



# City of New York

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## OFFICE OF THE COMPTROLLER

Scott M. Stringer  
COMPTROLLER



## MANAGEMENT AUDIT

**Marjorie Landa**

Deputy Comptroller for Audit

Audit Report on the Department of  
Education's Controls for Ensuring that  
Its High School Graduates Have Met  
Graduation Requirements

ME14-075A

**June 30, 2015**

<http://comptroller.nyc.gov>



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
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NEW YORK, NY 10007

SCOTT M. STRINGER  
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June 30, 2015

To the Residents of the City of New York:

My office has audited the Department of Education (DOE) to determine whether it has adequate controls in place to ensure that its high school graduates have met graduation requirements. We conduct audits such as this in order to ensure that City agencies comply with applicable rules and regulations.

The audit found weaknesses in DOE's controls intended to ensure that its high school graduates have met graduation requirements. In particular, the audit found transcripts for graduated students that failed to provide adequate information to establish the bases for the students having been allowed to graduate. In many instances, the audit found that schools provided little or no justification for their use of the overrides that permitted students to graduate. Underlying these weaknesses, the audit found that DOE does not regularly review transcripts to ensure that graduation requirements have been properly fulfilled; does not regularly review graduation status overrides to ensure that the overrides are appropriate; and does not ensure that graduation status overrides and transcript updates are properly justified and approved.

The audit makes 21 recommendations to DOE, including that DOE regularly review samples of student transcripts and graduation status overrides to ensure that its schools are properly enforcing graduation requirements; require that each graduation status override be approved by an assistant principal or the principal; require that transcript updates be approved by higher-level officials, such as an assistant principal or the principal of the school; and ensure that the schools maintain sufficient documentation to support their transcript updates.

The results of this audit have been discussed with DOE officials, and their comments have been considered in preparing this report. Their complete written response is attached to this report.

If you have any questions concerning this report, please e-mail my Audit Bureau at [audit@comptroller.nyc.gov](mailto:audit@comptroller.nyc.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott M. Stringer".

Scott M. Stringer

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# THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER MANAGEMENT AUDIT

## Audit Report on the Department of Education's Controls for Ensuring that Its High School Graduates Have Met Graduation Requirements

ME14-075A

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### EXECUTIVE SUMMARY

The objective of this audit was to determine whether the New York City Department of Education (DOE) has adequate controls to ensure that its high school graduates have met graduation requirements.

DOE has approximately 75,000 teachers working in more than 1,800 schools, including over 400 high schools. DOE's mission is to help students meet grade-level standards in reading, writing, and mathematics and to graduate from high school prepared for careers or for college. About 58,400 students graduated from DOE high schools during the 2012-2013 school year.

High school graduation requirements are set by the New York State Education Department (NYSED). These requirements are determined by the school year in which a student enters the ninth grade (also known as the cohort year), and a student must fulfill them to receive a diploma. DOE can set more rigorous academic expectations than NYSED, but it may not set lower standards.

Most students who entered ninth grade between September 2008 and September 2012 needed to earn a Regents diploma. For such students, Regents diplomas required 44 credits in designated subjects and scores of 65 or higher on five Regents exams in English, Mathematics, Science, United States History, and Global History. Local diplomas (an alternative to a Regents diploma) could be earned by students with Safety Net provisions, such as Individualized Education Programs (IEPs) or Section 504 Accommodation Plans (504 plans). Local diplomas also required 44 credits in designated subjects, but students could earn lower scores on the Regents exams (i.e., 55 to 64).

DOE's Office of Academic Policy and Systems (OAPS), in the Division of Teaching and Learning, oversees the high school graduation process. OAPS is responsible for tracking and sharing New York State academic policies with schools. OAPS expects high school principals to maintain procedures and systems for certifying that students have met all graduation requirements and are eligible for diplomas.

DOE uses two computer systems to track students through the high school graduation process: (1) Automate the Schools (ATS)—a system that collects student demographic and biographical information, as well as final graduation data (e.g., graduation date, type of diploma); and (2) Student Transcript and Academic Reporting System (STARS)—a system that collects information on students' credits, grades, and Regents exam scores. STARS helps high schools monitor the status of a student's course credits and Regents exams.

## Audit Findings and Conclusions

The audit found weaknesses in DOE's controls intended to ensure that its high school graduates have met graduation requirements. We also found that DOE has taken steps to improve its processes. Among those steps, DOE's central office has provided specific academic guidance to high schools in its February 2012 *High School Academic Policy Reference Guide*. In its March 26, 2012 *Course Code Directory – High School*, DOE clarified the appropriate course codes to use on students' transcripts. In addition, DOE has provided some evidence that it reviews transcript updates and school graduation data, identifies concerns, and works with the schools to resolve them.

However, DOE still does not have sufficient controls to ensure that high school graduates have actually fulfilled all of the necessary requirements. Our audit found transcripts for graduated students that failed to provide adequate information to establish the bases for the students having been allowed to graduate. In many instances, we found schools applied override codes that permitted students to graduate, but provided little or no justification for their use of the overrides. Underlying these weaknesses, we found that DOE does not regularly review a sample of STARS transcripts to ensure that graduation requirements have been properly fulfilled; it does not regularly review a sample of graduation status overrides in ATS to ensure that the overrides are appropriate; it does not ensure that graduation status overrides and transcript updates are properly justified and approved; and it does not effectively ensure that access to ATS and STARS is revoked for former school employees upon the termination of their employment.

## Audit Recommendations

To address these issues, this report makes a total of 21 recommendations, including the following:

- DOE should regularly review samples of student transcripts and graduation status overrides to ensure that its schools are properly enforcing graduation requirements.
- DOE should require that a graduation status override entered in ATS be approved by a principal or assistant principal.
- DOE should modify STARS to require that transcript updates be approved by higher-level officials, such as an assistant principal or the principal of the school.
- DOE should ensure that the schools maintain sufficient documentation to support their transcript updates.
- DOE should ensure that the schools inform DOE central whenever individuals no longer require their current level of access or any access to ATS or STARS.
- DOE should require schools to periodically review the lists of active ATS and STARS users at their schools to determine whether the lists are accurate.

- DOE should ensure that graduation lists it receives from NYSED for review are examined for anomalies or discrepancies.

## **Agency Response**

In their response, DOE officials agreed with most of the audit's findings and with 17 of the 21 recommendations. Officials disagreed with the recommendations relating to the provision of more detailed justifications for graduation status overrides, the approval of transcript updates prepared by principals, and the monitoring of user access to ATS and STARS. Officials also asked for clarification of one other recommendation, which is provided in the body of the report.

# AUDIT REPORT

## Background

DOE provides primary and secondary education to over one million students from pre-kindergarten to grade 12. DOE has approximately 75,000 teachers working in more than 1,800 schools, including over 400 high schools. DOE's mission is to help students meet grade-level standards in reading, writing, and mathematics and to graduate from high school prepared for careers or for college. About 58,400 students graduated from DOE high schools during the 2012-2013 school year.

High school graduation requirements are set by NYSED. These requirements are determined by the school year in which a student enters the ninth grade (also known as the cohort year), and a student must fulfill them to receive a diploma. DOE can set more rigorous academic expectations than NYSED, but it may not lower them.

Most students who entered ninth grade between September 2008 and September 2012 needed to earn a Regents diploma.<sup>1</sup> For such students, Regents diplomas required 44 credits in designated subjects<sup>2</sup> and scores of 65 or higher on five Regents exams in English, Mathematics, Science, United States History, and Global History.<sup>3</sup> Local diplomas could be earned by students with Safety Net provisions, such as IEPs or 504 plans.<sup>4</sup> Local diplomas also required 44 credits in the designated subjects, but students could earn lower scores on the Regents exams (i.e., 55 to 64). In addition, Safety Net students who entered ninth grade prior to September 2011 and had been unable to pass the Regents exams could take Regents Competency Tests (RCTs) in the same five subject areas.

Students without the special designations described above but who entered the ninth grade in the 2007-2008 school year were also eligible to earn a local diploma. They needed to earn 44 credits in designated subjects and achieve scores of 65 or higher on four of the five required Regents exams. However, they could achieve a score of 55 to 64 on the remaining exam. In addition, students from any cohort who meet specific eligibility requirements and successfully appeal two Regents exams in which they achieve a score of 62 to 64 are eligible to earn a local diploma.

OAPS, in the Division of Teaching and Learning, oversees the high school graduation process. OAPS is responsible for tracking and sharing New York State academic policies with schools. In addition, OAPS helps schools develop and implement academic programs to prepare students for careers or college after graduation. OAPS expects high school principals to maintain procedures and systems for certifying that students have met all graduation requirements and are

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<sup>1</sup> A Regents diploma is awarded to students who have passed a series of Regents examinations in several subject areas along with the prescribed coursework.

<sup>2</sup> DOE calculates credits towards graduation using a semester-based model. Each semester-long course is generally worth one credit and must meet the instructional time requirement of three hours per week.

<sup>3</sup> Students can also earn an Advanced Regents diploma. As part of their 44 credits, these students generally must earn six credits in a Language Other Than English (LOTE) rather than the two credits in LOTE that other students generally must earn. In addition to passing Regents exams in English, United States History, and Global History, the students must also pass three Regents exams in Mathematics, two in Science, and one in LOTE.

