

## The Maryland Public Policy Institute

April 9, 2021

Mr. Richard P. Henry Inspector General for Education Maryland Office of the Inspector General for Education 100 Community Place, 4th floor Crownsville, MD 21032

Dear Mr. Henry:

I write to request that your office open an investigation into instances of student enrollment irregularities by the Baltimore City Public School System (BCPSS). Multiple media reports and statements from Baltimore City school officials, combined with evidence of a clear national pattern of school systems inflating student enrollment, suggest a disturbing picture of potential misconduct by school administrators.

Media reports since 2016 have found that student enrollment data at the Augusta Fells Savage Institute in Baltimore have been inflated by so-called "ghost students" – students who at one time had been enrolled at the school but that no longer attended. A total of 21 students – or 5 percent of the school's total enrollment – had stopped attending the school but were still counted by administrators in the school's enrollment data.<sup>1</sup>

In Maryland, taxpayer dollars are allocated to public schools on a per-pupil basis. The more students a school counts in its enrollment data, the more taxpayer money it receives. Thus, a financial incentive exists for school administrators to inflate enrollment data to increase taxpayer funding for the school and/or district.

Additionally, at least 1,900 Baltimore city school enrollees were identified as 'ghost students' in 2016 and later removed from enrollment figures, costing BCPSS \$25 million in state funding. BCPSS's known enrollment irregularities date back 15 years or more, requiring the district to refund taxpayer dollars it never should have received.<sup>2</sup>

## The Maryland Public Policy Institute urges your office to:

- Audit annual enrollment data for every public K-12 school in Baltimore dating back to the 2015/2016 school year;
- Provide an accurate enrollment count for all public K-12 schools in Baltimore today;
- Share your findings with the state's attorney general, governor, comptroller, treasurer, state legislature, and the citizens of Maryland.

<sup>&</sup>lt;sup>1</sup> https://foxbaltimore.com/news/project-baltimore/ghost-student-scandal-hits-baltimore-city-schools

<sup>&</sup>lt;sup>2</sup> https://www.baltimoresun.com/education/bs-md-ci-schools-enrollment-drop-20160129-story.html

## "Ghost students" are a nationwide problem, costing taxpayers billions.

- Arizona identified at least 22,000 "ghost students" listed on rolls but in attendance.<sup>3</sup>
- Florida found 90,000 (3%) of K-12 pupils were not present at their enrolled school.<sup>4</sup>
- Oklahoma believes 55,000 (7%) of its supposedly enrolled students for whom it allocates nearly \$200 million per year, did not attend those schools and districts.<sup>5</sup>
- Indiana schools defrauded the state of \$68 million, claiming 14,000 falsely enrolled students over a decade. 6

If BCPSS's current enrollment is inflated by the rates previously found in Baltimore in 2016 or in other states (between 2% and 7%): city schools will be wrongly awarded anywhere from \$29 million to \$101 million in 2022 and as much as \$143 million in 2030. The total cost of such fraud would range between \$300 million and over \$1 billion over the next decade.

Baltimore City Public Schools	2019/2020	2022/2023	2029/2030
Official Enrollment	74,793	75,180	68,270
Per-Pupil Spending	\$17,493	\$19,144	\$29,868
"Ghost Students" Cost to Taxpayers			
2% Ghost Students	\$26,167,079	\$28,784,918	\$40,781,767
3% Ghost Students	\$39,250,618	\$43,177,378	\$61,172,651
5% Ghost Students	\$65,417,697	\$71,962,296	\$101,954,418
7% Ghost Students	\$91,584,776	\$100,747,214	\$142,736,185

It is our hope that the disturbing misconduct at Augusta Fells Savage Institute is an isolated incident. The evidence outlined above suggests otherwise. Baltimore students deserve quality schools managed to a high standard of integrity, and Maryland taxpayers deserve to know that millions of their tax dollars are not being spent on students who do not exist.

Thank you for your attention to this urgent and troubling matter. We look forward to your response.

Very truly yours,

Christopher B. Summers

President and Chief Executive Officer

Sean Kennedy Visiting Fellow

<sup>&</sup>lt;sup>3</sup> https://www.abc15.com/rebound/state-of-education/officials-work-to-reel-in-ghost-students-missing-school

 $<sup>^{4} \, \</sup>underline{\text{https://www.orlandosentinel.com/news/education/os-ne-schools-enrollment-funding-legislature-20210211-rlcvynypxrfzdd3fy5mnxdk2da-story.html}$ 

<sup>&</sup>lt;sup>5</sup> https://www.ocpathink.org/post/nearly-200-million-allotted-for-ghost-students-in-oklahoma

<sup>&</sup>lt;sup>6</sup><u>In a damning audit, Indiana calls on two virtual schools to repay \$85 million in misspent state funds - Chalkbeat Indiana</u>