



MARYLAND OFFICE OF THE  
INSPECTOR GENERAL FOR EDUCATION

Richard P. Henry  
*Inspector General*

Douglas H. Roloff, III  
*Deputy Inspector General*

April 20, 2022

**MEMORANDUM**

To: Dr. Sonja Santelises  
Chief Executive Officer  
Baltimore City Public Schools  
200 E. North Avenue  
Baltimore, Maryland 21202

RE: Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts (21-0005-A)

The Maryland Office of the Inspector General for Education (OIGE) conducted an investigative audit of Baltimore City Public Schools' (BCPSS) state aid enrollment counts for the school years 2016-17 through 2020-21. The investigative audit results and recommendations are included in the attached final report.

OIGE provided a draft report to BCPSS on March 17, 2022. The Chief Executive Officer provided responses to the report's recommendations on April 18, 2022. The responses are included as Appendix A to this report and indicate concurrence with all three recommendations.

Please contact Mr. Dan Reagan, Supervisory Inspector General for Investigative Audits at (443) 721-4889 or by email at [dan.reagan@maryland.gov](mailto:dan.reagan@maryland.gov) if you have any additional questions or concerns.

Respectfully,

A handwritten signature in black ink, appearing to read "Richard P. Henry".

Richard P. Henry  
Inspector General

Enclosures

cc: The Honorable Lawrence J. Hogan  
Governor – State of Maryland

The Honorable William C. Ferguson IV  
President – Maryland Senate

The Honorable Adrienne A. Jones  
Speaker – Maryland House of Delegates

Mr. Mohammed Choudhury  
State Superintendent of Schools, Maryland State Department of Education

Mr. Clarence C. Crawford  
President, Maryland State Board of Education

Ms. Johnette Richardson  
Chair, Baltimore City Public Schools Board of School Commissioners



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**Office of the  
Inspector General  
for Education**  
State of Maryland

**Richard P. Henry**  
Inspector General

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**Investigative Audit 21-0005-A**

**Baltimore City Public  
Schools**

**State Aid Enrollment Counts**

**Final Report**

April 20, 2022

# ***Executive Summary***

## ***Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts***

### ***Objectives:***

To determine whether Baltimore City Public Schools (BCPSS) students deemed eligible for state aid funding met Code of Maryland Regulations (COMAR) requirements for attendance and enrollment.

### ***Scope:***

School Years 2016-17 through 2020-21

### ***Recommendations and Response:***

The report contains three recommendations to assist BCPSS in improving their ability to accurately report enrollment counts to MSDE. BCPSS has concurred with all three recommendations.



### ***Results in Brief:***

OIGE discovered **928** instances of students who were deemed eligible for state aid funding by BCPSS but had not met the attendance or enrollment requirements in COMAR. **532** of those students did not have any recorded attendance during the year.

Despite the noted discrepancies representing only a small percentage of the overall enrollment counts for BCPSS, they represent at least **\$9.8 million** in state and local funding that was misallocated to BCPSS over the five-year period reviewed. Further, systemic issues identified at selected schools indicate that additional discrepancies likely exist.

The errors in eligibility determination were a result of attendance not being properly recorded, and school staff not identifying and withdrawing chronically absent students in the short timeframe available to LEAs.

BCPSS has instituted effective centralized processes to improve the dating of withdrawals. However, further process improvements are necessary to ensure better accuracy of state aid enrollment counts.

Maryland Code, Education Article §9.10, establishes the Office of the Inspector General for Education to provide a central point for coordination of, and responsibility for activities that promote educational accountability, integrity, and efficiency in government.

The Maryland Office of the Inspector General for Education is an independent entity within the government of the State of Maryland. The office is responsible for examining and investigating the management and affairs of county education boards, local school systems, public schools, and nonpublic schools that receive state funding to determine if established policies and procedures comply with federal and state laws.

The OIGE operates a Hotline so anyone can easily report allegations of fraud, waste, abuse, or financial misconduct occurring within the State. The OIGE receives numerous reports from concerned employees, vendors, and the public, most of which are either investigated by the OIGE or referred to local school system administrators for investigation and disposition. To report educational fraud, waste, or abuse, call 1-844-OIGETIP or e-mail [oige.tips@maryland.gov](mailto:oige.tips@maryland.gov).

# **Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts**

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# **Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts**

## **Background**

On April 9, 2021, the Maryland Public Policy Institute formally requested the Office of the Inspector General for Education (OIGE) to investigate potential enrollment irregularities pertaining to state aid funding at Baltimore City Public Schools (BCPSS). After reviewing publicly available enrollment figures, OIGE determined that several statewide investigative audits would best address the risk of enrollment irregularities as they pertained to state aid funding. BCPSS was one of four local educational agencies (LEAs) chosen for review. Selections were made to address both large and small LEAs.

## ***Attendance Requirements***

LEAs are responsible for maintaining attendance records in compliance with the Maryland Student Records Systems Manual, which is codified in the Code of Maryland Regulations (COMAR). A student is "present" if the student is attending an instructional program approved by the State, local school system, and/or school. If a student is not participating in an approved instructional program, they are considered "absent" and school systems are required to record an absence code. The absence code indicates whether the absence is lawful or unlawful.

BCPSS' teachers record attendance in the Infinite Campus student information system.

## ***Withdrawal Requirements***

The Maryland Student Records Systems Manual provides specific requirements for the dating of student withdrawals. For students who do not attend school at all (no-shows), the withdrawal should be dated July 1. For exits during the school year, the withdrawal date is the date of the first school day after the last day of attendance. Further, it states that "after 10 school days of consecutive unlawful absences, the student should be exited from the school with an Exit Status 'W' and Exit Code '50'." Exit Code 50 is described as "Not Accessing Educational Services".

