

DEPARTMENT OF EDUCATION EDUCATIONAL AWARDS PROGRAMS

PERFORMANCE AUDIT
FISCAL YEARS ENDED JUNE 30, 2023-2025



DEPARTMENT OF EDUCATION EDUCATIONAL AWARDS PROGRAMS

REPORT SUMMARY FOR FISCAL YEARS ENDED JUNE 30, 2023-2025

BACKGROUND

The Office of Auditor of Accounts (AOA) conducted a performance audit of the Delaware Department of Education (DDOE) to determine whether the Department administered the State's Education Awards Programs in accordance with the requirements of 14 Del. C. Chapters 89, 89D, and 89E. This audit was performed under the authority granted to AOA by 29 Del. C. §2906.

The scope of the audit included DDOE's administration of the Teacher of the Year (TOY), Educational Support Professional of the Year (ESPOY), and Behavioral Health Professional of the Year (BHPOY) programs. The most recent audit of TOY was completed in 2014. ESPOY and BHOY were established in 2018 and 2021, respectively.

KEY INFORMATION AND FINDINGS

The audit consisted of two main objectives:

- To determine whether the selection of District Nominees of the Year, State Winners and the recipient School District of the Educational Benefit Award complied with 14 Del. C. chapters 89, 89E, 89D and applicable Title 14 Del. Admin Codes (235, 237, 239) and respective award program policies, procedures, and documentation.
- To determine whether the appropriated amounts for each of the Award Programs were expended in accordance with 14 Del. C. chapters 89, 89E, 89D and the State Budget and Accounting Manual (BAM).

Based on the audit procedures performed, the Office of Auditor of Accounts (AOA) determined that the Delaware Department of Education (DDOE) complied, in all material respects, with the applicable criteria evaluated during the performance audit. The controls and processes reviewed were operating effectively and were reasonably designed to support program objectives and ensure compliance with applicable Delaware codes, laws and regulations. No exceptions or irregularities came to our attention. Nevertheless, we have communicated opportunities for improvement intended to further strengthen the Department's internal control framework and administrative processes.



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Award Program Information

The primary purpose of the EAP's is to honor outstanding service within the school system and provide award funds to be used for the education benefit of students.

Program	Enacted	Statutory Authority	Primary Purpose
TOY	1989	14 Del. C. Ch. 89 Senate Bill 163	To reward excellence in teaching and provide funding for school-building educational materials.
ESPOY	2018	14 Del. C. Ch. 89D House Bill 134	To honor staff who provide vital direct or indirect services.
BHPOY	2021	14 Del. C. Ch. 89E House Bill 35	To recognize practitioners who improve student mental health.

Timeline

Program	Submission Date	Application Date	Interview with Committee	Winner Announced
BHPOY	April 1	May 1	May	Late May Early June
ESPOY	Sept 30	Oct. 31	--	Late Nov early Dec
TOY	Aug 3 & 4 - Video	Sept. 8	--	Oct. 13

Financial Awards and Recognition Structure

Pursuant to the statutory requirements established in Title 14 of the Delaware Code, nominees and winners of the state's EAP's are entitled to specific financial awards and recognition. The compensation and award structure for the EAP's is categorized as follows:

- **District-Level Recognition**

- Individuals designated as nominees for their respective School Districts or the Charter School community receive a personal award of \$2,000. These funds are administered and distributed by DDOE for TOY, and at the School District level for ESPOY and BHPOY



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- **State-Level Distinction**

- The individual selected as the Delaware State Winner shall be granted an additional personal award of \$3,000. The DDOE maintains primary responsibility for the processing and disbursement of these supplemental state-level payments.

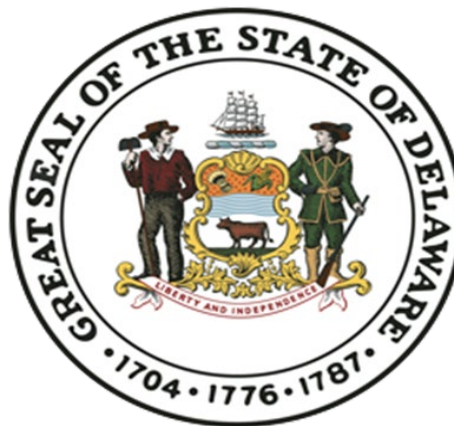
- **Educational Award Fund**

- The School District of the State Winner is assigned a \$5,000 Educational Award Fund. While the DDOE facilitates distribution, the following strictures apply:
 - **Restricted Usage:** These funds must be utilized exclusively for educational purposes or objectives that yield a direct benefit to students.
 - **Fiduciary Oversight:** All expenditures must comply with state procurement regulations and are subject to audit to ensure alignment with statutory intent

