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**OFFICE OF THE  
NEW YORK STATE COMPTROLLER**

**DIVISION OF STATE  
GOVERNMENT ACCOUNTABILITY**

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**NEW YORK CITY  
DEPARTMENT OF  
EDUCATION**

**STUDENT PARTICIPATION  
IN THE SUPPLEMENTAL  
EDUCATIONAL SERVICES  
PROGRAM**

**Report 2006-N-11**

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## AUDIT OBJECTIVE

Under the No Child Left Behind (NCLB) Act, certain low-income students are eligible for voluntary supplemental educational services in elementary school, middle school and high school. Our objective was to determine whether these services are being offered and promoted in accordance with requirements in New York City public schools.

## AUDIT RESULTS - SUMMARY

We found that New York City Department of Education (DoE) and the schools are offering the SES Program in accordance with requirements, but can be more proactive and effective in promoting and encouraging enrollment.

Supplemental Educational Services (SES) are federally funded tutoring and remediation programs that are provided to students before or after school or on weekends. The services are arranged by local schools and provided by specially approved contractors. The services must be offered to all eligible low-income students at schools where a significant portion of the student population is not meeting certain academic performance goals. Eligible students are not required to enroll in the SES Program; however, the schools are directed by the NCLB Act to encourage their enrollment.

DoE first implemented the SES Program in the 2002-03 school year. In the 2005-06 school year, DoE received \$76.6 million in Federal funding for its SES Program. In that year, 223,387 students at 279 New York City public schools were reportedly eligible for the SES Program, and 81,347 of these students (36 percent) reportedly enrolled in the Program.

To maximize SES success, the highest possible percentage of the targeted population

must be enrolled in the Program. We analyzed the enrollment rates at a representative sample of 45 New York City public schools and found that the enrollment rates varied considerably, between schools, ranging from 0 percent of the eligible population to 99.8 percent of that population. Three of the 45 schools had enrollment rates of at least 90 percent, while 15 of the schools (one-third) had enrollment rates of 10 percent or less. DoE officials pointed out that their enrollment rates compared favorably with the results of a United States Department of Education study that showed average SES participation across nine urban school districts for School Year 2004-05 was 12 percent, lower than the National average of nine percent.

However, we interviewed school and DoE officials and identified a number of opportunities to improve practices and potentially increase SES participation.

- DoE can make it easier for parents to obtain SES enrollment forms for their children,
- Schools can make sure that they hold certain required promotional events (enrollment fairs),
- DoE can identify and encourage promotional methods that other states appear to have found effective,
- DoE can more effectively communicate certain SES program requirements to school officials,
- DoE can formally analyze the effectiveness of school promotional efforts to determine which ones produce the highest enrollment rates and warrant replication at other schools, and

- Schools can more effectively manage the potential conflicts between the SES Program and other after-school activities.

We also found that some of the students enrolled in the SES Program may not actually be eligible for the Program. Ineligible students accounted for 6.4 percent of those enrolled in the 2004-05 school year and 1.5 percent of those enrolled in the 2005-06 school year. We estimated that about \$14.1 million was spent in providing tutoring and remediation programs for these potentially ineligible students.

Our final report contains 11 recommendations for increasing the participation of eligible students in New York City's SES Program. DoE officials agreed with eight of the recommendations and state that they have taken steps to implement them. DOE officials disagreed with 3 of the recommendations. A complete copy of DoE's response is contained in Appendix A, along with State Comptroller's comments in Appendix B.

This report, dated May 14, 2008, is available on our website at: <http://www.osc.state.ny.us>. Add or update your mailing list address by contacting us at: (518) 474-3271 or Office of the State Comptroller  
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## BACKGROUND

The Federal No Child Left Behind (NCLB) Act of 2001 requires states and local school districts to improve the academic performance of their students so that they are proficient in reading and math by the year 2014. Under the NCLB Act, each State Educational Agency is required to set performance goals that must be met by the schools receiving

NCLB funds in that state. The performance of these schools is to be monitored by the appropriate Local Educational Agencies. In New York State, the State Educational Agency is the State Education Department (SED). In New York City, the Local Educational Agency is the New York City Department of Education (DoE).

If a school does not meet its NCLB performance goals for three or more consecutive years, the Local Educational Agency is required to take certain actions. One of the actions the Local Educational Agency must take is to offer supplemental educational services to the low-income students who are enrolled in the school.

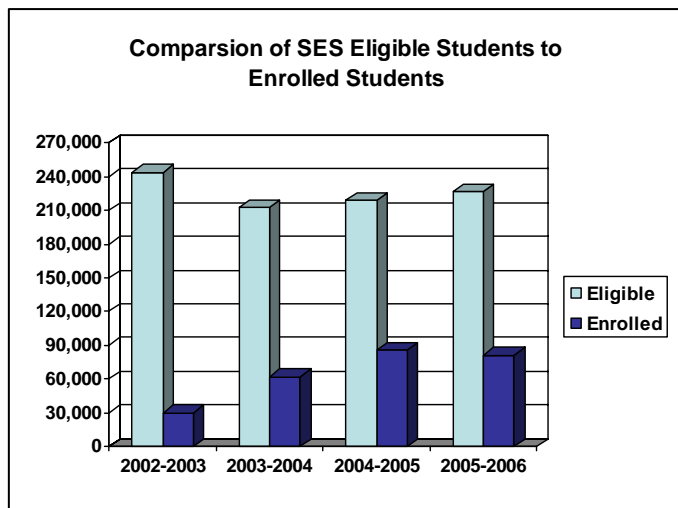
Supplemental educational services (SES) are tutoring and remediation programs that are provided to students before or after school or on weekends. The services are provided by specially approved contractors and are supported by Federal funding. The services are offered free-of-charge to low-income students at low-performing schools, and are intended to help the students (and the schools) meet their state's performance goals. The students are not required to enroll in the SES Program; however, the Local Educational Agencies are directed to encourage their enrollment.

In New York State, SED identifies the schools that are subject to SES requirements. These schools are not meeting SED's academic performance goals because too many of their students are scoring too low on certain standardized tests. In the 2004-05 school year, there were 254 public schools in New York City that were subject to SES requirements, and in the 2005-06 school year, there were 279 such schools.

The NCLB Act allows each Local Educational Agency to establish its own

criteria for identifying “low-income” students for SES purposes. DoE uses the criteria in the Federal “Free Lunch” Program: any student who qualifies for this program is deemed eligible for the SES Program. “Free Lunch” eligibility determinations are made by the schools.

DoE first implemented the SES Program in the 2002-03 school year. As is shown in the following chart, the number of students enrolled in the Program during its first three years steadily increased from 30,359 to 87,318 (an increase of about 288 percent). However, in the fourth year (the 2005-06 school year), the number of enrolled students decreased to 81,347. During this four-year period, the number of students who were eligible for the Program ranged between 243,249 and 212,067, and the percentage of eligible children participating in the Program enrolled has risen from 12 percent to 36 percent.



Source: Based on DoE data

In the 2004-05 and 2005-06 school years, DoE received \$79.4 million and \$76.6 million, respectively, in federal funding for its

SES Program. This funding covered DoE’s contracts with its supplemental educational service providers. The DoE has also implemented a variety of other student support services in addition to the SES program. These programs include such programs as the Out-of-School Time program and the 21st Century Community Learning Centers.

SES contractors in New York State must be approved by SED. They include for-profit entities, not-for-profit entities and school districts. Approximately 100 providers have been approved, and DoE has contracted with 68 of these providers. SES services may be provided at the school, at the provider’s facility, or in the student’s home. Most of the services in DoE’s SES Program are provided at the school after the regular school day has ended.

DoE’s Office of Special Projects is responsible for managing and overseeing the implementation of the SES Program. It contracts with the service providers and notifies parents about the availability of Program services. In addition, DoE’s SES Liaisons work directly with the schools to ensure proper implementation of the SES Program, and DoE’s Parent Coordinators, who serve as ombudsmen within the school system, are available to assist parents and students in any matter relating to the SES Program.

DoE’s SES Program must meet certain requirements that are specified in the NCLB Act. There are also SES guidelines that are issued by the U.S. Department of Education (federal guidance). DoE has also issued its own SES procedures in its Administrative Manual for School Implementation of SES (Manual).