BCPSS Administrative Regulation JFD-RA, *Withdrawals and Re-Entry* states that a student who cannot be successfully located and returned to school after 10 consecutive days of unexcused absences shall be withdrawn following an investigation of the student's whereabouts. The date for that student shall be the first school day after the last day of attendance.

BCPSS' *Withdrawals Directions and Due Diligence Requirements* outlines a specific process for schools and BCPSS' Chief of Schools Office to jointly determine when and how students will be withdrawn after re-engagement procedures have been attempted and documented.

## ***Foundational Program Funding Process***



# **Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts**

The Maryland State Department of Education (MSDE) is required to obtain records of all students enrolled in Maryland public schools. This information is used to determine State Aid eligible students and the amount of State Aid to be distributed to local school systems. State financial assistance to the 24 public school systems in Maryland is made through the Foundation Program, and targeted student grants for Compensatory Education, Limited English Proficiency, Special Education, and Disabled Student Transportation.

The Foundation Program is the major state general education aid program for public schools, accounting for nearly half of state education aid. Prior to FY23, the foundational program's state and local costs were determined annually through a detailed formula codified by the Bridge to Excellence in Public Schools legislation. The formula incorporated local economic indicators and an annual student enrollment count<sup>1</sup>.

Each school year, MSDE collects student information as of September 30 from LEAs to determine the student enrollment count. Data from each LEA student information system is submitted to MSDE through a Web Data Collection System.

LEAs are required to report a State Aid Eligibility Code for each student. Code 01 is titled "Eligible for State Aid" and the remaining codes are classifications of ineligibility. MSDE works with LEAs to reconcile, correct, and update the information submitted and to verify accuracy of the Eligibility Codes. Eligibility for State Aid is determined by requirements listed in COMAR 13A.02.06.03. Regarding attendance and enrollment, a student must be present at least one day in September and have not been determined to have withdrawn on or before September 30 to be classified under Code 01.

When the reconciliation process is completed, each LEA Superintendent takes accountability for the accuracy of the final enrollment count by signing a Verification of Enrollment Count.

For BCPSS, the Data Quality Manager manages the September Attendance Collection process by collecting and providing up-to-date information from Infinite Campus and reconciling discrepancies identified by MSDE.

## ***Targeted Student Grant Funding Process***

Like the Foundation Program formula, the Limited English Proficiency and Special Education Grant formulas incorporate a count of eligible students. COMAR 13A.02.06 also details attendance and enrollment requirements for students to be deemed eligible for funding under the targeted grants. See Exhibit A.

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<sup>1</sup> A full explanation of funding formulas can be found at Appendix J of the Department of Legislative Services' Fiscal and Policy Note for House Bill 1300.



# Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts

## Exhibit A:

| Grant                       | Requirement  |
|-----------------------------|--|
| Limited English Proficiency | Enrolled in a public school in a local school system and receiving English language acquisition services through a local school system on October 31 of the prior fiscal year.     |
| Special Education           | Enrolled in a public school in a local school system or an education program operated by the State and receiving special education services on October 1 of the prior fiscal year. |

MSDE inputs all enrollment counts into funding formulas to determine the total local and state costs for all components of state aid for the following year. The cost determination is forwarded to the Department of Budget and Management to be included in state budget proposals presented to the General Assembly. Once finalized, MSDE disburses 12 equal monthly payments beginning in July of the following year.

### ***Subsequent Reporting from LEAs***

To increase accountability and ensure that continuous records are kept for each student throughout the year, MSDE also requires that LEAs submit student information as of a chosen date in March and June each year. The subsequent collections are referred to as the "Early" and "End of Year" Attendance Collections and include each students' entrance and exit information and their attendance totals from the beginning of the school year through the date of the collection.

For BCPSS, the Data Quality Manager manages the Early and End of Year Attendance Collections (subsequent reporting) in the same fashion that they manage the September Attendance Collection.

## **Objectives**

The objective of the investigative audit was to determine whether BCPSS students deemed eligible for state aid met the COMAR requirements for attendance and enrollment.

## **Scope**

The scope of the investigative audit was students reported by BCPSS as eligible for state aid (Code 01) for the school years 2016-17 through 2020-21.

## **Methodology**

To accomplish the objective, OIGE conducted interviews with key personnel to determine how BCPSS records and reports enrollment figures and how MSDE collects

# Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts

and processes the figures to determine funding amounts. OIGE conducted data analysis of all enrollment and attendance figures reported by BCPSS to MSDE for the school years 2016-17 through 2020-21 for students deemed eligible for state aid funding.

In addition, OIGE selected a risk-based judgmental sample of 140 students from the following five high schools to determine whether BCPSS records supported their eligibility for state aid:

- Achievement Academy at Harbor City
- Baltimore City College
- Augusta Fells Savage Institute for the Visual Arts
- Mergenthaler High School
- Digital Harbor High School

The students selected for review had low reported September attendance or had an early October withdrawal date and were determined to have been more likely to have been incorrectly coded as eligible for state aid.

In addition, OIGE conducted interviews with school personnel at the five selected high schools to evaluate the effectiveness of controls as they pertained to the attendance and withdrawal processes at the school level.

## Related OIGE Reports

In addition to this investigative audit, OIGE conducted three concurrent local investigative audits of individual LEAs, as well as a statewide review of MSDE student enrollment data:

21-0003-A Talbot County Public Schools

21-0004-A Dorchester County Public Schools

21-0006-A Prince George's County Public Schools

22-0001-A Maryland State Department of Education

Reports for these investigative audits will be published at [oige.maryland.gov/reports](https://oige.maryland.gov/reports).