<sup>4</sup> IEP is a special education and related-services plan specifically designed to meet the unique educational needs of a student with a disability. An IEP is the guiding document for a student's educational program. A 504 plan assists a student with physical or mental impairments that substantially limits one or more major life activities by providing accommodations for the student to participate fully in school.

eligible for diplomas. OAPS monitors this process through “regular academic data reviews” during which data is tested on a sample basis.

DOE uses two computer systems to track students through the high school graduation process: (1) ATS—a system that collects student demographic and biographical information, as well as final graduation data (e.g., graduation date, type of diploma); and (2) STARS—a system that collects information on students’ credits, grades, and Regents exam scores. STARS helps high schools monitor the status of a student’s course credits and Regents exams. In June 2012, ATS began using STARS data to “flag” students with transcripts missing the credits or exams needed for graduation. Schools have the ability to override the ATS flags and allow students to graduate, but they must indicate the reason for doing so in each case.

## Objective

To determine whether DOE has adequate controls to ensure that its high school graduates have met graduation requirements.

## Scope and Methodology Statement

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the City Charter.

This audit’s primary scope was students who graduated during the 2012-2013 school year. The scope of certain tests we undertook covered the period from school year 2012-2013 through September 2014. Please refer to the Detailed Scope and Methodology at the end of this report for the specific procedures followed and the tests conducted during this audit.

## Discussion of Audit Results with DOE

The matters covered in this report were discussed with DOE officials during and at the conclusion of this audit. A preliminary draft report was sent to DOE on May 4, 2015, and was discussed at an exit conference held on May 19, 2015. We submitted a draft report to DOE with a request for comments on June 3, 2015. We received a written response from DOE on June 17, 2015. DOE agreed with most of the audit’s findings and with 17 of the 21 recommendations. It disagreed with the recommendations relating to the provision of more detailed justifications for graduation status overrides, the approval of transcript updates prepared by principals, and the monitoring of user access to ATS and STARS. DOE also asked for clarification of one recommendation, which is provided in the body of the report.

In their response, DOE officials claimed that “the Report highlights only areas in which the Department may have fallen short.” This is not true. In the report, we state that DOE has taken steps to improve its processes relating to the enforcement of graduation requirements. Specifically, the report acknowledges that DOE has provided specific academic guidance to high schools in its February 2012 *High School Academic Policy Reference Guide*, has clarified the appropriate course codes for students’ transcripts in its March 26, 2012 *Course Code Directory* –

*High School*, and has reviewed transcript updates and school graduation data, identified concerns, and worked with the schools to resolve them. The report also acknowledges reports on DOE's enforcement of graduation requirements issued by DOE's Auditor General and by Ernst and Young, LLP. Many of these same steps were mentioned by DOE in its response without noting that we had already given credit to DOE for these actions.

DOE also stated that "the findings were based on a risk-based sample of graduates selected due to potentially concerning data patterns." This is also not true. The only "risk-based" samples in our report related to our transcript review test of two subsets of the population of graduates for which there were certain data irregularities and from which we randomly selected 25 students. To complete the transcript review test, an additional 100 students were randomly selected from the entire population of graduates. The results for the 100 students were reported separately from those for the 25 students in the two "risk-based" samples.

The full text of DOE's written response is included as an addendum to this report.

## FINDINGS AND RECOMMENDATIONS

The audit found weaknesses in DOE's controls intended to ensure that its high school graduates have met graduation requirements. We also observed that DOE has taken steps to improve its processes. In particular, DOE's central office has provided specific academic guidance to high schools in its February 2012 *High School Academic Policy Reference Guide*. In its March 26, 2012 *Course Code Directory – High School*, DOE clarified the appropriate course codes for students' transcripts. In addition, DOE has provided some evidence that it reviews transcript updates and school graduation data, identifies concerns, and works with the schools to resolve them.

However, despite these steps, DOE still does not have sufficient controls to ensure that high school graduates have actually fulfilled all of the necessary requirements. Our audit found transcripts for graduated students that failed to provide adequate information to establish the bases for the students having been allowed to graduate. In many instances, we found schools applied override codes that permitted students to graduate, but provided little or no justification for their use of the overrides. Underlying these issues, our audit found the following weaknesses:

- DOE does not regularly review a sample of STARS transcripts to ensure that graduation requirements have been properly fulfilled;
- DOE does not regularly review a sample of graduation status overrides in ATS to ensure that the overrides are appropriate;
- DOE does not ensure that graduation status overrides and transcript updates are properly justified and approved; and
- DOE does not effectively ensure that access to ATS and STARS is revoked for former school employees upon the termination of their employment.

These matters are discussed in detail in the following sections of the report.

### **Students' Graduation Status Is Not Consistently Supported by the Official Transcripts**

DOE does not have adequate controls in place to ensure that high school graduates consistently meet graduation requirements. As a result, official student transcripts in STARS and graduation status overrides in ATS do not explain how some students were allowed to graduate even though they failed to comply with all graduation requirements.

According to the Chancellor's Regulations, students who entered the ninth grade between September 2008 and September 2010 and graduated during school year 2012-2013 generally had to earn a Regents diploma. These students needed to meet the following requirements:

1. Achieve passing grades (of 65 or above) on New York State Regents examinations in English, Mathematics, Global History, U.S. History, and Science.
2. Accumulate 44 credits, including eight credits in English; eight credits in Social Studies, consisting of Global History (four credits), U.S. History (two credits), Economics (one credit), and Participation in Government (one credit); six credits in Science (including at least two credits in a Life Science and two credits in a Physical Science); six credits in Mathematics (with no more than four of these credits in Algebra I, Geometry, or Algebra

II/Trigonometry); two credits in a Language Other Than English; two credits in Art; one credit in Health Education; and four credits in Physical Education.

In the 2012-2013 school year, only students who had a recognized disability and were eligible for the Safety Net provision, students who entered high school before September 2008, and students from any cohort that met specific eligibility requirements and successfully appealed two Regents exams in which they scored 62 to 64 were able to earn a local diploma.

With the issuance of its *High School Academic Policy Reference Guide* in February 2012, DOE's central office gave high schools specific guidance on graduation requirements that, according to a senior DOE official, had previously been "communicated to schools by Department managers through various field-facing communications." This guide aimed to clarify high school graduation requirements so that schools could use it as a reference for determining when a student had a graduation issue. As part of an overall effort to underscore the requirements' importance, the DOE Auditor General issued a report (in the same month the guide was issued) on high schools' enforcement of graduation requirements. Later, DOE engaged Ernst & Young LLP to review the effectiveness of the implementation of the Auditor General's recommendations. Ernst & Young issued its report to DOE on December 18, 2013.<sup>5</sup>

A student's transcript in STARS is the official record of the student's Regents exam scores, course credits, and grades. The transcript also provides the name and code for each class and often names the teacher for the class.

During the 2012-2013 school year, 58,381 students were issued graduation diplomas by DOE. These diploma recipients included two smaller populations for which we identified data irregularities. One was a group of 307 students who were included on DOE's Cohort 2009 graduation list as school year 2012-2013 graduates, but who were not included on DOE's comprehensive list of 2012-2013 graduates from all cohorts. The second was a group of 65 students who graduated after their schools entered invalid graduation status override codes in ATS.<sup>6</sup>

To determine whether the 2012-2013 graduates met applicable requirements, we reviewed 125 student transcripts as a sample: 100 students randomly selected from the population of 58,381 graduates;<sup>7</sup> 15 students randomly selected from the subset of 307 students; and 10 students randomly selected from the subset of 64 students.<sup>8</sup> Of those we sampled, 8 had transcripts that indicated that the student did not accumulate the required credits or pass the required examinations needed to graduate. Another 13 students had transcripts that raised questions as to whether all requirements were met, but we were not able to state definitively that they were not. The general results of our analysis are summarized below in Table I. The specific reasons

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<sup>5</sup> The reports issued by the DOE Auditor General and Ernst & Young both reviewed DOE efforts to ensure (1) that graduates passed the necessary courses and exams, (2) that Regents exams were scored correctly, and (3) that students were discharged appropriately. This New York City Comptroller's Office audit focuses only on the first issue, DOE's performance ensuring that its diplomas are awarded only to students who have met applicable requirements. In the course of our audit, we found that the Auditor General's and the Ernst & Young reports' recommendation that course coding in STARS be standardized is in the process of being implemented. Other recommendations of the Auditor General have also been implemented, such as the need to formalize the use of STARS to record all required credits and Regents examinations for graduation. However, certain other recommendations made by the Auditor General have not been fully implemented, such as the need to ensure that students do not receive additional credits for passing the same course twice.

<sup>6</sup> We identified override codes that were used to graduate students but that were not on DOE's list of acceptable override codes.

<sup>7</sup> Of the 100 graduates, five Safety Net students and one student who entered the ninth grade in 2007 graduated with a local diploma. The remaining 94 students graduated with a Regents diploma.

<sup>8</sup> For the purpose of selecting a sample of 10 students from the group of 65 students, we excluded one student who was also in the group of 307 students who were not included in the comprehensive 2012-2013 graduation list. We randomly selected samples from the subsets of 307 and 64 students because the irregularities with these subsets that were noted above increased the risks that there might also be irregularities in relation to the graduation of the students in these subsets.

that we are questioning the graduation for each of these 21 students are discussed in detail in Appendix I to this report.

