

SIGNIFICANT ACTIVITY REPORT

WEDNESDAY, FEBRUARY 21, 2018

OPTIONS FOR KNOWLEDGE 2016–17 SY ELEMENTARY ADMISSIONS

OVERVIEW

At the OIG’s request, the CPS Office of Access and Enrollment conducted the largest audit of CPS elementary school admissions in at least a decade, covering more than 18,200 enrollments at more than 420 schools last school year.

The audit examined the admissions of virtually every K–8 student who enrolled at a traditional¹ CPS school that did not constitute that student’s neighborhood — or zoned — school. In other words, OAE audited all elementary-grade admissions that went through, or should have gone through, OAE’s Options for Knowledge admissions process for the 2016–17 school year. This included admissions to selective-enrollment, magnet and open-enrollment seats.

Some background: In Chicago, every street address matches up to a corresponding CPS neighborhood elementary and high school. That means, in most cases, children are entitled to seats in their neighborhood schools without filling out applications.

But “for any other school in the Chicago Public Schools system, you . . . have to submit an application if you want your child to be considered for enrollment,” parents are advised in the Options for Knowledge Guide. Such applications are supposed to go through OAE’s Options for Knowledge admissions process.

CPS established uniform procedures for winning Options for Knowledge seats to ensure that all applicants would have a level playing field of access to them, or “equal access and equity,” as the 2016–17 Options Guide phrases it.

¹ For purposes of this report, “traditional” CPS schools exclude charter and most contract schools but include those operated by the Academy for Urban School Leadership. The audit also excluded special education and homeless admissions, as well as students transferred for their own safety.

However, an OIG performance review of Options for Knowledge enrollments found that thousands of K–8 admissions² to non-zoned schools last school year were anything but uniform.

Of more than 18,200 elementary-grade admissions audited, nearly 6,900 failed the OAE audit, an analysis of audit data by the OIG’s Performance Analysis Unit found. In other words, 38 percent of admissions did not pass the audit, or nearly two in five.

Generally, audit failures reflected students who were admitted to schools other than their neighborhood ones without going through OAE, as required. A handful of other audit failures reflected students who applied through OAE but were improperly leapfrogged over other applicants on OAE waitlists, OAE data indicated.

The OIG found that admissions audit failures permeated the elementary school system. Of 421 schools audited, 93 percent had at least one audit failure. Nearly half had at least 15.

The OIG divided audited schools into four general elementary-grade categories: neighborhood, citywide non-magnet, magnet and selective-enrollment.

Among those categories, selective-enrollment seats held only one 2016–17 SY admission that failed the audit — perhaps because such seats have been among the most heavily monitored.