## AUDIT FINDINGS AND RECOMMENDATIONS

To maximize success of the SES Program the highest possible percent of the targeted population must be enrolled in the Program. While a 100 percent enrollment rate may not be possible (and may not be necessary, since some in the targeted population may already be performing well academically), all practical opportunities to improve participation rate should be undertaken.

As was previously noted, in the first four years the SES Program was implemented in New York City's public schools, about 29 percent, on average, of the eligible students were enrolled in the Program. Enrollment rates increased from 12 percent in the first year to 30 percent in the second year to 40 percent in the third year, before declining to 36 percent in the fourth year. (DoE officials state in their response that they believe their enrollment rates compare favorably with other states and exceed the national average.)

However, the enrollment rates at individual schools varied considerably from the average. At some schools, more than 90 percent of the eligible students were enrolled in the Program. At other schools, less than 10 percent of the eligible students were enrolled in the Program. Thus, at schools where enrollment rates are high, there would appear to be less need for improvements in enrollment practices, and at schools where enrollment rates are low, there would appear to be a greater need for such improvements.

To identify the actual enrollment practices at the various schools and determine whether improvements were, in fact, needed in any of these practices, we interviewed the principals

and SES Liaisons at a sample of schools. We also interviewed certain other DoE officials who were responsible for administering the SES Program.

Our sample consisted of 45 of the 279 New York City public schools that were subject to SES requirements in the 2005-06 school year. We selected the 45 schools on the basis of their grade levels (high school, middle school or elementary school) and SES enrollment percentages, judgmentally selecting schools that would result in a representative sample of the total 279 schools. The 45 schools are listed in Exhibit A.

As is shown in Exhibit A, the SES enrollment rates at these schools ranged from 0 percent of the eligible student population to 99.8 percent of that population. Three of the 45 schools had enrollment rates of at least 90 percent, while 15 of the schools (one-third) had enrollment rates of 10 percent or less. The enrollment rates also varied considerably within each type of school, ranging from 0.1 to 99.8 percent of the eligible student population among the 16 elementary schools, from 0 to 94.3 percent of the eligible student population among the 15 middle schools, and from 0 to 83.9 percent of the eligible student population among the 14 high schools.

From our interviews with school and DoE officials, we identified a number of opportunities for improvements in SES enrollment practices. These various improvement opportunities are addressed in the following sections of this report. In addition, the officials also identified certain other factors that can impede enrollment.

For example, the officials noted that high school students receive no credit towards their diploma when they participate in the SES Program. High school students typically have a very low enrollment rate (an average of 8.7

percent in the 2005-06 school year), and the officials believe this lack of credit contributes to the low enrollment rate.

However, the SES Program was not intended by the NCLB Act to be credit-bearing and SED has not approved any credit-bearing SES classes. DoE officials also acknowledge that there are other factors that contribute to high school students' low SES enrollment rate, such as work and family obligations and poor attendance practices (students who do not attend regular school classes during the day are not likely to enroll in additional SES classes).

The officials also noted that student transportation costs are not covered by the SES Program. While a school's normal transportation services (buses and subway passes) may be sufficient for some SES sessions (those held immediately before or after school), the students (or their parents) are responsible for the transportation to and from other sessions (those held at the provider's site and those held at the school on evenings and weekends). It can be difficult and costly for parents to get their children to these sessions, and as a result, some eligible students may not be able to take advantage of the SES Program.

Under the NCLB Act, the Local Educational Agency can elect to use NCLB funds for student transportation costs, and DoE officials told us they have considered doing this. However, they decided not to, because of the high costs of transportation (since there is a maximum average federal reimbursement rate per participating student, reimbursing transportation costs could reduce the amount of SES funding that would be available for tutoring and remediation services) and the logistics involved in scheduling bus routes for small numbers of students.

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### *Notifying Parents About Program Services*

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If a public school in New York City repeatedly fails to achieve SED's academic performance goals, it must offer voluntary SES tutoring and remediation classes to all of its eligible low-income students. School and DoE officials are required to make the students' parents aware of the availability of these classes and are expected to encourage the parents to enroll their children in the SES Program.

We found that efforts are made to notify parents about the SES Program and promote student enrollment in the Program. However, these efforts are not always as effective as they could be. We recommend that certain improvements be made in these efforts.

### **Availability of SES Enrollment Forms**

Local Educational Agencies are required by the NCLB Act to notify parents of eligible children about the SES Program. To fulfill this requirement, DoE prepares an SES Parent Information Packet that schools are to distribute to parents of SES eligible students. This packet includes the Directory of Approved SES Providers, a Parent Guide and Parent Notification Letter (which describe the SES Program), and a Parent Selection Form (which is used to enroll students with particular providers). The times for each session are arranged after the enrollments are complete.

According to the Federal guidance, "An LEA [Local Educational Agency] should make its supplemental educational services enrollment form easily available for parents to access and should widely distribute the form. An LEA should not restrict the distribution of enrollment forms [including the photocopying of forms] by non-LEA individuals. An LEA should also share its registration forms with

providers so that they can help sign up students for services.”

We found DoE does not fully comply with this federal guidance, as it does not allow schools to photocopy enrollment forms when they need them and does not distribute enrollment forms to providers. The enrollment forms (i.e., the Parent Selection Forms) are only distributed as part of the Parent Information Packets, and the Parent Information Packets are only distributed to the schools. If a school needs any additional forms for any reason (e.g., if it does not have enough Packets or some parents have misplaced the forms in their Packets), they are instructed to request the additional forms from DoE. They are not allowed to make any photocopies.

As a result of this restrictive distribution policy, enrollment forms may not always be readily available to the families targeted by the SES Program and, in some instances, the opportunity to enroll eligible students may be lost. Officials at 18 of the 45 schools in our sample told us they did not have enough enrollment forms for the 2006-07 school year. While they were able to get additional forms from DoE, it would have been easier, quicker and more helpful to the parents if school officials could have photocopied the forms. In addition, four of the providers we contacted indicated that they would find it useful to have enrollment forms on hand.

In response to our findings, DoE officials stated they are reviewing their policy regarding the distribution of SES enrollment forms.

### **Parent Information Sessions and Provider Fairs**

DoE’s Manual states that “Schools are to schedule an SES information session or an

enrollment fair for parents.” These events, which are to include SES service providers, can be coordinated with a Parent Teacher Association meeting, open school night, or any other activity or event parents are likely to attend. At these events, the parents are informed about the SES Program, can meet with the providers, and can enroll their children in the Program. The Manual also states that “Schools must ensure that all providers are invited, not just the providers who will be housed in the building.”

We found that many of the schools are not complying with these requirements, as they are either not holding the information sessions/providers fairs or are not inviting all the participating providers to the fairs, as follows:

DoE’s Office of Special Projects maintains a record of all the information sessions/provider fairs reportedly held by the schools. We reviewed this record for the 2006-07 school year. We found that 80 of the 279 schools subject to SES requirements that year (29 percent) reported no information sessions or provider fairs. In addition, officials at 3 of the 45 schools in our sample told us they had no plans to hold an information session or provider fair for the 2006-07 school year.

In our discussions with officials of the 45 schools in our sample, we learned that 40 of the schools had not invited all the participating service providers to their provider fairs. Also, we contacted four service providers, and they told us they had been invited to only two to four fairs each. They said they had not received invitations from the other schools in the SES Program, even though they were willing to provide services to eligible students at those schools.

While some parents may be convinced by the Parent Information Packets to enroll their

children in the SES Program, other parents may need additional information or additional encouragement. This additional information and encouragement can be provided at SES information sessions or provider fairs. If a school does not hold these events, it is missing an opportunity to reach these parents. In addition, if a school does not invite all participating providers to its provider fairs, it is not making full use of the opportunity to promote all available services.

The schools' implementation of the SES Program is overseen by DoE's Office of Special Projects. The Office of Special Projects maintains records about SES information sessions and provider fairs, but it does not proactively monitor the schools to determine whether they are actually scheduling the events or inviting all participating providers as required. We recommend the Office of Special Projects be more proactive in its monitoring, and to facilitate this monitoring, we recommend schools be required to provide the Office of Special Projects with advance notification of their information sessions and provider fairs. We further recommend that the Office of Special Projects follow up with schools not providing such notification, and inform all participating providers of the fairs that are scheduled.

