



New Hampshire | LIVE FREE AND LEARN
Department of Education

Compliance Monitoring Report
Education Freedom Accounts-Eligibility
Children's Scholarship Fund
School Years 2021-2022 and 2022-2023

Prepared by NHED, Bureau of Educational
Opportunities

Fall 2023



Frank Edelblut
Commissioner

Christine M. Brennan
Deputy Commissioner

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
25 Hall Street
Concord, NH 03301
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July 2, 2024

Kate Baker Demers
Executive Director
Children's Scholarship Fund
180 Loudon Rd.
Concord, NH 03301

Dear Ms. Baker Demers,

Thank you for assisting the New Hampshire Department of Education (NHED), Bureau of Educational Opportunities (BEO) in the application review and eligibility compliance monitoring of the Children's Scholarship Fund (CSF), conducted May 18, 2023 through June 7, 2023.

The attached report summarizes the information gathered during the visits and identifies findings and recommendations relative to residency, income and differentiated aid eligibility compliance in accordance with RSA 194-F:3 and RSA 194-F:4. Attached is the Corrective Action Plan (CAP) form that is to be completed by you for each of the five recommendations. Completed CAP forms for each recommendation shall be returned to NHED within 30 calendar days.

Each recommendation includes instances of residency, income and differentiated aid non-compliance. As a result of such non-compliance, and given the short experience for CSF and the State with this program, we are requesting CSF to reverify residency, income and, where applicable, differentiated aid eligibility for all participants approved in the Education Freedom Account (EFA) program for school years 2021-2022 and 2022-2023.

If you have any questions or comments about the monitoring process and/or the resulting report, you are encouraged to contact Brian Voelk at Brian.E.Voelk@doe.nh.gov or 603-931-0828.

Sincerely,

Brian Voelk
Education Freedom Accounts Administrator

cc: Darla Romfo, President, Children's Scholarship Fund (via email only)
Caitlin Davis, Director, NHED Division of Education Analytics and Resources (via email only)
Frank Edelblut, Commissioner, NHED (via email only)

Summary and Scope of the Compliance Review

The Children’s Scholarship Fund (CSF) administers Education Freedom Account (EFA) accounts for eligible students in accordance with RSA 194-F. As part of their contracted responsibilities, they accept and approve applications and evaluate those applications to determine whether applicants meet the eligibility criteria set forth in RSA 194-F.

The scope of this review consisted of a random sample of fifty (50) State Assigned Student Identifier (SASID) numbers of students participating in the EFA program approved by CSF for eligibility. NHED reviewed documentation in CiviCore, the database used by CSF to collect and maintain application documentation. Of these fifty (50) applications selected, twenty-five (25) were from school year 2021-2022 and twenty-five (25) were from school year 2022-2023. The applications were reviewed to determine eligibility across residency, income, differentiated aid, and whether the educational attainment requirement was met for returning students, in accordance with RSA 194-F:3, III (3a-c).

Children’s Scholarship Fund Application Review and Approval Process

CSF’s New York Office (NYO) is responsible for the review and approval of applications. A Zoom meeting was conducted on May 18, 2023, with NYO and NHED to review and document the process used by NYO to evaluate applications. NYO uses a “family application,” meaning there is one application completed per family, not one application per child. Applicants apply for the EFA program using an online form or manual application form on the CSF website. Completed forms are then uploaded to CiviCore. Once the application has been submitted to CiviCore, an automatic acknowledgement email is generated and sent to the family. Parents then upload supporting documentation to CiviCore, which is linked to the application. Parents may continue to upload documentation, communicate with CSF and have visibility to information for all participating members of the family.

CSF communicates with parents through email contained within their online portal during the review process. The parent can add a sibling and can upload any additional documentation through their family account. The CSF Administrator of the CiviCore portal can program automatic replies, set income eligibility criteria, and turn on or off the system’s ability to accept applications. The Administrative portal also allows CSF employees to access family information such as student names, student information, parents’ names, siblings that are also in the program, and financial documentation. It is also where the CSF employee reviews the application for accuracy and accesses the email log which shows communication between the applicant and the CSF.

