

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Inspector General

Inspector General



February 27, 2020

Hanseul Kang
State Superintendent
Office of the State Superintendent of Education
1050 First Street, N.E.
Washington, D.C. 20002

Dear State Superintendent Kang:

My Office's Inspections and Evaluations (I&E) Unit will soon start a review of local education agencies' and community-based organizations' residency verification processes and Office of the State Superintendent of Education (OSSE)'s oversight of these processes.

The primary objectives for this project¹ are to assess: (1) the thoroughness and effectiveness of LEAs' and CBOs' residency verification processes; and (2) the methodology and selected results of OSSE's *Audit and Verification of Student Enrollment* for School Years (SYs) 2018-19 and 2019-20. The OIG's review will focus initially on preschool (PK3) and prekindergarten (PK4) student enrollment.

Please provide Edward Farley, Assistant Inspector General for Inspections and Evaluations, with the name and telephone number of the person who will serve as the primary point of contact at OSSE during the inspection. You can reach Mr. Farley at 202-727-9249 or edward.farley@dc.gov.

In addition, Mr. Farley will need the following information no later than March 18, 2020, so the I&E team can prepare its methodology and work plan.

1. The SY 2018-19 and 2019-20 Enrollment Audit Reports and supporting data.²

¹I&E projects are conducted under the *Quality Standards for Inspection and Evaluation* promulgated by the Council of the Inspectors General on Integrity and Efficiency, and as a matter of standard practice pay particular attention to the quality of internal control. "Internal control" is defined by the U.S. Government Accountability Office (GAO) as comprising "the plans, methods, policies, and procedures used to fulfill the mission, strategic plan, goals, and objectives of the entity" and is "not one event, but a series of actions that occur throughout an entity's operations." Furthermore, internal control is a process that provides "reasonable assurance that the objectives of an entity will be achieved," "serves as the first line of defense in safeguarding assets," and is "an integral part of the operational processes management uses to guide its operations." U.S. GOV'T ACCOUNTABILITY OFFICE, STANDARDS FOR INTERNAL CONTROL IN THE FEDERAL GOVERNMENT 5-6, GAO-14-704G (Sept. 2014).

²The DC Official Code § 38-1804.02(d)(2) requires an audit that evaluates the accuracy of the fall student enrollment count of the DC public schools and the public charter schools. An independent auditing firm is

2. The two most recently completed (i.e., February 2020 and February 2019) *Report of Recommendations for Improvements in OSSE's Enrollment Audit* (a deliverable referenced in section C.5.7.5 of F.S. Taylor & Associates contract CW54041).
3. Project Plans and Work Plans for the SY 2018-19 Audit and SY 2019-20 Audit (deliverables referenced in section C.5.8.3 of F.S. Taylor & Associates contract CW54041).
4. OSSE's report entitled *Audit and Verification of Student Enrollment for the 2018-19 School Year* (dated February 7, 2019) states:

LEAs and CBOs collect supporting residency documents for each student attending a public school in DC or publicly funded pre-K seat. During the audit, OSSE contracts with a third-party auditor to review a sample of supporting residency documents collected at each school. The sample size is 20 percent of a school's enrolled student body, after removing those students whose residency was verified through direct data feeds from other District agencies. If a school's sample fails to show adequate supporting residency documentation, auditors begin a 100 percent review of all student residency records that were not included in the sample.

- a. For the SY 2017-18 audit, SY 2018-19 audit, and SY 2019-20 audit, please identify every school where the auditors conducted a 100 percent review of all student residency records.
5. OSSE's report entitled *Audit and Verification of Student Enrollment for the 2018-19 School Year* (dated February 7, 2019) states that 152 "unverified resident students" were identified during the audit. Please provide all documentation pertaining to the additional investigative activities conducted by OSSE in response to these findings.
 6. In its FY 2017 Performance Oversight responses, OSSE stated it received 184 residency fraud tips during SY 2016-17. Please provide all documentation pertaining to these tips.
 7. In its FY 2018 Performance Oversight responses, OSSE stated it received 361 residency fraud tips during SY 2017-18. Please provide all documentation pertaining to these tips.
 8. Please provide all documentation pertaining to all residency fraud tips received by OSSE since the end of SY 2017-18.

9. In its FY 2017 Performance Oversight responses, OSSE stated it conducted 50 residency fraud investigations involving public charter schools in SY 2016-17. Please provide a complete copy of each case file.
10. In its FY 2018 Performance Oversight responses, OSSE stated it initiated 134 residency fraud investigations involving public charter schools in SY 2017-18. Please provide a complete copy of each case file.
11. Please provide a copy of the case file for each residency fraud investigation involving a public charter school completed since February 1, 2019.

Mr. Farley will schedule an entrance conference with the point of contact you identify. Thank you in advance for your cooperation, and I look forward to working with OSSE in our joint efforts to improve the quality of services provided to District stakeholders.

Sincerely,



Daniel W. Lucas
Inspector General

cc: The Honorable Muriel Bowser, Mayor, District of Columbia
Mr. Rashad Young, City Administrator
Mr. Paul Kihn, Deputy Mayor for Education
Dr. Lewis D. Ferebee, Chancellor, District of Columbia Public Schools
Mr. Scott Pearson, Executive Director, D.C. Public Charter School Board
The Honorable David Grosso, Chairperson, Committee on Education, Council of the District of Columbia
The Honorable Kathy Patterson, D.C. Auditor, Office of the D.C. Auditor, Attention: Cathy Patten

2-11-19