**Table I**  
Analysis of Transcripts for Sampled Students

<b>Diplomas Issued in the 2012-2013 School Year</b>	<b>Sample Size</b>	<b>Per DOE Records, Graduation Requirements Not Met</b>	<b>Per DOE Records, Unclear Whether Graduation Requirements Were Met</b>	<b>Total</b>
Population of 58,381 graduates	100	6	8	14
Subset of 307 who we found were included in the Cohort 2009 graduate list as having graduated during school year 2012-2013, but were not included in the comprehensive list of 2012-2013 graduates	15	0	2	2
Subset of 64 out of the total population who we found had invalid graduation status override codes in ATS	10	2	3	5
<b>Total</b>	<b>125</b>	<b>8</b>	<b>13</b>	<b>21</b>

The transcripts for eight students (six in the larger population of graduates and two from the small subset with invalid status override codes in ATS) indicated that the students had not completed the required Social Studies, Science, Mathematics, Health Education, or Physical Education classes and/or passed all of the required examinations.

The transcripts for 13 other students raised questions as to whether they had met all of the graduation requirements. However, we could not definitively say that they did not meet them because of insufficient information contained on the transcripts. These 13 students include students who would not have met the subject or overall credit requirements had they not received a “P” (pass) or a “CR” (credit) for one or more courses. For this audit, we are only questioning those P and CR entries that were made without a teacher’s name indicated on the transcript.<sup>9</sup>

When no teacher is identified as having authorized the credit, it raises questions about the validity of the credit. It is of particular concern when a student previously failed a class and then in a subsequent term received a P or a CR in the course rather than a number grade. It is often not clear on the transcript whether the student took the class again or obtained credit for the class through the credit recovery process. The credit recovery process allows a student to complete additional work to obtain credit for the class rather than take the class again. However, when the teacher who determined that the additional work was sufficient is not named on the transcript, this

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<sup>9</sup> For this audit, we only questioned those P and CR entries that were associated with a regular school year term, not for those associated with the summer term because most of the entries for summer term classes did not include teachers’ names along with the grades given. We also did not question CR entries for transfer students because schools often accepted the credits but not the grades awarded by other schools.

raises a question as to whether additional satisfactory work was actually produced or whether the change in grade was an administrative act without a proper basis.

With regard to our 125 sample transcripts, we did not question the many instances in which students received a P or a CR without a teacher's name indicated if the student did not need to pass the class in order to meet subject or overall credit requirements. However, for all classes, including summer school, linking each grade to a teacher on a student's transcript is a control that helps ensure that there is a teacher responsible for each grade given.

A school can override an ATS flag that warns that applicable credit or exam requirements have not been met. Of the eight sampled transcripts for which our review indicated that the student did not fully meet graduation requirements, six had graduation status overrides. Two students had override codes indicating that they had met the requirement in one subject area (e.g., Art) by passing a related course in another subject area (e.g., English). It is not evident from the transcripts for these two students, however, that courses in other subject areas could substitute for the required classes. For another four students, the override codes either did not relate to the unmet graduation requirements or were invalid.

DOE's controls to ensure that graduation requirements are met by each student who receives a diploma are inadequate. ATS is designed to analyze a data feed from STARS to determine whether students have earned the total number of required credits in each subject area and have passed the required Regents exams. ATS is not designed to determine whether a student has passed the required classes within a subject area (e.g., Global History within the Social Studies subject area). As a result, a manual review of each transcript is still necessary.

DOE's OAPS provided some evidence in connection with this audit that it reviews transcript updates and school graduation data and works with the schools on any concerns. OAPS reviews schools with a relatively high frequency of transcript updates in which course grades were changed from failing to passing grades. Sampled schools are asked to provide the supporting documentation for a sample of these updates. In addition, at the end of the school year, OAPS reviews the number of graduates from each school and compares this data to the expected range based on historical graduation rates. OAPS officials say they contact a school if the graduation rate appears to be much lower than expected to make sure that the school has entered all graduation information into ATS.

However, we found no evidence that OAPS reviews a sample of transcripts in STARS or graduation status overrides in ATS to ensure that graduation requirements are being properly enforced. As our findings suggest, DOE increases the risk that students are graduating without fulfilling the necessary requirements by failing to regularly review a sample of graduates' transcripts.

DOE's 2012 *Course Code Directory – High School* clarifies the codes to be entered on students' transcripts. This directory became effective at the start of the 2012-2013 school year. This step should improve the manual review of students' transcripts by DOE personnel. However, upgrades to ATS and/or STARS would be needed to enhance the electronic review of the course codes on students' transcripts to determine whether the students have passed the specific classes required within each subject area.

## Recommendations

1. DOE should ensure that a teacher's name is associated with every grade that appears on a student's transcript.

**DOE Response:** "The DOE generally expects that a teacher's name will be associated with a course grade on student transcripts except in certain cases, such as the assignment of transfer credits. That expectation is communicated to schools through 'action items' that appear on the STARS home page. However, since the auditors found instances of grades entered without a teacher being identified, and certain of those instances appear not to involve transfer credits, OAPS managers will consider what protocols can be effected to address the auditors' concerns."

2. DOE should upgrade ATS and/or STARS to be able to review the course codes on students' transcripts to determine whether the students have passed the specific classes required within each subject area.

**DOE Response:** "This recommendation already has been implemented. In June 2015, the DOE implemented an enhancement to STARS which allows schools to assess individual students' progress toward meeting graduation distribution requirements. As non-standardized course codes from prior to 2012/2013 school year phase out of the system, students' progress towards completion of graduation requirements can be determined more readily."

3. DOE should regularly review samples of student transcripts and graduation status overrides to ensure that its schools are properly enforcing graduation requirements.

**DOE Response:** "The DOE cannot respond to this recommendation inasmuch as it is not clear what action, in addition to the actions DOE is already taking, is suggested. In that respect, the Report acknowledges that the DOE 'reviews schools with relatively high frequency of transcript updates in which course grades were changed from failing to passing grades. Sampled schools are asked to provide the supporting documentation for a sample of these updates. In addition, at the end of the school year, DOE reviews the number of graduates from each school and compares this data to the expected range based on historical graduation rates.'

"We request that the Comptroller provide greater clarity regarding the recommendation for improvement."

**Auditor Comment:** In addition to the actions noted in the report that DOE has already taken in this area, we are suggesting that DOE central periodically review a sample of transcripts in their totality, not just the appropriateness of transcript updates, in order to determine whether the schools adequately enforced graduation requirements for these students. We are also suggesting that DOE central periodically review a sample of graduation status overrides to determine whether the overrides were appropriate.

## Inadequate Controls over Graduation Status Overrides

DOE does not have adequate controls over the schools' graduation status overrides in ATS. As a result, there is insufficient assurance that all of DOE's high school graduates actually meet the requirements necessary for graduation.

In June 2012, ATS began using data from STARS to "flag" a student whose transcript indicates the lack of one or more of the required credits or exams necessary to graduate with either a local or Regents diploma. If ATS flags a student as having insufficient credits or exams to receive a diploma, the student cannot graduate unless the flags have been resolved. A school can override an ATS flag and allow a student to graduate, but to do so, the school must indicate in ATS its reason by selecting one of the available override codes identified in DOE's *High School Graduation: Quick Reference Guide*. We noted several issues with the system override process during the audit:

### Inadequate Override Approvals

DOE officials stated that they rely on school principals to ensure that graduation requirements are met by monitoring students' progress, reviewing transcripts, and updating STARS as needed. However, ATS does not have a feature that requires a principal or assistant principal to approve a graduation status override code after it is entered by a guidance counselor or pupil accounting secretary. In addition, at the five schools we visited, we found no electronic or paper documentation that showed that the principal or assistant principal had approved overrides entered into ATS. Furthermore, graduation status override codes are limited to providing a general reason for an override. For example, if a student lacks a credit in one subject area, the school can determine that a course completed by the student in another subject area could provide the missing credit. DOE officials state that this should only be done when the learning standards for a course are applicable to more than one subject area. However, no information is required in ATS as to which other completed course provides the missing credit. Weak controls in this area could allow for the entry of inappropriate graduation status overrides in ATS.

### Invalid Graduation Status Override Codes

Of the 58,381 students who graduated during the 2012-2013 school year, more than 20 percent (12,401) had 13,907 graduation status overrides. (See Appendix II for a summary of the 13,907 overrides, broken down by the types of override codes used for course credits and exams, the definition of these codes, and the number of overrides per code.) After reviewing this data, we determined that there were 65 students for whom 66 invalid graduation status override codes (i.e., codes that were not on DOE's list of acceptable override codes) had been entered into ATS.

According to DOE, "an error was identified that allowed users to enter and save values that were not on the defined list of codes. This error has been fixed, and users are no longer able to enter these values into ATS." DOE further stated that, based on its review of the 65 students' transcripts and its discussion with the schools, 61 of the students met the graduation requirements despite their schools' use of invalid graduation status override codes. Regarding the remaining four students, DOE stated:

- One student with a graduation status override actually "did not receive a diploma." The school has contacted the student to offer opportunities to meet outstanding

requirements. DOE officials stated that they will correct the student's graduation code in ATS for future reporting purposes;

- One student met the graduation requirements, but the school was unable to provide valid proof for one required exam; and
- Two students might not have met all of the requirements. DOE is following up with these schools to determine whether the schools have additional documentation to support the graduation of these students.

## Some Schools Had a Relatively High Percentage of Overrides

Due to the weaknesses found in the graduation status override process, we decided to analyze the graduation override data in further detail to determine whether any schools had a very high percentage of overrides (i.e., a very high number of graduates with overrides in relation to the total number of graduates).