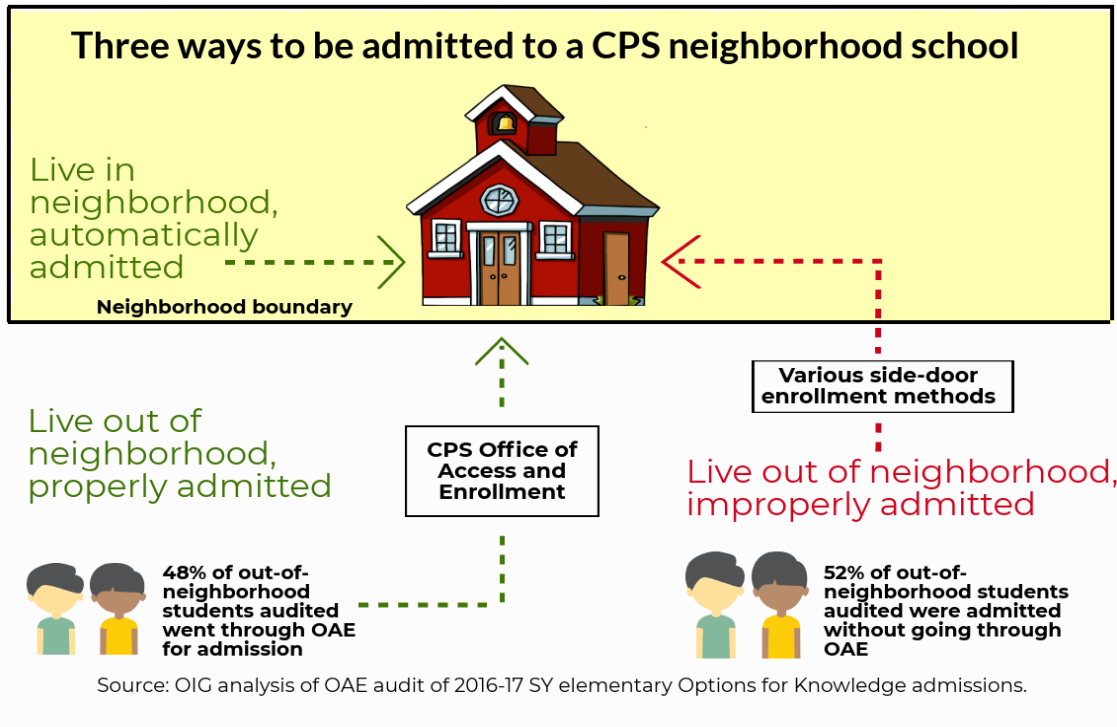
At the other end of the spectrum, neighborhood schools produced the most audit failures. They also contained the most *admissions* audited, at more than 11,800 of the total roughly 18,200, as well as the most *schools* audited, at 359 of the total 421. Significantly, neighborhood schools had the highest audit admissions failure rate, of 52 percent.

So, more than half of the students who enrolled in neighborhood schools outside their own neighborhoods last school year improperly bypassed OAE to get there, OAE audit data showed. This is indicated in the **Illustration** on the next page.

Such students, in effect, circumvented OAE via a variety of side-door admissions practices.

These practices included intentional improper efforts to select certain students and bypass OAE, as well as unintentional improper admissions that skirted OAE due to a principal’s or staff member’s lack of knowledge or understanding of admissions

² The OAE audit included 207 admissions to the system’s four magnet pre-kindergarten programs — at Drummond, Inter-American, Mayer and Suder. All 207 admissions passed the audit and were included in the OIG’s “passing” count.



rules and procedures. (Note that many principals interviewed by the OIG demonstrated little knowledge of CPS admissions rules.) In some cases, improper admissions amounted to clerical or documentation errors.

In total, 90 percent of all audit failures involved admissions to neighborhood schools.

Thus, any effort to address the pervasive admissions issues identified in this report must pay special attention to neighborhood schools.

The district is in the process of converting the Options for Knowledge application process into a new online system, called GoCPS, which is expected to make offers to online applicants in waitlist order. This should reduce waitlist queue-jumping.

However, the OAE audit only identified six of 6,870 audit failures as involving applicants on waitlists. The vast majority of audit failures were not on the OAE waitlists of students' chosen schools, according to OAE audit data provided to the OIG. Instead, most audit failures involved students who applied directly to schools, rather than filling out required OAE applications to those schools.

The new GoCPS system will not automatically block schools from improperly enrolling out-of-boundary students who show up at their doors without going through OAE, one OAE official said. So as of this writing, principals or school staff members who don't know better, or who actually want to circumvent the rules, probably will be able to sidestep OAE under GoCPS. As a result, without new

measures and stepped-up training, improper admissions under GoCPS probably will continue.

OAE's audit was the largest such audit in at least a decade, and perhaps in OAE's history. That's because it included admissions to the hundreds of neighborhood schools that one former OAE official said had probably never been audited en masse for Options for Knowledge compliance. This lack of past scrutiny may partially explain the disproportionate number of audit failures in neighborhood schools.

In addition to analyzing audit data, the OIG interviewed principals of 30 schools with more than 500 combined audit failures, and reviewed policies and other documents about the Options for Knowledge and GoCPS admissions processes.