The following process is used in reviewing applications, evaluating information submitted, and checking for eligibility:

Initial Application Review

- CSF employee reviews and evaluates the family's application and any uploaded documentation, including financial records, within the CiviCore portal for eligibility determination.
- Based on the documentation uploaded by the family, CSF verifies residency. The CSFNH Procedural Training Guide for reviewing EFA applications, initial or returning family, includes check boxes for examples of documents that are acceptable for residency eligibility determination. Income tax returns are the primary basis for residency eligibility determination. CiviCore includes radio buttons to indicate that the application either has the required documentation, or is missing or has incomplete documentation for residency determination. The CSF employee reviewing the application selects the appropriate button. If the family is missing or has incomplete documentation, CSF will generate an email to the family indicating missing or incomplete information. Families can enter CiviCore at any time to upload incomplete or missing documentation. The application is not deemed complete until all required residency eligibility documentation has been received and reviewed by CSF. When complete, the radio button indicating the application has the required documentation is selected.
- CSF employee continues the review of other eligibility requirements after completion of residency eligibility. The CSFNH Procedural Training Guide specifies the types of income to be considered and the document where that may be found. This portion of the procedural guide can be strengthened with more specificity relative to what is considered an acceptable form of documentation.
- CSF employee reviews income documentation to verify income included by the parent in the application. The income documentation may consist of the most recent complete Income Tax Returns, including all schedules, Social Security Statements, SNAP statements, unemployment documentation, Child Support and Alimony court documents, and notarized letters that document income being received. The adjusted gross income found on Line 11 on 1040 from the tax returns of the previous year is the primary source used to determine income eligibility for the applicant.
- CSF employees also use the tax returns to validate the number of household members and ensures that this information is consistent with the information provided on the application. CSF employees may request additional documentation from the family if income eligibility determination documentation is missing or incomplete. Such requests are made in CiviCore by email.
- In each documentation review process, CSF employee reviews uploaded documentation for indications of authenticity. This includes checks to see whether the documents may have been altered, such as erasures, white out, or different fonts. Questionable documents are referred to the family using CiviCore for resolution.
- CSF employee compares income from uploaded documentation to the income amount reported by the parent on the application. Discrepancies are resolved, in collaboration with the family, and the application is adjusted as needed.

- CiviCore has income eligibility criteria embedded that are maintained by the CSF.
- CiviCore’s program compares the amount that is entered in the application income field to CiviCore income eligibility criteria and makes a determination of income eligibility.
- CiviCore will also make a free and reduced price meals differentiated aid eligibility determination based on the same application income field. This determination may need to be updated as free and reduced price meal eligibility and EFA program eligibility may include differing income components.
- Families that are determined to be ineligible on the basis of residency or income are given the opportunity to appeal.

Differentiated Aid Eligibility Review

- CSF employee reviews application and uploaded documentation for Special Education differentiated aid. The CSFNH Procedural Training Guide specifies required documentation for eligibility determination for Special Education differentiated aid. Allowable documentation includes a current IEP from the student’s public school or a Medical Certification Form signed by a certified licensed physician, or a signed letter from the student’s physician documenting an allowable disability per 34 CFR 300.8.
- CSF employee indicates the date that Special Education differentiated aid documentation was reviewed and deemed appropriate.
- CSF employees review application and uploaded documentation for English Language Learner (ELL) differentiated aid. The CSFNH Procedural Training Guide specifies required documentation for eligibility determination for ELL differentiated aid to include a current WIDA ACCESS letter indicating eligibility. CSF has not identified alternative eligibility determination means for families.
- CSF employee indicates the date that ELL differentiated aid documentation was reviewed and deemed appropriate.
- Each year students must complete a Record of Educational Attainment requirement in accordance with the RSA 194-F: 3:, III (3a-c). Students who have not completed the Record of Educational Attainment are not EFA program eligible until the Record of Educational Attainment record is complete.
- CSF employee documents the type of Record of Educational Attainment. If the Record of Educational Attainment includes a standardized assessment, the CSF employee enters the Language Arts and Math scores into CiviCore. If the Record of Educational Attainment is a portfolio review, the CSF employee determines that the submission was complete and signed by a certified educator or an educator currently teaching in a nonpublic school. CiviCore is updated to indicate that the portfolio documentation is complete.
- At any point during the application and eligibility determination process, if the CSF employee determines that the application or documentation is missing or incomplete, an email is titled “CSFNH: Incomplete (School Year) Application-Please Respond” is sent to the family that includes instructions for completion of the application or documentation.
- CiviCore logs all email communications with families to create a complete record of communications.
- Upon completion of the application and documentation eligibility determination, eligible applications are moved to the “Need SASID” step of the CSF process.