By using DOE's 2014-2015 *Directory of NYC Public High Schools* and information we obtained from DOE officials, we concluded that 192 of the 429 schools with graduation status overrides were ones where overrides might be expected given the types of programs these schools offer.<sup>10</sup> We also determined that there were six schools with 20 or fewer graduates. Of the remaining 231 schools, 18 used graduation status overrides for more than 25 percent of their graduates, ranging from 26 percent to 51 percent. Table II below shows three examples of high schools with a high percentage of overrides during School Year 2012-2013 and the types of overrides used at these schools.

**Table II**

Examples of Three High Schools  
with a High Percentage of Overrides

Name of School	Number of Graduates	Number of Graduates with Overrides	Percentage of Overrides	Primary Overrides Used
Thurgood Marshall Academy for Learning and Social Change (05M670)	96	33	34%	<ul style="list-style-type: none"> <li>• Distribution;</li> <li>• IEP, eligible for local diploma; and</li> <li>• Students who entered ninth grade prior to the 2008-2009 school year</li> </ul>
Brooklyn Preparatory High School (14K488)	82	30	37%	<ul style="list-style-type: none"> <li>• 504 plan, eligible for local diploma; and</li> <li>• IEP, eligible for local diploma</li> </ul>
East New York Family Academy (19K409)	58	29	50%	<ul style="list-style-type: none"> <li>• Distribution</li> </ul>

<sup>10</sup> These schools include consortium schools; transfer schools (i.e., small schools designed to re-engage students who have dropped out or who have fallen behind); career and technical education schools; schools offering arts-endorsed diplomas; schools offering both high school credits and up to two years of college credits; and schools offering programs in specific interest areas (e.g., Health Professions and Teaching).

The distribution override category accounted for the largest number of overrides, 5,956 (43%) of the 13,907 graduation status overrides in the 2012-2013 school year. These were three times more than those in the next highest override category. It indicates that in the school's judgment, a course that a student passed in one subject area can be applied to another subject area in which the student has an insufficient number of credits. For example, a student might have completed a technical drawing class, which could be used through a distribution override to fulfill the Arts requirement, although this course might have been coded in STARS as a technical education subject.

Determining that a course in one subject area can help a student meet the credit requirements in another can be a subjective judgment and if that is not prudently applied, students could be allowed to graduate who have not actually met the applicable standards. Given the high risk of abuse, DOE should identify schools that have a high percentage of overrides (especially distribution overrides) and determine whether the overrides were appropriate.

## Recommendations

4. DOE should require that an override code entered in ATS be approved by a principal or assistant principal.

**DOE Response:** "The DOE already has implemented the recommendation, albeit not in ATS. The DOE expects all graduation data entered into ATS to have been approved by the principal. For the 2015/2016 school year, the DOE will enhance its graduation certification forms to include a requirement that the principal sign off on the list of override codes entered by the school into ATS and keep the list on file at the school.

"We see no sound reason to commit resources to create an ATS-based enhancement."

**Auditor Comment:** We agree that DOE's alternative approach to addressing this matter is acceptable.

5. DOE should add an override approval feature to ATS. Such a feature should identify the initializer and the approver of the override and provide an opportunity for the school to present a clear justification for the override.

**DOE Response:** "The DOE declines to implement this recommendation. The justification for an override is evident in the override reason itself. Additionally, DOE guidance describes the evidence that supports each override code."

**Auditor Comment:** The graduation status override codes in ATS only provide a general reason for an override. For example, the distribution override code, which accounted for 43 percent of the overrides during the 2012-2013 school year, only indicates that in a school's judgment, a course that a student passed in one subject area can be applied to another subject area in which the student has an insufficient number of credits. No information is given in ATS as to the course that a student completed in one subject area that provided the missing credit(s) in another subject area. To increase transparency and to facilitate an independent review of the overrides granted, we urge DOE to implement this recommendation.

6. DOE should monitor the use of overrides in ATS to ensure that the system has been corrected to no longer accept the entry of invalid override codes.

**DOE Response:** “The DOE has corrected this error. The invalid code is no longer observed in the data.”

7. DOE should identify those schools that have a very high percentage of overrides and, through a sample review of these overrides, determine whether the overrides were appropriate.

**DOE Response:** “The DOE already has implemented the recommendation. Through OAPS managers’ review it has been determined that the high number of overrides observed by the auditors largely resulted from non-standardized coding practices that were occurring before the 2012/2013 school year. Post that school year, more uniform course coding was required. The finding that supports the recommendation arises from schools’ substitution of the new codes for those that previously had been entered. As the incidence of old codes on student transcripts declines, the DOE expects fewer overrides. The DOE will continue to monitor the use of overrides to gain assurance that they are used as appropriate.”

## **Inadequate Controls Over the Transcript Update Process**

DOE had inadequate controls over the transcript update process. As a result, some student transcripts were updated without the necessary approvals, justifications, or supporting documentation required by DOE’s *High School Academic Policy Reference Guide*. In addition, some of the updates were not properly recorded in STARS.

According to DOE’s *High School Academic Policy Reference Guide*, all transcript updates must be documented. DOE’s guide provides a transcript update template for schools to use when creating their own forms. This template includes a “detailed explanation” area, as well as signature lines for the teacher, guidance counselor, and the principal or assistant principal. This form provides an audit trail to verify that an update was appropriate.

The most common transcript updates include changing course grades after a school term has ended and adding course credits or exam scores earned by transfer students while attending other schools. DOE requires that updates on transcript update forms be entered and approved in STARS. Reasons for the transcript updates can be selected from a drop-down list in the system. Additional comments can be entered in a field located below the drop-down field. As part of this monitoring process, DOE’s OAPS reviews schools that have a relatively high frequency of updates involving the changing of grades from failing to passing. Sampled schools are asked to provide the supporting documentation.

The following are the transcript update issues noted during the audit:

### **Inadequate Controls Over Transcript Update Approvals and Justifications in STARS**

DOE has not opted to include controls in STARS to ensure that transcript updates are conducted in accordance with the agency’s procedures. STARS has a feature which permits one person to approve a transcript update entered by another. However, DOE has not established adequate

controls in STARS so that only persons authorized to perform certain tasks can do so. Accordingly, these approvals are sometimes not entered by the principals or assistant principals who are required to approve the transcript update forms.

Based on the Transcript Update Reports for the five schools in our sample, 2,179 (42%) of the 5,182 updates from October 2012 through September 2013 were not approved by the principals or assistant principals. Rather, these updates were generally approved by a guidance counselor, program chair (who, among other things, schedules students for their classes), or pupil accounting secretary.

According to DOE and school officials, a teacher can request a transcript update by submitting a transcript update form. However, a teacher does not have the authority to update a transcript or approve an update in STARS. Nevertheless, at one school, a physical education teacher had entered several updates and even approved several updates that an assistant principal had entered. All of these updates were unrelated to physical education.

In addition, although STARS adequately segregates duties between updaters and approvers, for 426 (8%) of the 5,182 updates, the approvers were not at a higher level than the updaters. There were instances in which the principal was the updater and the assistant principal or the guidance counselor was the approver. There were other instances in which the assistant principal was the updater and the guidance counselor was the approver.

These approvals were possible because DOE has not established adequate controls in STARS to only allow persons authorized to perform certain tasks to do so in the system. Specifically, user authorizations should be restricted so that 1) primarily principals and assistant principals approve updates; 2) teachers have read-only access; and 3) persons are unable to approve actions taken by their superiors or others at a higher level. A policy should be established as to who at a higher level can approve updates made by a principal.

Finally, we found that 3,184 (61%) of the 5,182 updates in STARS provided no justification at all for the transcript updates. DOE officials stated that STARS updaters must select applicable reasons for the updates from one of the drop-down selections (e.g., transfer course credit, grade change) in the system, but have the “option” to enter justifications in an additional box below the drop-down field for “their own record-keeping.” However, the drop-down selections provide no information about the specific reason for the update. Furthermore, the Transcript Update Report DOE uses to monitor the updates does not display the drop-down selections made by the schools, but does display the justifications schools provide, if they choose to do so, in the box below. To improve the use of the Transcript Update Report as a monitoring tool, schools must consistently enter update justifications.

In addition, we judgmentally selected from Transcript Update Reports 266 of the 5,182 updates associated with 24 students from the five schools and requested that the schools provide us with the supporting documentation. We found that the schools were unable to provide adequate supporting documentation for 107 (40%) of these updates.

## **Changes Made Without an Audit Trail in the Files**

The five schools we visited did not use transcript update forms for 147 (34%) of the 430 transcript updates found in the student files for 35 randomly sampled students.<sup>11</sup> Of the remaining 283 transcript updates, 223 (79%) of them did not indicate that the update had been approved by the

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<sup>11</sup> A transcript update form for a student may contain one or more updates.

principal or assistant principal, and 80 (28%) did not provide explanations as to why the transcript updates were needed. Further, the schools had inconsistent transcript update forms. For example, the forms used by August Martin High School did not have a space for approval signatures. In addition, some of the school officials we interviewed were not even aware that there was a DOE template for a transcript update form in the guide.

Based on STARS Transcript Update Reports and the schools' files, of the 430 transcript updates associated with these 35 students, 51 updates had been entered in STARS without supporting documentation in the files, and 49 updates had been entered inaccurately or not entered at all. For example, handwritten notes on a transcript in a Curtis High School student's file indicated that 11 updates needed to be entered in STARS. However, only seven of the updates were on the student's transcript in STARS. There was no evidence that the remaining four updates (including Regents exam scores the student received while attending another school) had been entered in STARS. No transcript update form was found in the file.

