Report to the Mississippi Legislature

2020 Statutory Review of Mississippi’s Education Scholarship Account Program
PEER: The Mississippi Legislature’s Oversight Agency

The Mississippi Legislature created the Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER Committee) by statute in 1973. A joint committee, the PEER Committee is composed of seven members of the House of Representatives appointed by the Speaker and seven members of the Senate appointed by the Lieutenant Governor. Appointments are made for four-year terms, with one Senator and one Representative appointed from each of the U.S. Congressional Districts and three at-large members appointed from each house. Committee officers are elected by the membership, with officers alternating annually between the two houses. All Committee actions by statute require a majority vote of four Representatives and four Senators voting in the affirmative.

Mississippi’s constitution gives the Legislature broad power to conduct examinations and investigations. PEER is authorized by law to review any public entity, including contractors supported in whole or in part by public funds, and to address any issues that may require legislative action. PEER has statutory access to all state and local records and has subpoena power to compel testimony or the production of documents.

PEER provides a variety of services to the Legislature, including program evaluations, economy and efficiency reviews, financial audits, limited scope evaluations, fiscal notes, special investigations, briefings to individual legislators, testimony, and other governmental research and assistance. The Committee identifies inefficiency or ineffectiveness or a failure to accomplish legislative objectives, and makes recommendations for redefinition, redirection, redistribution and/or restructuring of Mississippi government. As directed by and subject to the prior approval of the PEER Committee, the Committee’s professional staff executes audit and evaluation projects obtaining information and developing options for consideration by the Committee. The PEER Committee releases reports to the Legislature, Governor, Lieutenant Governor, and the agency examined.

The Committee assigns top priority to written requests from individual legislators and legislative committees. The Committee also considers PEER staff proposals and written requests from state officials and others.

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December 16, 2020

Honorable Tate Reeves, Governor
Honorable Delbert Hosemann, Lieutenant Governor
Honorable Philip Gunn, Speaker of the House
Members of the Mississippi State Legislature

On December 16, 2020, the PEER Committee authorized release of the report titled 2020 Statutory Review of Mississippi's Education Scholarship Account Program.

This report does not recommend increased funding or additional staff.
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2020 Statutory Review of Mississippi’s Education Scholarship Account (ESA) Program

CONCLUSION: In FYs 2019 and 2020, the Mississippi Department of Education (MDE) disbursed only 71% ($5.5 million) of education scholarship funds available, while 29% ($2.2 million) lapsed and was returned to the State Treasury. The ESA program’s net added expense to the state for FY 2019 and FY 2020 was approximately $1 million and $2.1 million respectively. MDE has addressed some of the issues identified in PEER’s 2018 ESA report (e.g., implementation of formal policies and procedures for the ESA program); however, some issues have not been rectified (e.g., issues regarding reimbursements). In addition, MDE did not require parents to submit documentation after three years of program enrollment showing that their child continues to have a disability. As a result, MDE allowed 117 students to continue participating in the program in FYs 2019 and 2020 who were not eligible according to state law. PEER’s survey indicated high levels of satisfaction with the program by both parents and students.

Background:
In its 2015 Regular Session, the Legislature passed “The Equal Opportunity for Students with Special Needs Act,” which directs the Mississippi Department of Education (MDE) to implement an Education Scholarship Account (ESA) program in the state on a phased-in basis. The program’s purpose is to offer parents of special needs children financial assistance to place their children in a nonpublic school setting and receive other educational services that parents believe best meet the needs of their child.

MSS. CODE ANN. Sections 37-181-5 et seq. outline the obligations of parents for participating in the program, MDE, and schools that enroll students with an ESA.

For FYs 2019 and 2020, the budget for the ESA program was $8 million ($3 million in FY 2019 and $5 million in FY 2020). Of this amount, MDE disbursed $5.5 million to parents and educational service providers and expended $267,658 for program administration.

During FYs 2019 and 2020, 636 ESA participants attended 133 nonpublic schools in Mississippi, Alabama, Tennessee, and online. While some of the schools are designed to serve students with disabilities, the majority are not. However, 257 participants (40%) attended a special purpose school accredited by the Mississippi Board of Education (i.e., a school designed to serve a specific population of students or provide a special program of instruction for students).

The most common primary disability types among ESA participants were Specific Learning Disability (e.g., reading comprehension), Other Health Impaired (e.g., attention deficit disorder), and Language/Speech Impaired.

As of September 2020, MDE reported that 162 students were on the ESA waiting list.

Was funding for the ESA program sufficient?
As the result of unused and partially used education scholarship account (ESA) funds in fiscal years 2019 and 2020, the Mississippi Department of Education (MDE) disbursed only 71% of ESA funds available, while 29% lapsed and was returned to the State Treasury, as were the MDE’s unused administrative funds that lapsed, in the amount of $92,342. The excess of funds indicates sufficient funding for the ESA program for those years.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>ESA Disbursements</th>
<th>% Disbursed</th>
<th>Amount Returned</th>
<th>% Returned</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$2,183,076</td>
<td>77%</td>
<td>$636,924</td>
<td>23%</td>
</tr>
<tr>
<td>2020</td>
<td>$3,269,618</td>
<td>68%</td>
<td>$1,550,382</td>
<td>32%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$5,452,694</td>
<td>71%</td>
<td>$2,187,306</td>
<td>29%</td>
</tr>
</tbody>
</table>

The Legislature appropriated an additional $2 million to the ESA program for FY 2020, increasing the program’s budget from $3 million to $5 million. With the additional funding, MDE awarded ESAs to eligible students on all of its waitlists since the program’s inception. After all awards were made in FY 2020, MDE reported that five ESAs were still available. Thus, the number of available ESAs exceeded the number of eligible students who applied for the program.

How did participants utilize ESA funds?
In FYs 2019 and 2020, participants used an average of 93% of ESA funds on tuition expenses and 7% on other expenses (e.g., tutoring).

What is the fiscal impact on the state and home school districts as a result of the program?
For FYs 2019 and 2020, MDE disbursed approximately $2.2 million and $3.3 million, respectively. As a result of ESA participants transferring out of school districts in order to receive ESA funds, the state reduced the amount of MAEP funds distributed to those districts in FYs 2019 and 2020 by approximately $1.2 million each year. The state’s net cost for the ESA program for FYs 2019 and 2020 was $1,023,476 and $2,110,201 respectively.
Has MDE improved its administration of the ESA program since the 2018 PEER review?

PEER’s 2018 report noted several areas needing improvement in MDE’s administration of the ESA program. MDE has addressed some of these areas (e.g., implementation of formal policies and procedures for the ESA program); however, some issues have not been rectified (e.g., issues regarding reimbursements). In addition, in FYs 2019 and 2020, MDE did not require parents to submit documentation after three years of program enrollment showing that their child continues to have a disability. As a result, MDE allowed 117 students to continue participating in the program who were not eligible according to state law. In July 2020, MDE implemented a process for ensuring that reevaluations occur every three years after initial enrollment.

Recommendations:

- MDE should improve its administration of the ESA program by:
  - completing the development of its online portal for applications and reimbursements;
  - focusing on ways to improve its program administration, especially in the area of customer service;
  - using its excess administrative funds on program operations or to fund additional ESAs (based on historical data);
  - continuing to refine its formal policies and procedures for the administration of the ESA program. In particular, MDE should develop procedures for appeals and for removing educational service providers and referring fraud cases to law enforcement in accordance with MISS. CODE ANN. Section 37-181-11 (3) (1972);
  - annually conducting or contracting for a post-audit of ESA disbursements to parents and educational service providers, and administrative expenditures to operate the program;
  - promptly resolving overpayment issues from FY 2017 through FY 2020; and,
  - ensuring that it completes ESA student reevaluations in accordance with MISS. CODE ANN. Section 37-181-5 (8) (1972) so that only eligible students are participating in the program.

<table>
<thead>
<tr>
<th>Measure of Satisfaction</th>
<th>Percent of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall parent satisfaction*</td>
<td>90%</td>
</tr>
<tr>
<td>Child satisfaction*</td>
<td>92%</td>
</tr>
<tr>
<td>Satisfaction with special needs services in nonpublic schools*</td>
<td>79%</td>
</tr>
<tr>
<td>Child showed progress according to special needs goals</td>
<td>92%</td>
</tr>
<tr>
<td>Child showed progress in general academic coursework</td>
<td>78%</td>
</tr>
</tbody>
</table>

*Parents rated this measure with 4 or 5 stars on a 5-star scale.

Have parents and students been satisfied with the program?

Survey respondents indicated that they and their children were satisfied with the program and with the disability services provided by nonpublic schools. They also believed that their children had shown progress in achieving their academic goals through participation in the ESA program.

Parents and nonpublic schools reported areas needing improvement, including the quarterly timeline for reimbursements and MDE’s administration of the program.

How did Senate Bill 2594 change the ESA program and what are the expected impacts?

Senate Bill 2594, 2020 Regular Session, made changes to ESA student and nonpublic school eligibility and revised several aspects of the program’s administration. Also, the bill tasked PEER with assessing ESA students’ performance and eligible schools’ ability to meet the needs of ESA students. Because the changes have not been fully implemented, the impacts are not yet known. PEER’s 2022 review of the ESA program will include the realized impacts of Senate Bill 2594.

Recommendations:

- In light of the considerable legislative changes made to the ESA program during the 2020 Regular Session, the Legislature should consider allowing MDE to develop experience implementing the changes before considering any additional CODE provisions dealing with ESAs.
- In order for PEER to have access to adequate data to conduct its statutory review in future years, MDE should develop a process by which schools or parents annually submit necessary information to MDE (e.g., copy of pre-assessment and post-assessment performance).
2020 Statutory Review of Mississippi’s Education Scholarship Account Program

Introduction

Authority, Scope, and Purpose

In 2015 the Mississippi Legislature enacted The Equal Opportunity for Students with Special Needs Act (Chapter 441, Laws of 2015). MISS. CODE ANN. Sections 37-181-1 et seq. (1972) direct the Mississippi Department of Education (MDE) to administer the education scholarship account (ESA) program and outline parents' and schools' responsibilities for program eligibility and participation.

As stated in MISS. CODE ANN. Section 37-181-13 (1) (1972):

The Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER) shall prepare a biannual report, beginning in 2018 and every two (2) years thereafter, assessing the sufficiency of funding for education scholarship accounts and recommending any suggested changes in state law or policy necessary to improve the program.

This biennial report is the second conducted by PEER and includes a review of the program in FYs 2019 and 2020, the last two years of program operation.

Prior to amendments made to PEER’s statutory mandate in the 2020 Regular Session,² MISS. CODE ANN. Section 37-181-13 (2) (1972) stated that PEER’s report was to assess the following:

a. The level of participating students’ satisfaction with the program;

b. The level of parental satisfaction with the program;

c. Student performance on nationally standardized norm-referenced achievement tests for those participating students whose parents have requested participation in such tests;

d. Student performance on Advanced Placement examinations or similar courses and any examinations related to college or university admission;

e. The high school graduation rates and college acceptance rates of participating students;

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¹ As defined in the statute, the review is to take place every two years and thus is “biennial.”

² For a discussion of amendments made to MISS. CODE ANN. Sections 37-181-3 et seq. (1972) in the 2020 Regular Session, refer to pages 39-44.

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f. The percentage of funds used for each qualifying expense identified in Section 37-181.5 (2);

g. The fiscal impact to the state and home school districts of the program, which must consider both the impact on revenue and the impact on expenses. Furthermore, the fiscal savings associated with students departing public schools must be explicitly quantified, even if the public school losing the student(s) does not reduce its spending accordingly.

Because PEER's biennial review includes the period of July 1, 2018, through June 30, 2020, PEER assessed the ESA program according to its statutory mandate prior to the 2020 Regular Session amendments. PEER's next biennial review in 2022 will assess the ESA program with the amendments in effect.

PEER conducted this review in accordance with MISS. CODE ANN. Sections 5-3-51 et seq. (1972).

### Method

In conducting this review, PEER:

- reviewed relevant sections of the state law;
- interviewed managerial and ESA program staff from MDE;
- reviewed federal, state, and local funding information from MDE;
- reviewed MDE's ESA program data (e.g., participation data, reimbursement data);
- reviewed MDE's policies and procedures for administration of the ESA program;
- reviewed MDE's website and program forms (e.g., applications, reimbursement forms);
- reviewed other states' websites and various requirements (e.g., eligibility) for similar programs;
- administered a survey to 123 schools that enrolled at least one student with an ESA in FY 2019 and/or FY 2020; and,
- administered a survey to 734 parents of children who were awarded an ESA in FY 2019 and/or FY 2020.

### Scope Limitation

For FYs 2019 and 2020, The Equal Opportunity for Students with Special Needs Act did not require the collection of data by MDE regarding ESA students' test or exam performance, graduation rates, or college acceptance rates; thus, PEER was unable to assess those areas, as required by law.

While PEER attempted to obtain some of this information in its survey to parents of ESA recipients (e.g., improvement on norm-referenced tests), it should be noted that the parent responses PEER collected do not reflect a complete and reliable set of data by which...
to make a valid assessment for all students in the ESA program (see Appendix D, page 52, for related survey questions and responses).

**Definition of Terms**

The following terms are used throughout the report:

- **ESA recipient**—students who were awarded an ESA, regardless of whether they actually participated in the program by receiving ESA funds;
- **ESA participant**—students who were awarded an ESA and received ESA funds; and,
- **Nonpublic schools**—private, parochial, and independent schools.

**School Choice Options in Mississippi**

Mississippi offers various forms of public and nonpublic school choice options to parents for their children's education. Public school options include charter schools, magnet schools, and open enrollment policies in which Mississippi allows public school students to transfer to a public school of choice under certain circumstances (e.g., when the school boards of the districts involved mutually agree to allow the student to transfer, upon the written request of the parent or guardian).

Mississippi offers the following nonpublic school choice options:

- **Nate Rogers Scholarship for Students with Disabilities Program** (MISS. CODE ANN. Section 37-175-3 [1972])—Beginning in 2013, Mississippi began offering scholarships to students with speech-language impairments. The maximum amount of the scholarship is equivalent to the Mississippi Adequate Education Program (MAEP)\(^3\) base student cost. There is no maximum number of scholarships offered for this program.

- **Mississippi Dyslexia Therapy Scholarship for Students with Dyslexia Program** (MISS. CODE ANN. Section 37-173-3 [1972])—Beginning in 2012, Mississippi began offering scholarships to students with dyslexia. The maximum amount of the scholarship is equivalent to the MAEP base student cost. This scholarship is available to children without an individualized education program (IEP)\(^4\) who

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\(^3\) The Mississippi Legislature provides funding to public schools through a formula known as the Mississippi Adequate Education Program (MAEP) that calculates a “base student cost” that is derived from expenditures of school districts in instruction, administration, plant and maintenance, and ancillary (e.g., librarians and counselors). Base student cost does not include other “add-on” funding to districts for such categories as special education.

\(^4\) An individualized education program (IEP) is a written statement for each child with a disability that is developed, reviewed, and revised in a meeting as described in 34 CFR § 300.320 through § 300.324. An IEP must take into account a child’s present levels of academic achievement and functional performance, and the impact of the child’s disability on his or her involvement and progress in the general education curriculum. IEP goals must be aligned with grade-level content standards for all children with disabilities.
have a diagnosis of dyslexia. There is no maximum number of scholarships offered for this program.