SASID Review

- CSF employee determines if the eligible student requires a SASID number. CSF relies on NHED i4see system for conducting their review. To do this, the CSF employee logs onto the Department’s i4see application and searches for the student.
- Students that already have a SASID number are verified in i4see and in the application.
- CSF employees will request a SASID from NHED for students that do not already have a SASID number. Upon creation of a SASID, it is entered into the CiviCore application for the student.
- Applications with completed SASID numbers are moved to the “Pending for Final Review” stage in CiviCore.
- CSF Director completes the application Final Review and eligibility determination. The CSFNH Procedural Training Guide does not specify the elements of this final review, which we understand to include age/grade match and that the SASID has been verified.
- Approved applications are included in the Any-Time-of-Year (AOY) census report to be submitted to NHED.
- CSF employee creates CiviCore AOY report and uploads to i4see.
- CSF employee reconciles AOY report with NHED and it is finalized and certified.
- Upon application finalization, CSF employee notifies parents of grant award. This notification includes EFA program requirements and obligations of the parent.

Findings

New Hampshire Residency Eligibility

Finding #1

Criteria or specific requirements: CSF is required to establish and maintain effective internal control and documentation of residency eligibility determination in compliance with New Hampshire State Law, NHED Chapter ED 800 Rules, and CSF policy. Participating EFA students are required to be residents of the State of New Hampshire and residents who are eligible to enroll in a public elementary or secondary school in accordance with RSA 194-F:1, VI and NH EFA rule Chapter Ed 802.01 (k).

Condition: During monitoring review conducted from May 18, 2023 through June 7, 2023, instances of residency determination lacked sufficient documentation.

- Five (5) approved applications included proof of residency using a tax return with a PO Box and no physical New Hampshire address. No additional residency documentation was found in the file.
- One (1) approved application included a tax return and a VA Medical disability statement that had New Jersey and California addresses. No additional documentation was found in the file. CSF indicated that it relied on another scholarship organization eligibility determination to adjudicate eligibility.
- One (1) approved application included a New Hampshire birth certificate and an IEP with PO Box and Social Security letter with no physical address. These are not identified in the CSFNH Procedural Training Guide as appropriate residency documentation. No additional documentation was found in the file.

Questioned Costs: Potentially ineligible applications were awarded to date totaled \$65,625.

Context: A sample of 50 approved applications for the time period of July 1, 2021 through March 1, 2023, were selected by NHED from CSF's EFA AOY. NHED, with read-only access to CiviCore, viewed applications and uploaded documentation used by CSF to make an residency determination. Seven of the 50 sampled items lacked sufficient residency documentation to determine residence eligibility as required by RSA 194-F:I, VI.

RSA 194-F:3, III (b) requires the scholarship organization to approve a student who is eligible according to RSA 194-F:1, VI.

Effect: CSF may have determined residency eligibility not in accordance with RSA 194-F:1, VI.

Cause: CSF did not follow residency eligibility determination procedures in its CSFNH Procedural Training Guide.

Requirement(s): CSF shall reinforce the requirement to follow its CSFNH Procedural Training Guide to all employees making residency determinations. CSF shall also revisit its CSFNH Procedural Training Guide to determine that residency documentation is appropriate. Finally, CSF shall reimburse the State for any funds incorrectly advanced due to incomplete or incorrect residency eligibility determinations.

Income Eligibility

Finding #2

Criteria or specific requirements: CSF is required to establish and maintain effective internal control and documentation of income eligibility determination in compliance with New Hampshire State Law, NHED Chapter ED 800 Rules, and CSF policy. Participating EFA students are required to have annual household income less than or equal to the required percent of the federal poverty guidelines according to New Hampshire State law and as updated annually in the Federal Register by the United States Department of Health and Human Services under 42 U.S.C. section 9902(2). No income threshold need be met in subsequent years, provided the student otherwise qualifies. Students in the special school district within the Department of Corrections established in RSA 194:60 shall not be eligible students in accordance with RSA 194-F:1, VI and Chapter Ed 803.01(e) (1).

Condition: During monitoring review conducted from May 18, 2023 through June 7, 2023, instances of income eligibility lacked sufficient documentation.