In response to our audit findings, DoE officials indicated that the parent information sessions should be distinguished from the provider fairs. They stated that only newly identified Schools In Need of Improvement (SINI) are required by the NCLB Act to hold parent information sessions, whereas schools continuing their SINI status are not required to hold such sessions. Further, DoE officials stated that their policy requires all schools to hold provider fairs regardless of whether the school is a newly designated SINI school or is continuing in their SINI status.

We note that DoE's Manual does not clearly make this distinction and the officials at the schools in our sample generally were not fully aware of this distinction. We also note that the distinction is not relevant to our finding, as we are pointing out that many schools are not complying with the provisions in DoE's Manual about provider fairs. These schools either are not holding the fairs or they are not inviting all participating providers to the fairs they are holding.

### **Promoting the SES Program Through Non-Traditional Methods**

DoE promotes the SES Program in a number of ways. As was already noted, the participating schools are required to hold parent information sessions and provider fairs. In addition, the Office of Special Projects places advertisements in local newspapers, makes SES Program information available on New York City's 311 Hotline (an official source of information about various government services in New York City), and provides Program information on the DoE website.

The federal guidance recommends that Local Educational Agencies like DoE consider both traditional (e.g., newspapers and the Internet) and non-traditional methods of promoting the SES Program to parents. The federal guidance notes that Local Educational Agencies are most effective at reaching eligible families when they use both types of promotion. The federal guidance gives the following examples of non-traditional promotion: notices at venues parents might frequent, such as neighborhood stores, movie theaters, restaurants, beauty salons and barbershops, laundromats, or places of worship.

We found that DoE is using traditional forms of communication to promote the SES



Program, but it is not using less traditional forms. In particular, DoE does not place flyers, posters, or other notices about the SES Program in community sites that parents tend to frequent. An official from Massachusetts's SES Program told us that they promote the Program at supermarkets and the YMCA, and this has contributed to their being able to reach more parents in the community.

DoE officials believe they are fulfilling their outreach responsibilities by preparing informational materials that the schools can distribute to parents, advertising in newspapers, and placing information on the Internet. In addition, some schools use AutoDial to call the homes of eligible students to remind parents to enroll their children in the SES Program. However, because DoE does not promote the Program through less traditional communications methods, DoE is missing opportunities to reach the parents who are more likely to respond to these methods.

### **Evaluating Outreach Efforts**

Federal guidance advises Local Educational Agencies that "If few eligible parents sign up for services, it may be useful for an LEA to evaluate its outreach efforts and consider the extent to which its efforts reflect six communication goals for designing and implementing an effective outreach strategy for parents: (1) get parents' attention; (2) inform them about their SES options; (3) help them understand how to obtain services; (4) motivate parents to take action to exercise their options; (5) encourage parents to follow and communicate about their children's progress; and (6) influence parents to provide feedback regarding the impact and quality of the services their children receive."

We found that DoE had not formally evaluated the effectiveness of its outreach

efforts, even though many of its schools have very low SES enrollment rates. DoE did not perform a formal analysis because Office of Special Project officials believed that the percentage of students enrolled in the SES Program was good. In addition, they believe they are not obligated to do more than inform parents about the availability of Program services and contract with SES providers. They also indicated that they had informally evaluated the effectiveness of their outreach efforts on an ongoing basis.

We agree that, in notifying parents about the availability of the SES Program and contracting with SES providers, DoE is meeting the minimum SES requirements. However, the federal guidance also indicates that more than the minimum effort is needed if the SES Program is to be successful.

In addition, if DoE does not formally analyze the effectiveness of its outreach efforts, it will not be able to determine which methods result in more parents enrolling their children in the SES Program or why some schools have much higher enrollment rates than others. In our review of enrollment practices at a sample of schools, we identified instances of noncompliance with DoE requirements (e.g., SES information sessions/provider fairs) as well as other opportunities for improvement. However, our audit does not intend to fully account for the differences in enrollment rates among the schools. It is therefore important for DoE to thoroughly analyze the outreach practices at different schools to determine whether some practices are more effective than others.

In response to our audit findings, DoE officials stated they will continue to review and evaluate their outreach efforts. They indicated they are now considering whether to adopt additional methods of outreach, such as obtaining the assistance of community-based

organizations, libraries and New York City agencies that provide services to families and children. They also indicated that they may develop surveys or hold focus groups. DoE officials further stated that they are considering revising the SES enrollment form to ask parents where they learned about the SES Program in order to better target parents and disseminate information about the Program.

### **Best Practices**

In our discussions with school officials, SES service providers and SES Program officials in other states, we identified certain practices that could help DoE increase SES enrollment rates at schools where the enrollment is low.

For example, at most of the schools in our sample, school officials do not begin contacting parents of SES eligible children until the beginning of the school year (early September). However, at some of the schools, officials begin contacting parents to discuss the SES Program at the end of the prior school year or during the summer months. This gives the officials more time to contact parents who are difficult to reach and gives parents more time to consider the benefits and logistics of enrollment. We recommend DoE adopt this approach.

In addition, in Massachusetts, school officials make follow-up phone calls to eligible parents who have not enrolled their children in the SES Program to encourage them to submit the enrollment forms. Some of the schools in our sample also make these calls. However, most of the schools in our sample do not make these follow-up calls. Such calls have yet to be recommended by DoE. We suggest the calls be recommended by DoE.

We also found that some of the schools in our sample work closely with the service

providers in their promotional efforts. For example, they have on-site providers present at the schools during each day of the enrollment period. We recommend DoE encourage this type of coordination between schools and providers.

### **Recommendations**

1. Recommendation removed from the final report based upon the response of agency officials.
2. Increase the availability of SES enrollment forms by allowing schools to photocopy the forms and by distributing the forms to SES providers.
3. Require the schools in the SES Program to provide the Office of Special Projects with advance notification of their parent information sessions and provider fairs. Follow up with any schools not providing such notification, and inform all participating providers of the fairs that are scheduled.
4. Supplement ongoing efforts to promote the SES Program by adding less traditional forms of communications.
5. Develop and implement a system for formally evaluating the effectiveness of SES outreach efforts. As part of this system, include a question on the SES enrollment form asking parents where they learned about the SES Program.
6. Advise school officials to begin contacting parents to discuss the SES Program at the end of the prior school year or during the summer months.
7. Advise school officials to make follow-up phone calls to eligible parents who have not enrolled their children in the

SES Program to encourage them to do so.

8. Encourage the schools to work closely with SES service providers in their efforts to promote the SES Program.

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### *Program Administration*

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If enrollment in after-school SES sessions is to be maximized, the sessions must be coordinated with other after-school activities to minimize conflicts. In addition, SES Program requirements must be effectively communicated among school and DoE officials. We found that improvements are needed in both these aspects of SES Program administration.

#### **Coordination with Other After-School Activities**

SES tutoring and remedial sessions may be held at the school building, at the provider's facility or at the student's residence. The sessions may be held before school, after school or on the weekend. DoE procedures require that schools have at least one on-site service provider. According to DoE and school officials, most students enrolled in the SES Program attend after-school sessions that are held on-site at the school.

The DoE Manual states that the principal should coordinate the SES program(s) with other after-school programs operating in their building. In order to maximize the benefit of the SES programs for students and to minimize competition for staff and space, principals are advised to schedule SES sessions on days when few programs are in operation.

However, at 15 of the 45 schools in our sample, the SES Program was not effectively

coordinated with other after-school activities. For example, we found:

- There was considerable competition between the SES Program and other after-school activities, which are held on the same days and even at the same times, and often use the same teachers.
- SES sessions do not start until later in the school year; since other after-school activities are already established by that time, SES eligible students may already be involved in those activities.
- DoE does not monitor the schools' efforts to coordinate the SES Program with other after-school activities, and has developed no specific guidelines for such coordination.
- Some principals find it difficult to coordinate other activities with the SES Program, because they do not have full control over the administration of the SES Program.

DoE officials further noted that the new extended school day has made it even more difficult to coordinate SES sessions with other after-school activities. Beginning in 2006, the school day was extended and teachers in New York City public schools were required to work an additional 37.5 minutes a day. DoE officials noted that some SES sessions had to be rescheduled because the teachers hired by SES providers could not begin until the end of the new extended school day. The officials further noted that one of the purposes of the extended work day was to provide additional academic intervention for certain students. Since many of these targeted students are also eligible for the SES Program, additional conflicts were created.