- **Educable Child Program** (MISS. CODE ANN. Sections 37-23-61 through 37-23-75 [1972])—Students with disabilities are able to receive financial assistance from the state when enrolled in the Educable Child Program. While the majority of students in the program are placed by local school districts, the Department of Human Services, or Child Protective Services, the program does allow for parents to place their child in an MDE-approved nonpublic school after submitting the required documentation. Parents can receive reimbursement of up to $3,000 per year.

In addition, Mississippi allows parents to homeschool and enroll their children in nonpublic schools.

Mississippi’s addition of an Education Scholarship Account program in 2015 expanded parents’ options for nonpublic school choice by allowing all categories of students with disabilities to qualify and by providing funds for nontuition educational expenses (e.g., tutoring, textbooks). The Nate Rogers Scholarship and dyslexia scholarship cover tuition only and require students to attend a limited number of state-approved schools, while ESAs allow parents to choose from many schools across the state that meet certain requirements (e.g., accreditation). To qualify for the Nate Rogers Scholarship, a student must have been enrolled in public school the previous year; thus, students already enrolled in a nonpublic school are not eligible. However, these students are eligible for an ESA.

According to the National Conference of State Legislatures, proponents of ESAs argue that giving parents a variety of options with which to spend the funds will make them more mindful of the quality and cost of services, allowing them to maximize the value of the scholarship. Having multiple options allows parents to customize their child’s educational experience to best meet their individual needs. Furthermore, they argue that ESAs increase competition among schools, which forces schools to raise their academic quality and decrease costs to increase enrollment. Opponents of ESAs express concern that the programs lack accountability to ensure that students are receiving a high-quality education and that funds are being used appropriately. Also, opponents contend that public funds are being shifted away from struggling public schools and instead given to nonpublic schools that are held less accountable.
What is Mississippi’s Education Scholarship Account program, and how is it administered?

This chapter discusses the following:

- description of Mississippi’s ESA program;
- administration of the ESA program;
- ESA program budget, disbursements, and administrative costs;
- number of ESAs awarded, and number of applicants on waiting list; and,
- nonpublic schools serving ESA students in FYs 2019 and FY 2020.

**Description of Mississippi’s ESA Program**

In its 2015 Regular Session, the Legislature passed The Equal Opportunity for Students with Special Needs Act, which directs the Mississippi Department of Education (MDE) to implement an Education Scholarship Account (ESA) program in the state on a phased-in basis. The program's purpose is to offer parents of children with disabilities financial assistance to place their children in a nonpublic school setting and receive other educational services that parents believe best meet the needs of their child.

MISS. CODE ANN. Sections 37-181-1 et seq. (1972), The Equal Opportunity for Students with Special Needs Act, passed by the Legislature during the 2015 Regular Session, directs the Department of Education to implement a five-year Education Scholarship Account pilot program. According to MISS. CODE ANN. Section 37-181-7 (1972), the program was limited to 500 students in the first school year (2015–2016) with new enrollment limited to 500 additional students each subsequent year. However, the program has not grown as authorized in law because the program's budget has not increased steadily each year through legislative appropriations. If MDE had awarded ESAs to up to 500 students per year (and if enough students applied), the total number of awards would have grown to 2,500 for FY 2020.

The program's budget of $5 million for FY 2020 provided for a maximum of 712 ESAs. Of the 712 ESAs, MDE awarded ESAs to all eligible students who had applied from 2015 through 2019 and were placed on a waitlist. Therefore, the number of students applying for the program has not necessitated the 2,500 spots anticipated in state law. (See page 12 for actual number of participating students.)

The Act set an initial amount of $6,500 for each ESA in school year 2015–2016, with annual adjustments proportionate to the annual adjustments made to the Mississippi Adequate Education Program (MAEP) base student cost. For the 2019-2020 school year, the ESA amount was $6,765.

The ESA program offers parents of children with disabilities financial assistance to place their children in a nonpublic school
setting and receive other educational services that parents believe best meet their child’s needs.

To be awarded an ESA in FYs 2019 and 2020, a student must have had an individualized education program (IEP) within the past five years. According to the U.S. Department of Education, each public school student who receives special education and related services must have an IEP, which must include specially designed instruction solely for that student. The IEP creates an opportunity for teachers, parents, school administrators, related services personnel, and students (when appropriate) to work together to improve educational outcomes for students with disabilities.

**Administration of the ESA Program**

MISS. CODE ANN. Sections 37-181-5 et seq. (1972) outline the obligations of parents for participating in the program, the Mississippi Department of Education (MDE), and eligible schools that enroll students with an education scholarship account.

**Parental Obligations**

**MISS. CODE ANN. Section 37-181-5 (1972) requires that parents sign an agreement promising that they will abide by various ESA program requirements.**

MISS. CODE ANN. Section 37-181-5 (1972) states that an eligible student qualifies to participate in the ESA program if the parent signs an agreement promising the following:

- to provide an organized, appropriate educational program to their participating student;
- to document their student’s disability at intervals required by the program;
- not to enroll their child in a public school;
- to acknowledge that their child has no individual entitlement to a free appropriate public education from the home school district, including special education and related services;
- not to file a certificate of enrollment with MDE showing participation in a home instruction program; and,
- not to participate in the Mississippi Dyslexia Therapy Scholarship Program or the Mississippi Speech-Language

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5 In the 2016 Regular Session, House Bill 33 amended MISS. CODE ANN. Section 37-181-3 (1972), changing the definition of eligible student to include any student who had an active IEP within five years of applying to the ESA program. Prior to the change, a student must have had an active IEP within 18 months of applying. In the 2020 Regular Session, Senate Bill 2594 again changed the definition of eligible student to include any student who had an active IEP within three years of program application.

6 34 CFR § 300.17 and 34 CFR § 300.101 require a school district to provide a “free appropriate public education” (FAPE) to each qualified person with a disability in the school district’s jurisdiction, regardless of the nature or severity of the person’s disability. Education programs for students with disabilities must be designed to meet their individual needs to the same extent that the needs of nondisabled students are met. An appropriate education may include regular or special education and related aids and services to accommodate the students’ unique needs.
Therapy Scholarship Program (i.e., the Nate Rogers Scholarship Program).

**MDE Obligations**

*Responsibilities of MDE include handling the application and award process, adopting rules and policies for the administration of the program, and implementing a system for processing payments and reimbursements.*

MISS. CODE ANN. Section 37-181-9 (1972) delineates several responsibilities of MDE, including developing a standard application form and providing parents with information regarding the allowable uses of education scholarship accounts. Also, MDE must annually notify all students with an individualized education program (IEP) of the existence of the program; MDE complies with this mandate by sending ESA flyers to all school districts, who are then responsible for distributing the flyers to all students with IEPs. In previous years, MDE printed copies of the flyer and delivered them to each school district. This year, due to COVID-19, MDE emailed the flyer to school districts for distribution.

MISS. CODE ANN. Section 37-181-9 (4) (1972) states that MDE:

> may deduct an amount up to a limit of six percent (6\%) from appropriations used to fund education scholarship accounts to cover the costs of overseeing the funds and administering the program.

MISS. CODE ANN. Section 37-181-11 (1972) further instructs MDE to adopt rules and policies to administer the program, develop a system for payment of benefits, make payments to educational service providers’ or reimbursements to parents, and establish methods for reporting fraud electronically and via phone.

The ESA program has two MDE staff members assigned full-time to the program, while management staff offers support and approvals of ESA functions.

**ESA Application and Award Process**

As directed by MISS. CODE ANN. Section 37-181-9 (1972), MDE created a standard application that parents submit to establish their child's eligibility for the ESA program. The application is available on MDE's website.

Along with the application form, parents must provide the following documentation:

- copy of parent/legal guardian's driver's license or state-issued identification;
- copy of student's birth certificate;
- proof of residency (e.g., copy of utility bill);  

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7 Per MISS. CODE ANN. Section 37-181-3 (i) (1972), an educational service provider is “an eligible school, tutor, or other person or organization that provides education-related services and products to participating students.”

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• copy of student’s most recent IEP that was active within the eligible time period (five years for FYs 2019 and 2020);
• copy of student’s most recent eligibility ruling and/or evaluation; and,
• signed “Responsibilities of Parent/Guardians” page.

Signed applications and documentation must be submitted via certified mail. An online application portal is currently in development.

From school year 2015-2016 through 2019-2020, MISS. CODE ANN. Section 37-181-7 (2) (1972) required MDE to award ESAs through a lottery process (once the program reached 50% of the annual enrollment limit) that gives preference to students with an active IEP (i.e., students enrolled in public school).

Participating students who remain eligible for the program are automatically approved for participation in the following school year. Per MISS. CODE Section 37-181-5 (1972), students remain eligible until the student returns to a public school, completes high school, completes the school year in which he or she reaches the age of 21, or does not have eligibility verified by a parent after three years of initial enrollment in the program.8

Eligible Schools’ Obligations

MISS. CODE ANN. Section 37-181-15 (1972) requires that eligible schools comply with certain requirements, such as nondiscrimination policies and health and safety laws.

In FYs 2019 and 2020, MISS. CODE ANN. Section 37-181-3 (1972) defined an “eligible school” as a nonpublic school that has enrolled a participating student and is accredited by a state or regional accrediting agency or is approved/licensed by MDE. An eligible school does not include a home instruction program under MISS. CODE ANN. Section 37-13-91 (1972).

MISS. CODE ANN. Section 37-181-15 (1972) states that to ensure that students are treated fairly and kept safe, all eligible schools must:

• comply with the nondiscrimination policies set forth in 42 U.S.C. § 1981;
• provide parents with details of the school’s programs, qualifications, experience, and capacities to serve students with special needs prior to a student’s application for enrollment;
• comply with all health and safety laws or codes that apply to nonpublic schools;
• hold a valid occupancy permit if required by their municipality;

8 Per MISS. CODE ANN. Section 37-181-5 (8) (1972), every three years after initial enrollment in the program, a parent of a student (except those diagnosed with a permanent disability) must document that the student continues to be identified as a child with a disability.
• have no public record of fraud or malfeasance;
• offer participating students the option of taking a nationally standardized norm-referenced achievement test; and,
• conduct criminal background checks on employees and exclude from employment any person not permitted by state law to work in a nonpublic school and any person who might reasonably pose a threat to the safety of students.

**ESA Reimbursement Process**

MDE reimburses parents or educational service providers on a quarterly basis. Each quarter in the fiscal year parents may submit a reimbursement request form and accompanying documentation (e.g., receipts) to MDE by mail. Parents can also authorize MDE to make direct payments to educational service providers. During a fiscal year, a parent or educational service provider may only be paid one-fourth of the scholarship total each quarter, or no more than the total amount at the end of four quarters.

Any parent or educational service provider that receives payment must first register as a vendor in MAGIC, the state's accounting and procurement system of record, and establish an account through which the Mississippi Department of Finance and Administration (DFA) can make payments.

MISS. CODE ANN. Section 37-181-5 (2) (1972) lists the types of expenses eligible for reimbursement in FYs 2019 and 2020 (i.e., allowable expenses). See Exhibit 1, page 10.

**ESA Program Budget, Disbursements, and Administrative Costs**

For FYs 2019 and 2020, the budget for the Education Scholarship Account program was $8 million ($3 million in FY 2019 and $5 million in FY 2020). Of this amount, MDE disbursed $5.5 million to parents and educational service providers and expended $267,658 for program administration.

As shown in Exhibit 2, page 10, in FY 2019, MDE budgeted $3 million for the ESA program. Of this amount, MDE disbursed $2.2 million in ESA funds to parents and educational service providers, and expended $120,698 for administration of the program. In the 2019 Regular Session, the Legislature appropriated an additional $2 million to the program (Senate Bill 3049), bringing the total ESA budget to $5 million for FY 2020. Of this amount, MDE disbursed $3.3 million in ESA funds to parents and educational service providers, and expended $146,960 for administration of the program. Administrative costs included primarily salaries and benefits of the two employees assigned full-time to the operation of the program. Unused funds in the amount of $2.3 million lapsed and were returned to the State Treasury.

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9 Mississippi’s Accountability System for Government Information and Collaboration.
Exhibit 1: Allowable Expenses in the ESA Program (FYs 2019 and 2020)

1. Tuition and/or fees at an eligible school;
2. Textbooks;
3. Payments to a tutor;\textsuperscript{10}
4. Payment for purchase of curriculum, including any supplemental materials required by the curriculum;
5. Fees for transportation to and from an educational service provider paid to a fee-for-service transportation provider;
6. Tuition and/or fees for online learning programs or courses;
7. Fees for nationally standardized norm-referenced achievement tests, including alternate assessments, and fees for Advanced Placement examinations or similar courses and examinations related to college or university admission;
8. Educational services or therapies from a licensed or certified practitioner or provider, including licensed or certified paraprofessionals or educational aides;
9. Services provided by a public school, including individual classes and extracurricular programs;
10. Tuition and fees at a postsecondary institution;\textsuperscript{11}
11. Textbooks related to coursework at a postsecondary institution;
12. Surety bond payments if required by the department;
13. No more than Fifty Dollars ($50.00) in annual consumable school supplies necessary for educational services and therapies, daily classroom activities, and tutoring;
14. Computer hardware and software and other technological devices if an eligible school, licensed and certified tutor, licensed or certified educational service practitioner or provider, or licensed medical professional verifies in writing that these items are essential for the student to meet annual, measurable goals. Once a student is no longer eligible for the program, computer hardware and software and other technological devices purchased with ESA funds may be donated to a library or a nonprofit organization with expertise and training in working with parents to educate children with disabilities or a nonprofit organization with expertise and training in working with disabled adults.


Exhibit 2: FYs 2019 and 2020 ESA Program Budget, Disbursements, and Administrative Costs

<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESA Program Budget</td>
<td>$3,000,000</td>
<td>$5,000,000</td>
<td>$8,000,000</td>
</tr>
<tr>
<td>Disbursements</td>
<td>$2,183,076</td>
<td>$3,269,618</td>
<td>$5,452,694</td>
</tr>
<tr>
<td>Administrative Costs</td>
<td>$120,698</td>
<td>$146,960</td>
<td>$267,658</td>
</tr>
</tbody>
</table>

SOURCE: PEER analysis of Mississippi Department of Education data.

\textsuperscript{10} Per MISS. CODE ANN. Section 37-181-3 (g) (1972), a tutor is “a person who is certified or licensed by a state, regional, or national certification or licensing organization or who has earned a valid teacher’s license or who has experience teaching at an eligible postsecondary institution,” which is defined in Section 37-181-3 (h) (1972) as “a community college, college, or university accredited by a state, regional or national accrediting organization.”

\textsuperscript{11} These expenses are allowable for a high school student taking a class or classes at a postsecondary institution, but they are not allowable for a student who has graduated from high school and is enrolled at a postsecondary institution.
In FYs 2019 and 2020, MDE awarded ESAs to 999 students. As of September 2020, 162 students were on the ESA waiting list.

MDE awarded ESAs to 999 students in FYs 2019 and 2020. Of the 999 who received an award, 636 used their ESAs by enrolling in an eligible nonpublic school and receiving reimbursements. Of the 636 who used their ESAs, 297 (30%) ESAs were students who had previously participated in the ESA program. MDE awarded ESAs to 94 (15%) new participants in FY 2019 and ESAs to 245 (38%) new participants in FY 2020.