- One (1) approved application contained income tax returns in a photo or image format that did not completely capture the content of the tax return. The application also included uploaded pay stubs. CSF determined income eligibility using the pay stub rather than the tax return but used net income from the pay stub for purposes of making the determination. Net income is not equivalent to adjusted gross income.
- One (1) approved application used the figure from line 8 from the 2020 Tax Return, which contained the amount of unemployment benefits, instead of using line 11 from the 2020 tax return, which contains the Adjusted Gross Income. The CSF explained that line 11 included income that was no longer reflective of the financial circumstances of the family due to unemployment. As such CSF relied upon line 8 and unemployment documentation uploaded by the family to validate the claim of discontinued income from the reported source. The unemployment documentation did not include identification of the party collecting benefits, so it could not be verified. Further, the tax return identified taxable social security benefits that would be included in adjusted gross income but were not included in the income eligibility determination. Social security benefits would also be required to determine free and reduced-price meals differentiated aid.

Questioned Costs: Potentially ineligible applications awarded to date totaled \$14,582 and \$19,740.

Context: A sample of 50 approved applications for the time period of July 1, 2021 through March 1, 2023, were selected by NHED from CSF's EFA AOY. NHED, with read-only access to CiviCore, viewed applications and uploaded documentation used by CSF to make an income eligibility determination. Two of the 50 samples lacked sufficient income eligibility documentation to determine income eligibility as required by RSA 194-F: I, VI.

Effect: CSF may have provided EFA funds to one or both of these students that may not have met income eligibility criteria according to RSA 194-F:1, VI.

Cause: CSF did not follow income eligibility determination procedures in its CSFNH Procedural Training Guidance. Contributing to this cause may be incomplete procedural guidelines in the CSFNH Procedural Training Guidance.

Requirement(s): CSF shall reinforce the requirement to follow its CSFNH Procedural Training Guide to all employees making income eligibility determinations. CSF shall also revisit its CSFNH Procedural Training Guide to determine that income eligibility documentation is appropriate. Finally, CSF shall reimburse the State for any funds incorrectly advanced due to incomplete or incorrect income eligibility determinations.

Differentiated Aid – Free and Reduced Price Meal

Finding #3

Criteria or specific requirements: CSF is required to establish and maintain effective internal control and documentation of free and reduced-price meal (F&R) differentiated aid eligibility determination in compliance with New Hampshire State Law (RSA 198:40-a, II (b)), NHED Chapter ED 800 Rules, and CSF policy. EFA applicants with income less than or equal to 185 percent of the federal poverty level are eligible for F&R differentiated aid.

Condition: During the monitoring review conducted on May 18, 2023 through June 7, 2023, instances of income eligibility lacked sufficient documentation to determine F&R eligibility.

- Two (2) samples, which are part of one approved family application, relied upon paystub documentation to calculate income for F&R eligibility determination. The application was denied, and an appeal letter was submitted by the family. The letter stated that the income reflected in their 2021 tax return did not reflect current income due to a change in circumstance. CSF then calculated income based on recent paycheck stubs. The pay stubs used net pay, which is not the amount specified in the CSFNH Procedural Training Guidance or the amount required under federal guidelines for determination of F&R eligibility.

Questioned Costs: Potentially ineligible F&R eligibility determinations awarded totaled \$1,136.

Context: A sample of 50 approved applications for the time period of July 1, 2021 through March 1, 2023, were selected by NHED from CSF's EFA AOY. NHED, with read-only access to CiviCore, viewed applications and uploaded documentation used by CSF to make a F&R

differentiated aid eligibility determination. Two, both from the same household, of the 50 sampled items lacked sufficient income documentation to support a determination for F&R eligibility as required by RSA 194-F:4, IV.

RSA 194-F:3, III (b) requires the scholarship organization to approve a student who is eligible according to RSA 194-F:1, VI.

Effect: CSF may have provided F&R differentiated aid awards to students that may not have met F&R eligibility criteria according to RSA 194-F:4, IV.

Cause: CSF did not follow F&R eligibility determination procedures in its CSFNH Procedural Training Guidance or federal guidelines for determining F&R eligibility. Contributing to this cause may be incomplete procedural guidelines in the CSFNH Procedural Training Guidance.

Requirement(s): CSF shall reinforce the requirement to follow its CSFNH Procedural Training Guide to all employees making F&R differentiated aid determinations. CSF shall also revisit its CSFNH Procedural Training Guide to determine that F&R differentiated aid documentation is appropriate. Finally, CSF shall reimburse the State for any funds incorrectly advanced due to incomplete or incorrect F&R determinations.

