



DARYL G. PURPERA,  
CPA, CFE

## Report Highlights

# Progress Report: Student Scholarships for Educational Excellence Program

Louisiana Department of Education

Audit Control # 40190028

Performance Audit Services • September 2020

### Why We Conducted This Audit

We evaluated the Louisiana Department of Education’s (LDOE) progress toward addressing issues identified in the December 2013 performance audit of the Student Scholarships for Educational Excellence Program. This follow-up audit focused on LDOE’s oversight of schools participating in the program to ensure compliance with academic and financial requirements.

### What We Found

Louisiana Scholarship Program Participation and Cost Academic Years 2015-16 through 2018-19			
Academic Year	Students	Schools	Cost*
2019-20	6,345	131	\$40.6
2018-19	6,691	128	42.1
2017-18	6,694	120	42.1
2016-17	6,525	120	38.9
2015-16	6,863	119	41.6
2014-15	6,862	131	39.9
<b>Total</b>			<b>\$245.2</b>
*Cost is in millions and covers the fiscal year <b>Source:</b> Prepared by legislative auditor’s staff using un-audited enrollment data provided by LDOE and financial info from ISIS.			

Overall, we found that LDOE has addressed most of the issues identified in the December 2013 audit. However, it could not implement one recommendation without changes to state law. Specifically, we found the following:

- **LDOE ensured that all participating schools that failed to meet minimum academic performance scores did not enroll new scholarship students, in accordance with program requirements. During academic year 2018-19, 44 (55.7%) of 79 participating schools that received academic performance scores failed to meet the minimum scores required to enroll new scholarship students.** In accordance with best practices and privacy concerns, LDOE does not calculate academic performance scores for schools with less than 10 participating students in testing grades.

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## What We Found (Cont.)

Participating Schools that Failed to Meet Minimum Academic Performance Scores Academic Years 2015-2016 through 2018-2019				
Academic Year	Scholarship Schools with Scores*	Schools Below the Minimum		Number and Percent of Schools Below the Minimum
		Basic and Above Rate	Scholarship Cohort Index	
2018-19	79	28	16	44 (55.7%)
2017-18	82	37	15	52 (63.4%)
2016-17	82	31	10	41 (50.0%)
2015-16	79	25	11	36 (45.6%)

\*Only includes schools that have 10 or more students in testing grades (3<sup>rd</sup>-12<sup>th</sup>).  
**Source:** Prepared by legislative auditor's staff using unaudited enrollment and scoring data provided by LDOE

- LDOE ensured that participating schools account for scholarship funds in a manner that allows independent auditors to evaluate the use of those funds. LDOE recouped approximately \$269,299 in scholarship funds from schools that had exceptions related to the use of scholarship funds and eligibility of scholarship participants during academic years 2015-16 through 2018-19. In addition, LDOE removed two schools from the program because they did not participate in the annual scholarship funds audit.

Scholarship Funds Withheld Due to Exceptions Identified by Independent Auditors Academic Years 2015-16 through 2018-19	
Academic Year	Amount Withheld
2018-19	\$87,698
2017-18	69,884
2016-17	56,234
2015-16	55,483
<b>Total</b>	<b>\$269,299</b>

**Source:** Prepared by legislative auditor's staff auditors using data provided by LDOE.

- LDOE has not developed criteria to determine whether *new* non-public schools wanting to participate in the Scholarship program are academically acceptable. For academic year 2018-19, 127 (99.2%) of the 128 schools participating in the Scholarship program were non-public schools and therefore did not fall under the legal requirement that they be “academically acceptable” in order to participate in the program. According to LDOE, it could not implement criteria without changes to state law. Between academic years 2015-16 and 2018-19, 21 new non-public schools have been allowed to participate in the program, and seven (33.3%) have academic performance scores. However, none of the seven have met the minimum score needed to enroll new students.

View the full report, including management's response, at [www.la.gov](http://www.la.gov).