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**Subject:** Tri Valley responses to GOAC questions

Dear members of the Government Operations and Audit Committee,

This letter is in response to Tri Valley superintendent Mike Lodmel's answers to the questions posed by GOAC. Superintendent Lodmel's responses to the committee's questions raise additional questions and concerns.

Citing Committee Question 5d: "Should there be a fine for any of this behavior which is uncovered?"

Superintendent Lodmel responded, "I personally don't believe that is warranted."

South Dakota law already provides for fines and penalties for overreporting fall enrollment data, and for rebates and refunds of transportation or any other thing of value, given **or promised**, to induce attendance.

*13-13-1.3. Overreported fall enrollment data--Recovery of overpayment--Misdemeanor. If, in the department's examination of fall enrollment, it is determined that the data was overreported, the department shall recover the amount of state aid overpaid as a result of the overreporting. Upon recovery of the overpayment, the department shall deposit the overpayment into the state general fund. If the overreporting occurred with the intent to increase the amount of state aid received by overreporting, the person responsible for the overreporting may be charged with a Class 1 misdemeanor as provided in § 13-8-44, with the maximum penalty as defined in § 22-6-2.*

*13-28-34. Rebates and refunds to induce attendance at school as misdemeanor. A school district board, administrator, or school employee may not give or promise to give, either directly or indirectly, any rebate or refund of any transportation or any other thing of value as an inducement for attending school in a district. Any person violating the provisions of this section is guilty of a Class 2 misdemeanor.*

Superintendent Lodmel indicates that the school district had consulted with legal counsel before initiating the enrollment padding scheme. The school district legal counsel did an extreme disservice in giving approval to a scheme that clearly violates state law. Furthermore, in Superintendent Lodmel's response to GOAC's question he portrays a far different series of events than he expressed to me when I contacted him regarding his letter requesting homeschoolers participation, and in his letter withdrawing that offer.

First of all, I want to share that I am the proud mom of 2 proud graduates of the Sioux Falls PUBLIC School system. Additionally, we are homeschooling our youngest son, a decision we made primarily due to our concerns about common core. I only bring this up to assure this committee that what I am about to express is not out of any antipathy toward public education in South Dakota. But rather it is out of

my concern for protecting South Dakota taxpayers and more importantly, our children, from being defrauded and used to promote an illegal scam.

My involvement in this issue began late in the day on September 13, 2017, when I was contacted by a homeschool family asking if I was aware of the letter sent by Superintendent Lodmel. My first thought upon receiving a copy of the letter was to question its legitimacy because I could not believe that any school superintendent or school district would concoct such a scheme.

The following morning, September 14, 2017, I personally contacted Superintendent Lodmel and he confirmed that he did, in fact, write and send the letter to home school families in the Tri Valley School District. At no time did he indicate in his comments to me anything about the Edgenuity software. He clearly stated to me, and in his letter, that his intent was to increase enrollment numbers for the Tri Valley school district and to give something of value to homeschool students as a means of securing their participation on September 29, the day state aid to education funding formula determined student enrollment. This is a clear violation of South Dakota law, as previously stated.

Furthermore, this action had the implicit support of the Tri-Valley School Board as a member of the board, Nicole Peterson Pullman, commented on my Facebook page, "Sad day when creative, out of the box thinking is shut down."

In Superintendent Lodmel's letter retracting the offer, there was no discussion of Edgenuity nor the school district's desire to provide the software to home school students. No alternate dates were provided to homeschoolers to come to school and participate in the program.

The superintendent's responses to the GOAC committee's questions are dissembling and disingenuous. The clear intent and purposes of the original action was to inflate Tri Valley enrollments on September 29 by providing incentives, or what some would call a bribe, for homeschool students to show up on that date.

I had considered letting this matter rest while pursuing, in conjunction with the Governor's office, legislation to insure that such actions would never happen again. However, because of Superintendent Lodmel's disingenuous responses to GOAC's questions, I am going to be asking the Attorney General, based on current state law, for an investigation into the actions of the TriValley Superintendent, School Board, and their legal counsel, to see if further legal action needs to be taken against them.

Sincerely,

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