## Audit Results and Recommendations

The following issues were noted during the investigative audit:

### **Finding 1: Subsequent Reporting Indicates Ineligible Students Were Funded**

# Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts

The subsequent reporting provided by BCPSS to MSDE from 2016-17 through 2020-21 indicates **875** students classified as Code 01 during the September Attendance Collection had not met COMAR attendance or enrollment requirements for the foundational program. The 875 students reported during the review period was the second largest total among LEAs and represented 31.7% of instances identified by OIGE statewide. The students fell into two categories:

*1) No Attendance as of September 30*

**596** students did not have a recorded date of attendance on or before September 30. **532** of those 596 students did not have any recorded attendance during the school year.

*2) Withdrawn as of September 30*

**279** students who attended school in September but had withdrawal dates on or before September 30. **255** of the 279 students did not re-enter school at any point during the year. The remaining 24 students re-entered November 1 or later.

The largest annual number of ineligible students was reported during virtual learning in 2020-21, but the practice existed in all five years reviewed. See Exhibit B.

**Exhibit B:**

| School Year  | Number of Ineligible Students |
|--------------|-------------------------------|
| 2016-2017    | 219                           |
| 2017-2018    | 126                           |
| 2018-2019    | 146                           |
| 2019-2020    | 85                            |
| 2020-2021    | 299                           |
| <b>Total</b> | <b>875</b>                    |

A detailed review of attendance and enrollment records for these 875 students indicated that **90** students were incorrectly deemed eligible for the Limited English Proficiency Grant and **91** students were incorrectly deemed eligible for the Special Education Grant. They were not attending school to receive English language acquisition services or special education services as of the days required by COMAR to be eligible.

OIGE obtained the funding formula worksheets from MSDE and removed the 875 students from the enrollment count in each applicable funding formula from 2016-17 through 2020-21 to determine the total financial impact of these discrepancies. In total, **\$8,621,127** of state funds were misallocated to BCPSS over the five years reviewed. In addition, the local funding requirement for the foundational program for Baltimore City was overstated by **\$667,432**. In total, **\$9,288,559** of state and local funds were

# Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts

disbursed to fund BCPSS students who were subsequently self-reported to MSDE as ineligible for funding<sup>2</sup>.

OIGE identified the following contributing factors regarding BCPSS' inability to correctly code all students during the September Attendance Collection<sup>3</sup>:

## *1) Data integrity is reliant on attendance practices at the school level*

To provide accurate information to MSDE as of September 30, BCPSS school staffs undergo a rigorous process to attempt to identify all no-shows. This process is more complicated for schools with fluid student enrollments, making accurate attendance keeping more difficult for teachers. For example, alternative high schools that receive students for short periods of time for disciplinary or attendance purposes are more likely to be unaware of enrolled students not attending.

At one alternative high school in 2020-21, students who had not yet been provided a device for virtual learning were initially being marked with a "present" attendance code in September in accordance with MSDE guidance. Meanwhile, school staff was working to determine which students were not attending virtual instruction for other reasons. Eventually, it was determined that 107 students could not be located or had voluntarily dropped out. However, making this determination was delayed because the school's attendance monitor was out on extended leave and their replacement was not experienced with BCPSS' withdrawal process. The students' attendance records were not updated, and the withdrawals were not entered until after data had been sent from BCPSS to MSDE in October. Therefore, the no-show students were determined to have been eligible for funding. Accurate data was reflected in the subsequent reporting but was not acted on by MSDE.

BCPSS identified the issue of subsequently reported no-shows in 2015 and created a process to improve recordkeeping at schools. 438 of the 596 subsequently reported no-shows were coded precisely as instructed by MSDE due to BCPSS' centralized withdrawal process. This percentage of correctly coded subsequent no-shows compares favorably to other LEAs reviewed. Further, BCPSS provides feedback to schools with noted issues. Principals are required to provide explanations and corrective action plans when more than 3-5 subsequently recorded no-shows were identified in one year. The feedback process had resulted in decreased instances of subsequently reported ineligibilities during the review period, until complications with the

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<sup>2</sup> A full explanation of funding formulas can be found at Appendix J of the Department of Legislative Services' Fiscal and Policy Note for House Bill 1300.

<sup>3</sup> In addition to these contributing factors, shortcomings with MSDE processes and timelines that impact state aid funding amounts are outlined in the report for the OIGE Investigative Audit 22-0001-A.

# Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts

virtual learning environment of the 2020-21 school year resulted in the largest annual number of discrepancies.

- 2) *School staff have not been promptly conducting due diligence steps for chronically absent students*

BCPSS provides a *Withdrawal Directions and Due Diligence Requirements* document to all schools. The document outlines specific steps for schools to take when a student has been absent for more than 10 consecutive days. Steps include phone calls and letters to the residence on record, a home visit, a welfare check, and a Truancy Court Referral. All these steps must be logged in to Infinite Campus prior to the school providing a withdrawal request to the Chief of Schools Office. The *Withdrawal Directions and Due Diligence Requirements* do not provide specific timing requirements for when these steps should occur. Still, the expectation is that they should start approximately 10 days after a student has stopped attending school.

An analysis of subsequently reported September withdrawals indicated that schools took an average of 105 consecutive unlawful absences prior to logging the first contact attempt. Without required prompt action by schools to start the withdrawal process, the withdrawals cannot be entered in time to be reflected in the September Attendance Collection that is finalized with MSDE in late October or early November.