As a result of this lack of coordination, some students may not be able to enroll in SES sessions. DoE officials stated that they are conducting a review of after-school activities to determine whether SES enrollment has been affected by conflicts with these activities. They also stated they will consider methods to provide schools with guidance on coordinating the SES Program with other after-school activities, and will identify schools that have successfully coordinated these activities and share the best practices.

### **Communications and Training on the SES Program**

Many parties have roles in the implementation of the SES Program, including the Office of Special Projects, school principals, parents, DoE Parent Coordinators, SES service providers, and students. If the Program is to be implemented in an effective manner, Program policies and procedures must be communicated to all concerned parties in a clear, accurate, timely and consistent manner.

Based on our meetings with principals, assistant principals and Parent Coordinators from the 45 schools in our sample, we identified inconsistent practices and major points of confusion in the implementation of the SES Program in the 2006-07 school year, as follows:

- According to DoE's timeline, the Fall SES sessions were to begin on October 30, 2006. However, 12 of the 45 schools were late in starting their sessions, as the start dates for their sessions ranged from November 5, 2006 to December 8, 2006. As a result, the students in these sessions had less time to benefit from the sessions.

- At four schools, the principals did not select at least one on-site SES service provider, as required by DoE procedures, because they were under the mistaken impression that to do so would be a conflict of interest with provisions in the NCLB Act and DoE policy stipulating schools not recommend specific providers or make choices on behalf of parents.
- Officials at ten schools were not aware that they were required by DoE procedures to send a letter to parents notifying them about the on-site providers chosen by the school.
- Officials at nine schools were not aware of a special DoE website that is available to principals. This special website shows the students who have enrolled in SES sessions at each school. Principals who monitor the website may be able to take actions that can increase enrollments.
- At six schools, the SES liaisons told us they had not received SES training, as is required by DoE procedures. As a result, they may not have been as knowledgeable about the SES Program as they needed to be.
- Officials at four schools were unaware of the deadline extensions for submitting SES enrollment forms. As a result, some of the students at these schools could mistakenly have been denied enrollment in the SES Program.

We also found that New York City's 311 Hotline provides inaccurate and out-of-date information about the SES Program. We made three calls to the Hotline during October and November 2006. In two of these calls,

the operators gave us incorrect information about SES eligibility, as they indicated that eligible students included “Reduced Lunch” in addition to “Free Lunch” students. In addition, two of the operators did not know that the enrollment deadline had been extended.

In response to our audit findings, DoE officials stated that they will review their approach to disseminating information to all parties involved in the SES Program and will consider additional options for training Parent Coordinators and principals. They further stated that they have begun to revise their manuals in order to make policies and processes clearer. In addition, DoE officials stated they are reviewing the process of communicating SES information to the 311 Hotline and will take steps to ensure that the Hotline has accurate information.

### **Recommendations**

9. Provide schools with specific guidance on coordinating the SES Program with other after-school activities, and monitor the schools’ effectiveness in coordinating these activities to determine whether any additional guidance is needed.
10. Strengthen communications among all parties involved in the SES Program.
11. Revise the manual to provide clear guidance on the selection of on-site providers.

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### *Enrollment of Ineligible Students*

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Each year, DoE identifies the students who are eligible for the SES Program. According to the eligibility criteria used by DoE, students are eligible for the SES Program if they have been found by DoE to be eligible

for the Federal “Free Lunch” Program. To determine whether this eligibility criterion was appropriately applied, we reviewed DoE’s database of the students deemed to be SES eligible in the 2004-05 and 2005-06 school years.

We found that, in the 2004-05 school year, 17,426 of the 218,873 students (8.0 percent) deemed to be eligible for the SES Program may not, in fact, be eligible. In the 2005-06 school year, 2,887 of the 223,387 students (1.3 percent) deemed to be eligible for the SES Program may not be eligible.

According to the database, many of the students erroneously deemed to be SES eligible (9,932 in 2004-05 and 697 in 2005-06) had not submitted applications for the Free Lunch Program. It is therefore possible that some of these students may have been eligible for the Free Lunch Program (and thus eligible for the SES Program). However, in the absence of an approved application, there is no assurance the students were eligible for the Program. The other misclassified students were not eligible for the SES Program because, according to the database, either they were not eligible for the Free Lunch Program (they were instead eligible for “Reduced Price” lunches or “Full Price” lunches) or they were not enrolled in kindergarten through grade 12 (many were pre-kindergarteners).

As a result of these errors in determining students’ eligibility for the SES Program, there was an increased risk ineligible students could be enrolled in the SES Program, and we found that such students were enrolled. In the 2004-05 school year, 5,493 of the 17,426 ineligible students were enrolled in the SES Program, and in the 2005-06 school year, 1,228 of the 2,887 ineligible students were enrolled in the SES Program.

Thus, in the 2004-05 school year, 5,493 of the 87,318 students (6.3 percent) enrolled in the SES Program were not, in fact, eligible for the Program, and in the 2005-06 school year, 1,228 of the 81,347 students (1.5 percent) enrolled in the SES Program were not, in fact, eligible for the Program.

SES services are costly, and must be provided to students who are eligible for them. Based on the 2004-05 maximum reimbursement to SES providers of \$2,119 per pupil, we estimate that as much as \$11.6 million may have been spent to fund services for these ineligible students. Similarly, based on the 2005-06 maximum reimbursement of \$2,024 per pupil, we estimate that as much as \$2.5 million may have been spent to fund services for these ineligible students.

SES enrollment applications are processed at DoE's Regional Operational Centers. The Office of Special Projects does not verify that the students identified by the schools as SES eligible do, in fact, meet DoE's criteria for eligibility. Instead, the Office of Special Projects relies on the Regional Operational Centers to eliminate ineligible students when it processes the applications. As our review shows, the Regional Operational Centers have not been reliable in this matter. We recommend DoE strengthen its controls over the eligibility determination and verification processes.

In response to our audit findings, DoE officials reviewed their SES database, and while they dispute some of our numbers, they acknowledge there are problems with the eligibility information in the database.

### **Recommendation**

12. Determine why ineligible students are allowed to enroll in the SES Program

and develop controls to prevent such enrollments.

### **AUDIT SCOPE AND METHODOLOGY**

We conducted our audit in accordance with generally accepted government auditing standards. We audited DoE's implementation of the SES Program for the period July 1, 2004 through January 31, 2007. To accomplish our audit objective, we interviewed officials of DoE, particularly those in the Office of Special Projects, and principals, Parent Coordinators and SES liaisons of selected schools. We also met with SED officials and spoke with individuals who work with SES Programs in other states, such as Florida, Massachusetts, Illinois and Georgia. In addition, we interviewed several SES providers. We also analyzed documentation provided to us by these various entities and officials.

We analyzed DoE's database of the students deemed eligible for the SES Program in the 2004-05 and 2005-06 school years. We also selected a judgmental sample of 50 of the 279 New York City public schools that were subject to SES requirements in the 2005-06 school year. We selected the 50 schools on the basis of their grade levels (high school, middle school or elementary school) and SES enrollment percentages, judgmentally selecting schools that would result in a representative sample of the total 279 schools. Since 5 of the 50 schools were closed as of June 30, 2006, we eliminated them from our sample and focused on the remaining 45 schools (which are listed in Exhibit A). We spoke with officials of 37 of these schools during visits to the schools, and spoke on the telephone with officials at the other eight schools.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State. These include operating the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. In addition, the Comptroller appoints members to certain boards, commissions and public authorities, some of whom have minority voting rights. These duties may be considered management functions for the purposes of evaluating organizational independence under generally accepted government auditing standards. In our opinion, these functions do not affect our ability to conduct independent audits of program performance.

#### **AUTHORITY**

The audit was performed pursuant to the State Comptroller's authority under Article V, Section 1 of the State Constitution, and Article III, Section 33 of the General Municipal Law.

#### **REPORTING REQUIREMENTS**

Draft copies of this report were provided to DoE officials for their review and comments. Their comments were considered in preparing this report and are included as Appendix A. DoE officials agreed with eight of the eleven recommendations. They state that corrective actions to address many of the concerns raised in our report have been implemented or were already underway at the time of our audit.