With the $2 million program budget increase for FY 2020, MDE was able to award ESAs to everyone on the waitlist in 2019 and everyone on waitlists since the program's inception.

MDE reported that 162 students were on the ESA waiting list in September 2020.

Snapshot Profile of ESA Participants

PEER analysis of the 636 students who used their ESAs in FYs 2019 and 2020 indicated that the most common primary disability types among ESA participants—representing 65% of students' primary disability categories—were Specific Learning Disability (e.g., reading comprehension), Other Health Impaired (e.g., attention deficit disorder), and Language/Speech Impaired.12

Exhibit 3, page 12, presents the disability types of ESA participants for FYs 2019 and 2020 by number of times reported.

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12 Categories of disabilities under the “Individuals with Disabilities Education Act” (IDEA).
### Exhibit 3: Disability Types for ESA Participants, FYs 2019 and 2020

<table>
<thead>
<tr>
<th>Primary Disability Type (IDEA Category)</th>
<th>Number of Students</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specific Learning Disability (e.g., reading comprehension)</td>
<td>139</td>
<td>22%</td>
</tr>
<tr>
<td>Other Health Impaired*</td>
<td>138</td>
<td>22%</td>
</tr>
<tr>
<td>Language/Speech Impaired</td>
<td>134</td>
<td>21%</td>
</tr>
<tr>
<td>Autism</td>
<td>86</td>
<td>13%</td>
</tr>
<tr>
<td>Developmentally Delayed</td>
<td>74</td>
<td>12%</td>
</tr>
<tr>
<td>Hearing Impaired</td>
<td>18</td>
<td>3%</td>
</tr>
<tr>
<td>Other^</td>
<td>18</td>
<td>3%</td>
</tr>
<tr>
<td>Intellectual Disability</td>
<td>15</td>
<td>2%</td>
</tr>
<tr>
<td>Emotional Disturbance</td>
<td>14</td>
<td>2%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>636</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Includes a range of conditions (e.g., attention-deficit/hyperactivity disorder (ADHD) and diabetes).

^Includes the following IDEA categories: Deaf-Blind, Multiple Disabilities, Orthopedic Impairment, Traumatic Brain Injury, and Visually Impaired.

**SOURCE:** PEER analysis of Mississippi Department of Education data.

The following list provides characteristics of the group of 636 students who participated in the ESA program in FYs 2019 and 2020. For a more complete profile, including a map presenting the locations of ESA participants across the state, see Appendices A and B, pages 47-49.

- ESA participants were between 4 and 21 years old. Ninety-three percent of the students were between 6 and 18 years old.
- The age of participants’ IEPs as of June 30, 2020, was between one and nine years old. Eighty-eight percent of IEPs were between two and five years old.
- 68% of participants were white, 28% were black or African-American, and 4% were other races/ethnicities.
- 64% of participants were male and 36% were female.
- 94% of participants were not eligible for free or reduced lunch in public school and 6% were eligible.
- At the time of application to receive an ESA, 67% of ESA participants in FY 2020 were enrolled in public school, while 33% were enrolled in various nonpublic educational settings (e.g., nonpublic school, preschool).
- The number of ESA participants represented 0.9% of the total population of students with disabilities statewide.
Nonpublic Schools Serving ESA Participants in FYs 2019 and 2020

During FYs 2019 and 2020, 636 ESA participants attended 133 nonpublic schools in Mississippi, Alabama, Tennessee, and online. While some of the schools are designed to serve students with disabilities, the majority are not. However, 257 participants (40%) attended a special purpose school accredited by the Mississippi Board of Education (i.e., a school designed to serve a specific population of students or provide a special program of instruction for students).

PEER reviewed reimbursement information to determine that 375 students participated in (i.e., received funds through) the ESA program during FY 2019, and 571 students participated in FY 2020. These students attended 133 nonpublic schools in Mississippi, Alabama, Tennessee, and online.

Six schools serving 257 students (40%) in FYs 2019 and 2020 were MDE-accredited special purpose schools: New Summit schools in Greenwood, Hattiesburg, and Jackson; Dynamic Dyslexia Design: 3-D Schools in Ocean Springs and Petal; and Magnolia Speech School in Jackson. Special purpose schools are designed to serve a specific population of students or to provide a special program of instruction for students. The majority of schools, however, are not specifically designed for students with disabilities. See Appendix C, pages 50-51, for a complete list of schools that served students in FYs 2019 and 2020.

While the majority of students (60%) did not attend a state-accredited special purpose school, parents indicated in responses to PEER’s satisfaction survey that their top factor in applying for an ESA was to seek more individual attention for their children, which they believed would be provided in a nonpublic school. Also, parents rated additional or more effective disability services provided in nonpublic schools as a top factor in applying for an ESA.

To create a profile of schools that served ESA participants, PEER surveyed 123 schools that had enrolled an ESA student in FYs 2019 and 2020. PEER received responses from 45 schools, which resulted in a response rate of 37%. Responses indicated the following:

- 24% of schools were unaware that they had enrolled an ESA student.
- All schools responding to the survey reported that they were accredited in FYs 2019 and 2020. Approximately 71% were accredited by AdvancED; 29% were accredited by MDE; 20% were accredited by the Southern Association of Independent Schools (SAIS), and 16% were accredited by the Southern Association of Colleges and Schools (SACS). Approximately 44% of schools were accredited by other organizations (e.g., National Association of Private Schools).

According to MISS. CODE ANN. Section 37-181-5 (5) (1972), ESA funds may be used to attend a school out of state if the school is approved for the Educable Child Program or if the parent verifies in writing that the child cannot reasonably obtain appropriate services in Mississippi at a location within 30 miles of the place of residence.

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• 84% of schools reported that they use nationally-recognized norm-referenced tests to measure academic outcomes of students.

• 42% of schools reported having no special education staff.

• 78% of schools reported receiving speech-language services from the public school district.

• 69% of schools indicated that they monitor the ESA students' IEPs developed by the public school or service plans developed by the nonpublic school.

For a complete list of nonpublic school survey questions and responses, see Appendix E, pages 56-57.
Was funding for the ESA program sufficient?

As the result of unused and partially used education scholarship account funds in FYs 2019 and 2020, the Mississippi Department of Education (MDE) disbursed only 71% of ESA funds available, while 29% lapsed and was returned to the State Treasury. MDE’s unused administrative funds also lapsed in the amount of $92,342. The excess of funds indicates sufficient funding for the ESA program for FYs 2019 and 2020. Also, due to an increase in the ESA program's budget for FY 2020, the number of available ESAs exceeded the number of applicants in FY 2020, which further indicates sufficient program funding.

MISS. CODE ANN. Section 37-181-13 (1) (1972) requires in part that the PEER Committee prepare a biennial report assessing the “sufficiency of funding for education scholarship accounts.”

One way to assess funding sufficiency is to compare its funding formula to that of similar programs. For a discussion of how Mississippi’s ESA formula compares to other states' ESA programs and to other nonpublic school choice programs in Mississippi, see PEER's 2018 report A Statutory Review of Mississippi’s Education Scholarship Account Program (December 11, 2018).14 The primary conclusions from PEER’s 2018 report regarding the state’s ESA funding formula were the following:

- The Legislature set an education scholarship account amount of $6,500 in state law for school year 2015-2016, with adjustments based on the Mississippi Adequate Education Program base student cost. For three other states administering ESA programs in FY 2018, the amount of the ESA was equal to or 90% of the per-pupil amount the school district or school would have received for the ESA student. In two states, the ESA amount included additional funds to account for students’ disabilities.

- For the Nate Rogers Scholarship and dyslexia scholarship programs (i.e., other nonpublic school choice programs in Mississippi), scholarship amounts are equal to the MAEP base student cost. For FY 2018, these scholarship amounts were $4,909, while ESA amounts were $6,494, a difference of $1,585 (24%).

Another way to assess funding sufficiency is to determine to what extent ESA funds were available and expended in FYs 2019 and 2020. Therefore, the following sections describe:

- the extent of use of ESA funds for FYs 2019 and 2020; and,
- increased program funding for FY 2020.

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Extent of Use of ESA Funds

In FYS 2019 and 2020, MDE disbursed only 71% ($5.5 million) of ESA funds available in the form of reimbursements to parents and educational service providers, while 29% ($2.2 million) lapsed and was returned to the State Treasury. MDE’s unused administrative funds in the amount of $92,342 also lapsed and were returned to the State Treasury. The excess indicates sufficient funding for those fiscal years.

As shown in Exhibit 4, $2.82 million was available in FY 2019 and $4.82 million was available in FY 2020 for ESAs. In FY 2019, MDE disbursed approximately $2.2 million (77%) and returned $636,924 to the State Treasury. In FY 2020, MDE disbursed approximately $3.3 million (68%) and returned approximately $1.6 million to the State Treasury. Unused or partially used ESAs for FYs 2019 and 2020 resulted in a total lapsed amount of $2.2 million (29%), which was returned to the State Treasury.

### Exhibit 4: ESA Funds Available, Disbursements, and Amounts Returned to State Treasury, FYs 2019 and 2020

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>ESA Funds Available*</th>
<th>ESA Disbursements</th>
<th>Percentage Disbursed</th>
<th>Amount Returned to State Treasury</th>
<th>Percentage Returned</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$2,820,000</td>
<td>$2,183,076</td>
<td>77%</td>
<td>$636,924</td>
<td>23%</td>
</tr>
<tr>
<td>2020</td>
<td>$4,820,000</td>
<td>$3,269,618</td>
<td>68%</td>
<td>$1,550,382</td>
<td>32%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$7,640,000</td>
<td>$5,452,694</td>
<td>71%</td>
<td>$2,187,306</td>
<td>29%</td>
</tr>
</tbody>
</table>

*Of its annual ESA budget, MDE allocated $180,000 per year to administration.

SOURCE: PEER analysis of Mississippi Department of Education data.

Unused ESAs

For FYs 2019 and 2020, 64% of ESAs were used (i.e., parents requested reimbursement or direct payment to educational service providers), while 36% were not used.

As illustrated in Exhibit 5, although MDE awarded ESAs to 999 students in FYs 2019 and 2020, including 296 scholarships that had rolled over from the FY 2018 school year, parents received reimbursements or authorized direct pay to educational service providers for only 636 ESAs—just 64% of those who were awarded an ESA. The total unused ESAs for FYs 2019 and 2020 was 363 (36%).
### Exhibit 5: Unused and Used ESAs, FYs 2019 and 2020 (Combined)

<table>
<thead>
<tr>
<th>Number of ESAs Awarded</th>
<th>ESAs Used</th>
<th>Percentage Used</th>
<th>ESAs Unused</th>
<th>Percentage Unused</th>
</tr>
</thead>
<tbody>
<tr>
<td>999</td>
<td>636</td>
<td>64%</td>
<td>363</td>
<td>36%</td>
</tr>
</tbody>
</table>

**SOURCE:** PEER analysis of Mississippi Department of Education data.

**Parents’ Reasons for Not Using ESAs**

In order to obtain the reasons that students did not participate in the ESA program after receiving an award, PEER included a question in its satisfaction survey to parents regarding this issue. (See Appendix D, page 52.) For the 13% of survey respondents indicating that they did not use their ESA for one or more years, the majority reported the following reasons:

- financial circumstances;
- no area nonpublic schools offer needed services; and,
- child was denied admission to nonpublic school or placed on waiting list.

These primary reasons are similar to those reported in PEER’s 2018 report.

Approximately 6% of parents provided other reasons including that the nonpublic school did not meet their child’s needs, they moved out-of-state, graduated, or were no longer eligible for an ESA. Three parents indicated that their child was not able to use their ESA because the nonpublic school was not accredited and was therefore ineligible.

**Partially Used ESAs**

*Of the ESAs that were used in FYs 2019 and 2020, an average of 49% were used for the full amount of the ESA, while an average of 51% were used for less than the full amount. If participants do not use the full amount of the ESA, those funds are returned to the State Treasury and are not reappropriated in the following year.*

When MDE awards an ESA, the value of the ESA is set at a specific amount, which is the same for every recipient. The amounts of the ESAs were $6,594 for FY 2019 and $6,765 for FY 2020. If a participant does not use the full amount of the ESA, those funds are returned to the State Treasury and are not reappropriated in the following year.

As presented in Exhibit 6, for FYs 2019 and 2020, an average of only 49% of the ESAs were exhausted, and 51% were used for less than the full amount. Of those who used less than the full amount of the ESA in FY 2020, the average amount of unused funds was $1,961.
Exhibit 6: Number of Full and Partially Used ESAs, FYs 2019 and 2020

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Number of Used ESAs</th>
<th>Number Used for Full ESA Amount</th>
<th>Percentage of Total</th>
<th>Number Used for Less Than Full ESA Amount</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>375</td>
<td>198*</td>
<td>53%</td>
<td>177</td>
<td>47%</td>
</tr>
<tr>
<td>2020</td>
<td>571</td>
<td>266†</td>
<td>47%</td>
<td>305</td>
<td>53%</td>
</tr>
<tr>
<td>AVERAGE</td>
<td>473</td>
<td>232</td>
<td>49%</td>
<td>241</td>
<td>51%</td>
</tr>
</tbody>
</table>

*MDE erroneously reimbursed 4 of these participants more than the full ESA amount for FY 2019. See pages 31-32 for more information.

†MDE erroneously reimbursed 2 of these participants more than the full ESA amount for FY 2020. See pages 31-32 for more information.

SOURCE: PEER analysis of Mississippi Department of Education data.

Administrative Funds Returned to State Treasury

For FYs 2019 and 2020, MDE did not spend 26% of the funds it set aside for program administration. The $92,342 in unused funds lapsed and was returned to the State Treasury rather than used for additional ESA administrative expenses or to fund additional ESAs.

According to MISS. CODE ANN. Section 37-181-9 (4) (1972), MDE may deduct an amount up to 6% from appropriations used to fund ESAs. MDE chose to set aside the maximum amount of 6% ($180,000) of ESA appropriations annually to administer the program for FYs 2019 and 2020; however, it spent only approximately 4.5% of appropriations for administration of the program for those fiscal years. As shown in Exhibit 7, 26% of the funds MDE set aside for administration were unused and returned to the State Treasury.

Exhibit 7: Used and Unused Administrative Funds, FYs 2019 and 2020

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>6% Administrative Set-Aside Funds</th>
<th>Used Administrative Funds</th>
<th>Unused Administrative Funds</th>
<th>Percentage of Administrative Funds Unused</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$180,000</td>
<td>$120,698</td>
<td>$59,302</td>
<td>33%</td>
</tr>
<tr>
<td>2020</td>
<td>$180,000*</td>
<td>$146,960</td>
<td>$33,040</td>
<td>18%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$360,000</td>
<td>$267,658</td>
<td>$92,342</td>
<td>26%</td>
</tr>
</tbody>
</table>

*MDE did not set aside 6% from the one-time, $2 million additional appropriation to the program for FY 2020. Therefore, the $180,000 is 6% of $3 million rather than the total program budget of $5 million.

SOURCE: PEER analysis of Mississippi Department of Education data.

