all necessary information is gathered prior to undertaking an on-site monitoring visit.
44	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: On-Site Monitoring - Section 3	During the visit the NDOE monitoring team completes the FSM-HES On-Site Monitoring Team Checklist with 'evidence' obtained through conducting a series of activities. A review of the completed LEA Monitoring/Verification Visit Checklist <ul style="list-style-type: none"> • Review of students files using the Child Record Review of Checklist • Verification of procedures and services provided in the LEAs is conducted through interview with LEA Advisory Panel members, special education staff, school personnel, parents, and students with disabilities as appropriate 	Last 4 On-Site Monitoring Team Checklists with 'evidence obtained.	Compliance Evidence was provided to show student files are reviewed using the child record review checklist prior to the on-site monitoring visit. These files are also used as part of the monitoring visit along with interviews conducted with relevant staff members, parents and students.
45	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification	NDOE issues Monitoring/Verification Report and Determination Letter to the LEA Director describing findings and corrective action requirements, including levels of intervention – incentives or sanctions – for ensuring completion of corrective action requirements, as needed.	Copies of last 4 Monitoring/Verification Report and Determination Letters to LEA Directors	Compliance Documented evidence was provided to show monitoring teams provide to LEA Directors prior to departing a draft copy of the Monitoring/Verification Report. Discussions are held between the LEA Director and the monitoring team ensuring full understanding of the

	and Monitoring: On-Site Monitoring - Section 4	The NDOE Monitoring/Verification Report serves as the point of identification for noncompliance requiring correction by the LEA no later than one year from the date of the Report		concerns raised by the monitoring team. The report identifies corrective actions to be taken and also provides commendation for areas which have been corrected.
46	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: On-Site Monitoring - Section 5	NDOE <i>Continuous Improvement Monitoring System</i> includes the following enforcement actions to ensure timely correction of identified non-compliance and incentives for progress on prioritized improvement strategies.	Copies of enforcement actions / incentives or sanctions taken against all 4 LEA's.	Compliance Documented evidence indicated actions taken against LEA's are closely monitored to ensure corrective action is taken within the timeframe outline in the monitoring report. Progress is monitored.
47	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part III(2) NDOE Verification and Monitoring: On-Site Monitoring - Section 6	Focused Monitoring NDOE may, based on review of progress being made by an LEA to correct areas of non compliance, provide for additional on-site Focused Monitoring visits to further verify progress and to offer focused technical assistance in support of efforts to correct areas of non compliance in timely manner.	Documented evidence of Focused Monitoring conducted with focused technical assistance provided.	Partial Compliance Documented evidence was provided to show focused monitoring is undertaken; however this is not always done by a follow-up focused monitoring visit. Technical assistance is provided through communications and the development of a plan ensuring timeframes is met. Focused monitoring visits would have greater impact on ensuring compliance with the overall timely corrective actions of the plan.
48	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part VI NDOE Verification and	NDOE convenes FSM National SPP/Advisory Panel to prioritize National initiatives for targeting improved performance based on review of each LEA's progress on its LPP targets and improvement activities. Information from LEA quarterly reports, NDOE on-site	Copy of last three convened National SPP/Advisory Panel meetings.	Compliance Evidence was provided to show National SPP/Advisory Panel assist in the prioritizing of initiatives through the consultation with State LEA's. States specify issues to be discussed, what they believe should happen. NDOE assist with the development of meeting

	Monitoring: National SPP Meeting	verification and monitoring visits, and updated LPPs identify common issues across LEAs, as well as unique issues experienced in each LEA. Data collected serves Panel to analyse progress towards meeting Indicator Targets and make adjustments as necessary to be reported in FSM Annual Performance Report for Special Education.		Indicator Targets and make the necessary adjustments in the FSM annual performance report.
49	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part VI NDOE Verification and Monitoring: National SPP Meeting - Section 1	NDOE schedules and notifies each LEA of the FSM National SPP/Advisory Panel meeting.	Last three notices of scheduled FSM SPP/Advisory Panel meetings.	Compliance Documented evidence in the form of letters provided to LEA's notifying of scheduled FSM SPP/Advisory Panel meetings. Letter is further scanned and emailed to Director of LEA's and phone calls are made to ensure knowledge of meetings.
50	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part VI NDOE Verification and Monitoring: National SPP Meeting- Section 2	During meeting each LEA will present progress on the LEA's LPP targets and improvement activities. NDOE will also report on findings resulting from on-site verification/monitoring visit.	Evidence of progress on LEA's LPP targets and improvement activities being met. Report on findings from on-site visit	Compliance LEA's provided documented evidence of targets and improvements activities being undertaken and met from on-site visits.
51	Source Document Continuous Improvement Monitoring System Procedures 2007 – Monitoring the Effectiveness of Special Education and Related Services in the FSM Part VI NDOE Verification and	NDOE will compile and summarize LEA data for the Annual Performance Report in meeting the requirements of reporting to the public and OSEP	Copies of 2006, 2007, 2009 Annual Performance Reports	Compliance Evidence provided by NDOE in the form of the comprehensive report which summarizes the annual performance reports from each of the LEA's data. This report is then submitted to OSEP for consideration as part of funding requirements.