Differentiated Aid – English Language Learner

Finding #4

Criteria or specific requirements: CSF is required to establish and maintain effective internal control and documentation of English Language Learner (ELL) differentiated aid eligibility determination in compliance with New Hampshire State Law (RSA 198:40-a, II (c)), NHED Chapter ED 800 Rules, and CSF policy. EFA applicant eligibility for ELL differentiated aid is determined using a current Parent Notification Letter indicating an eligible WIDA assessment score provided by their public school district, according to ESEA Section 1112(c) (3) and (c) (4), 20 USC 6312 (2015) and CSF policy.

Condition: During the monitoring review conducted on May 18, 2023 through June 7, 2023, instances of ELL differentiated aid lacked sufficient documentation to determine ELL eligibility.

- Two (2) samples relied upon a Parent Notification Letter with an eligible WIDA assessment score that was not current for ELL eligibility determination. For these two samples, CSF relied upon Parent Notification Letters dated September 3, 2014 and June 2016.

Questioned Costs: Potentially ineligible ELL eligibility determinations awarded totaled \$2,444.

Context: A sample of 50 approved applications for the time period of July 1, 2021 through March 1, 2023, were selected by NHED from CSF's EFA AOY. NHED, with read-only access to CiviCore, viewed applications and uploaded documentation used by CSF to make an ELL differentiated aid eligibility determination. Two of the 50 sampled items lacked sufficient ELL

documentation to support a determination for ELL eligibility as required by RSA 194-F:4, IV and Chapter Ed 803.01(f)(3).

Effect: CSF may have provided ELL differentiated aid awards to students that may not have met ELL eligibility criteria according to RSA 194-F:4, IV.

Cause: CSF did not follow ELL eligibility determination procedures in its CSFNH Procedural Training Guidance for determining ELL eligibility. Contributing to this cause may be incomplete procedural guidelines in the CSFNH Procedural Training Guidance.

Requirement(s): CSF shall reinforce the requirement to follow its CSFNH Procedural Training Guide to all employees making ELL differentiated aid determinations. CSF shall also revisit its CSFNH Procedural Training Guide to require that ELL differentiated aid documentation includes a *current* Parent Notification Letter with an eligible WIDA assessment score. Finally, CSF shall reimburse the State for any funds incorrectly advanced due to incomplete or incorrect ELL eligibility determinations.

Policies and Procedures

Finding #5

Criteria or specific requirements: CSF is required within 30 days of receipt of a completed student application to confirm to the parent or guardian in writing that the application is complete in accordance with the approval criteria set forth in RSA 194-F:3 and Chapter Ed 805.02 (c).

Condition: The CSFNH Procedural Guide, used as part of the monitoring review conducted on May 18, 2023 through June 7, 2023, did not include guidance to CSF employees processing EFA applications of the requirement to confirm to the parent within 30 days that the application is complete in accordance with the approval criteria, nor does CiviCore include a data field that would indicate the date that the application is complete in accordance with the approval criteria.

Questioned Costs: None.

Context: A sample of 50 approved applications for the time period of July 1, 2021 through March 1, 2023, were selected by NHED from CSF's EFA AOY. NHED, with read-only access to CiviCore, viewed applications used by CSF to verify compliance with Chapter 805.02 (c). All of the 50 sampled items lacked a date which identified that the application was complete in accordance with the approval criteria in order to determine compliance RSA 194-F:3, I and Chapter 805.02 (c).

Effect: Applications may have been processed beyond 30 days.

Cause: CSFNH Procedural Training Guidance does not specify the requirement to confirm to the parent within 30 days that the application is complete in accordance with the approval criteria, nor does CiviCore include a data field that would indicate the date that the application is complete in accordance with the approval criteria.

Requirement(s): CSF shall update the CSFNH Procedural Training Guide specifying the requirement to confirm to the parent within 30 days that the application is complete, in accordance with the approval criteria, and update CiviCore to include a data field that would indicate the date that the application is complete in accordance with the approval criteria. CSF shall train all employees processing EFA applications on these updates.

7/30/24

Brian Voelk
Education Freedom Accounts Administrator
New Hampshire Department of Education
25 Hall Street
Concord, NH 03301

RE: Compliance Monitoring Report Application, Residency, Income and Differentiated Aid Eligibility May 18, 2023-June 7, 2023

Dear Mr. Voelk,

Thank you for the opportunity to review the New Hampshire Department of Education (NHED), Bureau of Educational Opportunities (BEO) compliance monitoring report of the Children's Scholarship Fund (CSF), conducted May 18, 2023 through June 7, 2023.