Our rejoinders to the DoE's comments are presented in Appendix B, State Comptroller's Comments.

Within 90 days of the final release of this report, we request that the Chancellor of the New York City Department of Education report to the State Comptroller, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons why.

#### **CONTRIBUTORS TO THE REPORT**

Major contributors to this report include Kenrick Sifontes, Stephen J. Donovan, Stephen Lynch, Sheila Jones, Tania Atria, Daniel Raczynski, Clarissa Pickett and Dana Newhouse.

Exhibit A

SES Enrollment Rates at a Sample of 45 Public Schools in New York City  
2005-06 School Year

School	Borough	Number of Students Eligible for SES Program	Percent of Eligible Students Enrolled
<b>Elementary Schools</b>			
PS 48	Manhattan	409	99.8
PS 98	Manhattan	551	83.1
PS 325	Manhattan	241	80.9
PS 132	Manhattan	837	76.9
PS 5	Manhattan	796	76.1
PS 288	Brooklyn	649	68.1
PS 36	Manhattan	475	51.4
PS 67	Brooklyn	302	51.3
PS 310	Bronx	790	50.2
PS 189	Manhattan	1,213	49.9
PS 54	Bronx	523	48.2
PS 13	Brooklyn	589	23.2
PS 58	Bronx	519	17.1
PS 198	Bronx	460	15.9
PS 116	Brooklyn	480	0.8
PS 7	Bronx	707	0.1
<b>Middle Schools</b>			
JHS 62	Brooklyn	1,163	94.3
IS 235	Queens	158	93.7
IS 232	Brooklyn	462	81.6
JHS 318	Brooklyn	1,325	79.8
IS 77	Queens	1,267	36.9
JHS 88	Brooklyn	958	34.9
JHS 131	Bronx	1,198	34.5
JHS 135	Bronx	1,215	34.1
IS 246	Brooklyn	1,166	34.0
JHS 71	Brooklyn	799	27.2
JHS 210	Queens	1,694	4.3
IS 254	Bronx	526	1.5
IS 349	Brooklyn	559	0.5
JHS 98	Bronx	542	0.4
JHS 99/277	Manhattan	173	0
<b>High Schools</b>			
East Side Community HS	Manhattan	508	83.9
High School of World Cultures	Bronx	245	40.4
Monroe Academy Business/Law	Bronx	546	37.2
Coalition School for Social Change	Manhattan	427	32.5



CES-Manhattan International HS	Manhattan	335	31.9
Adlai E. Stevenson HS	Bronx	2,669	10.2
George Westinghouse HS	Brooklyn	761	10.0
Urban Peace Academy HS	Manhattan	219	8.7
Franklin K. Lane HS	Brooklyn	3,437	6.7
Louis D. Brandeis HS	Manhattan	2,903	3.8
Christopher Columbus HS	Bronx	2,393	1.5
Progress HS	Brooklyn	799	0
Satellite HS	Manhattan	934	0
Unity HS	Manhattan	97	0
Total - City Wide	-	81,347	36.4

## APPENDIX A - AUDITEE RESPONSE



### THE NEW YORK CITY DEPARTMENT OF EDUCATION

JOEL I. KLEIN, *Chancellor*

Kathleen Grimm, *Deputy Chancellor for Finance and Administration*

November 15, 2007

Mr. Steven E. Sossei  
Audit Director  
Office of the State Comptroller  
123 William Street  
21<sup>st</sup> Floor  
New York, NY 10038

Re: Draft Audit Report Number 2006-N-11

Dear Mr. Sossei:

This cover letter, with the attached detailed response of the New York City Department of Education ("NYCDOE") to specific findings and recommendations ("Response"), addresses the Office of the State Comptroller's ("Comptroller") draft audit report titled *New York City Department of Education Student Participation in the Supplemental Educational Services Program*. ("Report").<sup>1</sup>

Before addressing the particulars of the audit that focused solely on No Child Left Behind ("NCLB") Supplemental Educational Services ("SES"), it is useful for us to establish the context in which those services are administered by the NYCDOE so that the public does not draw the entirely erroneous conclusion that SES is the only, or even the most desirable, instructional support service option for every NYCDOE student, including those eligible for SES. And so, while the NYCDOE has embraced the spirit of SES by setting a positive tone about the importance of SES and by building strong relationships with SES providers, we have also actively sought to expand the universe of academic support programs to provide an array of choices for students and their families.

Within that universe of programs are those that have enjoyed the support of school and local communities insofar as they have taken a comprehensive approach to engaging students outside the school day. In that regard we point to 21<sup>st</sup> Century Community Learning Centers, a federally-funded initiative that, similar to SES, targets students attending high poverty and low performing schools, but unlike SES which provides tutoring only, "offers a broad array of enrichment activities that can complement their regular academic programs; and offers literacy

<sup>1</sup> By letter dated March 27, 2007, the NYCDOE offered an informal response to the Comptroller's preliminary findings and recommendations, certain portions of which have been incorporated into the Report. Nonetheless, as this cover letter and Response will be made part of the public record, we deem it necessary to reiterate in this context several of the points previously made informally.

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\* See State Comptroller's Comments, p. 31

and other educational services to the families of participating children.”<sup>2</sup> That holistic approach is also the hallmark of Out-of-School Time (“OST”) Programs for Youth, which, managed by the New York City Department of Youth and Community Development (“DYCD”) in NYCDOE schools and community sites,<sup>3</sup> has become the largest after-school initiative in the nation, providing at no cost, programs that “offer a balanced mix of academic support, sports and recreational activities, the arts and cultural experiences.”<sup>4</sup> Also administered by DYCD, the Beacon Program has been operating as an integrated partner with approximately 80 NYCDOE schools and in community centers to provide a panoply of academic, life skills, career awareness, and recreational services after school, on weekends and holidays.<sup>5</sup> And more recently, the choices for at-risk students increased as a consequence of the NYCDOE’s forward-thinking initiative, whereby 150 minutes a week of additional, small group instructional support was negotiated into the United Federation of Teachers contract to provide struggling students, including those who are SES-eligible, with critical academic interventions. Given that these varied, excellent support options are available in addition to SES, it is wrong to infer - as we believe the Report asks the reader to do - that unless enrollment numbers are maximized in the area of SES programs, the chances for eligible students’ academic achievement are diminished.

Furthermore, notwithstanding that NYCDOE students otherwise eligible for SES may have opted for a different intervention model, we posit that the Report is simply wrong in its implication that the NYCDOE’s SES participation rates of 39 percent in School Year 2004/2005, and 36 percent in School Year 2005/2006 are lackluster. Our position is firmly grounded on the findings of a study prepared for and published by the United States Department of Education.<sup>6</sup> That study, based on data from nine large, urban school districts, concluded that the average SES participation rate across the sampled school districts in School Year 2004/2005 was 12 percent, lower than the national average of 19 percent. And, while the Report points to Massachusetts’ proactive SES enrollment initiatives, and recommends that we model our efforts accordingly, the fact is that during School Year 2005/2006, only 11 percent of Massachusetts’s eligible students enrolled in SES programs statewide, a percentage that included Boston’s report of 25.9 percent enrollment.<sup>7</sup>

There is no question that NYCDOE’s SES participation percentages stand up to close scrutiny. More importantly, however, we remain committed to implementing a well-managed SES program, ensuring that parents have accurate information about the diverse provider options and

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<sup>2</sup> <http://www.ed.gov/programs/21stccle/index.html>

<sup>3</sup> Recognizing a common mission with regard to the educational and social development of New York City youth, the NYCDOE and DYCD have entered into a Memorandum of Understanding to enable the operation of the OST program in NYCDOE schools.

<sup>4</sup> <http://www.nyc.gov/html/dycd/html/services-ost.html>

<sup>5</sup> Beacon’s services for adults and families include General Education Diploma, English for Speakers of Other Languages, parenting skills and tenant education and advocacy. <http://www.nyc.gov/html/dycd/html/services-afterschool-beacon.html>

<sup>6</sup> *State and Local Implementation of the No Child Left Behind Act: Volume I—Title I School Choice, Supplemental Educational Services, and Student Achievement.* (<http://www.ed.gov/rschstat/eval/choice/implementation/index.html>)

<sup>7</sup> The NYCDOE obtained the cited SES participation rates from the Massachusetts Department of Education SES State Program Coordinator.