	Monitoring: National SPP Meeting- Section 3			
Services for Gifted and Talented Children				
52	FSMC, Title 40. Education Chapter 1 §106. Gifted and talented students.	The Secretary shall establish, in cooperation and consultation with the State Directors of Education , programs to identify and encourage students who demonstrate an extraordinary ability to learn.	Programs developed to identify and encourage students	Non Compliance No evidence was provided to support the development any programs for gifted and talented students.
Role of the Community				
53	Strategic Plan 2009-2015 Strategic Goal 4 Objective 1	To develop a national policy for community participation in education	Development of policy	This criterion cannot be assessed at this time. National Congress withdrew financial support for the development of national policy for community participation in education. The education committee at the Congressional level felt there was not a need for policy to be developed for community participation at this time. Standing committee report 16-88 (May 29 2010)
Strategic Planning				
54	National DOE Focused Strategic Plan 2009-2015	A monitoring and evaluation team will be established to collect and analysis data, prepare reports and provide analysis on progress.	Monitoring and Evaluation team established Monitoring and Evaluation team collecting data and preparing reports	Non-Compliance No evidence was provided to indicate that NDOE has established a monitoring and evaluation team for the collection and analysis of data. Further no reports have been provided or analysis on progress.
55	National DOE Focused Strategic Plan 2009-2015	The monitoring and evaluation team will prepare a milestone report at the end of year one. This report will outline progress and necessary to the Focused Strategic Plan. Further milestone reports will be produced at the end of years 3 and 5.	Evidence of milestone report for 2010.	Non Compliance No documented evidence could be provided to the auditor in the form of a report being developed which would analysis the progress of data collected. This is an ongoing objective with further milestone reports which are required in 2012 and at end of the strategic plan

56	National DOE Focused Strategic Plan 2009-2015	Time frames for the completion of strategies and objectives and activity costs shall inform annual budget planning.	Evidence of annual budget plans aligning with objectives within strategic plan.	Partial Compliance Evidence was provided in the form of an annual budget plan, aligning with objectives within the strategic plan and, the FSM integrated sector program plan. However, objectives are not always met through imposed budgetary restraints.
57	FACSSO Resolution FR 07-094 School Improvement Guidelines	The Secretary shall establish standards for school improvement plans and based on guidance on contained in the document <i>school improvement planning: Guidance for Departments of Education, Elementary and Secondary Schools.</i>	Guidelines Developed	Compliance Evidence was provided to the auditor by NDOE indicating the development of school improvement plans. Whilst, technical assistance is available by NDOE, State DOE's have not sought such assistance. The School improvement plans are available on the NDOE website.
Early Childhood Education				
58	Executive Order No.1 Section VII C Division of Education (3)	Ensure that free and appropriate education is provided to children with special needs from 0 to 12 ages	Level monitoring of state programs	Compliant Evidence was provided during the audit of SPED (refer PI 30) that programs are being provided to children with special needs.
59	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 8	One (1) follow-up workshop conducted on ECE guidelines, policy and general facility standards	Workshops conducted Policies and general facility standards developed	Non Compliance No evidence was able to be provided to show workshops have been conducted with Chiefs or Specialists at state level confirming guidelines, policy and general facility standards on ECE issues.
60	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 8	Two (2) on-site monitoring of ECE guidelines and general facility standards conducted nationwide	On-site monitoring of ECE guidelines and facilities conducted	Partial Compliance Two ECE on-site visits were conducted however, no monitoring of guidelines and facility standards were conducted during the on-site visits.
61	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 9	Survey Reports on ECE SIPs conducted in all States. All ECE centers and sites surveyed and SIPs submitted to national government and grantor	All ECE centers and sites surveyed SIPs submitted	Non Compliance The auditor was not able to be provided with any audit report showing surveys are being conducted on state ECE centers.

				At the time of the audit no ECE centers or sites surveyed and SIPs have been submitted to National government and grantor.
62	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 9	Survey Reports on ECE SIPs conducted in all States. Two (2) on-site monitoring of ECE guidelines and general facility standards conducted nationwide.	Survey Reports conducted Two on-site monitoring visits conducted	Non Compliance No survey reports were able to be produced at the time of the audit regarding on-site monitoring visits which were conducted earlier in the year.
63	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 9	Survey Reports on ECE SIPs conducted in all States. Four (4) series of ECE teachers' trainings on ECE improvements conducted at the four states' DOEs.	Four ECE teachers' trainings conducted	Non Compliance At the time of the audit no ECE teacher trainings have been conducted. Nor have there been any other ECE improvements in the four states' DOEs.
64	Strategic Plan - Annual Planning 2010 - Goal 2 Improve the quality of teaching in the FSM Objective 9	Survey Reports on ECE SIPs conducted in all States. One (1) data system for ECE data and information developed.	One ECE data system and information developed.	Non Compliance No evidence was able to be produced to show development of any data system for ECE data and information development has not been commenced or researched.
Pedagogy Compliance				
	Curriculum and Instruction			
65	FSMC, Title 40. Education Chapter 1 §110. National Curriculum Minimum Standards.	The Secretary shall establish, in cooperation and consultation with the State Boards of Education and the State Directors of Education, National Curriculum Minimum Standards.	Copies of National Curriculum Minimum Standards widely available	Compliance Evidence was provided to the auditor on the developed the National Curriculum Standards and Benchmarks which have been developed and disseminated to all State DOEs.
66	FSMC, Title 40. Education Chapter 1 §110. National Curriculum Minimum Standards.	State Departments of Education and Boards of Education shall ensure that the National Curriculum Minimum Standards are implemented through their State Curriculum framework.	Evidence where NDOE is monitoring implementation of State Standards.	This criterion refers to the responsibility of the State Departments of Education to ensure the National Curriculum Standards are implemented through their own developed State Frameworks.
67	FASCCO Resolution FR07-091	NDOE collaborate with State Departments to implement the National writing strategy throughout	Strategy developed and implemented	Partial Compliance Evidence from reports provided indicated that the NDOE developed and

		school year 2009-2010		<p>conducted 2 workshops (20th and 26th January 2010) for the writing strategy. However Yap State has yet to participate in any writing strategy workshop.</p> <p>The other 3 State DOE's have not provided the required five (5) day's of training to each teacher in the appropriate course, nor have any reports been provided on the training undertaken by the SDOE to the NDOE. Further evidence indicated that NDOE has not conducted any monitoring or reported on the progress of the National Writing Strategy. This has left the strategy without clear direction.</p>
	Staff Development			
68	Executive Order No. 1 Section VII	The National Department of Education is responsible for ensuring in-service teacher training and other staff development programs.	<p>In-service training programs developed and delivered</p> <p>Staff development programs implemented</p>	<p>Partial Compliance</p> <p>Evidence was produced for in-service training the form of the National Writing Strategy which has been developed. Training was provided to three of the four states in conducting train the training sessions. Technical assistance was offered to the State DOEs if required.</p> <p>Those teachers without minimum qualifications are provided opportunity through COM courses to obtain qualification. Teachers also undertake on-line courses.</p> <p>No emphasis has been placed on staff development programs by the NDOE at this time.</p>
69	FASCCO Resolution FR07-091	NDOE provide technical and training to State DOE to conduct four train the trainer courses	Evidence of Training conducted	<p>Partial Compliance</p> <p>A report was provided outlining the workshop provided by the NDOE to the three states which participated in the one week train the trainer workshops.</p>