**Recommendation 1:** BCPSS should ensure that all subsequently recorded no-shows are identified, properly coded to MSDE, and addressed at the school level to improve recordkeeping. BCPSS should consider proactive steps to identify and assist schools at risk of incorrectly recording attendance for no-show students.

**Recommendation 2:** BCPSS should add time guidelines into their *Withdrawal Directions and Due Diligence Requirements* documents to ensure that withdrawals are entered timely for inclusion in the September Attendance Collection.

## **Finding 2: BCPSS Attendance Records Indicate Further Ineligible Students Have Been Funded**

OIGE's review of attendance records for the 140 judgmentally selected students indicated that **53** students should not have been coded as eligible for state aid.

- **28** students did not have a date of reported attendance on or before September 30 in Infinite Campus.
- **19** students logged at least 10 consecutive unexcused absences after their last date of attendance in September but were not withdrawn in accordance with the Maryland Students Records Systems Manual.

# Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts

- **6** students had misdated withdrawals that impacted state aid eligibility. Based on Infinite Campus attendance records, these students were withdrawn in October or later and should have been withdrawn on or prior to September 30.

For the 28 students with no reported attendance, teachers had incorrectly marked the students as present. The mistakes were not identified until after BCPSS provided data to MSDE for the September Attendance Collection.

Overall, withdrawal-related exceptions noted were a result of isolated situations. BCPSS centralized process for student withdrawals, and state aid coding controls in Infinite Campus have been effective in lowering the number of discrepancies with withdrawal dates.

Over half of the 19 instances of withdrawals not correctly entered took place during the 2016-17 school year. The BCPSS Data Quality Manager explained that the Infinite Campus coding parameters were adjusted after that year to better exclude ineligible students from being coded as eligible.

The exact circumstances of the misdated withdrawals could not be determined. However, BCPSS officials stated that Infinite Campus does not allow a student to be withdrawn on a date before a logged Individualized Educational Program (IEP) meeting, even if that was after their last date of school attendance. BCPS officials stated that some of the 6 students had IEPs and this likely was the cause of the withdrawal dates being the day after the last day of attendance.

The 53 students incorrectly coded as funding eligible resulted in a **\$539,490** (\$501,729 state, \$37,761 local) overallocation of funds to BCPSS over the five years reviewed. Further, the findings indicate that considerable risk exists that other students not included in the OIGE judgmental sample may have been ineligible for state funding, and that additional funds may have been misallocated.

**Recommendation 3:** BCPSS should amend coding in Infinite Campus to allow for withdrawals to be properly dated in all situations in order for students to be properly coded for state aid.

# Investigative Audit of Baltimore City Public Schools' State Aid Enrollment Counts

## **Investigative Audit Team**

**Dan Reagan, CPA, CIA, CFE**

Supervisory Inspector General for Investigative Audits

**Georgia Conroy**

Investigative Auditor





# Appendix A

## BALTIMORE CITY PUBLIC SCHOOLS

**Brandon M. Scott**  
Mayor, City of Baltimore

**Johnette A. Richardson**  
Chair, Baltimore City Board  
of School Commissioners

**Dr. Sonja Brookins Santelises**  
Chief Executive Officer

April 18, 2022

Richard Henry  
Inspector General for Education  
Maryland Office of the Inspector General for Education  
100 Community Place  
Crownsville, Maryland 21032

### **Re: Response to OIGE Investigative Audit 21-0005-A**

Dear Mr. Henry:

The purpose of this letter and the accompanying attachment is to provide additional context in response to the investigative audit conducted by the Maryland Office of the Inspector General for Education (“OIGE”) regarding state aid enrollment counts for the 2016-17 through 2020-21 school years. We understand that the OIGE conducted this investigative audit of Baltimore City Public Schools (“City Schools”) in conjunction with similar reviews of state aid enrollment counts for three other school systems and the Maryland State Department of Education (“MSDE”).

We appreciate the OIGE’s thorough review, its collaborative approach, and its recognition that, overall, City Schools has “instituted effective centralized processes” in its due diligence tracking of student enrollment for funding eligibility purposes. The OIGE further acknowledged that City Schools’ “rigorous” protocols “resulted in decreased instances of subsequently reported ineligibilities during [OIGE’s five-year] review period,” except for the 2020-2021 school year when the COVID-19 pandemic presented challenges.

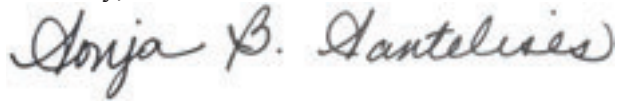
City Schools has prioritized these efforts despite the state’s long-standing legacy of systemic underfunding and the limited access at the school level to the intensive resources that are required to support the enrollment reporting process. Despite these funding challenges, City Schools “compares favorably to other LEAs reviewed” by the OIGE.

Concerning the remaining discrepancies flagged in the OIGE’s report, the OIGE acknowledged that they were “a result of isolated situations.” Overall, they represent just 0.3% of City Schools’ total students eligible for state funding over the OIGE’s five-year review period. The discrepancies were primarily concentrated in the earlier years of the review period, except for some entirely understandable challenges presented by a small number of schools in tracking students during the COVID-19 pandemic.

The issues identified by the OIGE were previously reported in enrollment data that City Schools regularly shares with MSDE. Moreover, the point-in-time funding model utilized by MSDE acknowledges significant fluctuations in enrollment counts. Especially in an urban school system like City Schools, with a highly mobile population, more students typically enter the school system after the effective date of the state’s enrollment count than those who exit. If funding were fully reconciled for *both* entries and exits of students during the school year, City Schools would likely be eligible for additional funding.