The OIG found a widespread pattern of inconsistent and improper admissions practices that undermine the "equal access" goals of the Options program and OAE. These irregularities, combined with three policy loopholes identified by the OIG, leave the system vulnerable to fraud and undue influence.

During the OIG's review, OAE plugged one of these loopholes amid questions from the OIG about it, but as of this writing, two others still exist. One loophole involves the lack of policy specifics on the rules for admitting students after a school's OAE waitlist has expired — a period of time highly susceptible to misconduct that relies on schools sending OAE inefficient paper application forms by fax or email. The other loophole involves the absence of one category of schools — citywide non-magnets — from CPS Options for Knowledge policies, a situation that leaves such schools in an enforcement gray zone.

As a result of its performance review, the OIG is recommending, among other things: intensive admissions training, especially for principals of neighborhood schools; the closure of policy loopholes; clearer and more accessible rules for principals; the creation of additional auditable data, especially at the vulnerable period after OAE waitlists are exhausted; enhanced penalties for those that violate admissions rules and increased transparency to parents.

During the course of this review, one OAE official indicated that more admissions training is planned as part of the GoCPS rollout. This official also was supportive of folding admissions training into annual Principal Law Conferences, as several principals suggested to the OIG. This official suspected that most audit failures were due to "people who just didn't know" the rules because there have been "many misconceptions over the years" about admissions procedures.

The OIG's complete findings and recommendations are attached to this report as **Appendix A**.

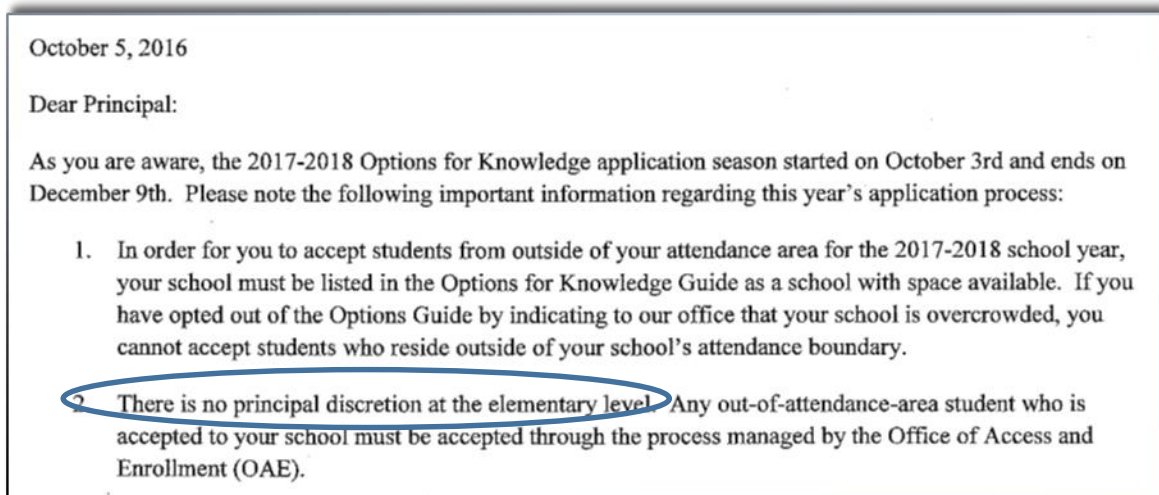
This information should help officials design OAE training on the new GoCPS process, as well as guide CPS in the development of its GoCPS software and upcoming [Aspen Student Information System](#). In addition, CEO Janice Jackson has told the OIG that a corrective action plan is being developed in response to this report.

CHERRY-PICKING AND WEEDING PRACTICES

To spot-check the OAE audit, the OIG’s Performance Analysis Unit interviewed the principals of 30 schools, including 27 with at least one audit failure each.

A cross section of schools with neighborhood, magnet, citywide non-magnet and selective-enrollment seats were interviewed. During these interviews, the OIG checked on more than 500 admissions that failed the audit. This sample reflects seven percent of both all schools audited and all audit failures.