				However, NDOE has not monitored or reported on any ongoing progress of this program. The program has not progressed beyond the original workshops.
	Reporting			
70	FSM Code Title 40 Chapter 3 Subchapter III Student Loan and Revolving Fund Section 332 Reporting	The chief shall prepare and submit an annual report on the status of the fund prior to the opening of the regular May session of the Congress of the Federated States of Micronesia. Report shall include the total amount of outstanding current loans, total amounts of repayments collected in the prior fiscal year, the total amount of payments in default in the prior fiscal year, the number of loans made during the prior fiscal year, and such other information as may be appropriate	Copy of last three reports prepared	Compliance Evidence was provided for repayments of outstanding loans. Reports are provided on annual bases.
71	Compact of Free Association II 20 FSM JEMCO Education Indicators	Reporting on the 20 FSM JEMCO Education Indicators	Copy of last two JEMCO Education Indicator Reports	Partial Compliance The 20 FSM JEMCO Education Indicator Report has been developed and submitted in a timely manner During the audit it was found the report required for this reporting period will not made the required timeframe. Further, this report is only as detailed as the data provided by the State DOE's. Some State DOE's are not providing data in a manner that allows for all criteria within the JEMCO report to be completed.
72	Guidelines on Scholarship Loans	Report to Congress on Scholarships awarded	Copy of last two reports provided to congress on Scholarships awarded	Compliance From the evidence provided these reports indicate number of scholarships awarded, area of critical need and amount of scholarship. All reports submitted in timely manner to

				congress.
	Testing Program			
73	<p>Executive Order No. 1 Section VII FSM National Department of Education Mandate Part A Section 9, 10 and 12</p> <p>JEMCO Education Indicator 13</p> <p>Teacher Certification Policy</p>	<p>Provide statistical data on the progress and condition of education in the FSM</p> <p>Develop and finalize the FSM curriculum minimum standards with associated student performance expectations.</p> <p>Number and percent of students achieving 'Proficiency' level and above, at selected grade levels for standardized tests (e.g. SAT 9) or criterion-referenced tests (e.g. locally developed tests).</p> <p>Provide and administer the Nation's Teachers Certification Program.</p>	<p>Statistical data provided</p> <p>Test developed to assess student performance expectations</p> <p>Number of students achieving proficiency</p> <p>Teacher Certification Program being administered.</p>	<p>Partial Compliance</p> <p>Evidence indicates the National Standardized Test is developed through a working group comprised of teachers from relevant grade level, curriculum specialist and NDOE representative. The test should be administered each year between March and May to ensure that all students are encapsulated (including those on outer islands).</p> <p>The test however is not provided to all grade levels and is administered in only two subject areas math and language arts. This does not provide for complete overview of student proficiency.</p> <p>Teacher Certification Program is administered with the supervising of the NSTT.</p>
74	FACSSO Resolutions	<p>The Testing Specialist will:</p> <ol style="list-style-type: none"> 1. Review for: <ol style="list-style-type: none"> a. Cultural appropriateness. b. Student's needs. c. Applicability to relevant state society. d. Reliability and validity. 2. Recommend changes in test use or type of test. 3. Take action. 		<p>Partial Compliance</p> <p>The math test is currently being rewritten and has not been administered since 2008. Language arts was reviewed in 2007 and administered in 2009.</p> <p>No review has been conducted for the reliability and validity of the testing program.</p>
	Student Assistance			
75	FSM Code Title 40 Subsection II (General Assistance) Section 321 Transportation of School Children	NDOE may provide suitable transportation to and from school for children from K to grade 12 and children with special needs. The Department shall adopt policy and	<p>Assistance provided</p> <p>Policy and procedures adopted.</p>	This criterion could not be assessed as the legislation states that NDOE 'may' provide assistance. NDOE is not statutorily required to provide transport to those students. NDOE will

		procedures it deems necessary		adopt policy it deems necessary. However, NDO has not developed any policies or procedures
76	FSM Code Title 40 Subsection II (General Assistance) Section 325 Student Loan Revolving Fund	The establishment of an ongoing fund to provide long term long interest loans from a revolving fund to qualified students or are in need of financial assistance. In order to pursue full time course study at an institution of higher learning.	Establishment of the revolving fund Entitlement criteria established Minutes of funded minutes	This criterion cannot be assessed at this time. National Congress withdrew financial support for student loans from a revolving fund.
77	Public Law 13-60 Amending Section 221 of FSM Code Title 54 Division of Education System Support	Duties and Functions are as follows: 8. Collect and publish data showing the condition and progress of post-secondary education for the FSM 9. Develop and establish administrative guidelines, regulations and procedures for operation of post-secondary loan and scholarship programs. 10. Assist with administration of national scholarship program; administer National Student Revolving Fund Program 11. Maintain a reliable record filing system of all scholarship and loan awards 12. Ensure repayment of student loans administered by Department 13. Assist with development of post-secondary orientation of programs for secondary-level students 14. Provide student services for citizens of the FSM enrolled in colleges and universities aboard.	Data collected Development of guidelines, regulations and procedures. Assistance provided Filing system maintained Evidence of loans repaid Program developed Evidence of services provided.	Partial Compliance COMET results are collected by the College of Micronesia and the results are provided to the State Department of Educations. This information is also provided to the NDOE. These results indicate students who meet the requirements for entry to COM and higher education. Guidelines have been developed and are followed for the operation of the scholarship program. There is no funding made available for post-secondary loans. NDOE provides assistance to the Scholarship Board and the administration of the scholarship funds by ensuring all applications are completed and in the appropriate format. However there are no revolving funds. Student loans are being repaid, however records are considered inaccurate. Currently those students who have not repaid loans are currently at four, however other records show