State of Delaware
Office of Auditor of Accounts

Department of Education
Educational Awards Programs

Performance Audit



Lydia E. York
Auditor of Accounts
Delaware Office of Auditor of Accounts

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Abbreviations:

AOA	Delaware Office of Auditor of Accounts
BHPOY	Behavioral Health Professional of the Year
DDOE	Delaware Department of Education
DSCN	Delaware Charter School Network
ESPOY	Educational Support Professional of the Year
GAGAS	Generally Accepted Government Auditing Standards
TOY	Teacher of the Year

INDEPENDENT AUDITOR'S REPORT

The Honorable Cynthia Marten
Delaware Department of Education
401 Federal Street
Dover, Delaware 19901

Dear Secretary Marten,

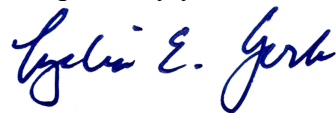
We conducted a performance audit over the Delaware Department of Education (DDOE) Awards Programs as authorized under 14 Del. C., § 89, 89D, and 89E. In addition, 29 Del. C., §2906 authorizes the Office of Auditor of Accounts to audits over financial transactions of state agencies.

This audit was conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS), issued by the Comptroller General of the United States. These standards, developed by the United States Government Accountability Office, provide a framework for conducting high-quality audits with competence, integrity, objectivity, and independence. GAGAS requires that we plan and perform the audit to obtain sufficient appropriate evidence to provide a reasonable basis for our audit results and conclusions based on the audit objectives. We are also required to maintain independence from DDOE and comply with all relevant ethical requirements.

We observed that the DDOE is in compliance with the Education Awards Programs, in all material respects, with the applicable criteria evaluated during the performance audit, noting no exceptions or irregularities. The audit procedures executed are designed to assess compliance, efficiency and effectiveness; however, they do not provide absolute assurance that all instances of fraud, waste or abuse will be detected. Our observations and conclusions are based on the information available and the scope of the review. As with any audit, undetected instances may still exist.

This report is intended solely for the information and use of the DDOE and the Office of Auditor of Accounts (AOA). Under 29 Del. C §10002 this report is a matter of public record, and its distribution is not limited. This report will be provided to the General Assembly, Offices of the Governor, Controller General, Attorney General and Management and Budget.

Respectfully yours,



Lydia E. York
State Auditor
Office of Auditor of Accounts
Dover, Delaware

June 29, 2026

PERFORMANCE AUDIT OVERVIEW & HIGHLIGHTS

The United States Government Accountability Office develops and promulgates *Government Auditing Standards* that provide a framework for performing high-quality audit work with competence, integrity, objectivity, and independence to provide accountability and to help improve government operations and services. These standards are referred to as Generally Accepted Government Auditing Standards (GAGAS).

Performance audits provide findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Government programs are subject to many provisions of laws and regulations, and auditors identify any provisions that are significant within the context of the audit objectives and assess the risk of noncompliance. Based on that risk assessment, we have designed and performed procedures to obtain reasonable assurance of detecting instances of noncompliance that are significant within the context of the audit objectives.

Based on the audit procedures performed, we determined that the Awards Programs administered by the Delaware Department of Education (DDOE) were operating in compliance with the requirements of 14 Del. C. §§ 89, 89D, and 89E, as well as Title 14 of the Delaware Administrative Code (Regulations 235, 237, and 239). No exceptions or irregularities came to our attention. Nevertheless, we have communicated opportunities for improvement intended to further strengthen the Department's internal control framework and administrative processes.

AUDIT AUTHORITY

AOA is authorized under 29 Del. C, § 2906(a) to conduct audits of all financial transactions of all state agencies. The Educational Awards Programs are subject to regular audit by AOA under 14 Del. C, § 89, 89D, and 89E.

AUDIT OBJECTIVES AND SCOPE

Objectives

AOA determined two objectives for this engagement:

1. To determine whether the selection of District Nominees of the Year, State Winners and the recipient School District of the Educational Benefit Award complied with 14 Del. C. chapters 89, 89E, 89D and applicable Title 14 Del. Admin Codes (235, 237, 239) and respective award program policies, procedures, and documentation.
2. To determine whether the appropriated amounts for each of the Award Programs were expended in accordance with 14 Del. C. chapters 89, 89E, 89D and the State Budget and Accounting Manual (BAM).

