

SAVANNAH-CHATHAM COUNTY BOARD OF EDUCATION
Internal Audit Department



TO: Board of Education

THROUGH: Dr. Thomas B. Lockamy, Jr., Superintendent
Dr. Ann Levett, Deputy Superintendent, Chief Academic Officer,
Academic Affairs
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FROM: Marshall Withers, Senior Director, Internal Audit

DATE: February 23, 2017

SUBJECT: Audit Report of the Residential Affidavit Process

We have completed our Audit Report of the Residential Affidavit Process. Our audit report is presented in the sections listed below:

- I. AUDIT OBJECTIVES**
- II. AUDIT SCOPE**
- III. BACKGROUND**
- IV. AUDIT CONDITION**
- V. OTHER MATTERS**

In addition, the specific action that management has agreed to take in response to each recommendation will be included in the Management Action Plan, along with who is responsible for the action and when it will be completed.

I. AUDIT OBJECTIVES

Our audit was designed to meet specific objectives. Within those objectives, we focused on areas where we identified opportunities for improvement in the residential affidavit process. The objectives of our audit were as follows:

- Identify State and local policies/procedures related to the residential affidavit process to determine if the District complies with the guidance.
- Review the District's residential affidavit process and determine if schools comply with the process.
- Identify the number of residential affidavits within the District/per school and determine the impact on schools as it relates to District transportation and school capacity.
- Review the yearly registration process and determine if the process has any impact on the residential affidavit process.

II. AUDIT SCOPE

The audit of the Residential Affidavit Process was requested by the Deputy Superintendent, Chief Academic Officer, Academic Affairs in an effort to identify if the process was consistent among all schools and to identify areas of improvement.

We interviewed various staff at the school sites that are involved with the process. We analyzed data reports that identify the count of these students and their impact on a school's capacity. We conducted internal controls tests on sampled students to ensure compliance with the process and identify other areas of improvement.

Our fieldwork was conducted during the period of October 2016 through January 2017.

Internal Audit conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that the audit be planned and performed to obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives. Internal Audit believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objectives.

Details of each area tested and recommendations for strengthening the internal controls in that area are listed below.

The Board's District Accountability System (DAS) lists five goals:

- I. To ensure all students are college and career ready.

- II. To provide a safe, healthy, and clean environment that is conducive to teaching and learning.
- III. To maximize and promote opportunities to build strong relationships with stakeholders that contribute to the advancement of student success and community pride.
- IV. To build capacity to achieve a premier workforce that fosters a professional and supportive teaching and learning environment.
- V. To maximize resource stewardship and fiscal responsibility by ensuring District resources are used efficiently, effectively, economically, and equitably.

At the end of each Condition, we have identified the DAS goal(s) that are most likely affected by the findings identified in the Condition. Internal Audit has made recommendations to help support the achievement of these goals.

III. BACKGROUND

The residential affidavit is a document used in certain instances to show proof of residency during the enrollment process of a student. The affidavit is completed when the parent/guardian of a student is living with a third party with no other legal documents to show proof of residency at the current location. This is defined in the Georgia Department of Education's Guidance for State Board of Education Rule 160-5-1-.28, Student Enrollment and Withdrawal. It requires that the person enrolling a student "should provide a current utility bill and any of the following items. LEAs (local education agencies) should consider accepting the following at a minimum, but can accept additional documents not included on this list:

- 1.) Current lease/rental agreement;
- 2.) Most recent income tax return;
- 3.) Current paycheck stub;
- 4.) Current Medicaid card;
- 5.) Current residential property tax statement or bill;
- 6.) Current warranty or quick claim deed;
- 7.) Current home purchase agreement;
- 8.) Third-person affidavit of residency; or
- 9.) Current homeowner's insurance policy."