				<p>the number could be as high as 300 in some states.</p> <p>There are no programs developed to assist with orientation of secondary level students, nor providing services to students enrolled in colleges and universities aboard at this time.</p>
78	Executive Order No. 1 Section VII FSM National Department of Education Mandate Subsection A (5)	Ensure repayment of student loans administered by the department	Evidence of outstanding loans being repaid.	<p>Partial Compliance</p> <p>Records provided to the audit indicated 6 students had loans outstanding with 2 loans been repaid over the last 12 months, with 4 still outstanding. Records have only recently been kept updated with NDOE becoming a Department in its own right.</p>
Administration Compliance				
	National Scholarship Program			
79	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. III. Administration of the Post-Graduate Scholarship Funds	The Administrator for the Post-Secondary and Scholarship Unit within NDOE shall be the Administrator of the Post-Graduate Scholarship funds with the immediate supervision of the Assistant Secretary of Education.	Administrator appointed and assistance provided by Assistant Secretary of Education	<p>Compliance</p> <p>The audit found that an administrator has been appointed to the National Scholarship Program in accordance with the provisions outlined in the guidelines for the administration of the National Scholarship Program 2006.</p>
80	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. IV. Post-Graduate Scholarship Board	President shall utilize the existing five-member Scholarship Board for a term of two (2) years, members are residing in Pohnpei and National Government and four (4) States equally represented.	Board has five members from each of the four States and National Government	<p>Compliance</p> <p>Reviewing the current board member it would found by the audit that the current Board is made up of the required representation from the four (4) States and National Government. However, it must be noted there is no criteria for the selection of Board members to ensure qualified members are selected.</p>
81	Source Document Guidelines for the	Scholarship Board will conduct business when three (3) members		<p>Compliance</p> <p>Minutes indicate meetings are</p>

	<p>Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. IV. Post-Graduate Scholarship Board</p>	<p>are present. Functions to include but not limited to: (a) Recommends priority areas for post-graduate studies to President for review and approval. Priority areas may be amended every three years (b) Based on established priority areas, availability of funds, review scholarship applications, select and recommend to President qualified applicants for scholarship award, determine the amount and number of awards per school-year. (c) Ensure scholarship recipients adhere to terms set forth in Section VI and VII of administrative guidelines. (d) Establish and recommend policies and procedures for expenditures and accountability for Post-Secondary Scholarship Program Funds.</p>	<p>Documented evidence of priority recommendations made. Evidence of reviews of applicants and written recommendations made. Evidence that Sections VI and VII are being adhered to. Established policies and procedures.</p>	<p>conducted with at least three (3) members in attendance. Current Board members are reviewing priority areas, for consideration of amending. Scholarships are being awarded within the current established priority areas and within the availability of funds. Policies and Procedures are in place to ensure correct expenditure and accountability of Post-Secondary Scholarship Funds.</p>
82	<p>Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. VI. Scholarship Eligibility Criteria</p>	<p>To be eligible for National Scholarship award applicant shall: (a) Be citizen of the FSM (b) Accepted or currently enrolled in postgraduate studies program (c) Earned BA/BS or its equivalence (d) Good academic standing GPA acceptable to institution or cumulative GPA of 3.00or better (e) Show proof of attendance or admission on full-time basis or carry at least 9 credit hours per semester.</p>	<p>Documented evidence scholarship criteria being followed.</p>	<p>Compliance Documented evidence was provided to the auditor showing all applicants meet the prescribed criteria before being considered for a scholarship.</p>
83	<p>Source Document</p>	<p>Scholarship Board established</p>	<p>Evidence that Board is awarding</p>	<p>Compliance</p>

	Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. VII. Post-Graduate Scholarship Priority Field of Study	priority areas for post-graduate studies.	within established priority areas.	Evidence indicated priority areas have been established by the Board, however these priority areas have not been reviewed for at least six years. It must be noted that the recent Board is undertaking a review of the current priority areas.
84	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. VIII. Terms of Scholarship	Prior to receiving FSM National Scholarship award, receipt shall sign agreement that is part of the application	Evidence that agreement is signed	Compliance Applications scrutinized during the audit indicated that all fully completed scholarship applications have the agreement signed. This agreement acknowledges the recipient of a scholarship will return to the FSM and work within the chosen field of study.
85	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. IX. Amount of Awards	Total amount of scholarship funds awarded per year shall not exceed the amount available.	Evidence that funds do not exceed amount available.	Compliance The National Scholarship Program has a number of provisions and procedures in place which ensures the program is not able to exceed the amount set down. The Department of Finance will return any applications that exceed the balance of the program.
86	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. X. Information Dissemination	Post-Secondary Administrator shall send copies of guidelines and information on availability of scholarship funds, priority areas, and selection criteria to all State Departments of Education, COM-FSM Campuses, and other Institutions of Higher Education in Pacific and United States. Dissemination shall be done using the President's website, emails and other means of communication.	Evidence copies of guidelines and priority areas and selection criteria sent to relevant organizations.	Partial Compliance A copy of the criteria for eligibility for scholarships has only been sent to COM-FSM. Other learning Institutions of Higher Education have not received information. However, the Scholarship Application Form has been uploaded onto the FSM NDOE website, outlining all the eligible criteria. The guidelines have not been disseminated to any of the learning Institutions of Higher Educations, nor have they been uploaded onto the NDOE webpage.