The schools we visited seem to be inconsistent and disorganized in the ways that they maintain their transcript update documentation. One school maintains this documentation for all of the students in one binder, while another school did not even have a designated place to file the documentation.

DOE officials stated that the documentation requirements for transcript updates are outlined in the *High School Academic Policy Reference Guide* and emphasized that it is the principal's responsibility to establish procedures for transcript updates, including how these documents should be filed. However, based on the weaknesses noted above, we believe that DOE needs to require better controls from principals and assistant principals over the transcript update process. This would help ensure that the schools maintain the transcript update information necessary to provide a proper basis for transcript updates and that all necessary transcript updates have been made.

## Recommendations

8. DOE should establish uniform transcript update recordkeeping practices for all schools to follow to allow for an audit trail and to facilitate reviews by DOE central.
9. DOE should require schools to use the transcript update form provided in its guide, rather than continuing to allow the schools to develop their own.

**DOE Response to Recommendations 8 and 9:** "Current DOE written guidance describes the underlying documentation required for each type of transcript update. The DOE will issue revised guidance requiring schools to use the standard transcript update form and attach supporting documentation."

10. DOE should modify STARS to require that transcript update transactions be approved by higher-level officials, such as an assistant principal or the principal of the school.

**DOE Response:** "The DOE declines to assign resources to modify STARS as recommended. However, as part of issuing revised guidance regarding transcript update forms and procedures, the DOE will provide instructions regarding transcript update sign-offs."

**Auditor Comment:** We agree with DOE's alternative approach to addressing this matter.

11. DOE should establish a policy designating who at a higher level can approve transcript updates made by a principal.

**DOE Response:** “Upon careful consideration, it has been concluded that it is not feasible to require principals’ transcript updates—which can be made for a number of reasons—to be approved at a higher level. Since higher level administrators are not situated within the schools, the process of seeking that approval could negatively affect data entry, which, for obvious reasons, is time sensitive. Furthermore, high school principals are responsible for making final decisions in myriad situations. The DOE does not see a compelling reason to carve out from that scope of responsibility the need for a higher level sign-off for transcript updates, particularly since documentation underlying the basis for the updates must be maintained for production upon review.”

**Auditor Comment:** As an alternative to having a higher-level person approve updates made by the principal, DOE should strongly encourage its principals not to update transcripts themselves but only to approve those updates prepared by others.

12. DOE should ensure that the schools maintain sufficient documentation to support their transcript updates.
13. DOE should modify STARS to require that the schools enter update justifications.

**DOE Response to Recommendations 12 and 13:** “The DOE has already taken steps to identify transactions that are not sufficiently supported and to provide guidance to the affected schools through an audit of transcript updates. In addition, the DOE will clarify current guidance on transcript update procedures and continue to monitor transcript updates through annual audits.

“Further, STARS already requires schools to select a reason for the transcript update from a dropdown menu. Many of these reasons are self-explanatory (e.g., awarding transfer credit). In issuing revised guidance on transcript update procedures, the DOE will remind schools to append supporting documentation to the transcript update form.”

14. DOE should ensure that all updates on the transcript update forms are accurately reported in STARS.

**DOE Response:** “It is the school’s responsibility to ensure that transcript update forms are processed accurately. As stated elsewhere in the DOE’s response, monitoring procedures are already in place and revised guidance will be issued.”

## **Inadequate Controls Over Revoking the Access of Former School Employees to ATS and STARS**

DOE has inadequate controls over ATS and STARS access by former school employees. DOE central reported that 761 individuals at the five schools we visited were active users of ATS and STARS as of July 16, 2014. However, we found that 163 (21%) of them had resigned or otherwise left the schools prior to this date but their access to these systems had not been revoked. Of that

group, 42 had left more than three years before. For another 118<sup>12</sup> (16%) of the 761 individuals, neither the schools nor DOE central provided sufficient information to support these individuals' access to these systems as of July 16, 2014.

Both ATS and STARS have three general levels of access: Administrator (complete functionality); Editor (ability to edit or modify); and Viewer (ability to view reports.) The principal must decide each person's level of access.

DOE central officials stated that when an individual transfers to another DOE unit, the principal or supervisor must request that individual's access to ATS and STARS be removed. The officials added that when an individual retires or resigns from DOE, his or her email account is revoked centrally and the user is thereby unable to access the systems. They further stated that ATS and STARS access is generally revoked on the "employee's end date."

DOE did not provide any evidence to confirm that the termination of employees' email accounts necessarily prohibits their access to these systems or to confirm that the email accounts for these individuals were in fact revoked. In any event, there is no reason that former employees should be identified as individuals still having access to the confidential student information in ATS and STARS. Furthermore, since a modification of this information can have an impact on a student's graduation status, it is especially critical that Editor access be limited to employees currently responsible for entering or updating this information. Former employees (or anyone with whom the former employees might want to share access information) should not have such access.

## Recommendations

15. DOE should ensure that the schools inform DOE central whenever individuals no longer require their current level of access or any access to ATS or STARS.
16. DOE should require schools to periodically review the lists of active ATS and STARS users at their schools to determine whether the lists are accurate. If there are any discrepancies, the schools should inform DOE central.

**DOE Response to Recommendations 15 and 16:** "The DOE agrees to remind principals of their responsibility to inform the DOE whenever individuals no longer require their current level of access."

17. DOE central should periodically review the appropriateness of the ATS and STARS access of all individuals granted such access.

**DOE Response:** "As the auditors had been advised, access to ATS and STARS can be obtained only by individuals who have active DOE user names. User names are revoked centrally upon an employee's termination of employment. As stated in response to Recommendations 15 and 16, the DOE agrees to remind principals of their responsibility to inform the DOE whenever individuals no longer require their current level of access. The DOE does not see a compelling reason to implement additional central review processes."

**Auditor Comment:** We continue to believe that, as part of its monitoring of high schools, DOE central should periodically perform sample reviews of the appropriateness of the ATS and STARS user access at these schools.

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<sup>12</sup> The draft report stated 115 individuals. This has been corrected and changed to 118 individuals here and elsewhere in the final report. This change has no material impact on the audit findings.

18. DOE should immediately revoke the ATS and STARS access of the 163 identified users at the five schools who are no longer active employees.

**DOE Response:** “As stated in response to Recommendation 17, individuals cannot access ATS and STARS without a DOE user name, which is revoked upon termination of employment. The DOE agrees to review the list of 163 users and, as appropriate revoke ATS and STARS access.”

19. DOE should investigate the 118 identified ATS and STARS users that neither the schools nor DOE central could show had a legitimate reason to have access to these systems.

**DOE Response:** “The DOE agrees to review the list of [118] identified ATS and STARS users. In any case where access should be restricted, the DOE will take steps to terminate such access.”

## Minor Data Reliability Concerns

There were some discrepancies among the various student graduation lists that DOE provided to us during this audit. Although the data was sufficiently accurate for us to do our audit testing, if the weaknesses that led to the discrepancies are not corrected, DOE’s ability to maintain fully accurate and complete student graduation data will be compromised.

DOE provided us with a comprehensive list of students who graduated during the 2012-2013 school year, regardless of their cohort, and a second list of Cohort 2009 students who graduated before or during the 2012-2013 school year. We compared the student data from both lists and found some minor discrepancies. Principally, we found that the comprehensive list inappropriately omitted 307 students who were included on the Cohort 2009 graduation list as having graduated during the 2012-2013 school year. DOE officials stated that the 2012-2013 graduation list did not include 133 students with graduation dates from September 6, 2013, through September 9, 2013. They had no explanation for the remaining 174 students. Additionally, the Cohort 2009 graduation list inappropriately omitted 146 Cohort 2009 students who were included on the comprehensive list. DOE officials stated that the schools for 34 of the 146 students entered graduation data after NYSED’s due date of October 27, 2013, and, therefore, were not included in the Cohort 2009 graduation list. They had no explanation for the remaining 112 students.

DOE provided NYSED with the Cohort 2009 graduation list, which showed those Cohort 2009 students who graduated either with a local or Regents diploma before or during the 2012-2013 school year. This list was used by NYSED for inclusion in its school-level graduation results report entitled *Cohorts of 2001 through 2009 (Classes of 2005 through 2013) Graduation Outcomes*. Prior to issuing this report, NYSED validates the data on this list and returns it to DOE for a final review. DOE apparently did not realize that 130 of the students on its list were not reflected as being associated with a particular DOE school in the data set returned by NYSED for review. DOE needs to ensure that it carefully examines the graduation list that NYSED sends back for review. If anomalies or discrepancies are found, they should be investigated and the results shared with NYSED.

## Recommendations

20. DOE should ensure that its cohort and school-year graduation lists do not provide contradictory information.
21. DOE should ensure that the graduation list it receives back from NYSED for review is examined for anomalies or discrepancies. If anomalies or discrepancies are found, they should be investigated and the results reported to NYSED.

***DOE Response to Recommendations 20 and 21:*** “In addition to the steps already taken by DOE in its review of graduation cohort and school year graduation lists the DOE will consider implementing procedures similar to those performed by the auditors.”

## DETAILED SCOPE AND METHODOLOGY

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the City Charter.