More than half of the 30 principals (16 of 30) described using what amounted to their own systems for choosing students. Nearly half (14 of 30) functioned as if they had “principal discretion,” something disallowed on the elementary level since 2010 (See Board Report 09-1216-PO3). Principals were reminded of this in a 2016 letter emailed to principals by Access and Enrollment Executive Director Tony Howard and provided in part below:



Some schools were improperly “cherry-picking” favored prospective students, while others were weeding out less appealing students, the OIG found.

Some non-selective schools used test scores, grades and attendance to vet students — all improper practices, according to the Options for Knowledge Guide, which

specifically bars the use of “testing or other academic criteria, interviewing or screening of any kind.”

Many schools bypassed OAE to give preference to the children of CPS employees, the siblings of existing students, multiple sibling applicants, or out-of-boundary pre-kindergarten students who were improperly promoted to kindergarten without going through OAE.

At one neighborhood school that had been dropped from the Options for Knowledge program by OAE due to potential overcrowding, the recently-elected principal admitted her four children, her niece and nephew (who were also the children of a staff member), a teacher’s child and a custodian’s two children — even though they all lived outside the school’s attendance boundary. OAE had no record of any applications for these students, as required.

One principal of a neighborhood school checked out a potential out-of-boundary student who was not on the OAE waitlist by asking another parent if the prospective student was from a “Good family?” The principal even met with the family before offering the student a place at the school.

One principal of the handful of neighborhood schools with tuition-based pre-K³ described an unwritten agreement with former CEO Barbara Byrd-Bennett that supposedly allowed the school to admit out-of-boundary tuition-paying pre-K students to kindergarten. Board authorization is required for such a variance from Board policy. (See 10-0623-PO1, in effect at the time.) Explained one former OAE official: “You don’t want to let people buy their way into a good elementary school.”

Other schools specifically weeded out kids with histories of poor attendance — an issue that could hurt their School Quality Rating Policy scores.

One principal will not take students with poor attendance once the school year begins because such a record reflects “a parent issue.” Another asks for “credentials” such as test scores and report cards. Yet another will “investigate” non-zoned students because they can be “running from something.”

Some principals defended their screening practices by saying that students who aren’t automatically entitled to go to their schools should face closer scrutiny. One neighborhood principal requires that out-of-boundary students make a persuasive case for admission. “The burden of proof is on them,” the principal explained.

³ For the current 2017–18 school year, tuition-based pre-K costs \$13,974 a year. The families of kindergarteners admitted in 2016–17 would have paid \$12,220 and \$12,767 in the two school years prior to that, respectively, for a two-year pre-K program.

PERVASIVE PROBLEM

Improper admissions were widespread, spanning many different kinds of schools.

That included magnet as well as neighborhood schools; overcrowded⁴ as well as underutilized schools. As mentioned, only one 2016–17 selective-enrollment elementary admission failed the audit.⁵

Much attention has been paid to various schemes used to admit students to CPS's selective-enrollment high schools. However, competition for seats in the system's elementary schools also can be fierce. This is indicated in **Appendix B**, which lists the number of selective-enrollment, magnet and open-enrollment applicants per seat by elementary grade and school for the 2016–17 SY and is hosted on the OIG website.

The OIG's review found that some of the most sought-after elementary schools for open-enrollment seats held improperly admitted students. For example, 69 students improperly bypassed OAE to enter eight of the system's most competitive open-enrollment kindergartens last school year. Meanwhile, more than 1,700 other children who applied through the Options program were left sitting on waitlists.

Even schools headed by prized Independent School Principals held audit failures. So did every SQR level of school — highly ranked as well as poorly ranked.

Schools in and out of the Options Guide had audit failures.

Some schools opted out of the Guide — a move that OAE officials said made them ineligible to take outsiders — and then appeared to run their own side-door admissions processes without informing OAE. Others stayed in the Guide, told OAE they had no spare seats and then admitted students who were not zoned to them. Yet other schools took OAE waitlist kids as well as others they improperly admitted without going through OAE.