87	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. XI Application Process	Scholarship applicant shall 1. Secure application form and return completed to Division of Education, HESA prior beginning of any semester. 2. Proof of FSM citizenship, school admissions or attendance, copy of college transcripts and three reference letters shall be provided with completed application form. 3. Part E must be certified by institution's Director of Financial Aid or designee 4. Division of Education personnel review application and correspond to students to ensure applications for financial assistance are complete	4 application forms returned with all required information and certifications.	Compliance All applications are scrutinized to ensure they have all the required information for submission to the Board.
88	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. XII. Scholarship Award Process	Only completed copies shall be submitted for Board's consideration for scholarship on review by Post-Secondary Administrator	5 copies of reviewed and submitted scholarship applications	Compliance Board only receives fully completed copies for review and consideration.
89	Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. XIII. Notification of Awards	Postsecondary Administrator shall notify recipient and Financial Aid Director of institution of scholarship award amount by mail, email or telephone. Second half of award will be issued based on recipient's continued eligibility. Postsecondary administrator sends students' scholarship awards to institutions to settle financial obligations for that semester or year.	Documented evidence of notification of granted award. Evidence of continued eligibility and providing of second half of award. Documented Evidence of funds being sent and financial obligations settled.	Partial Compliance Recipients are not always notified of scholarship award. Emails are sent to the Financial Aid Director of Institution of Scholarship award. Transcripts are received prior to any further financial obligations sent to Institution.
90	Source Document	1. Division of Education transmits	Evidence of checks being sent via	Compliance

	<p>Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. XIV. Issuance of award check</p>	<p>student's scholarship check to institution via Registered/Certified mail.</p> <ol style="list-style-type: none"> 2. Issuance of second half of scholarship award will be contingent upon following: <ol style="list-style-type: none"> a. Receipt of original transcripts for previous terms b. That student carried full-term load in previous term c. That student is in good academic standing for previous term. 3. Upon satisfaction of above requirements, Division of education will request issuance of student's second half or award from FSM Department of Finance and Administration. 4. Upon issuance of scholarship check, Division of Education transmits to institution of student's attendance. 	<p>registered/certified mail.</p> <p>Documented evidence of scholarship awarded.</p> <p>Documented evidence of issuance of checks transmitted to educational institution.</p>	<p>All checks sent to Educational Institutions are by certified mail. Copies of receipt of certified mail kept for records. All required documentation is received prior to the issuance of any scholarship checks.</p>
<p>91</p>	<p>Source Document Guidelines for the Administration of the Post-Graduate Scholarship Program and other National Scholarship Programs 2006. XV. Monitoring</p>	<p>Division of Education will monitor student progress by mail, email and / or onsite visits ensuring students are adhering to scholarship program requirements.</p>	<p>Documented evidence of monitoring of recipients.</p>	<p>Partial Compliance Progress of students is monitored when requests for further assistance for second scholarship payment. No on site visits are conducted by the scholarship program to ensure students are fulfilling requirements. However, Institutions will notify Scholarship program if students drop out or does not re-enrol.</p>
<p>Private Schools</p>				
<p>92</p>	<p>FSM Code Title 40 Chapter 1 Section 109 Executive Order No. 1</p>	<p>Persons wishing to establish and operate a private school must make application for charter to the Secretary and the application shall comply with Section 109 (2)(b).</p>	<p>Number of applications made</p>	<p>Compliance Evidence of applications made by persons wanting to operate private schools have done so in compliance of Section 109 (2)(b). All 17 applicants are</p>

				in compliance.
93	FSM Code Title 40 Chapter 1 Section 109 Executive Order No.1	The Secretary shall issue a Charter for up to fifteen years in the form of a mutual agreement authorising the establishment of the school.	Number of charters issued	Compliance Evidence showed that the issuance of charters is done for a period of five years - Title 40 Chapter 1 Section 109 outlines that Charters shall be issued for up to fifteen years.
94	FSM Code Title 40 Chapter 6 Section 602 and 604	Aid to non-public schools fund program shall be administered in accordance with the Code and all funds shall be equally distributed.	Evidence of distribution of funding to non-public schools	Compliance Detailed evidence provided showed funds to non-public schools are distributed in accordance with the formula as set out in the guidelines established for the funding of non-public schools.
95	FSM Code Title 40 Chapter 6 Section 602 and 605	The Secretary shall prepare and submit to congress an annual report on the status of the aid to non-public schools fund program	Reports furnished	Compliance Evidence provided showed that an annual report is provided detailing expenditure of program funds.
96	FSM Code Title 40 Chapter 6 Section 606	The Secretary shall promulgate regulations governing the procedures for insuring and equitable distribution among the states and the process by which non-public schools may apply for funds	Regulations developed	Compliance Procedures have been developed in accordance with Title 40 Chapter 6 Section 606 which outlines the equal distribution of funds for which non-public schools apply and are allocated funds.
Hiring of Specialist				
97	FSM Code Title 52 Chapter 1 Subchapter 1 Section 117 (11) Persons retained by contract	That persons or organizations have been certified to provide a service which is special or unique and non-permanent and is essential to the public interest.	Policies or procedures complying with the provisions of Chapter 1 Title 52.	Partial Compliance Provisions of Title 52 regarding specialized services are adhered to however, the NDOE finance area have not developed any policies or procedures in relation to the provisions of Chapter 1 Title 52
98	FASCCO Resolution FR 08-17 Liaison Person in Guam	FSM DOE will hire a full time vocational liaison officer to be stationed in Guam	Position established	Non Compliance Evidence was unable to be obtained on the existence of a vocational liaison