Scope

This performance audit evaluated the administration, selection processes, and fiscal management of the Teacher of the Year Award, the Educational Support Professional of the Year Program, and the Educational Benefit Award. The primary audit scope covered all candidate nominations, evaluation records, selection committee decisions, and financial transactions from July 1, 2022, through June 30, 2025. To fully analyze selection lifecycles and funding streams, auditors also tested relevant activities, documentation, and financial reconciliations that occurred outside this primary period, as considered necessary to fulfill our audit objectives.

BACKGROUND

Delaware Department of Education

The first Delaware State Board of Education was established in 1875, comprised of a governor-appointed superintendent, the secretary of state, the president of Delaware College, and the state auditor. This board was tasked with overseeing the curriculum taught to Delaware students, creating reporting standards, and making recommendations regarding operations at public schools.¹ This board was periodically reconstructed over the next century, including the creation of the Department of Public Instruction in the 1920s to serve alongside the State Board of Education.

The DDOE is led by Cynthia “Cindy” Marten, who was appointed by Governor Matt Meyer confirmed to the role in 2025. The mission of the DDOE is “to empower every learner with the highest quality education through shared leadership, innovative practices and exemplary services.”² Secretary Marten has presented a “Strategic Plan for Education” which aims to raise test scores and graduation rates while addressing chronic absenteeism in state public schools.³

¹ <https://archives.delaware.gov/delaware-agency-histories/state-board-of-educationdepartment-of-public-instruction/>