With the benefit of the OIGE's review, City Schools looks forward to working with MSDE to continue to enhance our monitoring of student enrollment. City Schools is committed to implementing the enhancements recommended by the OIGE in ways that do not undermine our equally essential efforts to re-engage students who struggle to attend school consistently. The state's educational funding model does not fully compensate City Schools for these re-engagement efforts. However, our priority is to work with students and their families to provide every opportunity to complete school, pursue a career, and contribute productively to our civic life. This is good for Baltimore City and our entire state.

Sincerely,

A handwritten signature in cursive script that reads "Sonja B. Santelises". The ink is dark and the signature is fluid.

Sonja B. Santelises  
Chief Executive Officer

CC: Clarence C. Crawford, President, Maryland State Board of Education  
Mohammed Choudhury, Maryland State Superintendent  
Baltimore City Board of School Commissioners

Enclosure



MARYLAND OFFICE OF THE  
INSPECTOR GENERAL FOR EDUCATION

Richard P. Henry  
*Inspector General*

Douglas H. Roloff, III  
*Deputy Inspector General*

***Investigative Audit Recommendation Response Form***

Local Education Agency (LEA): Baltimore City Public Schools

Investigative Audit Number: 21-0005-A

Investigative Audit Title: Baltimore City Public Schools' State Aid Enrollment Counts

**Recommendation 1:** Baltimore City Public Schools (BCPSS) should ensure that all subsequently recorded no-shows are identified, properly coded to MSDE, and addressed at the school level to improve recordkeeping. BCPSS should consider proactive steps to identify and assist schools at risk of incorrectly recording attendance for no-show students.

**LEA Responses:**

| <b>Opinion</b><br>(Concur/Non-Concur)               | <b>Correction Action Plan</b><br>(Provide Narrative Response) | <b>Current Status of Corrective Action</b> (Implemented/Partially Implemented/Not Yet Implemented) | <b>Estimated Date of Full Implementation of Corrective Action</b> |
|---|---|--|---|
| Concur with the context provided in the attachment. | See attachment.   | Partially implemented.   | End of the 2022-23 school year.                                   |

\*If applicable, please include attachments that may provide better context regarding planned corrective actions.

**Recommendation 2:** BCPSS should add time guidelines into their *Withdrawal Directions and Due Diligence Requirements* documents to ensure that withdrawals are entered timely for inclusion in the September Attendance Collection.

**LEA Responses:**

| <b>Opinion</b><br>(Concur/Non-Concur)               | <b>Correction Action Plan</b><br>(Provide Narrative Response*) | <b>Current Status of Corrective Action</b> (Implemented/Partially Implemented/Not Yet Implemented) | <b>Estimated Date of Full Implementation of Corrective Action</b> |
|---|--|--|---|
| Concur with the context provided in the attachment. | See attachment.  | Partially implemented.   | End of the 2022-23 school year.                                   |

\*If applicable, please include attachments that may provide better context regarding planned corrective actions.

**Recommendation 3:** BCPSS should amend coding in Infinite Campus to allow for withdrawals to be properly dated in all situations in order for students to be properly coded for state aid.

**LEA Responses:**

| <b>Opinion</b><br>(Concur/Non-Concur)               | <b>Correction Action Plan</b><br>(Provide Narrative Response*) | <b>Current Status of Corrective Action</b> (Implemented/Partially Implemented/Not Yet Implemented) | <b>Estimated Date of Full Implementation of Corrective Action</b> |
|---|--|--|---|
| Concur with the context provided in the attachment. | See attachment.  | Partially implemented.   | End of the 2022-23 school year.                                   |

\*If applicable, please include attachments that may provide better context regarding planned corrective actions.

# BALTIMORE CITY PUBLIC SCHOOLS

**Brandon M. Scott**  
Mayor, City of Baltimore

**Johnette A. Richardson**  
Chair, Baltimore City Board  
of School Commissioners

**Dr. Sonja Brookins Santelises**  
Chief Executive Officer

## **Baltimore City Public Schools** **Response to OIGE Investigative Audit 21-0005-A**

### **Background Context**

The Maryland Office of the Inspector General for Education (“OIGE”) conducted its investigative audit to determine whether students deemed eligible for state funding during the 2016-17 through 2020-21 school years ultimately met all attendance and enrollment requirements. During this five-year period, OIGE found 928 total instances where students were initially deemed eligible for funding in the state’s enrollment count. Baltimore City Public Schools (“City Schools”) later provided updated information to the Maryland State Department of Education (“MSDE”) documenting that its subsequent review determined that those students did not meet the criteria for funding eligibility due to their lack of attendance or withdrawal from the school system.

These 928 findings represent just 0.3% of City Schools’ total students eligible for state funding over the OIGE’s five-year review period. Moreover, the total yearly numbers and percentages of ineligible students have declined due to significant process improvements recognized by the OIGE and described further below, with the exception of the 2020-2021 school year, where the challenges of the COVID-19 pandemic also affected enrollment counts.

| <b>School Year</b> | <b>Total Enrollment</b> | <b>Total Students Eligible for State Aid</b> | <b>OIGE Finding 1 Ineligible Students</b> | <b>OIGE Finding 2 Ineligible Students</b> | <b>Total Ineligible Students</b> | <b>Ineligible as Percentage of Funding Eligible</b> |
|--------------------|-------------------------|--|---|---|----------------------------------|---|
| <b>2016-17</b>     | 82,354.00               | 76,443.75                                    | 219                                       | 38  | 257                              | 0.3%  |
| <b>2017-18</b>     | 80,592.00               | 74,673.00                                    | 126                                       | 0   | 126                              | 0.2%  |
| <b>2018-19</b>     | 79,297.00               | 73,383.25                                    | 146                                       | 12  | 158                              | 0.2%  |
| <b>2019-20</b>     | 79,187.00               | 73,329.50                                    | 85  | 1   | 86                               | 0.1%  |
| <b>2020-21</b>     | 77,856.00               | 72,862.25                                    | 299                                       | 2   | 301                              | 0.4%  |
| <b>Total</b>       | 399,286.00              | 370,691.75                                   | 875                                       | 53  | 928                              | 0.3%  |

In its investigative audit of City Schools and the corresponding reviews of MSDE and other local school systems, the OIGE identified shortcomings of the point-in-time enrollment funding model that has been utilized throughout the state for many years. Pursuant to this funding model, state funding is based on enrollment as of September 30 each year.