Despite the unused administrative funds, MDE staff claims that the 6% administrative set-aside funds do not cover all of the support given to the ESA program. For example, management staff involved with ESAs do not charge proportions of their salaries to the ESA program. It is unclear as to why MDE did not use ESA administrative funds for this purpose.
Also, MDE indicated to PEER in its 2018 review that it planned to use some of the administrative funds in FYs 2019 and 2020 to develop the online application and reimbursement portal. However, MDE did not indicate that it used administrative funds for this purpose.

By not using the funds allocated to it for administrative purposes, stakeholders might question why those funds were not used to fund additional ESAs in FY 2019. With ESAs valued at $6,594 in FY 2019, MDE could have funded an additional eight ESAs totaling $52,752. (Additional ESAs were not needed in FY 2020 due to the program’s budget increase.)

### Increased ESA Program Funding for FY 2020

*The Legislature appropriated an additional $2 million to the ESA program for FY 2020, increasing the program’s budget from $3 million to $5 million. With the additional funding, MDE awarded ESAs to eligible students on all of its waitlists since the program’s inception. After all awards were made in FY 2020, MDE reported that five ESAs were still available. Thus, the number of available ESAs exceeded the number of eligible students who applied for the program."

For FYs 2016 through 2019, the budget for the ESA program was $3 million per year. In the 2019 Regular Session, Senate Bill 3049 (i.e., the Department of Finance and Administration’s appropriation bill), mandated that $2 million be transferred to MDE “for Education Scholarship Accounts.” MDE used the $2 million to create available ESAs and did not use any for administrative purposes.

With the additional $2 million in funding, MDE was able to award ESAs to all eligible students on its waitlist in the summer of 2019. Then, because there were additional ESAs available, MDE merged all previous waitlists since program inception and contacted parents regarding an ESA for their child. MDE awarded approximately 285 ESAs to eligible students on all of its waitlists. After all awards were made, MDE reported that five ESAs were still available. Because the number of ESAs exceeded the number of eligible students, the program had sufficient funding. According to MDE, if the parent did not request reimbursement by the third week of November in 2019, then the ESA was forfeited. Unused ESAs were re-awarded in December 2019 and February 2020.

MDE was unsure as to whether this additional program funding would continue in subsequent years or if it was a “one-time” increase. An MDE official indicated that MDE staff informed the State Board of Education that, if the increase was a one-time increase and the budget was reduced for FY 2021, then MDE would have “tough decisions” to make in the summer of 2020.

### Decreased ESA Program Funding for FY 2021

In the 2020 Regular Session, MDE did not receive an additional appropriation for ESAs for FY 2021; thus, the program budget was reduced from $5 million to $3 million. MDE reported that it reduced each student’s ESA amount to $5,606 for FY 2021, which is $1,159 less than the ESA amount in FY 2020.
In its 2022 report, PEER will assess the impact of this decrease in program funding on the number and amounts of ESAs awarded.
How did participants utilize ESA funds for allowable expenses?

In FYs 2019 and 2020, participants used an average of 93% of ESA funds on tuition expenses and 7% on other expenses (e.g., tutoring, educational services, or therapy).

**Use of ESA Funds**

In FYs 2019 and 2020, participants used an average of 93% of their education scholarship account funds on tuition expenses. In both FY 2019 and FY 2020, tutoring accounted for another 3% of funds, while various expense categories (e.g., tutoring, educational services or therapy) accounted for the remaining expenditures.

In FY 2019, MDE distributed $2,036,276 to parents and educational service providers for tuition reimbursement. This accounted for 93% of the $2,183,076 it distributed in ESA reimbursements. In FY 2020, MDE distributed $3,023,714 to parents and educational service providers for tuition reimbursement, which was 92% of that year's $3,269,618 scholarship reimbursement, as shown in Exhibit 8. Tutoring accounted for another 3% of funds expended in both fiscal years, while various other expense categories (e.g., educational services, therapy) accounted for the remainder.

**Exhibit 8: Percentage of ESA Expenses by Expense Type, FYs 2019 and 2020**

<table>
<thead>
<tr>
<th>Expense Type</th>
<th>FY 2019</th>
<th>FY 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition</td>
<td>$2,036,276</td>
<td>$3,023,714</td>
</tr>
<tr>
<td>Textbooks</td>
<td>$12,614</td>
<td>$19,638</td>
</tr>
<tr>
<td>Tutor</td>
<td>$55,000</td>
<td>$83,995</td>
</tr>
<tr>
<td>Curriculum</td>
<td>$9,890</td>
<td>$7,608</td>
</tr>
<tr>
<td>Transportation</td>
<td>$2,491</td>
<td>$4,453</td>
</tr>
<tr>
<td>Tuition for online courses</td>
<td>$7,835</td>
<td>$20,267</td>
</tr>
<tr>
<td>Achievement tests</td>
<td>$2,307</td>
<td>$2,939</td>
</tr>
<tr>
<td>Therapy</td>
<td>$46,413</td>
<td>$86,838</td>
</tr>
<tr>
<td>Services provided by a public school</td>
<td>$125</td>
<td>$852</td>
</tr>
<tr>
<td>Tuition at postsecondary institution</td>
<td>$674</td>
<td>$196</td>
</tr>
<tr>
<td>Textbooks related to coursework at postsecondary institution</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Surety bond payments</td>
<td>$0</td>
<td>$45</td>
</tr>
<tr>
<td>School supplies (no more than $50 per child)</td>
<td>$1,886</td>
<td>$3,806</td>
</tr>
<tr>
<td>Computer hardware, software, and devices</td>
<td>$7,565</td>
<td>$15,267</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2,183,076</strong></td>
<td><strong>$3,269,618</strong></td>
</tr>
</tbody>
</table>

**SOURCE:** PEER analysis of Mississippi Department of Education data.
What is the fiscal impact on the state and on home school districts as a result of the ESA program?

For FYs 2019 and 2020, the State of Mississippi, through the Mississippi Department of Education (MDE), disbursed approximately $2.2 million and $3.3 million, respectively. As a result of ESA participants transferring out of school districts in order to receive ESA funds, the state reduced the amount of MAEP funds distributed to those districts in FYs 2019 and 2020 by approximately $1.2 million each year. The state’s net cost for the ESA program for FYs 2019 and 2020 was $1,023,476 and $2,110,201 respectively.

During FY 2019 the state disbursed approximately $2.2 million to 375 ESA participants and in FY 2020 disbursed approximately $3.3 million to 571 ESA participants for a total of approximately $5.5 million.

Fiscal Impact to State Expenditures and Revenues

MISS. CODE ANN. Section 37-181-13 (1972) requires in part that PEER assess the fiscal impact of the ESA program to the state. When an ESA participant leaves a public school, the school district will receive fewer funds in the future from the Mississippi Adequate Education Program, which represents a reduction in expenses to the state, because MAEP disburses funds to school districts based in part on the average daily attendance (ADA) of pupils at each district. However, because of timing differences, MAEP disbursements are based on districts’ ADA of the prior year. For example, the FY 2019 and 2020 MAEP disbursements were based on FYs 2018 and 2019 ADA figures, as shown in Exhibit 9, page 23.

For FYs 2019 and 2020, PEER determined the ESA program’s net cost to the state using the following formula: total amount of ESA program disbursements minus the MAEP reduction to school districts for ESA students who left those districts.

For FYs 2019 and 2020, the costs\textsuperscript{15} were $1,023,476 and $2,110,201 respectively.

\textsuperscript{15} In order to increase the accuracy of PEER’s calculation of fiscal impact, PEER used only the base student cost distributions to school districts from the MAEP formula to determine the “reduction in MAEP funds” calculation. In PEER’s 2018 report, PEER used the base student cost plus add-on program funds.
**Exhibit 9: ESA Disbursements and MAEP Reductions, FYs 2019 and 2020**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>ESA Disbursements*</th>
<th>Reduction to MAEP (based on ADA from the prior year)</th>
<th>Net Cost to State</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$2,183,076 (to 375 participants)</td>
<td>$1,159,600 (for 300 FY 2018 participants who were enrolled in a public school at the time of application)</td>
<td>$1,023,476</td>
</tr>
<tr>
<td>2020</td>
<td>$3,269,618 (to 571 participants)</td>
<td>$1,159,417 (for 294 FY 2019 participants who were enrolled in a public school at the time of application)</td>
<td>$2,110,201</td>
</tr>
</tbody>
</table>

*Does not include ESA program administrative costs.

**SOURCE:** PEER analysis of Mississippi Department of Education data.

The impact of FY 2020 ESA participants who were enrolled in a public school district at the time of application will result in a reduction of MAEP disbursements in FY 2021. PEER will calculate and report any MAEP disbursement reductions for FY 2021 for the next ESA report due in 2022.

Regarding the impact of the ESA program on state revenues, federal distribution of IDEA funds\(^\text{16}\) to states is not affected by the number of children with disabilities but rather by the population of children and the population of children living in poverty in both public and nonpublic schools. Therefore, the ESA program did not negatively affect the amount of federal IDEA revenue coming to the state of Mississippi; thus, the ESA program's effect on state revenues is neutral.

**Fiscal Impact to School District Expenditures and Revenues**

MISS. CODE ANN. Section 37-181-13 (1972) requires in part that PEER assess the fiscal impact of the ESA program to the school districts and the savings associated with students departing public schools. Based on a review of the factors associated with ESA students (e.g., impact on staffing), PEER determined the fiscal impact on district expenditures resulting from an ESA student leaving the school district is immaterial compared to overall district expenditures. However, fiscal savings would be minimal, if any, due to the small number of ESA students leaving a district.

Regarding the fiscal impact on staffing, the number of ESA students leaving a district relative to a district's total student enrollment has an impact on a district's ability to implement staff reductions. For example, even though a district may have dozens of ESA students departing, if the district has a student enrollment of thousands or tens of thousands, the district's ability to reduce staff will be affected. Such factors as the dispersion of the departing students

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\(^{16}\) The Individuals with Disabilities Education Act (IDEA) is a grants statute that provides federal funding for the education of children with disabilities.
among grades, schools, and whether a district has sufficient staff to address ESA and other students with disabilities needs prior to the departures play a direct role in a district's decision making regarding a reduction of staff.

For example, for FY 2020, Rankin County School District had the most ESA students departing with twenty-one students. However, these students represented 0.12% of this district's ADA for the period reviewed.

Staff reductions are more likely if student departures are concentrated at one school, the departing students’ disabilities are similar, and the number of departing students is large enough to consolidate a special education class, eliminate a special education class, or eliminate a teacher or assistant position. Even if these factors are in place, a district may choose to use a higher staff-to-student ratio to offer increased support to remaining students; staff could be reassigned to other special education areas that lack sufficient staff support; staff could be transferred to other schools in the district; or staff could be reassigned to other areas of need in the school.

Regarding the fiscal impact on items other than staffing, the cost of an ESA student leaving a district is comparable to another student leaving a district in that the school does not realize any savings from a single student's departure beyond what classroom supplies and material, if any, are necessary for the student.

School district revenues from the state are based on the state's expenditures through the MAEP program. School districts will experience a reduction in MAEP revenues resulting from ESA participants leaving a district due to a reduced ADA, which determines district MAEP funding.

How many ESA participants came from public school districts?

In FYs 2019 and 2020, students from public school districts represented approximately 78% and 67% of ESA participants respectively.

In FYs 2019 and 2020, students from public school districts and nonpublic schools were eligible to participate in the ESA program provided the public school had prepared an individualized education program (IEP) for the student within five years prior to application to the ESA program. In FY 2019 a total of 375 students participated in the ESA program resulting in MDE disbursements of approximately $2.2 million. Of these totals, 294 students (78%) had been enrolled in a public school at the time of application and MDE disbursed approximately $1.7 million in payments to parents or education providers of these ESA students. The remaining 81 students were not enrolled in a Mississippi public school at the time of application.17 MDE disbursed approximately $500,000 in ESA payments to parents or education providers of ESA students not enrolled in a Mississippi public school at the time of application.

17 These students came from various educational settings such as homeschool, nonpublic school, out-of-state schools, preschool or preschool-aged children, or university-based programs.
In FY 2020 a total of 571 students participated in the ESA program resulting in MDE disbursements of approximately $3.3 million. Of these totals, 381 students (67%) had been enrolled in a public school at the time of application and MDE disbursed approximately $2.2 million in payments to parents or education providers of these students. MDE disbursed approximately $1.1 million to the remaining 190 participants who had not been enrolled in a Mississippi public school at the time of their application to the ESA program.

From which public school districts did the most ESA participants leave?

In FYs 2019 and 2020, five public school districts accounted for 43% of ESA participants who had been enrolled in a public school district at the time of application. The highest numbers of ESA participants came from the Madison County School District and the Rankin County School District, which accounted for 78 participants in FY 2019 and 83 participants in FY 2020.

In FY 2019, of 141 school districts in the state, ESA students left 59 districts, with Madison County School District experiencing the greatest number of students leaving with 42 students. Overall, five districts accounted for 137 out of a total of 294 students, or 47%, of all ESA participants who had been enrolled in a public school district:

- Madison County - 42 students;
- Rankin County - 36 students;
- DeSoto County - 25 students;
- Jackson Public - 17 students; and,
- Lamar County - 17 students.

The remaining 157 ESA participants left 54 other public school districts.

In FY 2020, of 139 school districts in the state, ESA students left 68 districts, with Rankin County School District experiencing the greatest number of students leaving with 44 students. Overall, five districts accounted for 154 of a total of 381, or 40%, of all ESA participants who had been enrolled in a public school district:

- Rankin County - 44 students;
- Madison County - 39 students;
- DeSoto County - 31 students;
- Lamar County - 21 students; and,
- Jackson Public - 19 students.

The remaining 227 ESA student participants left 63 other public school districts.
Has MDE improved its administration of the ESA program since the 2018 PEER review?

PEER’s 2018 report noted several areas needing improvement in MDE’s administration of the ESA program. MDE has addressed some of these areas (e.g., implementation of formal policies and procedures for the ESA program); however, some issues have not been rectified (e.g., issues regarding reimbursements). In addition, MDE did not require parents to submit documentation after three years of program enrollment showing that their child continues to have a disability. As a result, MDE allowed 117 students to continue participating in the program in FYs 2019 and 2020 who were not eligible according to state law.

**Improvements Made in the Administration of the ESA Program**

Although improvements were not fully implemented during the review period (i.e., FYs 2019 and 2020), MDE has made some progress towards a more effectively administered ESA program. In particular, MDE created a more formalized process for the ESA program and has increased its oversight of reimbursement expenses. In addition, MDE anticipates that its online portal for submitting application and reimbursement documentation will be accessible to parents in January 2021.

MDE reported that it has begun collaborating with the Foundation for Excellence in Education (ExcelinEd), an education reform organization, in establishing a group of ESA program administrators across the United States. The goals of this group will be to identify and share best practices in ESA program administration, identify and address common concerns, locate areas for research, support, and further understanding, and create a network of mutual support. MDE’s participation in this group will potentially improve MDE’s administration of the ESA program in Mississippi.

The following sections describe the improvements MDE has made to the ESA program thus far.

**Formalization of ESA Program**

MDE has made progress in formalizing the ESA program. For example, MDE created policies and procedures for the ESA program, which were approved by the State Board of Education in January 2020. This formal approach should lead to improved and more consistent operations in the future.