Please see the attached and completed Corrective Action Plan (CAP), for findings 1-5 of the Compliance Monitoring Report Application, Residency, Income and Differentiated Aid Eligibility.

(CAP #4 Updated 08/15/24)

If you have any questions, please do not hesitate to contact me.

Sincerely,

Kate Baker Demers
Executive Director
Children's Scholarship Fund NH
180 Loudon Rd.
Concord, NH 03301
Direct: 603-785-0174
kbaker@scholarshipfund.org
www.csfnewhampshire.org

NHED EFA Compliance Monitoring

Corrective Action Plan

(Use a separate form for each Corrective Action Item)

Scholarship Organization Contact: Kate Baker Demers

Scholarship Organization Name: The Children's Scholarship Fund

Finding Number: #1

Description of Finding: New Hampshire Residency Eligibility - Five (5) approved applications included proof of residency using a tax return with a PO Box. One (1) approved application included a tax return and a VA Medical disability statement that had New Jersey and California addresses. CSF indicated that it relied on another scholarship organization eligibility determination to adjudicate eligibility. One (1) approved application included a New Hampshire birth certificate and an IEP with PO Box.

Date Plan Filled Out: 7/30/24

Please check the box that most appropriately matches the Scholarship Organization's status in implementing the Corrective Action Plan (CAP). Please also provide any documentation that supports the Scholarship Organization's assertion that the CAP has been fully implemented.

- (1) Partially implemented

- (2) Fully implemented

- (3) No further action required (provide detailed explanation below)

Kate Baker Demers

Name of person completing this form

7/30/24

Date

If option (1) is selected, please explain the implementation status as well as the anticipated completion date in the space below:

Corrective Action Plan Update or other explanation as necessary, (status date: / /)

If option (2) or (3) is selected, please explain how the plan was implemented or why no further action is required in the space below:

The Children's Scholarship Fund (CSF) collected additional residency documentation to reverify the seven of the seven students in Finding #1 and determined again that they were eligible for the EFA program. Documents reverifying these students' eligibility are available for NHED review.

- CSF will not accept a PO Box as proof of New Hampshire residency even in the case of a

Please return to the Bureau of Educational Opportunities within 30 days of receipt.

NHED EFA Compliance Monitoring

Corrective Action Plan

(Use a separate form for each Corrective Action Item)

government issued document. For example, when a town does not provide mail delivery service and residents must use PO Box as address.

- CSF will not accept an eligibility determination made by another scholarship organization other than CSF.
- CSF will not accept a student's IEP as proof of New Hampshire residency despite the requirement that a student be a New Hampshire resident residing in the student's local school district in order to attend a public school and obtain an IEP.
- CSF has updated its Proof of New Hampshire Residency and Financial Qualification documentation to reflect that CSF will accept documentation such as Medicaid and/or SNAP documentation from qualifying families in order to confirm New Hampshire Residency and Financial Eligibility. This policy will also apply to homeless and displaced families that receive Medicaid and/or SNAP benefits.
- CSF has updated its Procedural Training Guide to reflect the changes above.
- CSF held a training with all team members processing applications in order to review all changes and reinforce the application approval processes.

Please return to the Bureau of Educational Opportunities within 30 days of receipt.

NHED EFA Compliance Monitoring

Corrective Action Plan

(Use a separate form for each Corrective Action Item)

Scholarship Organization Contact: Kate Baker Demers

Scholarship Organization Name: The Children's Scholarship Fund

Finding Number: #2

Description of Finding: Income Eligibility - One (1) approved application contained income tax returns in a photo or image format that did not completely capture the content of the tax return. The application also included uploaded pay stubs. CSF determined income eligibility using the pay stub rather than the tax return but used net income. One (1) approved application used the figure from line 8 from the 2020 Tax Return, instead of using line 11 from the 2020 tax return, which contains the Adjusted Gross Income. CSF relied upon line 8 and unemployment documentation uploaded by the family to validate the claim of discontinued income from the reported source.

Date Plan Filled Out: 7/30/24

Please check the box that most appropriately matches the Scholarship Organization's status in implementing the Corrective Action Plan (CAP). Please also provide any documentation that supports the Scholarship Organization's assertion that the CAP has been fully implemented.