It is well recognized that the point-in-time funding model utilized by MSDE effectively acknowledges significant fluctuations in student enrollment over the school year. Each year, for example, City Schools receives funding for some students who, ultimately, left the school system, while we also are not funded for students that we did educate because they enrolled after September 30. On average, approximately 2,500 funding eligible students exit after September 30, the “as of” date for September Attendance,

through March 15, the “as of” date for Early Attendance. In the 2016-2017 school year, there were almost 3,000 students who exited during this period, and that number has declined each year to 1,680 in the 2020-2021 school year.

Each year, City Schools also gained students after September 30. The table below includes counts of students enrolling after September 30 in each school year covered by the OIGE’s audit. Students with Disabilities (“SWD”) and English Learner (“EL”) students were included as City Schools would have been eligible for additional funding for these populations if they were enrolled prior to September 30. In sum, there are more students entering the school system after the effective date of the September 30 enrollment count than those who exit. If funding were fully reconciled for *both* entries and exits of students after September 30, City Schools likely would be eligible for additional funding.

| <b>Entries after September 30</b> |  |                  |                       |                 |                      |
|-----------------------------------|--|------------------|-----------------------|-----------------|----------------------|
| <b>School Year</b>                | <b>Count of Students Entering after September 30</b> | <b>SWD Count</b> | <b>SWD Percentage</b> | <b>EL Count</b> | <b>EL Percentage</b> |
| <b>2016-2017</b>                  | 3630   | 498              | 13.7%                 | 852             | 23.5%                |
| <b>2017-2018</b>                  | 3373   | 525              | 15.6%                 | 604             | 17.9%                |
| <b>2018-2019</b>                  | 3944   | 581              | 14.7%                 | 1176            | 29.8%                |
| <b>2019-2020</b>                  | 2894   | 465              | 16.1%                 | 620             | 21.4%                |
| <b>2020-2021</b>                  | 2171   | 297              | 13.7%                 | 574             | 26.4%                |

City Schools has consistently completed all required MSDE attendance submissions on time and with the most accurate data available in our student information system, Infinite Campus. The OIGE recognized that City Schools compares favorably to other school systems based on our practice of correctly reporting backdated withdrawals to MSDE and following up with schools with high numbers of continuous record errors, as discussed further below. MSDE has focused on continuous records errors, and consequently City Schools has also had this focus. In its report, OIGE used a broader definition than that of MSDE to identify students that subsequently became ineligible for funding. In addition to continuous record errors, OIGE includes (1) students with retroactive exit dates that are after the first day of school and before September 30; and (2) students who were still enrolled on the Early or End of Year Attendance submissions, but had zero days of attendance.

### **City Schools’ Process Improvements**

As noted in the OIGE’s report, City Schools staff “undergo a rigorous process to attempt to identify all no-shows.” Moreover, the OIGE acknowledged that this process is more challenging for “schools with fluid student enrollments,” which is particularly the case in City Schools. OIGE noted that City Schools’ “centralized process for student withdrawals and state aid coding controls in Infinite Campus have been effective in lowering the number of discrepancies with withdrawal dates.” City Schools utilizes technical and human processes to report the best possible attendance and enrollment data to MSDE. Errors are largely isolated situations, as the OIGE acknowledged. Moreover, errors that are subsequently identified after the September Attendance collection are accurately reported to MSDE in the Early and/or End of Year collection.

Below are overviews of several of the process improvements and ongoing investments that City Schools has made in recent years, many of which are expressly acknowledged in the OIGE report:

- **Enrollment Verification.** Beginning in the 2016-2017 school year, City Schools’ Office of Achievement and Accountability (“OAA”) has led a thorough enrollment verification process



annually. The process requires school leaders to review a list of students enrolled as of September 30 and verify their funding eligibility status. This process provides an additional review of student attendance and enrollment to supplement the data captured in Infinite Campus.