The Student Affairs department created the form, currently used by the District, and is similar to the one provided by the Georgia Department of Education (GDOE). The owner/lessor of the property must sign and show proof of residency as well as the parent signing to acknowledge that they "do not live in any other residence." The parent also "attests that the living arrangement is not solely for the purpose of establishing school attendance eligibility." If the parent(s) establishes a residency during the school year, they are required to inform the school and show proof of residency of the newly established

residence. The form requires both the parent and the owner/lessor to sign the form, have it notarized and approved by a school administrator/designee. The form is to remain in the student's permanent record for the school year.

The District has a process to classify, for data reporting purposes, those students with a residential affidavit. The District's information specialists conduct this process. A student who has provided a sworn residential affidavit is coded in PowerSchool (District's Web-based student information system) with a label of sworn affidavit (SA). A residential affidavit is valid for one school year. At the end of each school year, the information specialist is required to withdrawal all students with a SA code and return them to their home school based on the address on their parent's ID and not the address on the residential affidavit. Prior to last school year, the removal of the SA code was handled at the school site level. Currently, the code is removed universally by the Department of Student Information Systems (Data and Accountability Division). This change in the process provides explanation in the drop in total affidavits between SY14/15 and SY15/16:

- SY14/15 - 2659 Sworn Affidavits
- SY15/16 – 1034 Sworn Affidavits
- SY16/17 (as of November 30, 2016) – 1509 Sworn Affidavits.

In addition to the total number of affidavits each year, we reviewed the impact of the total affidavits to a school's capacity. We found the number of affidavits did not directly affect the total school's capacity; however, the total number per grade level at various schools may have an impact on the number of students per classroom.

IV. AUDIT CONDITION

Condition A. No Written Procedures of the Student Enrollment Process *(DAS Goal V)*

Details of Condition A

The District does not have written procedures in place for the student enrollment process as it pertains to the processing of documentation. Inconsistencies were found in multiple areas of the process including what documentation to accept as proof of residency, when to use the provisional process, how to complete the Residential Affidavit Form, when to withdrawal the student, and/or how long to maintain the records for record retention. The Student Affairs department governs these processes. The data entry components of the student enrollment process are well documented. This process is governed by the Student Information Systems Department.

Internal Audit found no written procedures that document the process for schools to follow. However, the District does have a Board Policy and Regulation that

provides general guidance in the area but does not define the steps required to meet State Board of Education Rule 160-5-1-.28. Board Policy JBC, School Admissions, states,

“A student must register to attend school in the school attendance area in which his/her parents or legal guardian resides. A resident pupil 18 years of age or older is regarded as an adult and may establish individual residency by so declaring and actually residing apart from his/her parents or legal guardian. Exceptions to this policy are students who are legally defined as homeless, an unaccompanied youth (in accordance with Board Policy JBC(1)), an emancipated child, or a child who is accepted into a Specialty Program.”

The remaining portions of the policy address the Specialty Program process and the Social Security component of enrollment. Board Regulation JBC-R, School Admission, states,

1. All students must complete the required enrollment application.
2. Registration will occur at the school where the student is eligible to attend.
3. The student, parent, or legal guardian is responsible for annually furnishing proof of residence to the school.
4. The student, parent, or legal guardian is requested to provide the student's social security number to the school.
5. When a question of guardianship is raised, the student and/or legal guardian is responsible for furnishing the Student Affairs department with proper documentation of guardianship. Documentation of final guardianship appointment must be provided by the legal guardian to the school and shall be placed in the student's permanent record.
6. Students who are 16 years of age and over and who are two or more years older than the average student in a particular grade level, will be counseled and encouraged to take advantage of educational opportunities more appropriate to their age level and life goals.
7. The Director of Student Affairs department shall have the authority to require that a student, parent, or legal guardian comply with the Board Policy in order to remain in school in cases where misinformation was given with reference to residence or guardianship.
8. Exceptions to this policy are students who are legally defined as homeless or an unaccompanied youth (in accordance with Board Policy JBC (1)).