				officer being engaged or stationed in Guam.
	Fiscal Planning and Accounting Systems			
99	Amendment Memorandum (Date June 15 2005) to the Financial Management Regulations Amendment to Section 5.1(D) to FMR	Each FSM Government Agency through their administrative officer is required to submit to the procurement branch a list of their purchase requirements for the following month on a purchase requisition on the first working day of each month.	Evidence of policy and procedures consistence with the provision of 5.1(D) of the FMR	Partial Compliance The NDOE Administrative Officer submits purchase requisitions on an as needs basis. These requisitions are done in accordance with provisions of the National FMR's. However, complimentary policies and procedures have not been developed which are consistent with the provisions of 5.1(D) of the FMR.
100	Financial Management Regulations Part II Contractual Arrangements	FSM NDOE will comply with the provision of Part II of the FMR relating to contractual agreements	Evidence of policy and procedures consistence with the provision of FMR	Partial Compliance The NDOE Administrative Officer follows all necessary steps in accordance with the National FMR's in relation to contractual agreements. However, policies and procedures have not been developed which are consistent with the section of the FMR's.
101	Financial Management Regulations Part III Allottee's	FSM NDOE will comply with the provision of Part III of the FMR relating to Allottee's	Evidence of policy and procedures consistence with the provision of FMR	Partial Compliance The Secretary is on the list of Allottee's in relation to receiving funding. Policies and procedures have not been developed outlining consistency with the provisions of the FMR's.
102	Financial Management Regulations Part IV Sections 4.10, 4.11, 4.14, 4.16 and 4.17 Relating to travel	FSM NDOE will comply with the provision of Part IV Sections 4.10, 4.11, 4.14, 4.16 and 4.17 of the FMR relating to travel	Evidence of policy and procedures consistence with the provision of FMR	Partial Compliance Documented evidence showed that TA's where awarded in compliance with National FMR's. However, reports requiring to be submitted after 7 days of return were not available to the auditor. Policies and procedures have not been developed outlining consistency with the provisions of the FMR's.

103	Financial Management Regulations Part X Administration of Public Project Appropriations	FSM NDOE will comply with the provision of Part X of the FMR relating to Public Project Appropriations	Evidence of policy and procedures consistence with the provision of FMR	Partial Compliance Evidence obtained during the audit showed appropriations were made in accordance with FMR's. Policies and procedures have not been developed outlining consistency with the provisions of the FMR's.
104	FASCCO Resolution FR 08-15	That State and National Education Systems are closely audited by the Office of National Public Auditor and GAO	Evidence and findings of audits conducted	Partial Compliance National Public Auditor's office was undertaking an audit of the NDOE at the time of management audit. Public Auditor was looking at compliance with the integrated Sector Program Plan as well as the Supplemental Educational Grants. GAO office has not conducted any audits on NDOE at this time.
Federal Grant Conditions				
105	Education Sector Grant Award Public Law 108-188 Supplemental Grant FY 09 CFDA No. 15.875	Within 60 days of grant awarded, NDOE shall submit plan for expenditure of disapproved travel and fixed assets costs.	Plan developed and submitted within 60 days.	Partial Compliance Plan developed and submitted within timeframe. However, the plan does not provide full details of expenditure of nominated areas aligning to the grant.
106	Education Sector Grant Award Public Law 108-188 Supplemental Grant FY 10 CFDA No. 15.875	Education Sector Grant shall limit payment of teacher's salaries to certified teachers or who have agreed to and are following approved program of professional development to certification.	Evidence of only teachers with certification or on approved programs being paid from Education Sector Grant.	Non Compliance There was no evidence that any follow-up is being done by the NDOE administrator to ensure that only teachers with qualifications are receiving funding from grant allocation.
107	Education Sector Grant Award Public Law 108-188 Supplemental Grant FY 10 CFDA No. 15.875	FSM DOE shall contract outside expertise to develop comprehensive technology plans including standards for students, teachers and administrators, budget and training schedules.	Outside contractors engaged. Comprehensive technology plans developed.	Partial Compliance In accordance with the grant being awarded, contractors have been engaged and a working group has been established for the development of the comprehensive technology plan. At the time of the audit the development of the plan was ongoing.
Personnel Performance Evaluation				
108	FSM Code Title 52	The NDOE shall develop	Performance evaluation criteria	Partial Compliance

	Chapter 1 Subchapter IV Section 141 (Performance Evaluations)	performance evaluation for every class and shall rate each employee at least once a year. A copy of the evaluation shall be given to each employee. Performance evaluation shall be used for eligibility for step increases.	developed Frequency of performance evaluations Level of compliance with Section 141	A performance evaluation criterion has been developed to undertake performance evaluation on each employee of the NDOE. However, there are only limited numbers of records of personnel evaluations having been conducted in the last two years. These reports have not been included in the personnel files. Verbal reporting has been done between the employee and supervisor. Annual written performance evaluations are not used for eligibility for step increases, nor as a factor for promotion.
	Penalty Sanctions			
109	FSM Code Title 52 Chapter 1 Subchapter V Section 151	Disciplinary action: suspension. A management official may, for disciplinary purposes, suspend any employee without pay for such length of time as he considers appropriate. But not exceeding thirty days at anyone time or sixty days in any twelve month period	Process for compliance with Section 151 on suspensions	Partial Compliance Records indicate written disciplinary letters have been served with suspension action being taken. There is no written process for compliance with Section 151 on suspensions; however, the disciplinary process is followed according to Title 52 Chapter 1 Subchapter V Section 151.
110	FSM Code Title 52 Chapter 1 Subchapter V Section 152	Disciplinary action: dismissal; demotion. A management official may, for disciplinary reasons, dismiss or demote an employee when he determines the good of the public service will be served.	Process for compliance with Section 152 on dismissals	Partial Compliance Records indicate written letters of disciplinary have been served. There is no written process for compliance with Section 152 on dismissal; however, the disciplinary process is followed according to Title 52 Chapter 1 Subchapter V Section 152.
	Data Collection			
111	FASCCO Resolution FR09-02	NDOE create data interpretation as immediate responses to the states for further evaluation of the education programs within the FSM education systems.	Plan developed Status of implementation	Partial Compliance A workgroup has been established to develop an IT program. This plan is still in the development stage and has yet to reach the implementation phase. The