In the 2018 PEER report, PEER noted that MDE administered its ESA program in a more informal manner than other states with an ESA program. In Arizona, Florida, and Tennessee, administration of the ESA program included the following elements, which were missing from Mississippi’s administration of the ESA program:

- comprehensive documented procedures for administration of the program;
- state requirement that parents submit documentation providing verification that the child has withdrawn from public school;
• state issuance of a contract with the parent for a specified period of time after being awarded an ESA;
• state requirement that parents submit renewal applications and/or contracts to continue the program the following year; and,
• state requirement that parents notify the state in writing if they wish to withdraw from the program during the contract year.

Since the 2018 PEER report, MDE has formalized its process, as evidenced by the following:
• MDE created documented policies and procedures for the administration of the program, which were approved by the State Board of Education in January 2020;
• MDE now requires that parents submit documentation by a certain date verifying the student’s acceptance and enrollment at the nonpublic school the student will attend;
• MDE now requires that parents complete a “recertification form” by a certain date to inform MDE as to whether the child will or will not participate in the ESA program in the upcoming school year. If recertification forms are not received, and MDE cannot contact the parent after several attempts, MDE cancels the ESA; and,
• MDE streamlined several forms to be completed by parents.

Although not fully implemented during the review period (i.e., FYs 2019 and 2020), these changes demonstrate that MDE has made progress towards a more effectively managed ESA program. MDE could further refine its policies by requiring that parents notify MDE in writing if they wish to withdraw from the ESA program during the school year, and provide documentation to show where the student will attend school for the remainder of the school year. This process would provide timely information to MDE regarding the status of the ESA. Due to the 2020 legislative changes to the program, if the student reenrolls in public school, MDE will be responsible for transferring the remainder of the student’s ESA to the public school district in which the child enrolled. If the parent does not enroll the student in public school (e.g., decides to homeschool the student), the ESA could be re-awarded as quickly as possible.

Oversight of Allowable Expenses

In PEER’s review of selected reimbursements, MDE did not consistently require students to be enrolled in an eligible school to receive reimbursements. In the fall of 2019, however, the new ESA program director implemented procedures for increased oversight of expenses, including verification of enrollment in an eligible school.

In PEER’s 2018 review of selected reimbursements for 14 ESA participants, six did not contain the required documentation to verify allowable expenses, particularly for nontuition expenses (e.g., tutoring). PEER recommended that MDE develop written
quality control procedures for MDE staff to verify allowable expenses.

PEER reviewed selected reimbursements for 20 ESA participants and found similar issues from 2018. In particular:

- MDE reimbursed 12 parents $85,398 in FYs 2019 and 2020 for educational services without being enrolled in an eligible (i.e., accredited) school.

- MDE reimbursed another parent $11,642 in FYs 2019 and 2020 for tutoring. However, the tutoring certification provided did not meet statutory standards to be certified or licensed by a state, regional, or national certification or licensing organization. The parent provided a certificate from the entity employing the tutor, an in-home supportive care nonprofit agency, which does not meet the standards for tutoring certification. Also, the child was not enrolled in an eligible school.

In the fall of 2019, MDE’s new ESA program director implemented more procedures for increased oversight of expenses, including verification of enrollment in an eligible school for all ESA participants. MDE sent letters to parents with children not enrolled in eligible schools stating that they could not receive reimbursement after the second quarter of the 2019-2020 school year. MDE indicated in the letter that the parents could enroll their children in an eligible school and submit a letter of enrollment to keep their ESAs. MDE indicated that a total of five schools were deemed ineligible, and 12 ESAs were forfeited due to students attending ineligible schools.

To increase its oversight of eligible expenses, MDE also facilitated amendments to state law, which are reflected in Senate Bill 2594 (2020 Regular Session). For example, the bill clarified that nonpublic school fees which are not academic in nature are not eligible for reimbursement, nor are textbooks that are not related to academic coursework. Also, eligible expenses must have been incurred within the awarded ESA school year. These amendments provide MDE more authority to deny reimbursements that are not in alignment with the program’s purpose.

**Development of an Online Portal**

MDE has been developing an online portal for the submission of application and reimbursement documents, and anticipates that parents will be able to use the portal beginning in January 2021. The portal should improve efficiency in processing applications and reimbursements, and provide better security of documentation submitted by parents.

Since program inception, MDE has required ESA applicants to submit their applications via certified mail through the United States Postal Service. While MDE has improved its process by notifying applicants when MDE receives the application, this process could result in lost applications and other required documentation (e.g., copy of student’s most recent IEP). MDE also requires parents to submit quarterly reimbursement requests via mail, postmarked by a certain date, with original receipts included.
These processes could result in lost documentation and potentially delay or deter a parent from applying to the program or submitting reimbursement requests in a timely manner.

In PEER’s satisfaction survey, ten parents noted issues with mailing applications and reimbursement documentation to MDE, which resulted in lost records. Seven parents indicated that lost mail happened more than once. Specifically, parents indicated that they had to re-submit their applications or that original receipts (required for reimbursement) were lost and therefore reimbursements were delayed or unable to be reimbursed. In one case, the parent indicated that, because the application and associated documentation was lost, the child did not receive an award for that school year.

MDE indicated that its Office of Technology and Strategic Services has been developing an online portal for the ESA program. The portal will allow parents to submit applications and upload required documentation to the system for MDE to review, and the system will allow for immediate feedback to parents on the status of the application. Parents will also have the capability to submit reimbursement requests and supporting documentation through the portal. While the portal will not be connected to MAGIC (i.e., the state’s accounting system) for automatic payments, the submission of documentation will provide for greater efficiency and security of information. MDE anticipates that parents will be able to use the portal beginning in January 2021.

**Improvements Still Needed in the Administration of the ESA Program**

*As of October 2020, MDE has not established an appeals policy or procedure by which parents or educational service providers may appeal eligibility or reimbursement decisions. Also, MDE has not established a procedure for removing educational service providers for fraud and for referring fraud cases to law enforcement. Additionally, PEER found several issues regarding reimbursements (e.g., overpayments), which indicates a persistent lack of adequate internal controls.*

**Lack of Policies for Appeals and Fraud Cases**

In 2018, PEER reported the following issues with the administration of the ESA program:

- MDE has not established an appeals policy or procedure by which parents or educational service providers may appeal eligibility or reimbursement decisions. Although not required by law, such a policy ensures that parents are afforded the opportunity to request a review of a decision (e.g., via an appeal form or a hearing). In addition to correcting errors in decisions, appeals provide for clarification and interpretation of laws and policies. Arizona, Florida, and Tennessee all have methods by which a parent (or a nonpublic school) can appeal a decision in their respective ESA programs.

From PEER’s survey to parents and nonpublic schools, PEER received documentation regarding one student
whose award/reimbursement decisions could have been appealed and possibly reversed. In this case, the student received an award letter in July 2020 for the FY 2021 school year. The child enrolled in an eligible school and the parent submitted a reimbursement request in the first quarter of the school year. MDE denied the reimbursement request, indicating that the child did not in fact receive an award because the award offer had been removed due to the ESA program budget reduction for FY 2021. According to the parent, no documentation was provided after July 2020 by MDE that the award was no longer available. In this case, the parent should have been afforded an opportunity to request a review of this issue.

In other cases, parents mentioned issues with reimbursements. For example, one parent claimed that they only received half of the ESA funds requested in one year, and in another case, the nonpublic school was not reimbursed after repeated attempts to resolve the issue. In these cases, a more formal dispute resolution process provides parents and schools the opportunity to resolve issues.

- MISS. CODE ANN. Section 37-181-11 (3) (1972) states that MDE shall adopt a process for removing educational service providers that defraud parents and for referring cases of fraud to law enforcement. However, MDE has no documented procedure for complying with this law. Although MDE reported no instances of fraud during the review period (FYs 2019 and 2020), the lack of a written procedure could result in unfair and inconsistent application of penalties or decisions in future instances of fraud.

In 2018, PEER recommended that MDE establish both of these policies. As of October 2020, MDE had not implemented these recommendations; however, MDE staff indicated that revised ESA policies, including those for appeals and fraud referrals, will be presented to the Board of Education for approval in December 2020.

**Lack of Adequate Internal Controls**

*Because MDE has not conducted or contracted for a post-audit of ESAs, it has not ensured the most accurate accounting and reporting of ESA disbursements. PEER identified six instances in which MDE overpaid parents during a fiscal year, multiple data entry errors, and other payment processing issues. These persistent weaknesses in internal control could increase the risk of financial misstatement and fraud.*

MISS. CODE ANN. Section 37-181-11 (1) (1972) states:

*To ensure that funds are spent appropriately, the State Department of Education shall adopt rules and policies necessary for the administration of the program, including the auditing of education scholarship accounts, and shall conduct or contract for random audits throughout the year.*
ESA program staff indicated that they conduct the following audit steps:

- When a parent submits a reimbursement request, ESA staff ensures that the expense is allowable and performs the necessary steps for reimbursement. These actions serve as a form of pre-audit because MDE reviews reimbursement requests before payments are approved and sent to parents.

- Twice per year, ESA staff check the Mississippi Student Information System database, which captures student, teacher, and administrator data/records for the public school system, to determine whether any ESA students are enrolled in public school and whether their parents are still submitting requests for reimbursement. These actions are an attempt to prevent fraud.

While these actions are appropriate for auditing a program throughout the year, a post-audit would allow MDE to ensure the most accurate financial reporting of ESAs and ensure that the program has the proper internal controls in place. A post-audit would likely capture overpayments, data entry errors, and other payment processing issues.

PEER reviewed MDE’s documentation on disbursements made to parents and educational service providers for each ESA in FYs 2019 and 2020. PEER noted the following errors by MDE:

- **Overpayments**—six overpayments were made to parents and educational service providers;

- **System data entry errors**—seven payments were recorded to the wrong participant account or recorded with the wrong name;

- **Refund classification errors**—three overpayment refunds, received from participants, were not recorded as reductions to participant distributions; and,

- **Payment processing error**—one payment was disbursed to the wrong recipient.

### Overpayments to Parents and Educational Service Providers

PEER reviewed MDE’s documentation on disbursements made to parents and educational service providers for each ESA in FY 2019 and FY 2020. In FY 2019, MDE overpaid four ESA participants a total of $2,707. Additionally, in FY 2020, MDE overpaid two participants a total of $3,166. As of the end of FY 2020, four of these overpayments (three from FY 2019) remain outstanding, one overpayment was repaid by the participant’s family, and one overpayment was repaid by the participant’s school.

PEER inquired as to MDE’s resolution of outstanding overpayments. While MDE personnel responded that they are currently exploring options to recoup the remaining overpayments made to these participants, collection of past period overpayments remains an issue. In its 2018 report, PEER found overpayments totaling $1,608 to two participants in FY 2017. MDE responded that it would
request reimbursement from those two participants for the overpayments by reimbursing the State Treasury the amount of the overpayment or reduce the participants’ future ESA reimbursements by the amount of the overpayment. However, MDE provided no documentation to verify that they recouped these overpayments.

When viewed together with information from the 2018 report, these instances establish a systemic pattern of overpayments that MDE could address with better internal control policies and procedures.

**System Data Entry Errors**

In PEER’s review of disbursements, seven payments were recorded to the wrong participant’s account or were recorded with the wrong name. As a program with strict guidelines on who is eligible to receive disbursements and how much each recipient is allowed to receive, it is important for program disbursements to be allocated and recorded appropriately.

Transactions that are not recorded accurately can increase the risk that disbursements are made that are not in line with the program’s purpose, that eligible participants’ requests for reimbursement are denied, or create situations in which MDE must seek reimbursement from program participants.

**Refund Classification Errors**

During its review, PEER staff also noted three refunds that were received by program personnel and not recorded as credits to those students’ ESA accounts. In each instance reviewed, program participants appeared to have received reimbursements in excess of yearly program maximums, but had actually received disbursements within yearly program limits. These perceived overages occurred because all participants involved returned program funds that MDE did not record as credits to those students’ ESA accounts. These misclassifications resulted in the overages reported to PEER in the program’s distribution reports and led to overstatements in total program disbursements.

While these program refunds amount to only 0.12% of total program revenues for FYs 2019 and 2020, their occurrence casts doubt on the accuracy of the program’s financial information.

Errors in financial reporting can reduce the ability of program personnel to manage current operations of the program or budget for future operations. These types of errors can also make it more difficult for entities outside the program (e.g., the Legislature) to make decisions about the future operation and funding of the program.
**Payment Processing Error**

In PEER’s review of disbursements it noted one payment issued by MDE to the wrong school on behalf of a participant. MDE responded to PEER’s inquiry regarding this payment and documented that while the funds had been issued to the wrong school, the school issued a refund and a subsequent payment was made to the correct school.

MDE stated that all reimbursement requests are entered into the system and then reviewed by an MDE manager. Then a request for payment is generated and reviewed by personnel in a different division of MDE. A breakdown in this review process is a potential indicator of a weakness in program internal control policies and procedures and could increase the risk of financial fraud.

**Issues Regarding Reevaluations of ESA Participants**

*In FYs 2019 and 2020, MDE did not require parents to submit documentation after three years of program enrollment showing that their child continues to have a disability. As a result, MDE allowed 117 students to continue participating in the program who were not eligible according to state law. In July 2020, MDE implemented a process for ensuring that reevaluations occur every three years after initial enrollment.*

Regarding the reevaluation of ESA participants, MISS. CODE ANN. Section 37-181-5 (8) (1972) states:

*Every three (3) years after initial enrollment in the ESA program, a parent of a participating student, except a student diagnosed as being a person with a permanent disability, shall document that the student continues to be identified by the school district, a federal or state government agency, or a licensed physician or psychometrist as a child with a disability, as defined by the federal Individuals with Disabilities Education Act (20 USCS Section 1401 (3)).*

Because ESA participation began in July 2015, reevaluations should have begun three years later in July 2018. However, as of the end of FY 2020, MDE had not requested any reevaluations of ESA participants. Of the 636 ESA participants in FYs 2019 and 2020,

- 117 (18%) should have been reevaluated by June 30, 2020, but were not, and were therefore ineligible for the ESA program;
- 214 (34%) were not yet due for reevaluation as of June 30, 2020; and,
- 305 (48%) were assigned a permanent disability status* by MDE and are therefore exempt from the three-year reevaluation requirement, in accordance with state law.

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* A committee consisting of MDE staff with experience in the field of special education determines disability status (i.e., permanent or not permanent) for ESA students on an individual basis. ESA students in the following disability categories are automatically designated as having a permanent disability: autism, deafblindness, emotional disturbance, intellectual disability, and multiple disabilities.

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Of the 117 who should have been reevaluated by June 30, 2020,

- 45 (38%) had a language/speech disorder;
- 35 (30%) had a developmental disability;
- 32 (27%) had a specific learning disability; and,
- 5 (4%) had another disability.\(^\text{19}\)

Of the 305 who received a permanent disability status,

- 111 (36%) were classified as “Other Health Impairment;”
- 86 (28%) had autism; and,
- 108 (35%) were divided among the other disability categories.