² <https://education.delaware.gov/about-doe/vision/>

³ <https://education.delaware.gov/about-doe/strategic-plan-2025-2028/>

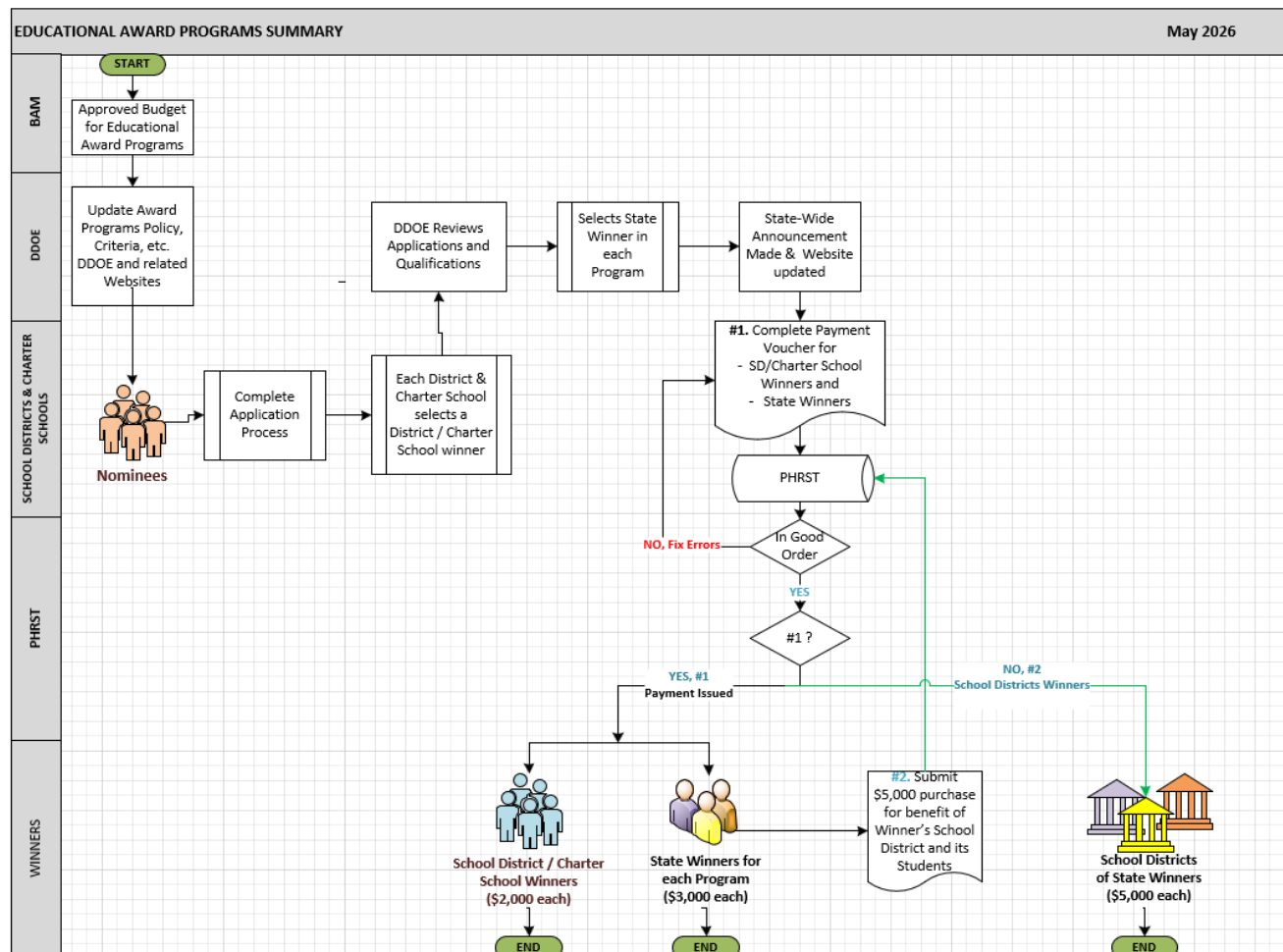
DDOE Educational Awards Programs

DDOE coordinates three distinct annual recognition programs to celebrate exemplary public and charter school employees. While all 19 school districts and the Delaware Charter School Network (DCSN) participate in the selection process, each award features unique staff eligibility, national program alignments, and specific governing regulations.

The Teacher of the Year (TOY), Behavioral Health Professional of the Year (BHPOY), and Educational Support Professional of the Year (ESPOY) award programs are administered by the DDOE in coordination with each of the 19 school districts and the Delaware Charter School Network (DSCN). These annual awards programs are designed to recognize exemplary service and outstanding contributions to Delaware's public and charter school communities.

The TOY program has maintained an annual recognition cycle since 1967, with formal statutory funding and monetary awards enacted in 1989. The ESPOY and BHPOY programs were established subsequently, selecting their inaugural honorees in 2020 and 2021, respectively.

End-to-End Process Summary



Teacher of the Year (TOY)

The TOY award is presented annually by the DDOE to an educator who demonstrates exceptional instructional practice and embodies the highest standards of teaching profession across the state. The selected Delaware TOY serves as the state's official nominee for the National TOY Program. Accordingly, the state selection process is aligned with national program criteria to support a competitive and representative candidacy.

To be eligible for consideration as a state nominee, the candidate must:

- Possess a minimum of three years teaching experience in a Delaware public school at the time of nomination (experience need not be within the same district or school);
- Hold a valid and current teaching license as approved by the Professional Standards Board, DDOE, and State Board of Education; and
- Be actively engaged in teaching at the time of nomination and remain in a teaching position within the nominating district for the award year.

Individual school districts and DCSN are responsible for identifying, evaluating, and selecting their respective district level nominees.

- While the DDOE provides general guidance, districts retain the discretion in determining their nomination process, which may include an open nomination system or selection by a committee.
- District nominees are selected and finalized in the spring with submissions provided to the DDOE in May of the award year.

Annually, the state-level selection process consists of 20 nominees, comprising one representative from each school district and DCSN.

- The selected nominees participate in professional development activities, including consultation with a former National TOY recipient, to strengthen their applications for the statewide and national review process.
- Completed applications are submitted to DDOE by September and are accompanied by classroom observations.
- Classroom observations are evaluated and scored using standardized rubric.
- Application components and scoring metrics are aligned with the expectations of the National TOY program.

Evaluation Process:

- An evaluation committee composed of prior Delaware TOY winners and DDOE staff, conduct preliminary reviews of nominees.

- Upon completion, three to four finalists are selected based on application components and classroom observations scores.
- A secondary evaluation committee composed of community representatives, State PTA members, State Board of Education members, and other stakeholders, conduct an additional round of assessments on the finalists.
 - The evaluated finalists are submitted to the Secretary of Education for final approval with an official public announcement made during the October recognition banquet for all district nominees.
 - The selected statewide honoree will represent Delaware in the National TOY Program.