This audit's primary scope was students who graduated during the 2012-2013 school year. The scope of certain tests we undertook covered the period from school year 2012-2013 through September 2014.

To obtain an understanding of DOE's responsibilities and regulations governing high school graduation requirements, we reviewed the following:

- DOE's *High School Academic Policy Reference Guide*, effective January 2013;
- DOE's *Graduation Requirements* cards for students entering ninth grade between September 2008 and September 2012;
- DOE's August 2014 *High School Graduation: Quick Reference Guide*;
- Section A-501 of DOE's Chancellor's Regulations, Promotion Standards (issued June 2, 2014); and
- Part 100.5 of the State Commissioner's Regulations, Diploma Requirements (updated August 2010).

In addition, we reviewed the following reports as they related to our audit objective:

- A report issued on February 23, 2012, by DOE's Office of Auditor General, entitled *High School Academic Data Audit Report*. The report reviewed high school enforcement of graduation requirements.
- A report issued on December 18, 2013, by Ernst & Young LLP, entitled *Findings and Recommendations Report*. The report reviewed the effectiveness of the implementation of the recommendations presented in the Auditor General's report.
- A report issued by the Office of the New York City Comptroller on July 21, 2009, entitled *Audit Report on the Department of Education's Calculation of High School Graduation Rates* (ME09-065A).

To gain an understanding of the responsibilities of DOE central office officials and the controls in place in relation to the monitoring of the high school graduation process, we interviewed various OAPS officials, including the Executive Director and the Directors of Academic Policy, Academic Information Management Systems, and Data Analytics. In addition, we interviewed officials from DOE's Division of Academics, Performance, and Support, including the Chief Academic Officer and the Deputy Chief Academic Officer for Performance.

To gain a better understanding of the functionalities of ATS and STARS as they relate to the high school graduation process, we observed several demonstrations of these systems by the Director of Academic Information Management Systems and reviewed related system manuals.

We compared various student graduation lists<sup>13</sup> provided to us by DOE over the course of the audit, which included fields for each student's name, the type of diploma earned, and the associated school. Our purpose was to determine the completeness of the data, (e.g., determining whether each student was associated with a school) and to obtain the population of DOE students who graduated with a local or Regents diploma during the 2012-2013 school year.

After reviewing these lists, we initially identified 60,797 graduates. We then excluded from this amount 2,416 students who (1) were District 75, 79, or 84 students;<sup>14</sup> (2) graduated from schools or programs outside of DOE; or (3) graduated before the 2012-2013 school year. (These types of students were not the focus of this audit.) After excluding these students, a population of 58,381 students remained who had graduated during the 2012-2013 school year.<sup>15</sup>

In addition, as part of our data reliability testing, we determined whether the information reported on the ATS graduation list for school year 2012-2013 was accurate. We reviewed the appropriateness of the parameters used to generate this list. To test the accuracy of this and other ATS lists that DOE provided to us, we also randomly selected 134 students and compared the information (e.g., graduation dates) reported on the lists to information recorded in ATS. We also compared the accuracy of these lists to student name, number, and school data in STARS for the 125 students we selected from the ATS lists for our transcript review test.

We reviewed the transcripts for a randomly selected sample of 125 graduates out of the population of 58,381 graduates to determine whether they met the graduation requirements that pertained to their cohort. We randomly selected 100 graduates from the population of 58,381 graduates; 15 graduates from the subset group of 307 students who graduated from DOE schools during the 2012-2013 school year and were included on DOE's Cohort 2009 graduation list but were excluded from DOE's 2012-2013 list of graduates from all cohorts; and 10 graduates from the subset group of 64 graduates<sup>16</sup> for whom invalid graduation override codes had been entered into ATS. We reviewed the transcripts for 125 students and determined whether the students accumulated the required 44 credits in designated subjects, including the course-specific requirements, and passed the five Regents exams. In addition, we determined whether the name of the teacher for each course was recorded on the transcript. For those students who earned a local diploma, we obtained documentation from ATS to determine whether the students were Safety Net students.

We reviewed the available graduation override codes and determined how many students in our population of 58,381 students graduated as a result of such overrides. We identified the override codes that were the most prevalent. In addition, we determined whether the override codes were valid ones identified in DOE's *High School Graduation: Quick Reference Guide*. Finally, we

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<sup>13</sup> On February 28, 2014, DOE provided us with a preliminary list of students from Cohort 2009 who graduated before or during the 2012-2013 school year. On July 11, 2014, DOE provided us with a final list of these students, which was used by NYSED for inclusion in its school-level graduation results report. On August 7, 2014, DOE provided us with a list of all students who graduated during the 2012-2013 school year, irrespective of their cohort. On October 30, 2014, DOE added students' graduation dates to the July 11, 2014, list.

<sup>14</sup> District 75 provides educational and behavioral support programs for students who either are on the autism spectrum, have significant cognitive delays, are emotionally challenged, or are disabled. District 79 provides alternative schools and programs for students under 21 years of age who have experienced an interruption in their high school studies and need additional skills to graduate from high school and to become productive members of society. District 84 consists of charter schools that are publicly funded and open to all students through a non-discriminatory admissions lottery. Each school is governed by a not-for-profit board of trustees. Students at schools or programs outside of DOE are placed at these locations due to the nature of their disabilities.

<sup>15</sup> Of the 58,381 students, 4,593 students received local diplomas, and 53,788 received Regents diplomas.

<sup>16</sup> Although invalid override codes had been entered for 65 students, one of these students was also in the group of 307 students. As a result, for the purpose of selecting a sample of 10 students from the group of 65 students, we excluded the student who was also in the group of 307 students.

determined how many students had graduation overrides at each school and whether any schools had a relatively high frequency of overrides compared to other schools.

To gain an understanding of the responsibilities of the principals and their staff involved with the high school graduation process at the school level, we randomly selected five schools to visit. To select these schools, we obtained from DOE a list of 430 high schools that had at least one graduating student in the 2012-2013 school year. Excluding the nine specialized high schools on this list because we considered the risk of these schools graduating students who did not meet graduation requirements to be low, we had a population of 421 schools.

Using Class of 2012 data in NYSED's school-level graduation results report entitled *Cohorts of 2001 through 2008 (Classes of 2005 through 2012) Graduation Outcomes*,<sup>17</sup> we established the following five strata based upon the four-year June graduation rates reported for each of the schools: (1) schools without a reported graduation rate; (2) schools with graduation rates from 0 to 25 percent; (3) schools with graduation rates from above 25 percent to 50 percent; (4) schools with graduation rates from above 50 percent to 75 percent; and (5) schools with graduation rates from above 75 percent to 100 percent. We randomly selected one school from each of the five strata while ensuring that one school was selected from each borough. As a result, we selected Curtis High School of Staten Island, South Bronx Preparatory: A College Board School, Forsyth Satellite Academy of Manhattan, Sunset Park High School of Brooklyn, and August Martin High School of Queens.<sup>18</sup>

We visited each of the five schools several times and interviewed officials responsible for the graduation process, including the principals, the assistant principals, the guidance counselors, the program chairs, and the pupil accounting secretaries. We inquired as to whether these officials received adequate guidance from OAPS officials. In addition, we asked the schools to provide us with supporting documentation for any Regents exam appeals that occurred during the 2012-2013 school year.<sup>19</sup>

To determine whether there were adequate controls over the transcript update process at the schools, we randomly selected student files at each of the five schools and looked for any evidence of transcript updates (i.e., the change of an existing grade after a school's term has ended). In all, we obtained documentation pertaining to 430 transcript updates for 35 students covering the period from October 2009 through September 2014. For each of these updates, we determined whether transcript update forms were used and, if so, whether they were approved by either a principal or assistant principal and whether they contained justifications. Reviewing the STARS Transcript Update Report 2.07 for each of these students, we determined whether the updates indicated on the forms at the schools were accurately reported in STARS. In addition, we obtained the transcripts in STARS for each of these students and ensured that the updates were correctly reflected on them.

We also reviewed the STARS Transcript Update Report 2.09 for the period October 2012 through September 2013 for each of these five schools. Each report listed all of the transcript updates entered into STARS during this period. We determined whether the updates were indicated and justified, whether there was an appropriate segregation of duties between the updaters (individuals entering the changes) and the approvers (individuals approving the changes),

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<sup>17</sup> The graduating rates for the Class of 2013 were not available at the time of our selection.

<sup>18</sup> Sunset Park High School had no reported graduation rate; Forsyth Satellite Academy had a 6% graduation rate; August Martin had a 35% graduation rate; Curtis High School had a 71% graduation rate; and South Bronx Preparatory had an 83% graduation rate.

<sup>19</sup> Students who fail a Regents exam may appeal to the superintendent if they score 62 to 64 on an exam and meet certain other requirements.

whether the approvers were at a higher level than the updaters, and whether the approvals were done in a timely manner. In addition, we judgmentally selected 24 students from the five schools who had a total of 266 updates to their transcripts in STARS during this period. We then reviewed the schools' supporting documentation for these updates.

To determine whether there were adequate controls over the granting and revoking of access to the ATS and STARS systems at the school level, we obtained from DOE the names (and associated titles) of the individuals at the five schools who were reported as being active users of ATS and STARS as of July 16, 2014. We then sent a spreadsheet via email to each of the five schools listing each individual and asked the school to record whether the individuals were currently on staff and, if not, to indicate the dates the individuals left the school (e.g., retired or resigned from the school). For any individuals who were no longer at the five schools but were at other DOE facilities, we asked school officials to indicate whether the individuals needed continued ATS or STARS access for their five schools. Finally, for any individuals whose user access we determined should have been revoked prior to July 16, 2014, based on their departure dates and their need for continued access, we calculated the length of time the users had inappropriate access up until July 16, 2014.