The remaining areas of the regulation address the Specialty Admissions, Administrative Placement process, school admissions without a social security number, and enrolling unaccompanied youth.

Many schools were able to describe their process but we found in our discussions and observations of enrollment documentation that various components of the described process were not consistent among schools. The District's enrollment process requires each enrolling student to have a completed Standard Central Registration Packet. This packet includes the following forms:

- Central Registration Checklist and Receipt (checklist of required documents)
- Media Release and Directory Information Opt Out Form
- Medical, Health, and Physical Education Program Form
- Parent Occupational Survey
- Request and Authorization for Release of Student Records
- Safe Schools Registration Questionnaire
- Student Registration Form.

As communicated to the Internal Audit Department, this packet is completed each time a student enters into the District, Specialty School, or a transition grade (elementary to middle, middle to high school). With this packet, a parent must include supporting documentation showing proof of residency. The Central Registration Checklist and Receipt Form provide the following items as acceptable forms of proof of address (issued within 30 days):

- Lease or Rental Agreement,
- Mortgage Statement,
- Home Purchase Agreement,
- Utility Bill (no cable or telephone), or
- Governmental Agency Mail (county, state, federal).

If these items cannot be provided, the student can be enrolled into the school under a 30-day provisional (in-district)/120-day provisional (coming from out of district) or a Residential Affidavit Form can be completed. If the parent cannot meet the provisional and/or residential affidavit requirements, further review is conducted by the Student Affairs Department to determine if other issues exist (non-parental or homelessness).

To determine how the District was conducting the process of residential affidavits, we interviewed selected personnel within the majority of all non-specialty schools (principals and information specialists) and selected a judgmental sample of residential affidavits for completion and compliance. We found almost all the schools required both parties to be present when the affidavit was signed and notarized. However, some schools did not have a notary and required the parties to have the form notarized offsite. From our review of the Residential Affidavit documentation, we found, on average, 29% of the documentation either could not be located at the school site, was incomplete, and/or the property owner was not the person signing the document. Many schools allowed the lessee to sign the form and not the owner of the property.

At the end of the year, students on a residential affidavit should be withdrawn from their attending school. We found inconsistencies in the end of the year processes for students on a residential affidavit. The inconsistencies were in how the parent was informed of the removal of the student from the school. Some schools would document a note on the report card, some would send a letter home, and others would not address the issue until the beginning of the next school year. We also found inconsistencies with how the student is handled

when the school has determined the affidavit was falsified. Some principals admitted to keeping the student if there were no behavioral issues. Other principals would withdrawal the student depending on the timing of the school year.

We were informed by schools that the District does not follow through on the actions stated on the form when the information provided is determined to be false. The Residential Affidavit Form has a statement to address if information provided is false. It states:

“I understand that a student admitted under false information is illegally enrolled and will be dismissed or reassigned from Savannah- Chatham Public School System upon discovery. Furthermore, I understand that a person who knowingly and willfully make a false, fictitious, or fraudulent statement, representation; or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement of entry, in any matter, shall upon conviction thereof, be punished by a fine of not more than \$1,000.00 or by imprisonment as allowed by the criminal statute O.C.G.A 16-10-20. False information may also result in the loss of a student’s athletic eligibility for one calendar year.”

All schools that we spoke with were concerned with handling false information and wanted more knowledge in how to verify the information provided on a residential affidavit before accepting it. Many believe the information provided is often falsified and/or fake. However, they do not know how to address the issue and/or validate the owner information. Because of the lack of follow through, many schools believe the form has lost its credibility.

At the end of each school year, the District conducts another step in the enrollment of a student, which is called the verification process. In previous school years, this process was conducted electronically; however, last school year it was conducted in paper form. The process is designed to ensure the demographic information of the student is correct in PowerSchool. Last year, the Verification Form was sent home with the student. This form requires the parent to review the information on the sheet. If changes to the address/phone/guardian information are needed, the parent/guardian should correct the form, sign it, and return it to the school through the student. The parent does not need to show proof of residency. The information is then updated in PowerSchool by the Information Specialists and the form is stored in the student record. Verification of the student information occurs in the fourth quarter of the school year.