- **Continuous Record Error Follow-up with Schools.** Prior to the COVID-19 pandemic, City Schools identified schools that had a minimum of 3-5 continuous record errors, and principals of these schools received an email (with their supervisor copied) explaining the issue and requiring a corrective action plan. In the 2021-2022 school year, given all the other challenges of the COVID-19 pandemic, City Schools prioritized schools with 20 or more continuous record errors, and OAA and the Schools Office convened follow-up meetings with each of those schools' leadership to go over our processes, identify any needed supports, and discuss corrective actions. As the OIGE noted, "[t]he feedback process had resulted in decreased instances of subsequently reported ineligibilities during the review period, until complications with the virtual learning environment of the 2020-21 school year resulted in the largest annual number of discrepancies."
- **Decline of Unsubmitted Attendance.** City Schools uses Infinite Campus to record student attendance. Student attendance defaults to present if attendance is not submitted by teachers or other school officials in order to not penalize students or trigger unnecessary follow ups if school staff fail to enter attendance on time. Because unsubmitted attendance may result in a student being marked present when an absence or other attendance code should have been used, City Schools has worked with schools to make significant reductions to unsubmitted attendance in recent years (from 3.4% in the 2015-16 school year to 0.5% in the 2021-22 school year to date). The Attendance team works directly with schools to support the weekly monitoring and improvement of unsubmitted attendance in schools, which has resulted in fewer continuous record errors in reported attendance.
- **Withdrawal Due Diligence Documentation in Infinite Campus.** Prior to Infinite Campus going live during the 2016-2017 school year, withdrawal requests and documentation were submitted via email. When Infinite Campus went live, withdrawal due diligence steps began to be recorded in Infinite Campus. Beginning in the 2018-2019 school year, it became mandatory to log withdrawal due diligence in Infinite Campus.
- **Supports to Schools around Re-Engagement.** City Schools has also continued to refine and enhance its re-engagement efforts. These efforts are part of City Schools' commitment to making every effort to educate all students including those who stop attending or otherwise disengage from their education for a variety of reasons. The Re-Engagement Center directly supports school-disconnected young people. Its staff directly work with students who are not attending through outreach by phone and home visits to students and families. Re-engaged students are then required to participate in an intake process with a Re-Engagement clinical school social worker to discuss and address barriers to attendance (e.g., homelessness/housing instability, pregnancy or access to childcare, employment, criminal justice involvement, etc.) and create a tailored support plan to mitigate those barriers. These efforts require a huge investment of resources that City Schools continues to expend in an effort to meet our obligation to educate our population, even though most of the students involved in the re-engagement process are not part of the funded enrollment count, and therefore, City Schools does not receive state funding as part of its state funding allotment to directly support such re-engagement efforts.
- **Supports to Schools around Attendance.** Within City Schools' central office, support for attendance monitoring and re-engagement of students with consecutive absences has increased over the last few years. In the 2016-2017 school year, the truancy process was changed to include additional outreach and communication with families to identify the causes of student absence and address them before referring a student to truancy court. In the 2019-2020 school year, the Attendance team was reorganized and expanded. Increased staffing allowed the Attendance team to focus more on direct outreach to families and schools. In the 2020-2021 school year, while students were attending virtually during the COVID-19 pandemic, a cross-departmental Attendance review group began meeting regularly to track attendance and support schools. This was part of City

Schools' larger focus on attendance during the COVID-19 pandemic and as part of our recovery efforts. This cross-departmental effort built upon an already robust cross-departmental collaboration each fall since the 2016-2017 school year, organized around the September 30 deadline for attendance and enrollment reporting.

### **Additional Context for OIGE Findings**

In addition to this background information, City Schools wishes to share additional context that is helpful to understand and interpret OIGE's specific findings fully:

**OIGE Finding 1: Subsequent Reporting Indicates Ineligible Students Were Funded.** The subsequent reporting provided by City Schools to MSDE from 2016-17 through 2020-21 indicates 875 students classified as "funding eligible" during the September Attendance Collection had not met COMAR attendance or enrollment requirements for the foundational program based on subsequent reporting to MSDE. City Schools previously identified all these students in its reporting to MSDE. This process has focused on reconciling continuous record errors, which are defined as students reported on September Attendance but retroactively withdrawn before the first day of school. For the audit period, 405 students were identified as continuous record errors and were noted during the Early and End of Year Attendance processes. Both MSDE and City Schools were aware that these students' enrollments were adjusted in Infinite Campus after the September Attendance collection was finalized and that they no longer met funding requirements.

In its report, OIGE used a broader definition than MSDE has used to identify students who subsequently became ineligible for funding. The OIGE's approach included: (1) students with retroactive exit dates that are after the first day of school and before September 30; and (2) students who were still enrolled on the Early or End of Year Attendance submissions but had zero days of attendance. Of the 470 students who fell into these two categories, 277 students (31.7%) fall into the first category, and 193 students (22.1%) fall into the second.

Furthermore, the students subsequently identified as ineligible were not equally distributed across school years or schools. Only 10 schools had 25 or more of these errors over the five-year period, representing 57% of the total. Continuous record errors were also not evenly distributed across schools; only three schools had 25 or more errors over this period.

OIGE also identified that, on average, 105 days elapsed between the first consecutive unlawful absence and the first time a contact attempt was logged in the Withdrawal Due Diligence module of IC. This average is based only on 33 students at 14 schools selected by OIGE and do not represent the entire district. Furthermore, 22 of these 33 students were at just six schools.

As the identified issues were concentrated at a small number of schools, City Schools will incorporate targeted support going forward.

**OIGE Finding 2: City Schools' Attendance Records Indicate Further Ineligible Students Have Been Funded.** Of the additional 53 students identified in Finding 2, 47 of the errors were related to enrollment at two schools. Moreover, all except for three of the findings were related to enrollment issues during the 2016-2017 and 2018-2019 school years. These findings further attest to significant improvements in City Schools' due diligence processes over the five-year period that the OIGE reviewed.

Six students had misdated withdrawals that impacted state aid eligibility. OIGE connected this finding to students with IEPs being withdrawn only after the final IEP meeting is logged. However, only two of these six students had active IEPs at the time they exited.

### **City Schools' Response to the OIGE's Three Specific Recommendations**

*Recommendation 1:* OIGE's first recommendation is that City Schools should ensure that all subsequently recorded no-shows are identified, properly coded to MSDE, and addressed at the school level to improve recordkeeping. In addition, OIGE recommended that City Schools should consider proactive steps to identify and assist schools at risk of incorrectly recording attendance for no-show students.