Upon the formal announcement of the statewide winner,

- DDOE administers a \$2,000 monetary award to each district-level nominee, processed directly through the standard payroll system.
- The selected state-level TOY recipient receives an additional \$3,000 personal award.
- Additionally, a \$5,000 TOY Award Fund allocation is established for the state honorees school district to support classroom enhancements and student educational initiatives.

Educational Support Professional of the Year (ESPOY)

The ESPOY program is presented annually by the DDOE to recognize exemplary service by educational support professionals who contribute directly or indirectly to student success and the well-being of their families.

Eligible professionals include, but not limited to,

- paraprofessional staff, custodial staff, secretaries, nutritional staff, school- and district-employed bus drivers and aides, and IT support staff.

To be eligible for consideration as a state nominee, the candidate must:

- Possess a minimum of three years of experience as an educational support professional (experience need not be within the same district/school or position); and
- Continue to serve in an educational support professional position for the award year.

The selection process generally mirrors the established framework of the TOY program.

- Each school district and DCSN designates a district-level honoree to serve as its nominee for the state award.
- While the DDOE provides general guidance, districts retain the discretion in determining their nomination process.

- DDOE recommends that districts finalize their internal selection processes prior to the conclusion of the academic year in the Spring.
- School districts must formally submit their district nominee to the DDOE by September 30th.
- Following these nominations, completed state-level applications must be formally submitted by October 31st.
- DDOE reviews the applications between late November and early December. During this time, DDOE selects a single recipient to serve as the ESPOY for the following calendar year.

The ESPOY selection process utilizes a single review committee composed of DOE staff and external stakeholders.

- This committee evaluates candidates based on submitted applications and letters of recommendation.
- The evaluated finalists are submitted to the Secretary of Education for final approval and selection of the State-wide Honoree.

Following the announcement of the state-wide recipient,

- Each district-level nominee receives a monetary award of \$2,000 from their school district, processed directly through the standard payroll system.
- The state-level ESPOY honoree receives an additional \$3,000 award from DDOE.
- Additionally, the honoree's school district is awarded \$5,000 from DOE to support school-based improvements and/or student-focused initiatives as determined by the recipient.

Behavioral Health Professional of the Year (BHPOY)

The BHPOY program is presented annually by DDOE to recognize outstanding service by school-based professionals who provide behavioral health services to support students' mental health and overall well-being.

Eligible professionals include:

- healthcare practitioners and human service providers whose work is intended to improve mental health outcomes.
- Such professionals include, but are not limited to, school counselors, school social workers, licensed clinical social workers, school psychologists and school nurses.

To be considered as a state nominee, the candidate must:

- Possess a minimum of three years of experience in a qualifying behavioral health role (experience need not be within the same district/school or position); and
- Continue to serve in an educational support professional position for the award year.

The selection process generally mirrors the established framework of the TOY program.

- Each school district and DCSN designates a district-level honoree to serve as its nominee for the state award.
- While the DDOE provides general guidance, districts retain the discretion in determining their nomination process. DDOE recommends that districts finalize their internal selection processes prior to March 31st.
- School districts must formally submit their district nominee to the DDOE by April 1st.
- Following these nominations, completed state-level applications must be formally submitted by May 1st.
- The DDOE reviews the applications between late May and early June. During this time, DDOE selects a single recipient to serve as the BHPOY for the following calendar year.

The BHPOY selection process utilizes a single review committee composed of DDOE staff and external stakeholders.

- This committee evaluates candidates based on submitted applications and letters of recommendation.
- The evaluated finalists are submitted to the Secretary of Education for final approval and selection of the State-wide Honoree.

Following the announcement of the state-wide recipient,

- Each district-level nominee receives a monetary award of \$2,000 from their school district, processed directly through the standard payroll system.
- The state-level BHPOY honoree receives an additional \$3,000 award from DDOE.
- Additionally, the honoree's school district is awarded \$5,000 from DDOE to support school-based improvements and/or student-focused initiatives as determined by the recipient.

AUDIT METHODOLOGY AND CRITERIA

Audit Methodology

The Office of Auditor of Accounts (AOA) utilized a statistical random sampling methodology to select records for audit testing. For each Awards Program, a random selection tool was used to generate a statewide sample of 15 nominees covering the three-year audit period. Additionally, 100% of the state winners and the corresponding school district for each program year were included in the audit sample.