		In consultation with the States establish full implementation of a data delivery system plan		working group has undertaken consultation with the SDOEs for the establishment of a data delivery system plan that enables data interpretation. However, no plan has been developed for the evaluation of education programs within the FSM education systems.
Teacher Certification				
112	The FSM Teacher Certification Policy (AS Amended 2010) FSM Code Title 40 Chapter 1 Section 105. FASCCO Resolution FR 09-05	The Secretary shall sign and issue certification to a person to enable them to teach in the FSM school system. The FSM teacher certificate shall be issued to those who meet the necessary criteria outlined in Section IV (Teacher Certification Requirements Subsections) 1. Educational Background 2. National Standardized Test for Teachers (NSTT) 3. Certificate Eligibilities 4. Class and types of certifications	Compliance with criteria established in policy Register of certificates issued.	Partial Compliance Teacher certification policy has been established by the NDOE. This policy outlines the minimum standards required for teacher certification. Some teachers have not passed the NSTT and are still able to teach. This is not in accordance with the Teacher Certification Policy Part IV (2) A register of Teacher certificates issued is kept by the NDOE.
113	The FSM Teacher Certification Policy (As Amended 2010)	The Secretary shall establish guidelines for implementing the FSM teacher certification policy within 90 days after the signing of this policy (signed on April 20 2010)	Guidelines established.	Non Compliance No policies had been developed to ensure the implementation of the guidelines for teacher certification. The guidelines are clear and instructional in teacher certification and are a stand alone document.
114	The FSM Teacher Certification Policy (As Amended 2010)	There shall be a National Standardized Tests for Teachers which shall be administered by State DOE. Scoring, analysis and reporting shall be performed within 10 days after testing by NDOE during January and June each year. Any person applying or teaching shall pass the NSTT or its succeeding version.	NSTT administered NDOE to perform analysis 10 days after test administered. All teachers to pass NSTT	Partial Compliance The NSTT is administered, however this test is not being administered within the January and June timeframe of each year as required. Those teachers on outer islands are not receiving the test until later dates which alter the schedule. Evidence indicates that scoring, analysis and reporting is not performed by the states within 10 days

				of testing.
Employee Regulations for assignment, transfer, leave and paid positions				
115	No Documented Policy	In determining transfer assignments, the Secretary of Education and the Administrative Staff will take into consideration: 1. Employee's present duties. 2. Employee's present location. 3. Supervisor's recommendations. 4. Employee's input	Evidence consideration prior to transfer.	Non Compliance There is no documented evidence of any consideration of employee's present duties, location, supervisor's recommendations or employee's input prior to transfer or change of assignments. This at times hinders the ability of employee's to complete assigned tasks.
116	FASCCO Resolution FR 07-092 Teacher Salary and conditions	That NDOE collaborate with State DOE's on the development and implementation of National Teacher salary and conditions of research project.	Evidence of implementation of a National teacher salary and conditions and research project	Non Compliance There is no documented evidence of any research being conducted on the development and implementation of National Teachers salary and conditions project.
117	FASCCO Resolution FR 07-092 Teacher Salary and conditions	NDOE to collect information on Salary and condition of service for equivalent professionals in the public and private sector	Evidence of information collected.	Non Compliance No information has been collected on salary conditions of service in equivalent professions in either public or private sector. No working group has been established at NDOE to undertake this task.
Supplies, Equipment and Vehicles				
118	Financial Management Regulations Part VII Property Section 7.2 Identification	The Secretary shall identify all property in accordance with provisions of Section 7.2	Compliance with Section 7.2	Non Compliance The auditor could not find a property list kept by the NDOE. All property lists are kept by the Department of Finance. Random checks of property within the NDOE office indicated that items within the office were not on the list. No audit has been conducted on property for NDOE by the NDOE office or Department of finance. Some items on the property list were not located within the NDOE office.
119	Financial Management Regulations Part VII Property	The Secretary shall be responsible for the care and maintenance for all	Policies and procedures consistent with the provisions with Section 7.3	Non Compliance During the audit a number of property

	Section 7.3 Control and Maintenance	property assigned to his control.	(A to H).	items were located that were no longer in working order. These items were not returned to Department of Finance. There are no policies or procedures established consisted with the provisions of Section 7.3 (A to H).
	Food Services			
120	FSM Code Title 40 Subsection II (General Assistance) Section 323 School feeding program	The Department may assist any community in establishing a school feeding program	Assistance provided	Compliance The NDOE provides guidance through the NDOE school accreditation program on the management of school feeding programs. The legislative requirement on NDOE is that it 'may' assist.

List of persons interviewed

Administration	Basic Education
Casiano SHONIBER	Mario ABELLO
Wehns BILLEN	Burnis DANIS
Iuhfert HAINRICK	Frank FRITZ
Olfred JOHN	Christopher IRIARTE
Tracy LAWRENCE	Wilson KEPHAS
	Quincy LAWRENCE
CTE and Voc Manpower Development	Melita LIKOR
Rencelynn WILSON	Wayne MENIOLA
	Welson NEDLIC
Specialized Services	Emma NELSON
Arthur ALBERT	Jesse SALALU
Miyai KELLER	Joyleen SIENES
Kuliano RAYMOND	David SYNE
Alimihne MANUEL	Weison WEITAL
Linda PHILLIP	Kevin Walsh
Matha RAYEL	Juliette Jimmy
Melisa SILBANUZ	Steven George