The enrollment process should be documented through procedures that meet State and Board Policies as well as meeting state reporting guidelines. The provisional, residential affidavit and verification process that supports the enrollment process should be outlined in this process. Without written procedures, the schools are given the flexibility to determine how they are to complete the enrollment process. This could result in the District not complying with state and local policies. Currently, parents have to prove their residency

only when they enter a school, not yearly. This not only puts the District in non-compliance with Board Policy but also allows a parent to move and keep their child(ren) in a school that is out of their attendance zone. This can affect school capacity, classroom size, and transportation of students.

Recommendations for Condition A

To Academic Affairs Division, Data and Accountability Division:

1. The District should consider redirecting the documenting of the enrollment process from Student Affairs department to the Data and Accountability Division due to its direct impact of the State reporting of student information.
2. The District should develop written procedures of the registration/provisional/ residential/verification process that addresses not only the forms that are required but also the following:
 - The timeframe of the process,
 - The progression of the enrollment process and the steps in the process,
 - Supporting documents allowed (should match State allowed documents),
 - Yearly proof of residency (how to verify this information),
 - Proper coding of the students (affidavits), and
 - How to proceed with the student/parent when false information is identified.

V. OTHER MATTERS

During the course of this audit, we identified additional areas of risk that were impacted by the residential affidavit and registration process. While we did not include these areas in our audit program and did not conduct extensive tests in these areas, we believe that District management should consider further review of these areas to mitigate possible risks. We have made general recommendations in each area.

Transportation Routing

The District's Transportation Department relies on student addresses within PowerSchool. This information is uploaded into the District's school bus routing software (Transfinder). Routes are then generated based on the uploaded addresses for those students. The Transportation Department begins this process in June of each year. The routes are then finalized for print by mid-July of the same year. This is to ensure the bus stop information is available in print for public access before the beginning of school (August). Because the information from PowerSchool is updated daily, the routes/buses can be adjusted as needed to address the needs of the District.

Our discussions with the Transportation Department revealed areas of concern in the accuracy and timing of the data. Although the routing process is a continuous process that is analyzed daily, the impact incorrect addresses have on the initial routing setup for the school year can be logistically challenging. Below are four areas that Internal Audit believes the District should review to ensure reasonable assurance of accurate and timely data:

1. Communication to the Public – We were informed one of the major issues is the timing when the Transportation Department receives changes in a student’s address. When a student moves from one address to another during the summer, it is important that the parent contact the District to inform them of the change during the summer and preferably during the summer registration period for the next school year. With this advance notice, the Transportation Department can adjust and/or provide accurate routing information to the parent. Waiting until the beginning of school to inform the District of the change, directly affects the timing when a bus may be available for the student.
2. Promotion and Retention – The timing when this information is documented in PowerSchool to when the information is needed to establish routes for the school year needs to be aligned. For students moving into sixth or ninth grade, this information is vital to ensure that the number of buses for those routes is available.
3. Coding of students- The students coded as special education (mid-day), Specialty Schools, and/or English for Speakers of Other Languages (ESOL) need to have the information in PowerSchool in time for the yearly route creation for the year. This is to ensure those students that have bus routes that are outside of the normal bus routes are accommodated.
4. Extending Work Calendar of Information Specialists – The work calendars for Information Specialists are not in accord with the timing the information needs to be in PowerSchool for the establishment of routes for the next school year.

Recommendations for Other Matters

To Academic Affairs Division, Data and Accountability Division, and Transportation Department:

1. Develop a yearly timetable for data entry within PowerSchool to meet the needs of all divisions/departments with the end goal of increasing the efficiency of the transportation of all students.
2. Consider extending the work calendar for Information Specialists to meet the needs of the Transportation department.