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\* See State Comptroller’s Comments, p. 31

supporting SES providers in their efforts to provide eligible students with quality services. Indeed, that the NYCDOE has created an SES program that is one of the largest in the country is attributable to the following key initiatives.<sup>8</sup>

- The NYCDOE develops comprehensive materials for parents and makes them available in nine languages. In addition, manuals have been developed for both school administrators and providers. Our website provides comprehensive SES information for parents, providers and schools.
- During SY 2006-2007, the NYCDOE distributed 276,250 SES Parent Information Packages, provided 72,000 additional SES parent selection forms and mailed 150,000 postcards to the homes of eligible students who had not yet enrolled in SES programs. This school year, in August, 185,000 postcards were mailed to parents of eligible students alerting them to the availability of SES programs.
- The NYCDOE was one of the first Local Education Agencies (“LEA”) to give providers greater access to school buildings.
- The NYCDOE was one of the first LEAs to introduce rolling enrollment to provide parents with continuing opportunities during the school year to enroll their children in an SES program. While rolling enrollment makes it difficult to establish uniform start up dates, it accommodates students that may have newly enrolled in an SES school at the beginning of or during the school year and ensures that the NYCDOE meets the demands for SES from eligible students.
- The NYCDOE is one of only a small number of LEAs that monitor SES programs and schools to assess provider compliance with federal and state regulations and contractual obligations, and to ensure that schools have properly implemented SES. During the last two school years, the NYCDOE conducted 193 site visits at schools and 60 real time reviews of SES providers. The results were shared with the providers to assist them in improving their programs, and with the New York State Education Department (NYSED) as part of the NYCDOE’s annual report. The NYCDOE will continue to monitor providers to ensure that the instruction provided is consistent with their approved plan and aligned with local and state standards, and that the providers comply with applicable local and state procedure and regulations.

Notwithstanding our significant and largely successful efforts in promoting SES, we acknowledge the importance of constructive feedback in the area of program management and thank the Comptroller for recommendations that will supplement outreach efforts. In consideration of the Comptroller’s advisements the NYCDOE this school year has obtained the agreement of the borough library systems to post in their branches fliers in nine languages describing SES and providing information about how families can obtain additional information; redrafted parent surveys to include how parents learned of SES; and revised the SES manual to clarify the process for selecting on-site providers.

Lastly, as discussed in the attached Response, we have confirmed, at least in part, the Comptroller’s conclusion that students who were ineligible for SES services by virtue of their

<sup>8</sup> In School Year 2006/2007 alone over 70,000 students enrolled in these services.

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free meal status and/or grade (Prekindergarten) had been identified for participation in SES during the audit periods. Consequently, protocols for importing data from ATS to the SES database are more stringently applied and data system edits that prevent replication of that situation have been put into place. As a final point in that regard, we want to underscore that no student who was eligible for SES during the audit period was denied the opportunity to participate as a result of the apparent data errors.

While we may take a view of the audit findings different from that of the Comptroller in certain respects, we nonetheless thank that office for its concerns on behalf of NYCDOE students. Further, we recognize and appreciate that throughout the project the Comptroller has provided this agency the opportunity to state its position and respond to findings.

Sincerely,



Kathleen Grimm

cc: Vincent Giordano  
Eric Goldstein  
Martine Guerrier  
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**NEW YORK CITY DEPARTMENT OF EDUCATION AUDIT RESPONSE**

This, with the attached cover letter, addresses the Office of the State Comptroller’s (“Comptroller”) draft audit report titled *New York City Department of Education Student Participation in the Supplemental Educational Services Program*. (“Report”).

**RECOMMENDATION 1:** “Determine whether it would be cost-beneficial to use NCLB funds to transport students to and from sessions when the school’s normal transportation services are not available.”

**RESPONSE:** The recommendation flows from the Report’s identification of a drop in SES enrollment from 39 percent in School Year 2004/2005 to 36 percent in School Year (“SY”) 2005/2006. Although, as explained in the attached cover letter, the NYCDOE students’ participation rates exceeded national averages, managers nonetheless had been aware of and concerned about the drop in enrollment during the audit period. Based on an analysis of data and conditions that may have impacted SES enrollment, we have concluded that the apparent decline may be attributed in part to the following:

- The NYCDOE has conducted a review of after school programs to determine if SES enrollment may have been impacted by the array of academic intervention and recreational programs offered by schools whose students are SES-eligible. The results indicate, as noted in the cover letter, that many community based organizations and schools house the very successful 21<sup>st</sup> Century Community Learning Centers, Out of School Time and Beacon after school and weekend programs, all of which include academic supports. Although the proliferation of these comprehensive alternatives may have contributed to a decline in SES enrollment overall, the NYCDOE takes the position that the array of options is a substantial benefit to students and that any analysis of SES enrollment numbers must be made within the context of these additional intervention programs that also serve SES-eligible students. Our goal is to provide students with the opportunity to take advantage of as many supports as possible to improve academic achievement.
- In order to significantly improve students’ chances of academic success, in January 2006, the NYCDOE successfully negotiated a powerful new resource: 150 minutes a week of additional academic support for struggling students. The introduction of the Extended Day provision of the UFT contract requires all teachers to work an additional 37.5 minutes a day with a small group of students in need of academic assistance. This robust, small group instruction provides struggling students with critical academic interventions that help them gain the skills and knowledge that they need to succeed. Initially, some SES programs had to be rescheduled because teachers hired by SES providers could not begin until the end of the school day and many of the students mandated to receive academic

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\* See State Comptroller’s Comments, p. 31

intervention in the extended day were also enrolled in SES programs.<sup>1</sup> The extension of the regular school day pushed the start of the SES program to a later time which upset arrangements that parents had made to pick up their children or caused a conflict with the school bus schedule. In order to minimize the impact of the extended school day and other after school programs on SES, the NYCDOE has contracted with SES providers that offer weekend and at-home alternatives to after-school SES programs and has advised schools to consider the coordination of SES programs and other after school programs when scheduling the extended day.

- In disaggregating SES enrollment data by grade level, we identified a significant drag on the numbers in the high school grades. Specifically, while the number of SES-eligible elementary grade students declined by 26%, the number of SES-eligible high school students increased by 14.5% over the past two school years; high school students now comprise 26.4% of the eligible pool of students in all grades. The average enrollment in SES programs for NYCDOE elementary students is approximately 50% of those eligible; by contrast, the enrollment rate for high school students has remained consistently lower at 8.2% in SY 2004/2005 and 11.0% in SY 2005/2006.<sup>2</sup> Historically, high school students have not enrolled in SES programs or have had poor attendance in those programs because jobs, family obligations and/or homework and study in the pursuit of credits toward graduation, leave limited time for tutoring despite the availability of at-home and internet service providers and flexible schedules.<sup>3</sup> The NYCDOE continues to work with service providers and the NYSED to identify instructional intervention models that can meet the special needs of the high school population in addition to those that are already available through NYCDOE partnerships with other agencies.

While the Report appears to acknowledge that SES enrollment rates may be impacted by the above conditions - none of which have been identified upon our own analysis as involving transportation - the recommendation is that we consider whether SES participation may be increased by providing transportation to SES programs outside the normal school day.

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<sup>1</sup> Because the NYCDOE understood that many parents would want programs that were staffed by certified teachers, we requested and received a waiver from the New York City Conflict of Interests Board permitting SES providers to hire NYCDOE teachers, albeit only in instructor and lead teacher positions.

<sup>2</sup> Although the NYCDOE's high school SES enrollment rates were facially low at 8.2% in SY 2004/2005, a study of nine large urban school districts commissioned by the United States Department of Education found the only 5% percent of the studied districts' high school students participated in SES during the same period. *State and Local Implementation of the No Child Left Behind Act: Volume I—Title I School Choice, Supplemental Educational Services, and Student Achievement.* (<http://www.ed.gov/rschstat/eval/choice/implementation/index.html>).

<sup>3</sup> SES is defined as tutoring and other supplemental academic enrichment services that are in addition to instruction provided during the school day. (No Child Left Behind Act of 2001, Section 1116(e)(12)(c)). In contrast with the instructional requirements of the educational program, SES tutoring services are not required by NCLB to be performed by "high quality teachers." There is no presumption in the law, therefore, that SES programs should be credit-bearing. Further, the New York State Education Department, the agency that approves SES providers, has not approved any credit-bearing SES programs.