- As OIGE's report acknowledges, City Schools' prior efforts in this area have yielded continuous reductions in the number and percentage of funding ineligible students. City Schools will continue these efforts going forward.
- Going forward for the 2021-2022 school year and beyond, City Schools plans to build on the school feedback processes described above and: (a) request corrective action plans for all schools with 3 or more continuous record errors; and (b) meet with school leadership for those schools with the highest numbers of errors to go over our processes, identify any needed supports, and discuss corrective actions.
- City Schools will also provide schools with greater support at the start of the year to properly capture attendance and enrollment and follow up with students who are not attending, with particular attention focused on schools that need targeted assistance due to high levels of student mobility. To this end, City Schools is investing funds in a pilot program that will provide schools with additional staff positions focused on enrollment and registration functions in its FY2023 operating budget.
- Through the strategies detailed above, district staff will monitor the enrollment verification process and support school staff as they promptly fulfill their roles in the processing and exit of students.

*Recommendation 2:* OIGE's second recommendation is that City Schools add time guidelines to its Withdrawal Directions and Due Diligence Requirements documents to enter withdrawals for inclusion in the September Attendance Collection promptly.

- City Schools intends to update its Withdrawal Due Diligence guidance to encourage timely completion and logging of the process in Infinite Campus while continuing to be informed by the district's commitment to re-engaging students that have become disconnected from school.

*Recommendation 3:* OIGE's third recommendation is that City Schools should amend coding in Infinite Campus to allow for withdrawals to be properly dated in all situations for students to be appropriately coded for state aid.

- This recommendation refers to a very small number of students; nonetheless, City Schools will refine its guidance. The Office of Achievement and Accountability will work collaboratively with the Office of Special Education and the Office of Legal Counsel to refine guidance on exit dates for students who are not attending school while awaiting an IEP meeting. This step will ensure alignment with enrollment requirements while fulfilling federal and state legal requirements for serving students with disabilities.
- City Schools notes that Infinite Campus does allow for withdrawals to be properly dated. Targeted support will be provided to schools with multiple incidents of improperly dated withdrawals.

Finally, City Schools acknowledges that the OIGE report indicated that the noted discrepancies in student enrollment could represent \$9.8 million in state and local funding. City Schools will continue to cooperate with MSDE to address the funding-based issues related to the report's findings, considering the additional context provided in this response.

Once again, City Schools appreciates the thoroughness of the OIGE's review. This investigative audit will lead to continued process improvements as part of City Schools' long-standing efforts to promote accuracy and accountability in our enrollment and funded enrollment counts.

# Appendix B



## MARYLAND OFFICE OF THE INSPECTOR GENERAL FOR EDUCATION

Richard P. Henry  
*Inspector General*

Douglas H. Roloff, III  
*Deputy Inspector General*

April 20, 2022

### MEMORANDUM

To: Dr. Sonja Santelises, Chief Executive Officer  
Baltimore City Public Schools  
200 E. North Avenue  
Baltimore, Maryland 21202

RE: BCPS Responses to OIGE Investigative Audit 21-0005-A

The Maryland Office of the Inspector General for Education (OIGE) appreciates Baltimore City Public Schools' (BCPS) detailed responses to the draft recommendations within the Investigative Audit of BCPS State Aid Enrollment Counts. The response indicates a commitment to improving processes and procedures that will increase the accuracy of future enrollment counts.

Nevertheless, there are two statements made in BCPS's response that require clarification based on evidence found during the investigative audit. Please see below.

- **BCPS Statement:** Concerning the remaining discrepancies flagged in the OIGE report, the OIGE acknowledged that they were "a result of isolated situations". (*Cover Letter, Page 1*)
- **OIGE Clarification:** The term "isolated situations" is only applicable to 25 of the 928 discrepancies noted in the investigative audit report. The OIGE does not consider the remaining discrepancies to be a result of isolated situations. Instead, they were a result of systemic issues noted with respect to the accuracy of attendance recorded by BCPS.
- **BCPS Statement:** The 53 noted discrepancies in OIGE Finding 2 were identified out of 370,692 total students eligible for state aid. (*Response, Page 1, Chart*)
- **OIGE Clarification:** The 875 noted discrepancies in OIGE Finding 1 were identified out of the total population of students eligible for state aid. However, the 53 noted discrepancies in OIGE Finding 2 were out of a judgmental sample of just 140 students at five selected schools. Issues identified in the analysis of the

judgmental sample such as the lack of effective attendance recording indicate that further discrepancies likely exist in the remaining population of students eligible for state aid.

**NOTE:** The OIGE revised the percentage of statewide self-reported discrepancies attributed to BCPS, originally reported as 27%, to 31.7%. (*Finding 1, Page 6*)

The percentage change reflects updated information received from another reviewed local school systems (LSS) on April 19, 2022. This information was received after the OIGE provided BCPS with our draft reports of the reviewed LSS and the Maryland State Department of Education (MSDE). The OIGE determined that due to the explanations provided by the LSS, the information was relevant to the BCPS investigative audit, and as such should be included in our final report. No other changes were made from the draft report to the final report.

In closing, I wish to thank you for both your support and understanding throughout the investigative audit process. The professionalism and assistance provided by your staff surely reflects BCPS' dedication to its students and staff. Please feel free to contact Mr. Dan Reagan, CPA, Supervisory Inspector General for Investigative Audits at (443) 721-4889 or by email at [dan.reagan@maryland.gov](mailto:dan.reagan@maryland.gov) if you or your staff have any questions or concerns.

Respectfully,

A handwritten signature in dark ink, appearing to read "Richard P. Henry", is written over a light yellow rectangular background.

Richard P. Henry  
Inspector General