In July 2020, after PEER requested information on reevaluations required by state law, MDE reviewed MISS. CODE ANN. Section 37-181.5 (8) (1972) and determined that the reevaluation requirement does in fact require an update three years from the date of the award. MDE then initiated a process to notify parents of the recertification requirement six months before the third anniversary of their award date. For all participants whose reevaluations are overdue, MDE is requiring the necessary documentation to be submitted by December 31, 2020, in order to continue participating in the program.

MDE's failure to require reevaluations in FYs 2019 and 2020 is particularly significant given that students' ESA award amounts were reduced by approximately $1,100 per participant in FY 2021 due to a decrease in the program's budget from $5 million to $3 million.

PEER's next review in 2022 will include an analysis of the reevaluation process and its impact on program participation.

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\(^{19}\) Categories of disabilities under the “Individuals with Disabilities Education Act” (IDEA). See page 12 for a full listing of categories.
Have parents and students been satisfied with the ESA program?

Similar to the positive survey results presented in PEER’s 2018 report, this year’s survey respondents indicated that they and their children were satisfied with the program and with the disability services provided by nonpublic schools. They also believed that their children had shown progress in achieving their academic goals through participation in the ESA program. Parents and nonpublic schools reported areas needing improvement, including the timeline for reimbursements and MDE’s administration of the program.

PEER administered a satisfaction survey to 734 parents of children who were awarded an ESA in FY 2019 and/or FY 2020.

PEER mailed each parent a letter explaining the purpose of the survey, a web address to access the survey, and a unique QR code to access the survey. PEER also sent email reminders to complete the survey to 656 parents who provided their email addresses to MDE. All responses were anonymous.

PEER received 329 responses, resulting in a response rate of 45%. The majority of respondents (87%) used their ESAs.

Survey responses are self-reported and reflect only the parents’ perceptions of various aspects of the ESA program.

Survey Responses

Overall Parent Satisfaction

Rating overall program satisfaction from 1 star to 5 stars with “5” being the highest star rating, 90% of parents rated the ESA program 4 stars or 5 stars. Only 4% of respondents rated the program 1 or 2 stars.

Student Satisfaction

Regarding their child’s satisfaction, 92% of parents responding to the survey rated the program with 4 stars or 5 stars, indicating that their child was satisfied. The majority of parents indicated that their child had gained confidence, became more social, improved communication skills, became more motivated to attend school and complete coursework, and had improved behavior and attentiveness. Only 3.5% of respondents rated the program 1 or 2 stars regarding child satisfaction.

PEER sent a letter regarding the survey to: 1) all parents who received reimbursement in the ESA program, and 2) some parents whose children were awarded ESAs but did not use them in FY’s 2019 and 2020. PEER did not send a letter to parents of students who were awarded an ESA in FY 2020 but did not submit the necessary documentation to begin receiving reimbursements (i.e., an enrollment certificate from an eligible school). PEER subtracted returned mail (i.e., undelivered mail with no forwarding address) from the total number of letters sent, resulting in 734 parents receiving a letter regarding the survey.
Disability Services

Parents also rated satisfaction with disability services provided by the nonpublic school highly with an average rating of 4.5 stars out of 5 stars compared to an average rating of 2 stars for disability services in the public schools ESA participants previously attended.

Progress and Improvement in Students

Of parents responding to the PEER survey, 92% indicated that their child showed progress according to goals in the child’s IEP or service plan, with only 4% indicating no progress or improvement. Regarding academic coursework, approximately 78% of parents reported progress in general academic subject areas. In other academic areas, 9% of parents indicated improvement in nationally-recognized, norm-referenced tests (e.g., Stanford 10, ACT Aspire), 8% in advanced placement coursework, 5% in elective standardized tests, and 5% in college or university admission tests. Only 3% indicated their child demonstrated no improvement, while 6% indicated that it was too soon to assess improvement.

See complete survey questions and results in Appendix D, page 52.

Needed Program Improvements Identified by Parents and Nonpublic Schools

Timeline for Reimbursements

MISS. CODE ANN. Section 37-181-5 (6) (1972) states that students who enroll in the program shall “receive quarterly ESA payments.” In PEER’s satisfaction survey, nineteen parents indicated that the quarterly timeline for reimbursements is a challenge for them because of the time waiting to recoup funds spent. First quarter reimbursements are received at the end of September and fourth quarter reimbursements are received at the end of June. For parents who pay full tuition at the beginning of the school year in August (which is oftentimes required by nonpublic schools), parents do not recoup their funds until the end of the school year in June.

As noted in PEER’s 2018 report, waiting to recoup funds could be burdensome to some parents and could prevent some students from participating in the program (i.e., students from low-income families). Further, other states administering an ESA program provide parents and providers more immediate access to funds.

Tennessee and Arizona ESA recipients receive access to ESA funding through a debit card account, which is administered by the states' departments of education. The program does not reimburse accountholders for any personal funds spent. Debit cards can be used only to make purchases at merchants who provide services or sell products that are approved expenses. The debit cards have restricted “Merchant Category Codes,” which are numeric codes assigned by a bank or credit card company to a business that is set up to accept credit or debit cards as a form of payment. In some cases (e.g., for tutoring services), preapproval is required. Both states
require parents to submit quarterly expense reports showing how the funds were spent. Parents must also submit receipts of all expenses paid and reconcile expenditures with the debit card account statements.

Florida operates its program on a reimbursement basis (to parents or direct pay to providers) as Mississippi does. However, Florida differs in that it allows providers to submit requests for direct payment for certain services. For example, nonpublic schools can request reimbursement using the following schedule: July 1, nonpublic schools can request 25% of annual tuition and 100% of fees mandatory for enrollment; October 1, 25% of annual tuition; January 1, 25% of annual tuition; and April 1, 25% of annual tuition.

MDE’s Program Administration

From PEER’s analysis of parent comments regarding ways to improve the ESA program, one of the most common themes involved MDE’s program administration. In particular, parents stated that MDE’s customer service and its processes for applications and reimbursements need improvement. While MDE received a commendable rating of 4 out of 5 stars on customer service overall, 50 parents (15%) rated MDE’s customer service 1 or 2 stars. Therefore, MDE has room to improve in this area. Specifically, parents indicated the following issues:

- Untimely responses from MDE staff to phone calls or emails;
- Poor communication from MDE staff (e.g., untimely notice when program requirements change; no notice when reimbursement amounts are reduced by MDE; unclear forms and instructions);
- MDE staff was unable to answer questions; and,
- MDE ESA office was disorganized and inefficient (e.g., lost paperwork, errors, mailing of letters to parents pertaining to the wrong child).

In accordance with MISS. CODE ANN. Section 37-181-9 (1) (1972), MDE has created a standard application form that parents submit to establish their student’s eligibility for an ESA. The application is available on MDE’s website. The PEER satisfaction survey indicated that 15% of ESA participants believed the application process was either somewhat difficult or very difficult.

Also, in accordance with MISS. CODE ANN. Section 37-181-5 (6) (1972), MDE reimburses parents quarterly. Each quarter in the fiscal year parents may submit a reimbursement request form and accompanying documentation (e.g., receipts) to MDE by mail. Parents can also authorize MDE to make direct payments to educational service providers. (Only 19% of ESA reimbursements in FYs 2019 and 2020 was direct payments to schools.) The PEER satisfaction survey indicated that 18% of respondents believed that the process of requesting reimbursements was either somewhat difficult or very difficult, and 8% indicated that reimbursements were not timely which indicates that there is room to improve in these areas. Issues identified by parents included, but were not limited to, no
confirmation of receipt of documents by MDE and no notice or late notice to parents of reimbursement documentation issues, which led to reduced or delayed reimbursements (sometimes until the following quarter).

PEER’s next satisfaction survey to be conducted in 2022 should reflect whether MDE’s development of an online portal has made the application and reimbursement processes easier, more efficient, and more secure due to electronic submission of documentation.
How did Senate Bill 2594 change the ESA program and what are the expected impacts?

Senate Bill 2594, 2020 Regular Session, made changes to ESA student and nonpublic school eligibility and revised several aspects of the program's administration. Also, the bill tasked PEER with assessing ESA students' performance and eligible schools' ability to meet the needs of ESA students. Because the changes have not been fully implemented, the impacts are not yet known. PEER's 2022 review of the ESA program will include the realized impacts of Senate Bill 2594.

This chapter discusses the following:

- changes to student and school eligibility;
- changes to program administration; and,
- other changes addressing accountability.

**Changes to Student and School Eligibility**

*Senate Bill 2594 will have an impact on the number of students and nonpublic schools eligible to participate in the ESA program.*

**Change to Student Eligibility**

Senate Bill 2594 decreases the number of students eligible for the ESA program by requiring that an eligible student must have had an IEP within the past three years, as opposed to the previous five-year requirement. Using new ESA applicants approved in FYs 2019 and 2020 as a reference, only six (2%) of 339 applicants would not have been eligible under the new three-year requirement (i.e., the students' IEPs were more than three years old at the time of award).

MDE indicated to PEER that it will not waive this requirement for those participants who were approved under the five-year requirement. Thus, all participants will be required to have an IEP less than three years old.

**Changes to School Eligibility**

Prior to Senate Bill 2594, an eligible school was a nonpublic school that enrolled a participating student. The eligible school was required to be accredited (or possess a provisional letter of accreditation) by a state or regional accrediting agency or be approved/licensed by MDE. Further, state law required that eligible schools comply with certain requirements (e.g., nondiscrimination policies, health and safety laws), although there was no verification to ensure that these requirements were being met.

Regarding eligible schools, PEER’s 2018 report noted the following:

- Since state law does not require nonpublic schools to apply for participation in the ESA program, the state has no assurance that schools enrolling ESA students meet all requirements in law.
- State law does not require MDE or nonpublic schools to monitor the progress of students participating in the ESA program. Thus, the state is unable to assess to what extent participating students are receiving the services they need and progressing toward or meeting the goals outlined in their IEPs or service plans.

Senate Bill 2594 removed the accreditation requirement and instead allows three categories of eligible schools:

- **State-accredited nonpublic schools.** Nonpublic schools can elect to receive accreditation from MDE upon completion of the state’s accreditation process. Sixteen schools that enrolled ESA students in FYs 2019 and 2020 were state-accredited nonpublic schools.

- **State-accredited special purpose schools.** Special purpose schools are designed to serve a specific population of students or to provide a special program of instruction for students. Six schools that enrolled ESA students in FYs 2019 and 2020 were state-accredited special purpose schools.

- **Nonpublic school located in the state that has enrolled a participating student and is providing services for the participating student's disability or special education needs, or is providing services addressing a student's IEP.** This category of eligibility includes an unknown number of schools because schools have not been required to demonstrate that they are providing services for the student's disability thus far. However, because the school must now be located in the state, out-of-state schools and online schools are no longer eligible. In FYs 2019 and 2020, participants attended eleven online schools and eight out-of-state schools.

While Senate Bill 2594 did not require that nonpublic schools apply for participation in the ESA program, in many cases (i.e., for students not attending state-accredited schools), it will require more transparency from the parent to inform the nonpublic school of the student’s disability and special education needs. Further, it requires that an eligible school must provide notice to a participating student’s home school district when the eligible student enrolls. Prior to this change, an ESA student could attend a nonpublic school without the parent informing the nonpublic school (or the student’s previous public school) that the student is participating in the ESA program. In PEER’s survey to nonpublic schools that enrolled an ESA students in FYs 2019 and/or 2020, 24% indicated that they were unaware they had enrolled an ESA student.

For the third category of eligibility, MDE will require that a school administrator sign a “participating school assurance form.” This form requires schools to attest that it meets statutory requirements and that it will “certify” to MDE that it will provide services for each individual ESA student’s disability. Assurance forms must be mailed to MDE by November 30, 2020. MDE anticipates that more schools could become eligible because the accreditation requirement has been removed. However, if schools must attest that they are able to provide services to meet individual ESA
students’ needs, then the number of schools could potentially decrease. According to PEER’s survey of 45 nonpublic schools that enrolled an ESA student in FYs 2019 and/or 2020, 42% of schools indicated that they employed no licensed special education staff. Thus, it is unclear as to how these schools will attest to providing services to meet an ESA student’s needs. In some cases, the nonpublic school might attest that it provides services although those services are actually provided by the local public school district, or merely arranged by the nonpublic school on-site (and paid for by parents). In PEER’s survey, 78% of schools reported receiving special education services for speech therapy from the public school district.

Changes to Program Administration

**Senate Bill 2594 made several changes to program administration, some of which could strengthen MDE’s oversight of the program. One change, however, conflicts with federal law, and MDE has advised local public school districts against implementation of this change.**

Senate Bill 2594 made several changes to program administration, including, but not limited to, the following:

- A participating student may return to his or her home school district at any time after enrolling in the ESA program. Upon the student’s return, the ESA must be closed, and any remaining funds must be distributed to the student’s home school district at the end of the awarded ESA school year.

- Senate Bill 2594 makes several clarifications regarding qualifying expenses. For example, previous language stated that an eligible expense included tuition and/or fees at an eligible school. Senate Bill 2594 clarified that the fees must be academic in nature (as opposed to fees related to extracurricular activities).

- Eligible schools or educational service providers must provide the parent an original itemized receipt, including the service provider’s name and address, for all qualifying expenses. In lieu of providing an original itemized receipt to the parent, eligible schools or providers may provide to MDE the itemized receipt approved and signed off on by the parent.

- MDE must maintain a waitlist in the chronological order in which ESA applications are received. MDE must award ESAs in chronological order according to the waitlist. Previously, MDE conducted lotteries to award ESAs.

Reimbursement to Public School Districts

**Senate Bill 2594 requires a public school district providing special education services to a participating student to be reimbursed by the eligible school (or parent) the fair market value for any special education services rendered to the student. The federal Office of Special Education Programs (OSEP) advised MDE that such reimbursement would be inconsistent with federal law, which requires a**
If a nonpublic school chooses to provide special education services, it may develop a service plan or similar document, which describes what special education and related services will be available. Service plans can include services provided by the nonpublic school and/or by the local public school district. The federal “Individuals with Disabilities Education Act” (IDEA) requires the local public school district to spend a proportionate amount of IDEA federal funds to provide equitable services to children with disabilities in nonpublic schools. It is possible that some ESA students will not receive any services while others will, depending on how the local school district decides to use IDEA funds. Thus, students in the ESA program do not have the same individual entitlement to services they would receive if they were enrolled in a public school.

Senate Bill 2594 requires a public school district providing special education services to a participating student to be reimbursed by the eligible school (or parent) the fair market value for any special education services rendered to the student. However, MDE has advised all local school districts that they cannot accept funds from nonpublic schools to reimburse them for services. The federal Office of Special Education Programs (OSEP) advised MDE that such reimbursement would be a violation of federal IDEA law, which requires a proportionate amount of federal funds to provide services to students with disabilities in nonpublic schools.

In PEER’s survey to nonpublic schools with ESA students, when asked about the public school district providing special education services to eligible students in FYs 2019 and 2020,

- 78% of schools indicated that the public school district provided speech therapy services to eligible students;
- 13% indicated that the public school districts provided other professional services, including occupational and physical therapy; and,
- 2% indicated that the public school district provided dyslexia screening/therapy.

**Other Changes Addressing Accountability**

**Senate Bill 2594 potentially increases program accountability by:** establishing assessment and reporting requirements for eligible schools; requiring PEER to analyze participating students’ performance on pre- and post-assessments; and requiring PEER to assess the degree to which eligible schools are meeting the needs of participating students as defined in their IEPs.