- (1) Partially implemented

- (2) Fully implemented

- (3) No further action required (provide detailed explanation below)

Kate Baker Demers
Name of person completing this form

7/30/24
Date

If option (1) is selected, please explain the implementation status as well as the anticipated completion date in the space below:

Corrective Action Plan Update or other explanation as necessary, (status date: 08/01/24)

If option (2) or (3) is selected, please explain how the plan was implemented or why no further action is required in the space below:

CSF shall refund to the State \$14,582.77 incorrectly advanced due to clerical error by August 31, 2024.

Please return to the Bureau of Educational Opportunities within 30 days of receipt.

NHED EFA Compliance Monitoring

Corrective Action Plan

(Use a separate form for each Corrective Action Item)

The Children's Scholarship Fund (CSF) contacted two (2) of the two (2) students identified in Finding #2. CSF has reverified that one (1) of the students in Finding #2 was eligible for the EFA program at the time of initial enrollment. Documents verifying this student's eligibility are available for NHED review. The other student identified in Finding #2 was a clerical error. CSF will always use gross income instead of net income.

- CSF has clarified its Procedural Training Guide to base the calculation of pay stubs using gross income only.
- CSF held a training with all team members processing applications in order to review and reinforce the application documentation and approval process.
- CSF shall refund the State for the funds incorrectly advanced due to clerical error.

Please return to the Bureau of Educational Opportunities within 30 days of receipt.

NHED EFA Compliance Monitoring

Corrective Action Plan

(Use a separate form for each Corrective Action Item)

Scholarship Organization Contact: Kate Baker Demers

Scholarship Organization Name: The Children's Scholarship Fund

Finding Number: #3

Description of Finding: Differentiated Aid – Free and Reduce Lunch Meal - Two (2) samples, relied upon paystub documentation to calculate income for F&R eligibility determination. The application was denied, and an appeal letter was submitted by the family. The letter stated that the income reflected in their 2021 tax return did not reflect current income due to a change in circumstance. CSF then calculated income based on recent paycheck stubs. The pay stubs used net pay, which is not the amount specified in the CSFNH Procedural Training Guidance or the amount required under federal guidelines for determination of F&R eligibility.

Date Plan Filled Out: 7/30/24

Please check the box that most appropriately matches the Scholarship Organization's status in implementing the Corrective Action Plan (CAP). Please also provide any documentation that supports the Scholarship Organization's assertion that the CAP has been fully implemented.

- (1) Partially implemented

- (2) Fully implemented

- (3) No further action required (provide detailed explanation below)

Kate Baker Demers
Name of person completing this form

7/30/24
Date

If option (1) is selected, please explain the implementation status as well as the anticipated completion date in the space below:

Corrective Action Plan Update or other explanation as necessary, (status date 08/01/2024)

If option (2) or (3) is selected, please explain how the plan was implemented or why no further action is required in the space below:

CSF shall refund to the State \$1,136.00 incorrectly advanced due to clerical error by August 31, 2024.

The two (2) students identified in Finding #3 are a clerical error. CSF will always use gross income instead of net income.

Please return to the Bureau of Educational Opportunities within 30 days of receipt.

NHED EFA Compliance Monitoring

Corrective Action Plan

(Use a separate form for each Corrective Action Item)

- CSF has clarified its Procedural Training Guide to base the calculation of pay stubs using gross income only.
- CSF held a training with all team members processing applications in order to review and reinforce the application documentation and approval process.
- CSF shall reimburse the State for these funds incorrectly advanced due to clerical error.

Please return to the Bureau of Educational Opportunities within 30 days of receipt.

NHED EFA Compliance Monitoring

Corrective Action Plan

(Use a separate form for each Corrective Action Item)

Scholarship Organization Contact: Kate Baker Demers

Scholarship Organization Name: The Children's Scholarship Fund

Finding Number: #4

Description of Finding: Differentiated Aid English Language Learner - During the monitoring review conducted on May 18, 2023 through June 7, 2023, instances of ELL differentiated aid lacked sufficient documentation to determine ELL eligibility. Two (2) samples relied upon a Parent Notification Letter with an eligible WIDA assessment score that was not current for ELL eligibility determination. For these two samples, CSF relied upon Parent Notification Letters dated September 3, 2014 and June 2016.

Date Plan Filled Out: 7/30/24

Please check the box that most appropriately matches the Scholarship Organization's status in implementing the Corrective Action Plan (CAP). Please also provide any documentation that supports the Scholarship Organization's assertion that the CAP has been fully implemented.