During the course of our audit, we followed up on all of the major recommendations of the February 23, 2012, report by DOE's Office of Auditor General entitled *High School Academic Data Audit Report*, which reviewed high school enforcement of graduation requirements, and of the December 18, 2013, report by Ernst & Young LLP entitled *Findings and Recommendations Report*, which reviewed the effectiveness of the implementation of the recommendations presented in the Auditor General's report.

These reports reviewed DOE performance in terms of ensuring (1) that graduates passed the necessary courses and exams, (2) that Regents exam were scored correctly, and (3) that students were discharged appropriately. This audit focused on the first issue. Our audit found that the two reports' recommendation that course coding in STARS be standardized is in the process of being implemented. Other recommendations of the Auditor General were also implemented, such as the need to formalize the use of STARS to record all required credits and Regents examinations for graduation. However, certain other recommendations relating to the schools ensuring that all graduation requirements are being met have not been fully implemented, such as the need to ensure that students do not receive additional credits for passing the same course twice.

The results of our samples cannot be projected to the populations from which they were drawn, but together with our other audit procedures provided a reasonable basis for our findings and conclusions regarding the identified control weaknesses.

Sampled Students Who Did Not  
Meet Graduation Requirements or  
Whose Graduations Were  
Questionable

Sample Number	Graduation requirements not met	Unclear as to whether graduation requirements were met	Reason
<b>Sample # 1 (100 students)</b>			
10		X	Teacher's name was not specified for grade of CR for two Physical Education classes. Student would not have met Physical Education requirement without these two classes.
12		X	Teacher's name was not specified for grades of CR or P earned in various subjects. Without those credits, student would not have met English, Social Studies, Science, Physical Education, and Health Education requirements. Many transcript updates were done between April and June of 2013.
19	X		Student did not earn 1 credit in Health Education.
25		X	Teacher's name was not specified for grade of P earned in Algebra class. It was a credit recovery entered as a transcript update in April 2012 for school year 2011-2012.
27		X	Teacher's name was not specified for grade of CR in Global History. Student would not have met the Global Studies requirement without this credit.
36	X		Student did not earn 1 credit in Economics. Student also did not earn 2 non-Geometry credits in Mathematics. (Also, teachers' names were not specified for grades of CR and P in English, Science, and Physical Education. Student would not have met the requirements in these subjects without those credits.)
49	X		Student did not earn 1 credit in Economics and 1 credit in Participation in Government.
51		X	Teacher's name was not specified for grades of CR for two Physical Education classes and received credit for a Physical Education waiver. Student would not have met the Physical Education requirement without these credits.
55		X	Teacher's name was not specified for grade of P for a Physical Education class. Student would not have met the Physical Education requirement without this class.
58	X		One of the required 6 credits in Science was a repeated Living Environment class.
59		X	Student had a grade of 9 in Physical Education. Unclear if Physical Education requirement was met.
85	X		Student did not earn 2 credits in U.S. History, 1 credit in Economics, and 1 credit in Participation in Government. (Also, teacher's name was not specified for grade of CR for an Arts class. Student would not have met the Arts requirement without this class.)
86		X	Teacher's name was not specified for grades of CR for two Physical Education classes and a Health Education class. Student would not have met Physical Education requirement or the Health Education requirement without these credits.
93	X		Student did not earn 4 credits in Physical Education.

**APPENDIX I**  
**PAGE 2 OF 2**

Sample Number	Graduation requirements not met	Unclear as to whether graduation requirements were met	Reason
<b>Sample # 2 (10 students)</b>			
1		X	Teacher's name was not specified for grade of P for a Health Education class. Student would not have met Health Education requirement without this class.
2		X	Teacher's name was not specified for grades of P for two Physical Education classes. Student would not have met Physical Education requirement without these classes.
4	X		Student did not earn 1 credit in Participation in Government. Student also did not pass the English Regents exam.
8		X	Teacher's name was not specified for grade of P for a Science class. Student would not have met the Science requirement without this class.
10	X		Student did not earn 2 non-Algebra credits in Mathematics. Student repeated two Algebra classes and, as a result, should only have received 5 credits in Mathematics. However, 6 credits are needed.
<b>Sample # 3 (15 students)</b>			
6		X	Teacher's name was not specified for a grade of CR in English. Without this credit, student would not have met the English requirement.
14		X	Student did not take a Physical Education class in student's senior year.

## APPENDIX II

### DOE Graduation Status Override Codes

Override Code	Reason for Override	Number of Overrides per Code
<b>Credit Override</b>		
A	Individual Education Program (IEP) - Exempt from a Language Other Than English (LOTE) Requirement	114
B	Advanced Art Endorsement - Exempt from the LOTE Requirement	92
C	Advanced Career and Technical Education (CTE) Endorsement - Exempt from the LOTE Requirement	656
D & 1	Distribution Override - Student fulfilled a distribution requirement through a course coded in a different subject area.	5,956
Y	Invalid Code	1
<b>Regents Exam Override</b>		
J	IEP - Exempt from the LOTE Requirement	159
K	Advanced Art Endorsement - Exempt from the LOTE Requirement	274
L	Advanced CTE Endorsement - Exempt from the LOTE Requirement	529
M & 4	Safety Net - 504 (i.e., student has a 504 plan specifying Safety Net eligibility allowing the student to earn a local diploma)	490
N, O, & 5	Safety Net - IEP (i.e., student has an IEP allowing the student to earn a local diploma)	1,750
P & 6	Cohort Override - If a student's ninth grade entry year is school year 2007-2008 or prior, a student can earn a local diploma.	1,391
Q & 3	Exam Appeal - A student's appeal of a Regents exam score of 62-64 through the superintendent has been approved.	413
R	Exam Waived - Transfer Student (i.e., student transferred to a City high school in grade 11 or 12 and the Global History and/or Science Regents exams are waived)	205
S & 2	NYSED Approved Exam Alternative - Student fulfilled a Regents exam requirement using a State-approved alternative exam. Also used for students who transferred from State-approved consortium schools and had successfully completed one or more Performance Based Assessment Tasks (PBATs).	1,812
0, 1, A, D, & Y	Invalid Codes	65

June 17, 2015

Marjorie Landa  
Deputy Comptroller for Audit  
The City of New York  
Office of the Comptroller  
One Centre Street  
New York, NY 10007-2341

**Re: Audit Report on the Department of Education's Controls for Ensuring that Its High School Graduates Have Met Graduation Requirements (ME14-075A)**

Dear Ms. Landa:

This letter, with the attached response to recommendations ("Response"), constitutes the formal response of the New York City Department of Education ("DOE") to the City of New York Office of the Comptroller's ("Comptroller") draft audit report titled *Audit Report on the Department of Education's Controls for Ensuring that Its High School Graduates Have Met Graduation Requirements, ME14-075A*. ("Report").

The DOE does not seek to minimize those audits findings with which we agree and which may have impacted individual students. Nonetheless, since the Report highlights only areas in which the Department may have fallen short—and those are relatively few given our student population numbers—this letter undertakes to provide a counterbalance, primarily to assure the public and the agencies that rely upon our graduation data that the Department's efforts to ensure that students have met graduation requirements are serious, on-going and significant.

In that regard, the Report's suggestion that the DOE did not provide evidence to support that the DOE has developed graduation data oversight strategies is itself unsupported. The DOE's Office of Academic Policy and Systems ("OAPS") is dedicated to the oversight of graduation policies and processes. OAPS's key oversight strategies include the following:

- In February 2012, OAPS published a comprehensive High School Academic Policy Reference Guide, which outlines the State and City policies related to student programming, graduation, and academic data.
- Starting in 2012/2013, OAPS required all high schools to begin using standardized course codes in the Student Transcript and Academic Reporting System ("STARS"). The standardization of STARS course codes allows for more accurate transcript data that can be analyzed centrally to identify potential areas of concern. Additional guidance published in April 2015 further clarifies expectations for coding course sequences required for graduation, thereby enabling DOE managers to develop additional graduation monitoring tools.
- OAPS has engaged an external audit firm, Ernst and Young, LLP to conduct annual academic data audits since 2011/12. As a component of these audits, policy specialists review the transcripts of a random sample of graduates to determine whether they have

met the course and examination requirements. In the event of any observed discrepancy, additional documentation, such as course syllabi, curricula, and teacher gradebooks, is collected to facilitate a determination whether students actually have met a particular requirement. The majority of DOE high schools have undergone random graduation audits that not only test the supporting documentation underlying transcript data, but provide the schools with feedback on policy implementation and record-keeping practices. In April 2015, OAPS added a new audit component that tests supporting documentation associated with a sample of updates to student transcripts. The results will be used to inform future policy guidance.

- OAPS provides schools with monitoring tools to support them in reviewing their academic data on an ongoing basis. In addition to the ATS graduation controls described in the report, the STARS system automatically analyzes students' transcripts and schedules and alerts schools to potentially concerning data patterns through "Action Items" on each school's STARS homepage. For example, STARS Action Items alert schools if students are not scheduled for a course required for graduation.

In addition, OAPS released an enhanced graduation tracking tool in STARS aligned to the above-referenced policy guidance in June 2015. This tool enables school staff to track student progress to graduation in real time and to evaluate whether their course coding aligns to citywide expectations, thus reducing the need for override codes at the time of graduation.