PEER’s 2018 report demonstrated that the ESA program lacks the accountability structure needed to ensure that nonpublic schools enrolling ESA students meet statutory requirements and that students with disabilities are receiving the services they need and progressing toward the goals outlined in their IEPs or service plans. In addition to the lack of a requirement for nonpublic schools to apply for participation in the program, and nonpublic schools not being required to monitor students' progress, PEER's 2018 report
noted that the program lacks pertinent measures of program performance. In particular,

- the ESA program did not require any form of norm-referenced testing of ESA students. Without this information, the state could not monitor the academic performance of ESA students and compare their performance to their peers in public school.

- while PEER was required to assess certain measures of ESA student performance (e.g., student performance on AP exams, high school graduation rates), nonpublic schools and parents were not required to report this information to MDE. Therefore, there was no reliable data source from which to obtain this information.

New Assessment and Reporting Requirements for Eligible Schools

To address program accountability, Senate Bill 2594 established the following additional requirements for eligible schools:

- Eligible schools must certify to MDE upon enrollment of an ESA student that the eligible school shall provide services for the ESA student's disability or special education needs, or shall provide services addressing the ESA student's IEP.

- Eligible schools must now require ESA students to take a pre-assessment at the beginning of the school year and a post-assessment at the end of the school year.

- Eligible schools must submit student performance data to MDE at the end of the school year, including the individual results of the pre-assessment and post-assessment.

New Reporting Requirements for PEER

Senate Bill 2594 added the following to PEER's biennial reporting mandate:

- Assess participating students’ performance, both pre-assessment and post-assessment, on the eligible school's current assessment used to demonstrate academic progress, a nationally standardized norm-referenced achievement test, or a current state board-approved screener.

- Assess the degree to which eligible schools are meeting the needs of participating students as defined by the participating students' IEPs.

These changes potentially increase ESA program accountability through the monitoring ESA student performance. From PEER's survey to nonpublic schools, 84% indicated that they administer nationally standardized norm-referenced achievement tests, and 22% indicated that they administer other tests. However, it is unknown as to whether these tests are administered as pre- and post-tests.
Regarding whether nonpublic schools are meeting the needs of ESA students as defined in the IEP, 47% of schools indicated in PEER’s survey that they monitor ESA students’ IEPs from the public school district, and 22% indicated that they monitor the ESA student through a service plan developed by the nonpublic school.

According to MDE, the IEP is only valid in a public school setting and is updated each year. However, because the IEP is the document that determines eligibility for the ESA program, it is the initial guiding document for the provision of disability services for ESA students in nonpublic school settings. A nonpublic school may monitor the IEP or use the IEP to develop its own service plan or similar document related to the child’s disability or conduct its own assessment of the child’s disability to develop a current education service plan, as the IEP could be several years old.

Senate Bill 2594 now requires nonpublic schools to certify that they are providing services for the student’s disability or special education needs or services addressing the student’s IEP. Although MDE will require a nonpublic school to certify that it will provide services to meet an ESA child’s disability or services addressing the student’s IEP by signing an attestation form, it does not require schools to provide annual documentation of student progress related to the child’s disability. While not expressly required in Senate Bill 2594, PEER will need this information in order to complete its mandate to “assess the degree to which eligible schools are meeting the needs of participating students as defined by the students’ IEPs.” Thus, if MDE were to require the information needed for PEER’s assessment, nonpublic schools would also have to formally report on the progress of ESA students annually to MDE.

PEER’s 2022 review will assess nonpublic schools’ compliance with these new assessment and reporting mandates.
Recommendations

1. In light of the considerable legislative changes made to the ESA program in during the 2020 Regular Session, the Legislature should consider allowing the Mississippi Department of Education (MDE) to develop experience implementing the changes before considering any additional CODE provisions dealing with ESAs. PEER’s statutorily mandated review of the ESA program in 2022 will analyze the department’s implementation of the 2020 revisions to the program and make recommendations to the Legislature for making the program more effective.

2. The Mississippi Department of Education (MDE) should continue to improve its administration of the ESA program by:
   a. completing the development of its online portal for applications and reimbursements, which will provide for a more secure and efficient way to transmit information;
   b. focusing on ways to improve its program administration, especially in the area of customer service (e.g., better communication with parents regarding issues with applications/reimbursement documentation or changes to policies). For example, MDE should consider creating a parent handbook similar to other states administering an ESA program;
   c. using its excess administrative funds on program operations or to fund additional ESAs (based on historical data);
   d. continuing to refine its formal policies and procedures for the administration of the ESA program. In particular, MDE should develop procedures for appeals and for removing educational service providers and referring fraud cases to law enforcement in accordance with MISS. CODE ANN. Section 37-181-11 (3) (1972);
   e. annually conducting or contracting for a post-audit of ESA disbursements to parents and educational service providers, and administrative expenditures to operate the program. This audit could identify financial or data entry errors, as well as issues with internal controls;
   f. promptly resolving overpayment issues from FY 2017 through FY 2020 by requiring reimbursement from parents. Reimbursements from parents should be recorded as credits to the students’ ESA accounts; and,
   g. ensuring that it completes ESA student reevaluations in accordance with MISS. CODE ANN. Section 37-181-5 (8) (1972) so that only eligible students are participating in the program.

3. In order for PEER to have access to adequate data to conduct its statutory review in future years, MDE should develop a process
by which schools or parents annually submit the following information to MDE for each ESA student:

a. evidence of progress on annual measurable goals outlined in a service plan or similar document to address the student’s disability and special education needs;

b. a copy of the student's performance, both pre-assessment and post-assessment, on the eligible school's current assessment used to demonstrate academic progress, a nationally standardized norm-referenced achievement test, or a current state board-approved screener; and,

c. a copy of the ESA student's performance on advanced placement (AP) exams and any other exams related to college admission.

Further, eligible schools serving high school students should annually report to MDE the four-year high school graduation rates for ESA students.
Appendix A: Profile of ESA Recipients

The following exhibits present a profile of ESA participants in FYs 2019 and 2020.

<table>
<thead>
<tr>
<th>Age of Student as of September 1, 2020</th>
<th>Number of Students</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-5</td>
<td>10</td>
<td>1%</td>
</tr>
<tr>
<td>6-10</td>
<td>188</td>
<td>30%</td>
</tr>
<tr>
<td>11-13</td>
<td>163</td>
<td>26%</td>
</tr>
<tr>
<td>14-18</td>
<td>235</td>
<td>37%</td>
</tr>
<tr>
<td>19-21</td>
<td>40</td>
<td>6%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>636</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age of IEP (Years) as of June 30, 2020</th>
<th>Number of Students</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-2</td>
<td>277</td>
<td>43.5%</td>
</tr>
<tr>
<td>3-5</td>
<td>290</td>
<td>45.5%</td>
</tr>
<tr>
<td>6-9</td>
<td>69</td>
<td>11%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>636</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Race/Ethnicity*</th>
<th>Number of Students</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>374</td>
<td>68%</td>
</tr>
<tr>
<td>Black or African American</td>
<td>152</td>
<td>28%</td>
</tr>
<tr>
<td>Other races/ethnicities</td>
<td>23</td>
<td>4%</td>
</tr>
<tr>
<td>Could not be determined</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>560</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Data provided by MDE from ESA database dated February 19, 2020.

<table>
<thead>
<tr>
<th>Gender*</th>
<th>Number of Students</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>359</td>
<td>64%</td>
</tr>
<tr>
<td>Female</td>
<td>200</td>
<td>36%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>559</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Data provided by MDE from ESA database dated February 19, 2020.

<table>
<thead>
<tr>
<th>Eligibility Category*</th>
<th>Number of Students</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Eligible for Free or Reduced Lunch</td>
<td>353</td>
<td>94%</td>
</tr>
<tr>
<td>Eligible for Free or Reduced Lunch</td>
<td>21</td>
<td>6%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>374</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Data provided by MDE from ESA database dated February 19, 2020.
<table>
<thead>
<tr>
<th>Primary Disability Type (IDEA Category)</th>
<th>Number Of ESA Students</th>
<th>Percentage of Total</th>
<th>Number of Students Statewide</th>
<th>Percentage of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specific Learning Disability (e.g., reading comprehension)</td>
<td>139</td>
<td>22%</td>
<td>17,715</td>
<td>25%</td>
</tr>
<tr>
<td>Other Health Impaired*</td>
<td>138</td>
<td>22%</td>
<td>12,634</td>
<td>18%</td>
</tr>
<tr>
<td>Language/Speech Impaired</td>
<td>134</td>
<td>21%</td>
<td>16,789</td>
<td>24%</td>
</tr>
<tr>
<td>Autism</td>
<td>86</td>
<td>13%</td>
<td>5,825</td>
<td>8%</td>
</tr>
<tr>
<td>Developmentally Delayed</td>
<td>74</td>
<td>12%</td>
<td>7,119</td>
<td>10%</td>
</tr>
<tr>
<td>Hearing Impaired</td>
<td>18</td>
<td>3%</td>
<td>711</td>
<td>1%</td>
</tr>
<tr>
<td>Other^</td>
<td>18</td>
<td>3%</td>
<td>2,288</td>
<td>3%</td>
</tr>
<tr>
<td>Intellectual Disability</td>
<td>15</td>
<td>2%</td>
<td>4,051</td>
<td>6%</td>
</tr>
<tr>
<td>Emotional Disability</td>
<td>14</td>
<td>2%</td>
<td>3,197</td>
<td>5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td><strong>636</strong></td>
<td>100%</td>
<td><strong>70,329</strong></td>
<td>100%</td>
</tr>
</tbody>
</table>

**ESA students as a percentage of total students with disabilities statewide – 0.9%**

*Includes a range of conditions, such as attention-deficit/hyperactivity disorder (ADHD) and diabetes.

^Includes the following IDEA categories: Deaf-Blind, Multiple Disabilities, Orthopedic Impairment, Traumatic Brain Injury, and Visually Impaired.

**SOURCE:** PEER analysis of Mississippi Department of Education data.
Appendix B: Location of ESA Participants, FYs 2019 and 2020

SOURCE: PEER.
**Appendix C: Nonpublic Schools Serving ESA Participants**

<table>
<thead>
<tr>
<th>Nonpublic Schools Accredited by the Mississippi Board of Education</th>
<th>Other Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Special Purpose Schools</strong></td>
<td></td>
</tr>
<tr>
<td>Dynamic Dyslexia Design: The 3-D School (Ocean Springs)</td>
<td>French Camp Academy</td>
</tr>
<tr>
<td>Dynamic Dyslexia Design: The 3-D School (Petal)</td>
<td>Nativity B.V.M. Elementary School</td>
</tr>
<tr>
<td>Magnolia Speech School</td>
<td>Our Lady of Fatima Elementary School</td>
</tr>
<tr>
<td>New Summit School (Jackson)</td>
<td>Resurrection Catholic School</td>
</tr>
<tr>
<td>North New Summit School (Greenwood)</td>
<td>Sacred Heart Catholic Elementary School (D'Iberville)</td>
</tr>
<tr>
<td>South New Summit School (Hattiesburg)</td>
<td>Sacred Heart Catholic School (Hattiesburg)</td>
</tr>
<tr>
<td></td>
<td>Sacred Heart School (Southaven)</td>
</tr>
<tr>
<td></td>
<td>St. Alphonsus Catholic School</td>
</tr>
<tr>
<td></td>
<td>St. Anthony Catholic School</td>
</tr>
<tr>
<td></td>
<td>St. Elizabeth Catholic School</td>
</tr>
<tr>
<td></td>
<td>St. Francis of Assisi School</td>
</tr>
<tr>
<td></td>
<td>St. Patrick Catholic High School (Biloxi)</td>
</tr>
<tr>
<td></td>
<td>St. Patrick Catholic School (Meridian)</td>
</tr>
<tr>
<td></td>
<td>St. Richard Catholic School</td>
</tr>
<tr>
<td></td>
<td>St. Vincent de Paul Catholic School</td>
</tr>
<tr>
<td></td>
<td>Wilkinson County Christian Academy</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Online and Out-of-State Schools</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Online Schools</strong></td>
<td><strong>Out-of-state Schools</strong></td>
</tr>
<tr>
<td>Abeka Academy</td>
<td>Bowie Reading &amp; Learning Center (TN)</td>
</tr>
<tr>
<td>Acellus Academy</td>
<td>Briarcrest Christian School (TN)</td>
</tr>
<tr>
<td>BREHM Preparatory School</td>
<td>Evangelical Christian School (TN)</td>
</tr>
<tr>
<td>Forest Trail Academy</td>
<td>Grace Baptist Academy (AL)</td>
</tr>
<tr>
<td>James Madison High School</td>
<td>Madonna Learning Center (TN)</td>
</tr>
<tr>
<td>K12 International Academy</td>
<td>Rossville Christian Academy (TN)</td>
</tr>
<tr>
<td>Liberty University Online Academy</td>
<td>The Bodine School (TN)</td>
</tr>
<tr>
<td>NorthStar Academy</td>
<td>The Learning Tree (AL)</td>
</tr>
<tr>
<td>Pearblossom Academy, Inc.</td>
<td></td>
</tr>
<tr>
<td>Penn Foster</td>
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<tr>
<td>The Keystone School</td>
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<table>
<thead>
<tr>
<th><strong>All Other Nonpublic Schools</strong></th>
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<tbody>
<tr>
<td>Adams County Christian School</td>
<td>Learning Skills Center*</td>
</tr>
<tr>
<td>Agape Montessori Christian Academy</td>
<td>Lee Academy</td>
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<tr>
<td>Amite School Center</td>
<td>Madison Ridgeland Academy</td>
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<td>Annunciation Catholic School</td>
<td>Magnolia Heights School</td>
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<tr>
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<td>Manchester Academy</td>
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<tr>
<td>Bethany Baptist Academy</td>
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<td>Calhoun Academy</td>
<td>Mt. Salus Christian School</td>
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<tr>
<td>Canton Academy</td>
<td>New Hope Christian School</td>
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<tr>
<td>Carroll Academy</td>
<td>New Hope Community Christian School</td>
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<tr>
<td>Cathedral School</td>
<td>New Hope Vision Academy</td>
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<tr>
<td>Cedar Lake Christian Academy &amp; Preschool</td>
<td>New Jerusalem Christian School</td>
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<tr>
<td>Central Hinds Academy</td>
<td>New Life Christian Academy</td>
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<td>Central Holmes Christian School</td>
<td>North Corinth Christian Academy</td>
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<td>Centreville Academy</td>
<td>North Delta School</td>
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<td>Christ Covenant School</td>
<td>North Sunflower Academy</td>
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<td>Christian Collegiate Academy</td>
<td>Northpoint Christian School</td>
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<tr>
<td>Coast Episcopal School</td>
<td>Our Lady of Lourdes</td>
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<tr>
<td>Columbia Academy</td>
<td>Park Place Christian Academy</td>
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<td>Community Christian School</td>
<td>Parklane Academy</td>
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<td>Copiah Academy</td>
<td>Pentecostal Christian Academy</td>
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<tr>
<td>Covenant Presbyterian Preschool</td>
<td>Pey Academy</td>
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<td>Cross Creek Christian Academy</td>
<td>Porter’s Chapel Academy</td>
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<td>Delta Academy</td>
<td>Prentiss Christian School</td>
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<td>Discovery Learning Center</td>
<td>Rebul Academy</td>
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<td>E.E. Rogers SDA School</td>
<td>Regents School of Oxford</td>
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<td>Exypnos Christian Academy</td>
<td>Russell Christian Academy</td>
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<td>First Presbyterian Day School</td>
<td>Simpson County Academy</td>
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<td>Greenbrook Baptist Church Kindergarten</td>
<td>St. Aloysius High School</td>
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<td>Greenville Christian School</td>
<td>St. Andrew’s Episcopal School</td>
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<td>Happy Start Learning Academy</td>
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<td>Hebron Christian School</td>
<td>St. Paul’s Episcopal School</td>
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<td>Hope Academy</td>
<td>Sylva-Bay Academy</td>
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<tr>
<td>Hope Family Care Service*</td>
<td>Temple Christian Academy</td>
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<tr>
<td>Huntington Learning Center^</td>
<td>Tender Ages Christian Academy</td>
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<td>The Education Center School</td>
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<td>Jackson Preparatory School</td>
<td>The Piney Woods School</td>
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<td>Jubilee Performing Arts Center</td>
<td>Treehouse Montessori Christian School</td>
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<td>Kemper Academy</td>
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<td>King’s Court Christian Academy</td>
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<td>Lamar Christian School</td>
<td>Tupelo Christian Preparatory School</td>
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<td>Lamar School</td>
<td>Victory Christian Academy</td>
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<tr>
<td>Laurel Christian School</td>
<td>Woodlawn Preparatory School</td>
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</tbody>
</table>

*Other educational service provider

^ MDE determined that Huntington Learning Center qualifies as a “school” due to the fact that it offers instruction in all core subject areas and serve ESA students full-time. Huntington applied for accreditation; however, the accreditation process was delayed due to COVID-19.