- (1) Partially implemented

- (2) Fully implemented

- (3) No further action required (provide detailed explanation below)

Kate Baker Demers

Name of person completing this form

7/30/24

Date

If option (1) is selected, please explain the implementation status as well as the anticipated completion date in the space below:

Corrective Action Plan Update or other explanation as necessary, (update date: 08/15/24)

If option (2) or (3) is selected, please explain how the plan was implemented or why no further action is required in the space below:

Since the guardian produced ELL Parent Notification Letters that identified the students as ELL, CSF contacted the Department in order to request guidance and a conference call with Department staff and ELL Team was held on July 8, 2022. After thorough review of documentation and communication with the student's local public school district, it was determined that the situation was unique and failing to qualify the students for ELL could disenfranchise the students in question under 20 U.S.C. section 6311 (b)(7) as English is not the children's predominant language and the Notification Letters identified the students as ELL.

NHED EFA Compliance Monitoring

Corrective Action Plan

(Use a separate form for each Corrective Action Item)

- NHED notified CSF on 8/15/24 that CSF has been granted access to a function within the i4see platform, which CSF did not previously have access to. The “ESOL Roster” function within the i4see platform, will allow CSF to query the most up to date data available in order to verify whether an ELL student is eligible to receive differentiated aid.
 - CSF will no longer use an ELL Parent Notification Letter to determine an ELL student’s eligibility.
 - CSF requests that all future technical assistance provided by the Department be in writing.
 - CSF shall reimburse the State for \$2,444 awarded for the ELL eligibility determination.
-

Please return to the Bureau of Educational Opportunities within 30 days of receipt.

NHED EFA Compliance Monitoring

Corrective Action Plan

(Use a separate form for each Corrective Action Item)

Scholarship Organization Contact: Kate Baker Demers

Scholarship Organization Name: The Children's Scholarship Fund

Finding Number: #5

Description of Finding: Policies and Procedures - CSF is required within 30 days of receipt of a completed student application to confirm to the parent or guardian in writing that the application is complete in accordance with the approval criteria set forth in RSA 194-F:3 and Chapter Ed 805.02 (c). All of the 50 sampled items lacked a date which identified that the application was complete in accordance with the approval criteria in order to determine compliance RSA 194-F:3, I and Chapter 805.02 (c).

Date Plan Filled Out: 7/30/24

Please check the box that most appropriately matches the Scholarship Organization's status in implementing the Corrective Action Plan (CAP). Please also provide any documentation that supports the Scholarship Organization's assertion that the CAP has been fully implemented.

- (1) Partially implemented
 - (2) Fully implemented
 - (3) No further action required (provide detailed explanation below)

Kate Baker Demers
Name of person completing this form

7/30/24
Date

If option (1) is selected, please explain the implementation status as well as the anticipated completion date in the space below:

An application is considered complete once the application is submitted and all of the supporting documents, attestations, and certifications have been verified by the scholarship organization. If the scholarship organization identifies missing or incomplete information, the scholarship organization will contact the parent/guardian to request the missing or incomplete information. It is critical that the parent/guardian respond by submitting the missing or incomplete information because the application cannot be considered complete until the scholarship organization receives and verifies the missing or incomplete information. Once the application is completed and verified, CSF has 30 days to notify the parent.

One cannot prove or disprove that these notifications are not sent within 30 days.

Please return to the Bureau of Educational Opportunities within 30 days of receipt.

NHED EFA Compliance Monitoring

Corrective Action Plan

(Use a separate form for each Corrective Action Item)

- At this time, it is not technically possible to create a “data field” in the application database, which would document the number of days from when an application is marked internally as completed and verified and when the notification is sent to a parent.
- CSF has contracted with an outside provider to develop a new application processing database which will resolve the issue above. It is anticipated that the new application database will begin internal testing and refinement in December 2024. Full deployment of the new application processing database is expected to be available for parents to start using in March 2025 (2025-26 school year).
- CSF will update its Procedural Training Guide to reflect the changes above prior to deployment of the new system.
- CSF will hold a training with all team members processing EFA applications on the updates above in order to explain all of the changes above, and to reinforce the application approval process.

Corrective Action Plan Update or other explanation as necessary, (status date: 08/01/2024)

If option (2) or (3) is selected, please explain how the plan was implemented or why no further action is required in the space below:

Please return to the Bureau of Educational Opportunities within 30 days of receipt.