- OAPS conducts outreach to schools with potentially concerning data patterns several times per year. As part of this outreach, dedicated academic policy point people work with school staff to review academic data and adjust school programming and data practices as needed to align to State and City policies.

In response to the Report's recommendations pertaining to school-based record-keeping and signoff procedures, the DOE commits to requiring all schools to use a common transcript update form in the 2015/2016 school year. Furthermore, graduation certification forms also will be revised to require principal signoff on all graduation overrides codes entered into ATS.

As the Report notes, and we choose to emphasize, the findings were based on a risk-based sample of graduates selected due to potentially concerning data patterns. Therefore, the results cannot be generalized to the general population of graduates.

Sincerely,



Phil Weinberg  
Deputy Chancellor, Teaching and Learning

C: Alice M. Brown      Katie Hansen    Danya Labban  
Marlene Malamy      Robert Sosa    Andrea Breland-Turner  
Samilda Perez-Villanueva

**NEW YORK CITY DEPARTMENT OF EDUCATION RESPONSE TO FINDINGS AND RECOMMENDATIONS**

The following, with the attached cover letter from New York City Department of Education (“DOE”) Deputy Chancellor, comprises the response to the City of New York Office of the Comptroller’s (“Comptroller”) draft audit report titled *Audit Report on the Department of Education’s Controls for Ensuring that Its High School Graduates Have Met Graduation Requirements (ME14-075A)*.

**Recommendation 1.** *DOE should ensure that a teacher’s name is associated with every grade that appears on a student’s transcript.*

**Response.** The DOE generally expects that a teacher’s name will be associated with a course grade on student transcripts except in certain cases, such as the assignment of transfer credits. That expectation is communicated to schools through “action items” that appear on the STARS home page. However, since the auditors found instances of grades entered without a teacher being identified, and certain of those instances appear not to involve transfer credits, OAPS managers will consider what protocols can be effected to address the auditors’ concerns.

**Recommendation 2.** *DOE should upgrade ATS and/or STARS to be able to review the course codes on students’ transcripts to determine whether the students have passed the specific classes required within each subject area.*

**Response.** This recommendation already has been implemented. In June 2015, the DOE implemented an enhancement to STARS which allows schools to assess individual students’ progress toward meeting graduation distribution requirements. As non-standardized course codes from prior to 2012/2013 school year phase out of the system, students’ progress towards completion of graduation requirements can be determined more readily.

**Recommendation 3.** *DOE should regularly review samples of student transcripts and graduation status overrides to ensure that its schools are properly enforcing graduation requirements.*

**Response.** The DOE cannot respond to this recommendation inasmuch as it is not clear what action, in addition to the actions DOE is already taking, is suggested. In that respect, the Report acknowledges that the DOE “reviews schools with relatively high frequency of transcript updates in which course grades were changed from failing to passing grades. Sampled schools are asked to provide the supporting documentation for a sample of these updates. In addition, at the end of the school year, DOE reviews the number of graduates from each school and compares this data to the expected range based on historical graduation rates.”

We request that the Comptroller provide greater clarity regarding the recommendation for improvement.

**Recommendation 4.** *DOE should require that an override code entered in ATS be approved by a principal or assistant principal.*

**Response.** The DOE already has implemented the recommendation, albeit not in ATS. The DOE expects all graduation data entered into ATS to have been approved by the principal. For the 2015/2016 school year, the DOE will enhance its graduation certification forms to include a requirement that the principal sign off on the list of override codes entered by the school into ATS and keep the list on file at the school.

We see no sound reason to commit resources to create an ATS-based enhancement.

**Recommendation 5.** *DOE should add an override approval feature to ATS. Such a feature or form should identify the initializer and the approver of the override and provide an opportunity for the school to present a clear justification for the override.*

**Response.** The DOE declines to implement this recommendation. The justification for an override is evident in the override reason itself. Additionally, DOE guidance describes the evidence that supports each override code.

**Recommendation 6.** *DOE should monitor the use of overrides in ATS to ensure that the system has been corrected to no longer accept the entry of invalid override codes.*

**Response.** The DOE has corrected this error. The invalid code is no longer observed in the data.

**Recommendation 7.** *DOE should identify those schools that have a very high percentage of overrides and, through a sample review of these overrides, determine whether the overrides were appropriate.*

**Response.** The DOE already has implemented the recommendation. Through OAPS managers' review it has been determined that the high number of overrides observed by the auditors largely resulted from non-standardized coding practices that were occurring before the 2012/2013 school year. Post that school year, more uniform course coding was required. The finding that supports the recommendation arises from schools' substitution of the new codes for those that previously had been entered. As the incidence of old codes on student transcripts declines, the DOE expects fewer overrides. The DOE will continue to monitor the use of overrides to gain assurance that they are used as appropriate.

**Recommendation 8.** *DOE should establish uniform transcript update recordkeeping practices for all schools to follow to allow for an audit trail and to facilitate reviews by DOE central.*

**Recommendation 9.** *DOE should require schools to use the transcript update form provided in its guide, rather than continuing to allow schools to develop their own.*

**Response to Recommendations 8 and 9.** Current DOE written guidance describes the underlying documentation required for each type of transcript update. The DOE will issue revised guidance requiring schools to use the standard transcript update form and attach supporting documentation.

**Recommendation 10.** *DOE should modify STARS to require that transcript update transactions be approved by higher-level officials, such as an assistant principal or the principal of the school.*

**Response.** The DOE declines to assign resources to modify STARS as recommended. However, as part of issuing revised guidance regarding transcript update forms and procedures, the DOE will provide instructions regarding transcript update sign-offs.

**Recommendation 11.** *DOE should establish a policy designating who at a high level can approve transcript updates made by a principal.*

**Response.** Upon careful consideration, it has been concluded that it is not feasible to require principals' transcript updates—which can be made for a number of reasons—to be approved at a higher level. Since higher level administrators are not situated within the schools, the process of seeking that approval could negatively affect data entry, which, for obvious reasons, is time sensitive. Furthermore, high school principals are responsible for making final decisions in myriad situations. The DOE does not see a compelling reason to carve out from that scope of responsibility the need for a higher level sign-off for transcript updates, particularly since documentation underlying the basis for the updates must be maintained for production upon review.

**Recommendation 12.** *DOE should ensure that the schools maintain sufficient documentation to support their transcript updates.*

**Recommendation 13.** *DOE should modify STARS to require that the schools enter update justifications.*

**Response to Recommendations 12 and 13.** The DOE has already taken steps to identify transactions that are not sufficiently supported and to provide guidance to the affected schools through an audit of transcript updates. In addition, the DOE will clarify current guidance on transcript update procedures and continue to monitor transcript updates through annual audits.

Further, STARS already requires schools to select a reason for the transcript update from a dropdown menu. Many of these reasons are self-explanatory (e.g., awarding transfer credit). In issuing revised guidance on transcript update procedures, the DOE will remind schools to append supporting documentation to the transcript update form.

**Recommendation 14.** *DOE should ensure that all updates on the transcript update forms are accurately reported in STARS.*

**Response.** It is the school's responsibility to ensure that transcript update forms are processed accurately. As stated elsewhere in the DOE's response, monitoring procedures are already in place and revised guidance will be issued.

**Recommendation 15.** *DOE should ensure that the schools inform DOE central whenever individuals no longer require their current level of access or any access to ATS or STARS.*

**Recommendation 16.** *DOE should require schools to periodically review the lists of active ATS and STARS users at their schools to determine whether the lists are accurate. If there are any discrepancies, the schools should inform DOE central.*

**Response to Recommendations 15 and 16.** The DOE agrees to remind principals of their responsibility to inform the DOE whenever individuals no longer require their current level of access.

**Recommendation 17.** *DOE central should periodically review the appropriateness of the ATS and STARS access of all individuals granted such access.*

**Response.** As the auditors had been advised, access to ATS and STARS can be obtained only by individuals who have active DOE user names. User names are revoked centrally upon an employee's termination of employment. As stated in response to Recommendations 15 and 16, the DOE agrees to remind principals of their responsibility to inform the DOE whenever individuals no longer require their current level of access. The DOE does not see a compelling reason to implement additional central review processes.

**Recommendation 18.** *DOE should immediately revoke the ATS and STARS access of the 163 identified users at the five schools who are no longer active employees.*

**Response.** As stated in response to Recommendation 17, individuals cannot access ATS and STARS without a DOE user name, which is revoked upon termination of employment. The DOE agrees to review the list of 163 users and, as appropriate revoke ATS and STARS access.

**Recommendation 19.** *DOE should investigate the 115 identified ATS and STARS users that neither the schools nor DOE central could show had a legitimate reason to have access to these systems.*

**Response.** The DOE agrees to review the list of 115 identified ATS and STARS users. In any case where access should be restricted, the DOE will take steps to terminate such access.

**Recommendation 20.** *DOE should ensure that its cohort and school-year graduation lists do not provide contradictory information.*

**Recommendation 21.** *DOE should ensure that the graduation list it receives back from NYSED for reviews is examined for anomalies and discrepancies. If anomalies or discrepancies are found, they should be investigated and the results reported to NYSED.*

**Response to Recommendations 20 and 21.** In addition to the steps already taken by DOE in its review of graduation cohort and school year graduation lists the DOE will consider implementing procedures similar to those performed by the auditors.