SOURCE: PEER analysis of Mississippi Department of Education data.
Appendix D: Education Scholarship Account Satisfaction Survey Questions and Responses

The following summarizes PEER survey responses by parents of students awarded ESAs between July 2018 and June 2020. For question 15, a summary of responses is provided. All responses were anonymous and reflect only parents’ perceptions of the program.

1. **Ease or difficulty in completing ESA application process**
   - Very Easy ........................................................................................................... 33%
   - Somewhat Easy ............................................................................................... 42%
   - Neither Difficult or Easy ................................................................................. 10%
   - Somewhat Difficult ......................................................................................... 14%
   - Very Difficult .................................................................................................. 1%

2. **Factors that contributed to the decision to apply for the ESA program (from 1 to 5 stars, with 5 indicating that it factored greatly into the decision, and 1 indicating that it was the lowest consideration)**
   - Smaller classrooms/more individual attention .................................................. 5 stars
   - Needed financial assistance .............................................................................. 4.5 stars
   - Additional or more effective disability services in private school ...................... 4.5 stars
   - Insufficient or ineffective disability services in public school .............................. 4.5 stars
   - Child not performing well academically in public school .................................... 4.5 stars
   - Child having behavioral problems and/or negative experiences in public school .... 3.5 stars

3. **Ease or difficulty requesting ESA reimbursement from MDE**
   - Very Easy ........................................................................................................... 31%
   - Somewhat Easy ............................................................................................... 35%
   - Neither Difficult or Easy ................................................................................. 10%
   - Somewhat Difficult ......................................................................................... 13%
   - Very Difficult .................................................................................................. 5%
   - Not applicable .................................................................................................. 6%

4. **Timeliness of ESA reimbursements from MDE**
   - Reimbursements were timely .......................................................................... 79%
   - Reimbursements were not timely ...................................................................... 8%
   - Not applicable .................................................................................................. 13%

5. **Parent satisfaction with MDE customer service (1 to 5 stars, with 5 being highly satisfied)**
   - 5 stars ................................................................................................................. 49%
   - 4 stars ................................................................................................................. 22%
   - 3 stars ................................................................................................................. 12%
   - 2 stars ................................................................................................................ 7%
   - 1 star ................................................................................................................... 8%
   - Not applicable .................................................................................................. 2%

6. **Primary reason(s) child was not able to use ESA for one or more years**
   - Not applicable .................................................................................................. 87%
   - Other reasons ..................................................................................................... 6%
   - Financial circumstances .................................................................................... 3%
   - No area private schools offer needed services ................................................... 3%
   - Denied admission to private school .................................................................... 1.5%
   - Changed mind .................................................................................................... 1.5%
   - Placed on private school waiting list/space not available ..................................... 1%
7. Primary reason(s) child discontinued ESA program participation
Not applicable........................................................................................................... 77%
Child graduated from high school or passed GED ...................................................... 7%
Other reasons ........................................................................................................ 5%
Returned to public school ....................................................................................... 5%
Child no longer eligible ......................................................................................... 3%
Private school disability services ineffective or inadequate ...................................... 2%
Financial circumstances ....................................................................................... 2%
Decided to homeschool or enroll in online school ................................................... 2%
Child completed program or no longer needed services ......................................... 1.5%

8. Satisfaction with disability services provided by the private school where child was last enrolled (1 to 5 stars, with 5 being highly satisfied)
5 stars .................................................................................................................. 60%
4 stars .................................................................................................................. 19%
3 stars .................................................................................................................. 10%
2 stars .................................................................................................................. 3%
1 star ...................................................................................................................... 2%
Not applicable ...................................................................................................... 6%

9. Satisfaction with disability services provided by the public school where child was enrolled prior to ESA (1 to 5 stars, with 5 being highly satisfied)
5 stars .................................................................................................................. 7%
4 stars .................................................................................................................. 6%
3 stars .................................................................................................................. 19%
2 stars .................................................................................................................. 22%
1 star .................................................................................................................... 36%
Not applicable ...................................................................................................... 10%

10. Measurable progress or improvement shown, according to goals in child’s IEP or service plan
Yes ......................................................................................................................... 92%
No ........................................................................................................................ 4%
Not applicable ...................................................................................................... 4%

11. Progress or improvement in the following academic areas
General academic coursework (e.g., reading, math) .................................................. 78%
Norm-referenced tests (e.g., Stanford 10, ACT Aspire) ............................................. 9%
Preschool or early education program ..................................................................... 9%
Advanced placement coursework (e.g., AP English or Math) ................................. 8%
Elective standardized tests (e.g., TerraNova, PSAT) .................................................. 5%
College or university admission tests (e.g., ACT, SAT) ............................................ 5%
No improvement/change ....................................................................................... 3%
Too soon to assess improvement .......................................................................... 6%
Not applicable ...................................................................................................... 7%

12. Child satisfaction with private school while participating in ESA program
5 stars .................................................................................................................. 77%
4 stars .................................................................................................................. 14.5%
3 stars .................................................................................................................. 3.5%
2 stars .................................................................................................................. 1.5%
1 star ...................................................................................................................... 2%
Not applicable ...................................................................................................... 1.5%

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13. Reasons for child satisfaction with private school Gained confidence and became hopeful about ability to achieve or improve future ............................................................... 79%
Became more social and participated more in class and/or activities .................................................. 68%
Communication skills improved ........................................................................................................ 68%
More motivated to go to school and complete schoolwork .......................................................... 67%
Behavior and/or attitude improved .................................................................................................. 56%
Attentiveness and/or alertness improved .......................................................................................... 54%
Child not satisfied with private school ......................................................................................... 2%
Child did not improve in these areas ............................................................................................. 3%
Not applicable ................................................................................................................................. 4%

14. Level of satisfaction with ESA program overall
5 stars ............................................................................................................................................. 68%
4 stars ............................................................................................................................................. 22%
3 stars ............................................................................................................................................ 6%
2 stars ............................................................................................................................................ 2%
1 star.............................................................................................................................................. 2%

15. Suggestions for changes or improvements to ESA program:
- administration of the ESA program, including the following:
  - establish an electronic system for submitting applications and reimbursement requests with confirmation of receipt;
  - improve mail processing and record keeping procedures to prevent the loss of documents;
  - protect personal information by ensuring documents are mailed to the correct address;
  - ensure that letters mailed to parents pertain to issues specific to their child;
  - notify parents sooner when their child is awarded a scholarship;
  - provide earlier notice when requesting additional information;
  - request additional information by phone instead of mail due to impending deadlines;
  - allow schools to assist parents with completing applications and reimbursement forms;
  - ensure staff are well informed about program changes and documentation requirements;
  - provide more timely updates regarding program changes and documentation requirements;
  - improve clarity of forms and instructions;
  - improve customer service, communication, and response times;
  - hire additional help during peak seasons;
  - improve outreach to inform parents and schools about the ESA program;
  - improve the reimbursement process;
    - allow schools to accept direct pay;
    - allow schools to submit receipts approved by parents;
    - establish a more frequent reimbursement schedule;
    - allow parents to recoup pre-paid tuition costs in full;
    - reduce staff errors and prevent payment delays until next quarter;
    - allow parents to correct reimbursement documentation before deadline;
    - allow parents to submit requests for other items when expenses are denied;
    - provide an explanation when reimbursement amount changes;
    - provide early notice of reimbursement delays;
    - disperse funds by direct deposit; and,
    - provide assistance with registering as a vendor.

- funding and expansion of the ESA program, including the following:
  - increased/stabilized program funding;
  - improve outreach to encourage private donations;
  - allow more children in need of services to qualify (e.g., public school students, homeschool);
allow more schools to qualify (e.g., non-accredited, online, out-of-state);
allow permanently disabled students to use scholarship to pay for college expenses;
allow low-income and disabled parents to also apply for the dyslexia scholarship; and,
offer scholarships based on a percentage of tuition costs to help defray the costs of more specialized schools and higher tuition.

SOURCE: PEER analysis.
Appendix E: Education Scholarship Account Private School Survey Questions and Responses

The following summarizes PEER survey responses by nonpublic schools that enrolled at least one ESA student between July 2018 and June 2020. For question 10, a summary of responses is provided.

1. Private schools accredited by the following organizations
   - AdvancED ................................................................................................................. 71%
   - Other (e.g., Midsouth Association of Independent Schools, National Association of Private Schools) .... 44%
   - MDE – for other nonpublic school ............................................................................ 20%
   - Southern Association of Independent Schools ......................................................... 16%
   - MDE – for schools serving students with disabilities .................................................. 9%

2. Tests administered to measure academic outcomes of students
   - Nationally-recognized, norm-referenced test (e.g., Stanford 10, ACT Aspire) .................. 84%
   - Other test(s) .............................................................................................................. 22%
   - State assessments ..................................................................................................... 0%
   - Not applicable .......................................................................................................... 4%

3. Special education services provided by public school district to private school students
   - Speech-language screening/therapy ........................................................................ 78%
   - Dyslexia screening/therapy ..................................................................................... 2%
   - Other professional services (e.g., comprehensive assessments, psychoeducational testing) ............ 13%
   - Services provided “in-house” by licensed staff employed by private school .............. 13%
   - Not applicable .......................................................................................................... 9%

4. Special education services provided “in-house” by licensed staff employed by private school
   - Speech-language screening/therapy ........................................................................ 13%
   - Dyslexia screening/therapy ..................................................................................... 33%
   - Other (e.g., Special Ed instruction for learning disabilities, psychometry) .................... 28%
   - Private services arranged on-site and paid for directly by parents (e.g., dyslexia, speech) .... 13%
   - Not applicable .......................................................................................................... 40%

5. Number of licensed special education staff employed by private school
   - 0 ............................................................................................................................... 42%
   - 1-5 ............................................................................................................................ 49%
   - 6-10 .......................................................................................................................... 2%
   - 11-15 ......................................................................................................................... 0%
   - 16-20 ........................................................................................................................ 5%
   - More than 20 .......................................................................................................... 2%

6. Additional fees charged for special education services provided by licensed staff
   - Yes ............................................................................................................................. 13%
   - No ............................................................................................................................ 62%
   - Not applicable ........................................................................................................... 25%

7. Method by which private school was made aware of ESA student enrollment
   - Notified by parent .................................................................................................... 67%
   - Unaware ESA participant attended school .................................................................. 24%
   - Other ....................................................................................................................... 9%
8. Monitoring of ESA students' progress on goals outlined in IEP, service plan, or other document to address disability and special education needs
   Monitored IEP developed by public school district ................................................................. 47%
   Monitored service plan developed by private school ............................................................. 22%
   No ........................................................................................................................................... 4%
   Not applicable ......................................................................................................................... 27%

9. MDE staff's ability to provide program information to private schools
   Yes ........................................................................................................................................... 25%
   No ........................................................................................................................................... 9%
   Not applicable ......................................................................................................................... 66%

10. Suggestions for changes or improvements to ESA program:
    • expand or re-structure the program (e.g., by allowing more children to qualify, by
      targeting students with significant learning challenges, by offering scholarship
      amounts as a percentage of tuition costs);
    • assist schools in reconciling financial records by indicating how much is being
      deposited for each ESA number;
    • allow school administrators and counselors to assist students and parents with the
      ESA process because school staff routinely provide other scholarship assistance;
    • provide better communication, more timely responses to questions, and distribute
      guidelines regarding requested paperwork;
    • improve record keeping to prevent the loss of submitted documents;
    • protect personal information of ESA participants by ensuring that documents are
      mailed to the correct address;
    • inform or notify officials when an ESA student enrolls at their school; and,
    • provide more information to schools and parents about the ESA program.

SOURCE: PEER analysis.
Agency Response

December 8, 2020

Mr. James Barber, Executive Director
Mississippi Joint Committee on Performance Evaluation and Expenditure Review (PEER)
Post Office Box 1204
Jackson, MS 39215-1204

Dear Mr. Barber:

The Mississippi Department of Education has reviewed the final draft of the 2020 Statutory Review of Mississippi’s Education Scholarship Account Program. We appreciate the opportunity to provide feedback to PEER on the initial draft, and we are pleased with many of the edits made as a result of the recent conference call between MDE and PEER staff.

Please note the following topics we would like to clarify.

1. On page 18, PEER discusses the 6% administrative set-aside. Given that the remaining balance has been insufficient to fund a full-time position within the Office of Special Education, the program office is exploring the use of funds for a part-time position to expedite the review and processing of reimbursement requests.
2. On page 21, PEER notes instances of payment errors resulting in overpayment to participants. The MDE is modifying the assurances signed by parents to clarify responsibility for repayment should there be an error in the future.
3. On page 28, PEER notes several areas where the MDE has made process improvements since 2018. The MDE is further refining the assurances signed by parents to require parents to notify the agency upon withdrawal from the ESA program.
4. On page 37, PEER notes that the reimbursement process is a quarterly reimbursement, but the report subsequently mentions how several other states use debit cards issued to parents. Absent changes to state law, this is not an option for Mississippi.

We look forward to seeing the final report released, and we are requesting that our response be included as an addendum to the final PEER report.

Regards,

Carey M. Wright, Ed.D.
State Superintendent of Education

PEER Note: Due to final print production changes to the report, please note the following: page 21 referenced in the agency response is page 31 in this report, page 28 referenced in the response is page 27 in this report, and page 37 referenced in the response is page 36 in this report.
PEER Committee Staff

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Barton Norfleet

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