Criteria	Type / Period	Description
Sampling Tool	Statistical Random Sample	Rationale: - Homogeneous Population - Eliminates Bias - Guarantees Representativeness - Cost Efficiency https://stattrek.com/statistics/random-number-generator
Risk	Low	Low, standard deviation <=5%
Population	FY23 - FY25	- 19 School Districts and 1 Charter School for a total population of 180 individuals from FY23 - FY25 - 60 individuals per program over the audit period of three (3) years
Number of Samples	AICPA Guidance	A total of 21 samples were tested: 15 nominees, 3 State Winners, 3 District Winners per program. - Followed AICPA Guidance for sampling under 250 - Increased selection samples due to no audits in the past 10 years. - Considered Risk Level <u>Nominees:</u> Under AIPCA sample size is 6 samples. Professional judgment decision was made to select nine (9) more samples since the last audit was in 2014. Total nominees tested 15 per program. <u>Note:</u> if the population was less than five (5), 100% of the population was tested. - <u>State Winners:</u> Total of three tested (One winner for each year) per program - <u>District Winners:</u> Total of three tested (One winner for each year) per program

To address risks involved with objective 1, AOA performed the following:

- Reviewed each nominee's employment history to verify compliance with the three-year Delaware public school service minimum and active employment status during the award year.
- Verified that TOY and BHPOY nominees held an active license at the time of nomination using application files and public professional licensure data; ESPOY nominees are exempt from this requirement.
- Evaluated district-level standard operating procedures for sampled nominees to assess the adequacy of internal controls governing the nomination, selection, and financial disbursement processes.
- Evaluated winner and finalist scoring documentation across the review period to verify consistency with mandated DOE selection procedures.

To address risks involved with objective 2, AOA:

- Evaluated financial records for each of the \$2,000 nominee awards and the \$3,000 winner awards to verify timely distribution and receipt of funds by the recipients.
 - *Analysis and Results:*

AOA tested award disbursements to 45 nominees and 9 state winners and confirmed that all individuals ultimately received their correct funding amounts. During our review, we noted one instance where a school district initially underpaid a nominee; however, the district independently identified and corrected this error prior to audit completion. Consequently, AOA noted no exceptions regarding fund distribution or compliance with expenditure guidelines.
- Reviewed spending plans for each of the 9 district winner as well as actual expenditures to verify compliance with Delaware Code and the BAM in the usage of these funds.
 - *Analysis and Results:*

AOA verified compliance with Delaware Code and the BAM for award winner spending for nine (9) state winners, finding that while multiple district program coordinators failed to discuss spending plans with superintendents as required by 14 Del. C. chapters 89, 89D, and 89E (relying instead on delegated business offices), no misuse of funds occurred. A review of expenditure vouchers confirmed that, despite the procedural oversight regarding communication, all expenses were appropriate.

Criteria

We reviewed and/or used the following criteria to conduct the performance audit:

- *Generally Accepted Government Auditing Standards* (GAGAS / Yellow Book 2018 TU 2021) from the U.S. Government Accountability Office
- *Generally Accepted Accounting Principles* (GAAP)
- *Standards for Internal Controls in Federal Government and Assessing Data Reliability*, both from The U.S. Government Accountability Office
- *Internal Control – Integrated Framework* from the Committee of Sponsoring Organizations of the Treadway Commission (COSO)
- *Delaware State Law (Delaware Code)*
 - Title 14 – Education
 - Chapter 89 – Teacher of the Year Award
 - Chapter 89D – Educational Support Professional of the Year Program
 - Chapter 89E – Behavioral Health Professional of the Year Awards
- *Delaware Administrative Code*
 - Delaware Title 14 Education
 - 235 Teacher of the Year Award
 - 237 Educational Support Professional of the Year
 - 239 Behavioral Health Professional of the Year
- *Department of Education Program Guides*
 - Teacher of the Year
 - Educational Support Professional of the Year
 - Behavioral Health Professional
- *The State of Delaware Budget and Accounting Manual (BAM)*
- *School Districts and Charter Schools' Award Program Documents*

AUDIT RESULTS AND CONCLUSION

Based on the audit procedures performed, the Office of Auditor of Accounts (AOA) determined that the Delaware Department of Education (DDOE) complied, in all material respects, with the applicable criteria evaluated during the performance audit. The controls and processes reviewed were operating effectively and were reasonably designed to support program objectives and ensure compliance with applicable requirements. No exceptions or irregularities came to our attention.

Notwithstanding the absence of audit findings, AOA identified and communicated opportunities for improvement to further enhance the Department's internal control framework and administrative processes.