The OIG calculated that 93 percent of schools audited contained at least one improperly enrolled student last school year, as indicated in **Table 1**.

Nearly two-thirds of audited schools held at least 10 improperly admitted students. Close to half had at least 15.

⁴ "Overcrowded" refers to schools with fall 2015 adjusted utilization rates, including leased and modular classrooms, of more than 120%, which was the metric at the time of these admissions. "Underutilized" schools used less than 80% of their space. Only 4% of elementary schools audited were overcrowded, 53% were underutilized and 42% were efficient, according to the adjusted utilization rate in effect at the time.

⁵ OAE also identified 34 other students who were sitting in selective enrollment K–8 seats in 2016–17 but had been improperly admitted to them years earlier.

Table 1
Audit Failures* by Frequency

Audit Status	Elementary Schools	Pct of All Schools Audited
No Audit Failures	29	7%
Schools with at Least 1 Audit Failure	392	93%
Schools with at Least 2 Audit Failures	384	91%
Schools with at Least 3 Audit Failures	366	87%
Schools with at Least 4 Audit Failures	348	83%
Schools with at Least 5 Audit Failures	330	78%
Schools with at Least 10 Audit Failures	264	63%
Schools with at Least 15 Audit Failures	201	48%
Schools with at Least 20 Audit Failures	145	34%
Schools with at Least 25 Audit Failures	105	25%
Schools with at Least 30 Audit Failures	68	16%
Total Schools Audited	421	100%

*In the vast majority of cases, audit failures reflect non-zoned students who improperly bypassed OAE.

Source: OIG analysis of Office of Access and Enrollment elementary school audit of SY 2016–17 admissions.

This constitutes a pervasive problem.

During the OIG’s spot check of more than 500 audit failures at 27 schools, the OIG discovered that some audit failures may have been appropriate admissions. The majority of these cases reflected clerical errors in updating out-of-boundary addresses to in-boundary locations. In total, 18 percent of admissions identified by OAE as improper in the 27 spot-check schools may have been appropriate but not documented correctly, the OIG estimated.

However, it also is likely that the OAE audit failed to detect some improperly admitted students. For example, a spreadsheet version of one school’s waitlist contained several students whose admissions passed the audit even though a clerk’s notes indicated they were accepted out of order. The OIG also questions how two kindergarten applicants with waitlist numbers of 232 and 437 passed the audit at two extremely competitive neighborhood schools, even though both schools only accepted a handful of kindergarten applicants from their OAE waitlists.

Therefore, although numbers cited in this report are based on the OAE audit, such numbers should be considered estimates.

Please note that even if 18 percent of all “failed” admissions were adjusted to “passing” to reflect the OIG spot check, the overall admissions audit failure rate would be 31 percent instead of the 38 percent unadjusted rate. Even this lower, adjusted percent would mean that close to one in three elementary-grade admissions to non-zoned schools were improper last school year.

Even this lower, adjusted percentage reflects a pervasive problem.

THE NEIGHBORHOOD PHENOMENON

Neighborhood schools had by far the most audit failures among the four OIG-created categories. They held 90 percent of all audit failures, as shown in **Table 2**.

Neighborhood schools also contained the overwhelming majority of improper (6,169) as well as proper (5,650) non-neighborhood admissions.

Perhaps more importantly, neighborhood schools had the worst audit-failure rates among the various categories of schools examined.

More than half (52 percent) of students admitted to neighborhood schools outside their own neighborhoods improperly skirted Options admissions rules.

Table 2
Audit Failures* by Program Category

Program Category	Schools	Admissions That Failed Audit	Admissions That Passed Audit	Total Admissions Audited	Pct of Admissions in Category That Failed Audit	Pct of All Failed Admissions
All Programs	434	6,870	11,337	18,207	38%	100%
Neighborhood	359	6,169	5,650	11,819	52%	90%
Citywide Non-Magnet	10	374	404	778	48%	5%
Magnet**	38	326	3,555	3,881	8%	5%
Selective Enrollment	27	1	1,728	1,729	0%	0%

*In the vast majority of cases, audit failures reflect non-zoned students who improperly bypassed OAE.

