



ARIZONA DEPARTMENT OF
EDUCATION

June 16, 2026

Lindsey A. Perry, Auditor General
Arizona Auditor General
2910 N. 44th Street, Ste. 410
Phoenix, AZ 85018

Dear Auditor General Perry,

Thank you for allowing our respective staffs to work together to reach consensus on the findings of the A-F Accountability System audit. We appreciate the auditors' recognition of the extensive work the Arizona Department of Education (ADE) has done during my time in office to refine the system according to statute.

After careful review of the revised recommendations, I am happy to report that the audit findings are consistent with the internal work ADE has identified, and the Department accepts the audit findings as written. The final analysis has been completed by my office and the revised written responses have been provided in a separate document. My staff and I are grateful for the opportunity to collaborate with your team on ways to enhance accountability measures for Arizona schools.

Sincerely,

Tom Horne Superintendent of Public Instruction

Finding 1: School letter grade system developed by the Department and approved by the State Board obscures key performance differences between schools, limiting its usefulness in providing public information about schools' achievement.

Department response: The Auditor General's finding is agreed to.

Response explanation: The Department concurs with the explanations the State Board provided in response to Finding 1 of the report.

Work with the Committee to determine adjustments to the current letter grade system for State Board approval to address issues including:

Recommendation 1: Revising the definitions for each letter grade to more accurately reflect what each letter grade represents in terms of actual school performance.

Department response: The audit recommendation will be implemented.

Response explanation: The current system was designed before Superintendent Horne was elected in 2022. When he took office in 2023, he saw the defects in the system and started the process for making change. The department was working on major changes well before the auditor general looked at the system. The State Board of Education has policy authority for determining the definitions and characteristics of letter grades. The department will provide technical assistance to accomplish any revisions.

Recommendation 2: Evaluating the measurement scales and grading criteria for each of the letter grade system indicators and determining what updates, if any, are necessary to more accurately reflect school performance. Upon making its determination, document its determination and the rationale supporting its determination.

Department response: The audit recommendation will be implemented.

Response explanation: Since 2023, the Department has reviewed and analyzed the accountability system's functionality. We have documented and published our findings. We have worked with the State Board over the past year, conducting public study sessions, discussing concerns and outlining solutions. Over the past year, we have met at least monthly to work with Technical Advisory Committees, and the State Board to develop refined measures. We also regularly meet with stakeholder groups to provide training and updates, and to solicit feedback.

Recommendation 3: Reviewing other state practices and school accountability recommended practices and determining what updates, if any, are necessary to accurately measure school performance. Upon making its determination, document its determination and the rationale supporting its determination.

Department response: The audit recommendation will be implemented.

Response explanation: Department staff participate at least three times per year in national Accountability Systems and Reporting convenings. The collaborative meetings provide opportunities to learn from national experts on accountability best practices,

requirements, and research. We exchange ideas and processes with accountability professionals from around the country. Department representatives have been invited to present nationally regarding our practices in code development, federal accountability, and accountability considerations in a school choice environment.

Recommendation 4: Upon determining what adjustments to the letter grade system are necessary to more accurately measure school performance, with the Committee recommend revisions to the State Board for approval.

Department response: The audit recommendation will be implemented.

Response explanation: The Department, State Board of Education, and Technical Advisory Committees (TACs) have already made significant progress in implementing system revisions. In recent months, the TACs have reviewed and recommended improved metrics. The board has approved a new framework, establishing a process that sets proactive, data-informed goals and includes indicators that are aligned with increased student achievement. The revisions will also assign grades to each indicator of the system, providing greater clarity about the specific outcomes achieved at each school .

Recommendation 5: Develop and implement processes to regularly monitor and validate schools' self-reported information considered as part of their letter grades, such as the information reported for the CCRI, to ensure it is accurate and complete.

Department response: The audit recommendation will be implemented.

Response explanation: The Department agrees with this recommendation. The Department will refine the formal, documented validation process for all school-reported letter grade data, define roles and responsibilities, and supervisory checkpoints — ensuring consistent execution regardless of staffing changes.

Finding 2: Although statutorily required since 2018, Department and State Board have not issued letter grades for the indicators that make up overall school letter grades, and did not ensure the Committee complied with open meeting laws between 2018 and June 2023, limiting public transparency

Department response: The Auditor General's finding is agreed to.

Response explanation: The Department concurs with the explanations the State Board provided in response to Finding 2 of the report.

Recommendation 6: Work with the Committee to develop a methodology and performance criteria for individual indicator letter grades as required by A.R.S. §15-241(G) and recommend them to the State Board for approval.

Department response: The audit recommendation will be implemented.

Response explanation: The Department, Board, and Committees are finalizing revised methodologies for Board Approval. The Board has already approved a system

framework with mechanisms to set proactive data-informed goals and cut points, aligns indicators to student achievement, and better distinguish performance among. The refined metrics will provide clearer, more actionable information to the many people who use them.

Recommendation 7: Upon the State Board's approval, implement the individual indicator letter grade methodology to annually determine statutorily required indicator letter grades for schools.

Department response: The audit recommendation will be implemented.

Response explanation: Pending Board approval, the Department can implement Indicator Letter Grades as soon as November 2027, based on the 2026-2027 school year that begins in August 2026. The November 2026 letter grades are based on the results of the testing and school actions that took place in the 2025-2026 school year.

Recommendation 8: In coordination with the State Board, as necessary, ensure the Committee continues to comply with the State's open meeting laws, including holding public meetings, and posting notices, agendas, and minutes as required by statute.

Department response: The audit recommendation will be implemented.

Response explanation: The Department and State Board have held open Committee meetings since 2023.