By way of example, the Report offers that the NYCDOE “could provide Metro cards to eligible students as long as they met Office of Pupil Transportation requirements.” (Report, p. 6). We offer in response that generally, students who meet Office of Pupil Transportation requirements for MetroCards have them, and that those MetroCards provide at least three trips each day. A student, therefore, already has available no-cost transportation to school, then an SES program, and, finally, home. For students who are bused, a category that includes only elementary and some, but not all, special education students in every grade, offering a MetroCard after the school buses have left at the end of the regular school day is not a viable option in light of the students’ ages and special needs.

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Further, although SES Non-Regulatory Guidance suggests that a Local Education Agency (LEA) may provide transportation to SES programs, it is not obligated to do so by law. If the LEA does choose to provide transportation those costs cannot be used to satisfy the five percent minimum expenditure requirement for SES. The NYCDOE has considered transporting students to SES providers using contract buses and has concluded that the costs associated with that service and the logistics involved in scheduling bus routes for small numbers of students counter against that undertaking. The NYCDOE policy to put dollars in the classroom does not support the provision of transportation for SES. We have endeavored to provide parents with good alternatives to school-based SES programs that include at-home tutoring, internet, and programs closer to home that may be offered on weekends.

**RECOMMENDATION 2:** The Report concludes that the NYCDOE has not fully complied with “Federal guidance” insofar as it has prohibited schools from photocopying the SES enrollment forms and restricted SES program providers’ access to those forms. (Report, p. 6). The recommendation is that the NYCDOE “[i]ncrease the availability of SES enrollment forms by allowing schools to photocopy the forms and by distributing the forms to SES providers.”

**RESPONSE:** In response, we note first that the cited federal guidance is non-regulatory, that is, LEAs may, but are not required to, follow it; and, second, that the NYCDOE’s policy to restrict the distribution of the SES enrollment forms is consistent with a recommendation made in March 2006 by the Office of the Special Commissioner of Investigation for the New York City School District (“SCI”) in response to investigative findings that certain SES providers had gained access to enrollment forms, photocopied, pre-populated and affixed student labels to the forms, contrary to NYCDOE policy and procedure.

The policy limiting access to enrollment forms and banning copying had been instituted initially to discourage providers from submitting fraudulent forms. The NYCDOE processes over 100,000 forms during the peak of the enrollment period. Therefore, in addition to limiting the opportunity for submission of fraudulent enrollment forms, the photocopying prohibition serves to avoid the need to review multiple enrollment forms

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\* See State Comptroller’s Comments, p. 31



for validity and decreases the time required for assigning students to the providers actually selected by the parents.

In order to avoid creating problems such as those identified above, generally, the NCLB office has sent schools just slightly over the number of forms needed for SES-eligible students. That office has found that schools seeking additional forms are those that distributed them to students regardless of SES eligibility. This school year, then, instructions that accompany the forms will be improved and will clarify that the enrollment forms are to be distributed to SES-eligible students only.

For the above reasons, the NYCDOE cannot accept the recommendation that we widely distribute enrollment forms and permit photocopying.

**RECOMMENDATION 3:** “Require the schools in the SES Program to provide the Office of Special Projects with advance notification of their parent information sessions and provider fairs. Follow up with any schools not providing such notification, and inform all participating providers of the fairs that are scheduled.”

**RESPONSE:** When schools receive official notification about their NCLB status, they are required by NCLB to inform parents that their child’s school has been designated within one of the “School in Need of Improvement” (SINI) categories. A letter must be sent home and an information/orientation session must be held to explain to the parent body the choices available as a consequence of the designation. In addition to the required NCLB information/orientation sessions, schools are asked by the NYCDOE to hold provider fairs so that parents can meet and interview SES provider representatives.<sup>4</sup> Schools are informed of their obligation to invite all providers to any provider fair scheduled by the school.

With respect to the NYCDOE’s oversight efforts, we have undertaken the following:

- Monitoring visits to SES schools throughout the city have been conducted since the 2005/2006 school year to review provider programs and to interview school staff about the implementation of SES in their schools. The monitoring protocol includes documenting that required information/orientation sessions or fairs were conducted.
- District/School Improvement Liaisons have been tasked with responsibility for eliciting information from schools regarding when they held an SES fair or information session and how many parents attended.
- Principals are required to complete and submit to the Office of School Improvement a “Principal Attestation Form” certifying that an information/orientation session was held to explain the NCLB status to parents. The attestations are required to be submitted within a timeframe that is practical based on the date that the state identifies SINI schools (mid-school year) and time allotted thereafter for the school to appeal its status and inform parents.

<sup>4</sup> NCLB information/orientation sessions and NYCDOE provider fairs may be held at the same time.

- The NYCDOE, further, has revised the language in its *Supplemental Educational Services Policy and Implementation Manual for Providers and School Administrators* (“Manual”) to clarify the distinction between the official information/orientation sessions and SES provider fairs.

**RECOMMENDATION 4:** “Supplement ongoing efforts to promote the SES program by adding less traditional forms of communications.”

**RESPONSE:** The NYCDOE agrees with this recommendation and has already begun to enhance parent outreach efforts through non-traditional forms of communication in the following ways.

- SES fliers in nine languages were distributed to the borough library systems for posting in branches.
- In February 2007, postcards were sent to the homes of eligible students who had not enrolled in SES programs. The initiative was so well received that in August of this school year postcards were mailed advising families of the SES opportunities that would be available during the school year.
- The position of parent coordinator was created in SY 2003/2004 with responsibility for facilitating the SES process.
- Schools are using AutoDial to call the homes of eligible students and remind parents that SES is an opportunity for students to progress in reading and math.

The NYCDOE will continue to review and evaluate its outreach efforts and adopt additional methods of outreach that will include the assistance of community based organizations and city agencies that provide services to families and children.

**RECOMMENDATION 5:** “Develop and implement a system for formally evaluating the effectiveness of SES outreach efforts. As part of this system, include a question on the SES enrollment form asking parents where they learned about the SES program.”

**RESPONSE:** The NYCDOE will continue to follow federal guidance and evaluate its outreach efforts and consider the extent to which its efforts reflect the six communication goals for designing and implementing an effective outreach strategy to parents. To further those objectives, the NCLB-SES Program Director met with the NYSED Title I Parent Advisory Council (“PAC”). PAC members proposed - and the Director implemented - simplification of SES information materials for parents. As to the particular recommendation that we include in the enrollment form a question to parents eliciting where they learned about the SES program, we report that the form has been revised accordingly and thank the Comptroller for that suggested improvement.

**RECOMMENDATION 6:** “Advise school officials to begin contacting parents to discuss the SES Program at the end of the prior school year or during the summer months.”

**RECOMMENDATION 7:** “Advise school officials to make follow-up phone calls to eligible parents who have not enrolled their children in the SES Program to encourage them to do so.”

**RESPONSE:** Recommendations 6 and 7 have been implemented. (See cover letter and Response to Recommendation 4).

**RECOMMENDATION 8:** “Encourage the schools to work closely with SES service providers in their efforts to promote the SES program.”

**RECOMMENDATION 9:** “Provide schools with specific guidance on coordinating the SES Program with other after-school activities, and monitor the schools’ effectiveness in coordinating these activities to determine whether any additional guidance is needed.”

**RESPONSE:** Unlike many school districts across the country, the NYCDOE has opened its schools to SES providers, not only for recruiting students, but for providing services in the buildings after school hours. We strive to maintain a balance between “working closely with SES providers” to maximize parents’ choices and being mindful that the NYCDOE’s relationship with SES providers is that of a public agency with private businesses. It is our position that our efforts with respect to the working relationships are effective and appropriate. Upon our most recent review of our directives to principals regarding coordination of efforts, we have determined that our communications are as specific as the situation and organizational structure call for.

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**RECOMMENDATION 10:** “Strengthen communications among all parties involved in the SES Program.”