**Includes eight magnet schools with attendance boundaries.

Note: 13 schools with two programs were counted twice.

Source: OIG analysis of Office of Access and Enrollment elementary school audit of SY 2016–17 admissions.

Virtually all (98.88%) neighborhood schools had at least one audit failure, the OIG also calculated.

In fact, if all students admitted to schools other than their zoned schools in the 2016–17 SY had gone through the OAE Options program properly, as required, nearly two-thirds of all Options admissions would have been to neighborhood schools.

Clearly, thousands of parents are choosing neighborhood elementary schools — just not their assigned ones. However, according to the OAE audit, in more than half of such cases, these admissions improperly bypassed OAE.

SCATTERED RULES

During spot-check interviews, many principals said it's not unusual for them to be personally lobbied by parents to admit students, including after Options for Knowledge deadlines had passed. Such lobbying makes it critical that principals understand legitimate versus illegitimate admissions practices.

Yet many principals told the OIG that they did not know the admissions rules for out-of-boundary students and had never been formally trained on them. Some didn't even know where to find such rules. In some respects that is understandable because the rules are scattered across several locations.

In general, the basic admissions rules for traditional CPS schools that accept elementary-grade students who are not zoned to them are as follows:

1. An OAE application is required for students applying to schools other than their neighborhood schools. Selective-enrollment seats are awarded by OAE based on test scores and other factors. Magnet and open-enrollment seats are supposed to be filled in lottery waitlist order. Once OAE waitlists are exhausted, schools award any remaining seats by accepting applicants on a first-come, first-served basis. Such applicants fill out paper post-lottery forms, called "post-application process forms," that must be approved by OAE before schools can enroll these students.
2. Schools with open seats must be listed in the Options for Knowledge Guide; if they are not in the Guide, they cannot accept outside students.
3. Principals do not have discretion in the selection of elementary-grade students. At non-selective schools, the use of screening, interviewing, testing or academic criteria is prohibited.
4. Except in the four CPS schools with magnet pre-K programs, non-zoned pre-K students cannot automatically matriculate to kindergarten. If they

want to stay in a non-zoned school they must apply to its kindergarten through OAE.

The most detail on the above rules is contained in a CPS PowerPoint used during annual OAE Options for Knowledge admissions seminars. However, that training is largely attended by clerks; some principals had never heard of it.

Otherwise, the rules are spread across several locations, including two Board policies (the CPS enrollment policy, 17-0426-PO1, and the Options for Knowledge admissions policy, 17-0426-PO2) as well as the Options for Knowledge Guide. The two Board policies provide limited specifics and often refer readers to the Options Guide, which bills itself as an informational “tool” for parents rather than a procedural manual for schools. However, the Guide is so poorly organized and lengthy (61 pages in SY 2016–17 and 151 pages in the 2018–19 version) that a principal in search of an answer could easily miss it.

THREE LOOPHOLES

The OIG’s analysis of numerous relevant CPS policies, rules, guidelines and online reference materials detected at least three loopholes in current admissions policies:

1. Non-magnet elementary schools with citywide boundaries (11 total) are not covered in the two relevant CPS policies concerning CPS enrollment and Options for Knowledge admissions. They also are not specifically mentioned in either the 2016–17 Options Guide covering the year audited or the current GoCPS Elementary and High School Guide for 2018–19. Citywide non-magnet schools had the second-worst admissions audit failure rate, of 48 percent. They should be covered in CPS admissions policies so rules can be enforced against them.
2. Little explicit policy detail is offered on how schools should proceed after OAE-issued waitlists are exhausted. Exacerbating this problem is the inefficient paper post-lottery form that OAE requires schools to email or fax to OAE at this critical time period, when the OIG believes many audit failures occurred. CPS plans to continue using paper forms, which cannot be easily audited systemwide, even under GoCPS, one OAE official told the OIG. Admissions information during this vulnerable time period needs to be easily audited systemwide by the OIG and the CPS Audit Department.
3. No clear policy language seems to cover admissions rules at 70 analyzed schools that OAE said had opted out of the SY 2016–17 Options Guide, only to produce 1,032 audit failures.