List of documents sourced

Focused Strategic Plan	List of Chartered Schools
Executive Order No. 1 Section VII	Organizational Chart National Department Education
Curriculum stock take for Vernacular Language Art	National Writing Strategy Workshop Pohnpei, Kosrae and Chuuk Reports
FSM School Accreditation System Update	FSM School Accreditation System Stage 1
Aid to non-pubic schools	Quarterly Budget Report on Integrated Strategic Plan
List of fixed assets for National Department of Education	National Department of Education Line Item Budget – Detail
Student Profile List of Grant recipients	FSM Integrated Sector – Y10 and SEG – Y09 Program Plan
FSM National Minimum Competency Standards Based Test Grade 6	FSM Teacher Certification Policy
Detailed strategic and performance plan 2010	Notification of Grant Award – Fiscal Year 2008
Notification of Grant Award – Fiscal Year 2010	Pacific Technical Assistance Mechanism – Six monthly report
National Department of Education – Performance Budget	Bridging the Gap – Project Report
FSM National Minimum Competency Standards Based Test Grade 6 Second Pilot Test	Part B State Performance Plan (SPP) for 2005-2010
Bridging Gap: Weno High School Evaluation Report	Guidelines for the Administration of the Post-Graduate Scholarship Program
Public Law 13-60	Amendment to Title 40 (C.B No. 15-95)
JEMCO Education 20 Indicators	Examination Announcements – Education Specialist Program Monitor / Evaluator Executive Secretary Accreditation Bridging Gaps Specialist ECE Education Coordinator
FSM Code of Law Title 40 - Education	Public Law 16-25
Public Law 13-63	FACSSO Resolutions 2008 – 2009 – 2010
IDEA Section 618 Data Tables	FSM Code of Law Title 52 – Public Employment
FSM Code of Law Title 17 - Administration	FSM Code of Law Title 2 – Executive
FSM Constitution Article XIII	FSM Department of Education Mission Statement
NDOE Self Assessment for Educational Administration, Programs and Facilities	Guidance for Departments of Education on School Improvement Plan
Application for Financial Assistance under aid to non public school fund program	Application for permission to establish and / or operate a non-public school or a non-public preschool
National Department of Finance Regulations	Public Service Systems Regulations
Listing of Personnel by Pay / Annual Salary and Fund Source	

EXECUTIVE ORDER NO. 1 SECTION VII (as amended April 2008)
FSM NATIONAL DEPARTMENT EDUCATION MANDATE

THE DEPARTMENT OF EDUCATION IS RESPONSIBLE FOR

- Carrying out the functions of the National Government in promoting education.
- Responsible for the planning, development, and promotion of national goals and standards in the field of education
- implementation of national education programs
- coordination of US Federal education programs.
- encourages the teaching of vernacular languages and other foreign languages
- ensures in-service teacher training and other staff development programs
- assists with effective services for handicapped children and youth
- issue charters to non-public schools throughout the FSM
- assists with post secondary education
- provides technical assistance to State Departments of Education
- issues teacher certificates
- provides support services to and receives advice and assistance from the FSM Board of Education
- reports on the condition and progress of education in the nation
- promotes the cause of education in the FSM

THE DEPARTMENT OF EDUCATION SHALL ALSO HAVE THESE DUTIES AND FUNCTIONS UNDER THE FOLLOWING INTERNAL DIVISIONS

A. Division of Education Systems Support. Its duties and functions are as follows

1. Collect and publish data showing the condition and progress of post— secondary education for the FSM,
2. Develop and establish administrative guidelines, regulations, and procedures for the operation of post-secondary loan and scholarship programs:
3. Assist with the administration of the national Scholarship Program, administer the National Student Loan Revolving Fund Program,
4. Maintain a reliable recording system of all scholarship and loan awards;
5. Ensure repayment of student loans administered by the department;
6. Assist with the development of post-secondary orientation programs for secondary-level students.
7. Provide student services for citizens of the FSM enrolled in colleges and universities abroad
8. Monitor and coordinate all applicable education programs and provide assessment and evaluation reports,
9. Provide statistical data on the progress and condition of education in the FSM:
10. Develop and finalize the FSM curriculum minimum standards with associated student performance expectations;
11. Provide for the chartering of non-public schools;
12. Provide and administer the Nation's Teachers certification Program;
13. Provide effective technical services to the State Department of Education, including youth activities development:
14. Coordinate all financial, budgetary and reporting requirements for the Department of Education; and
15. Serve as a clearinghouse for the Division of Education on all foreign assistance program and projects

16. Provide technical assistance to the State Departments of Education in the areas of national, US Federal, and foreign education assistance programs and projects, including monitoring and evaluating of program and protect administration, coordination of consultancy services, financial management, testing and evaluating the progress of program recipients arid beneficiaries, policies development, and evaluating project results and accomplishments

B. Division of Vocational Career and Technical Education Its duties and functions arc as follows

1. Develop standards for vocational instruction:
2. Promote the productive sectors and their study in the education system;
3. Develop standards and certification programs for vocational teachers ;
4. Improve and maximize use of facilities and personnel for in and out of school vocational training;
5. Provide work experience for in and out of school youth including job shadowing, career education, and career pathways,
6. Provide trades skills and apprentice training programs for in and out of school youth,
7. Develop and promote skill upgrading for the FSM work force:
8. In coordination with the Department of Finance and Administration analyze and identify the training needs of the National Public Service, and plan and organize the training courses to meet these needs; and
9. Within the limits of available resources and on request, assist State governments in planning and conducting their employee training programs.

C. Division of Special Education Its duties and functions are as follows:

1. To plan, develop and promote special education programs throughout the nation;
2. Monitor technical assistance and training to ensure state participation in the special education programs meet the grant conditions;
3. Ensure that free and appropriate education is provided to children with special needs from 0- 12 ages;
4. To improve quality instructional services by providing special services and needs to children with learning disabilities in Primary, Elementary and I High School levels, and
5. Coordinates and plans with state counterparts to develop standard application process for securing special education grants.

ADDITIONS:

JEMCO RESOLUTIONS – FY 08

GRANT AWARD TERMS and CONDITIONS for FY 08

SECRETARY’S VISIONS and PROJECTED PROGRAMMING PLANS for FY 08 and THEREAFTER – IN RESPONSE TO THE JEMCO RESOLUTIONS, GRANT AWARD TERMS and CONDITIONS and RECOMMENDATION FROM THE OIA BUDGET CONSULTATION