**RECOMMENDATION 11:** “Revise the manual to provide clear guidance on the selection of on-site providers.”

**RESPONSE:** As an initial matter, we note that the recommendations are linked to a section of the Report offering the observation that since 12 of the 45 schools were from one to six weeks late in starting SES sessions, the students “had less time to benefit from the sessions.” (Report, p.12). If what that statement means is that the students could have applied what they had learned in the SES sessions between one to six weeks earlier, that is true in its most literal sense, but it does not acknowledge the many other instructional options that are available to the same student population. Furthermore, if the Report is suggesting that the students were deprived of between one and six weeks-worth of tutoring, that conclusion is not apt since SES providers are contractually obligated to offer the number of sessions to which a student is entitled.

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The Report also cites several cases where principals and SES liaisons (school-based Parent Coordinators) reported that they were unaware of certain pertinent information

\* See State Comptroller’s Comments, p. 31

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and training opportunities. Though staff turnover, particularly among Parent Coordinators, might have accounted for training issues, the NCLB-SES Program Director cannot assign a reason for the lack of awareness among administrative personnel inasmuch as great efforts had been made to improve communications in the 2006/2007 school year.

In regard to its efforts to improve information dissemination to all parties involved in the SES program, the NYCDOE has undertaken the following:

- The Manual has been revised to make policies and processes clearer for both schools and SES program providers and to provide clear guidance on the selection of on-site providers.
- Key SES process and program implementation points have been reinforced through teleconferences with principals and emails to schools and SES program providers.
- Currently, when principals are informed of their school's status, they are invited to participate in a conference call in which all aspects of SES implementation are covered. They are directed to the NYCDOE SES website where information is available regarding SES: the Manual, sample letters, forms, lists of schools, vendors, links to the NYSED SES website, and Frequently Asked Questions.
- Training sessions were held for Parent Coordinators in the newly identified schools.
- The director of the NCLB-SES program has initiated frequent contact with District/School Improvement Liaisons who disseminate the information locally in a process that is consistent with NYCDOE policy regarding communicating with schools.
- The information given to 311 staff has been reviewed. We are now satisfied that the NYCDOE has provided them with clear and accurate information for their dissemination to parents.

The NYCDOE will continue to review its approach to disseminating SES information will consider additional options for training for parent coordinators, principals and other staff as the need arises.

**RECOMMENDATION 12:** "Determine why ineligible students are allowed to enroll in the SES Program and develop controls to prevent such enrollments."

**RESPONSE:** Based on analysis of data provided by the NYCDOE, the Comptroller concluded that in SY 2004/2005, 17,426 of the 218,873 students (8%) identified as eligible for SES did not actually meet eligibility requirements and that 5,493 of the 17,426 had enrolled with SES providers. In SY 2005/2006, 2,887 of the 226,301 (1.3%) students identified as eligible purportedly were ineligible and 1,228 of the 2,887 had enrolled with providers. The Comptroller's determination of ineligibility was based on

“Free Lunch Program” status<sup>5</sup> and/or the students’ grade. As to the latter, the Comptroller reports that “many” of the students in the pool of those incorrectly deemed eligible were Prekindergarteners. (Report, p.13).

When the results cited above were reported in the Comptroller’s preliminary report of findings, the NYCDOE Office of Auditor General (“OAG”) took responsibility for reviewing the reported occurrences and determining the cause, tasks that involved reviewing ATS and SES data and gaining an understanding of the process for identifying students eligible for SES.

In so doing the OAG found that, in certain cases, the “free lunch program” status of students represented in the data set we had given to the Comptroller did not accurately reflect their actual free meal status as determined by their enrollment in a Universal School Meal (“USM”) site. Specifically, for SY 2004/2005, 25 more schools had been identified as USM sites by the NYCDOE’s Office of School Food (“OSF”) than had been on the list the NCLB-SES Program office had provided to the Comptroller. For SY 2005/2006, a similar omission occurred; for that year, five more schools had been identified as USM sites by OSF than had been on the list the NCLB-SES Program office had provided to the Comptroller.<sup>6</sup> As for the students who may have been ineligible for SES on the basis of their grade (Prekindergarten), we note that the Comptroller did not quantify the extent to which that may have occurred. However, the OAG reviewed the data used by the Comptroller and does not dispute that students had been identified as eligible for SES despite that they were attending Prekindergarten during the audit period.

When the correct data was applied, the number of “ineligible” students who had been offered SES in SY 2004/2005 was reduced from 17,426 to 11,359 and, in SY 2005/2006, from 2,887 to 2,416. Although we recognize that even the reduced numbers are relatively high, particularly in SY 2004/2005, we are seeing a trend in the reduction of students misidentified as SES-eligible that is apparent from one audit year to the next. More strikingly, when OAG reviewed school meal status and SES data for SY 2006/2007, the numbers were much smaller. Specifically, in that year, 257 students may have been identified as SES eligible in error, a negligible percentage of the total SES eligible student population.

<sup>5</sup> Two criteria define a student’s SES eligibility: (1) the student must attend a school designated by New York State as subject to SES requirements; *and*, (2) the student must be “low-income” as determined by the NYCDOE on the basis of the student’s federal free meal status. Although free meal status typically rests on financial information reported on a student’s meal application, a student’s SES eligibility can be determined independently of his/her individual free meal status. Thus, all students attending a school that has been approved by the New York State Education Department as a “Universal School Meals” (“USM”) site are eligible for SES notwithstanding that some of the students would not have been permitted to enroll in SES programs had they attended a non-USM school because their family income would not have qualified them for free meals.

<sup>6</sup> Since the omission was identified by OAG raised with the audit team only after the Report was issued, we were directed to address the matter in this response.

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As for the root cause of any error, after much analysis, we can point only to the factor of human error committed during the process for adding information to the SES database after the initial dataset, which included meal code information, was mined from ATS. We attribute the positive trend to more stringent application of protocols for importing data from ATS to the SES database and the creation of a hard edit for grade, thereby reducing the need for manual entry of information directly into the SES database and avoiding picking up students who may meet the criteria for free meals but are not within the SES-eligible grade range.

As to the effect the apparent data application errors may have had on the provision of SES during the audit period, we can state with certainty that no eligible student who desired SES services was denied tutoring because students who appeared to be ineligible were served. Additionally, it is important that the public understand that students who may not meet the criteria for SES may be entitled to other Title I academic intervention services. In fact, 33 of the 45 schools in the audit sample were School-Wide Program Schools, a designation that entitles all enrolled students to Title I services. In the other schools, to wit, those that are designated "Targeted Assistance" schools, a number of students may have been eligible for Title I services based, not on individual free-meal eligibility, but on academic need. SES can legitimately be viewed as an academic support service within Title I guidelines. Therefore, while technically, under the SES eligibility criteria defined by the NYCDOE, a student may not have been eligible for SES, serving the student in that manner could be deemed appropriate within Title I guidelines.

## APPENDIX B - STATE COMPTROLLER COMMENTS

1. We revised our report to indicate that to maximize success, the highest possible percentage of the targeted population must be enrolled in the Program. We acknowledge that the DoE has implemented a variety of programs that provide academic support to students, and we have added language to that effect to the report.
2. We acknowledge that the DoE's participation rates of 39 percent and 36 percent, respectively, in school years 2004-05 and 2005-06, exceed the national average. Changes have also been made to the report to reflect this position. However, DoE's participation rates of 39 percent and 36 percent mean that 61 percent and 64 percent, respectively, of eligible students did not participate in the program during those years.
3. The recommendation regarding student transportation was removed from the report, based upon the DoE response.
4. The DoE should be capable of determining if students are correctly and properly enrolled before it makes payments to SES providers. If it does not do this, it has no control over payments.

The March 2006 recommendation by the Office of the Special Commissioner of Investigation did not pertain to the copying of blank enrollment forms by school officials. Rather, it pertained to the practice of some school officials disseminating preprinted labels, rosters, and enrollment forms that contained student information to SES providers; or providing a parent with an enrollment form that contained the name of a pre-selected SES provider. School officials should be allowed to copy blank enrollment forms, when necessary.

5. We believe that, in light of some of the concerns expressed by the school principals over the impact of competing after-school programs, more could be done to coordinate after-school activities and interaction with SES providers. For example, SES programs could be started early in the school year rather than later. This would ensure proper coordination and priority is given to the program. The DoE could also provide the principals with increased powers to coordinate activities, and minimize conflicts.
6. Our recommendations were not based upon the late start of SES programs. Rather, our recommendations are based upon the findings that disclosed principals and administrators were often unaware of deadlines, the special DoE website, etc.