OAE took steps to address this third loophole during the course of the OIG review. Amid OIG questions, one OAE official said OAE realized it was a “flaw on our part” not to have more closely monitored those schools that opted out of the Options

Guide. As a result, as part of the conversion of the Options application process into the new online GoCPS system, almost all CPS elementary schools that were omitted from the Options Guide are participating in GoCPS for 2018–19 SY admissions and should be subject to OAE rules.

This change is a positive step forward. However, 392 schools had at least one audit failure, so folding the 70 that opted out of the Guide into GoCPS does not address the audit failures at the 322 other schools.

In addition, the OIG believes the two other identified loopholes exist as of this writing. They leave CPS vulnerable to misconduct and undue influence, or at a minimum to the existence of a jumble of inconsistent practices. Plus, policies with loopholes are difficult to enforce.

Some deviations from CPS rules were portrayed by principals as actions taken in the best interest of their schools, in some cases amid pressure to perform well in SQRP ratings. However, inconsistent practices — including well-intended ones — can turn off parents and make them suspect that they are not being afforded the “equal access” that the Options Guide and GoCPS promise.

As CPS experiences its seventh straight year of declining enrollment, it is critical that prospective parents feel they are being treated fairly in the gateway elementary grades covered by the audit. Otherwise, they could give up on the system entirely.

SPECIAL NOTE

The OIG is grateful to OAE’s data team for their diligence in performing such a large-scale audit and for their professionalism in answering the OIG’s many questions.

RECOMMENDATIONS

As a result of its performance review, the OIG is recommending that CPS take the following ten actions which are explained in further detail in **Appendix A**:

1. Conduct thorough training of principals, assistant principals, enrollment clerks and network chiefs on elementary-grade Options for Knowledge admissions rules, paying particular attention to neighborhood school staff.
2. Ensure Options/GoCPS admissions rules are clear, consistent and accessible. The OIG recommends that key rules be reduced to a concise, one-page document and that principals, assistant principals and enrollment clerks be required to sign it at the beginning of their tenures in their school buildings.
3. To close a loophole, provide clear admissions rules on how to appropriately enroll students after OAE-issued waitlists are exhausted. The OIG is

especially concerned about vulnerabilities during this period that could well be exacerbated by the use of inefficient paper post-lottery forms that schools are required to email or fax to OAE.

4. To close another loophole, include citywide non-magnet schools in admissions policies.
5. Revisit the boundaries, admissions practices and online profiles of the system's 11 citywide non-magnet elementary schools to ensure they comply with the Board reports that established such schools.
6. Wherever possible, admissions information in GoCPS and the upcoming Aspen Student Information System should be easily auditable systemwide, not just on a school-by-school basis, by OAE as well as the OIG and the CPS Audit Department. Systemwide auditable information for both online and paper applicants should include: when and how offers were made and accepted, when waitlists are exhausted, and when post-lottery application forms were sent to and approved by OAE.
7. Perform regular audits, as often as annually, of out-of-boundary elementary admissions, including to neighborhood schools, and create new penalties for violators, including reducing a school's SQRP rating or stripping Independent School Principals with repeat violations of their ISP status.
8. Consider expanding sibling preferences as much as possible without contributing to overcrowding.
9. Use consistent language in Board policies and GoCPS materials, which currently have inconsistent references to the "Options for Knowledge" program and guide.
10. Provide parents more transparency about Options and GoCPS procedures, especially concerning the availability of seats by grade and the use of post-lottery application forms after OAE waitlists are exhausted.