
DIGEST

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Reynolds

HB No. 269

Abstract: Relative to the Student Scholarships for Educational Excellence Program, requires schools that accept scholarship payments to separately account for the receipt and expenditure of scholarship funds.

Present law creates a voucher program known as the Student Scholarships for Educational Excellence Program, which provides public funds to pay tuition at nonpublic schools for qualifying students. Provides eligibility criteria and requirements for schools that wish to participate in the program and receive scholarship payments.

Present law provides that the maximum amount of a scholarship payment for any particular student is either the tuition charged by the school, including certain other fees and costs, or the MFP per pupil amount for the school system in which the student resides, whichever is less. Requires the school to return excess funds if the MFP per pupil allocation exceeds the cost of tuition and other allowable fees and costs.

Present law requires that participating schools submit to the Dept. of Education an independent financial audit of the school conducted by a certified public accountant who has been approved by the legislative auditor. Provides that the audit shall be accompanied by the auditor's statement that the report is free of material misstatements and fairly presents the participating school's maximum tuition or actual cost of educating a student pursuant to present law. Provides that the audit is limited in scope to records necessary for the department to make scholarship payments to the participating school and requires that the audits be submitted to the legislative auditor for review and investigation of any irregularities or audit findings.

Proposed law retains present law except to also require that schools account for all scholarship funds separately from other funds in a manner prescribed by the legislative auditor that allows thorough auditing of the receipt and expenditure of scholarship funds.

Present law requires the participating school to return to the state any funds that the legislative auditor determines were expended in a manner inconsistent with state law or program regulations. Requires the department to pay the costs of the audits. Proposed law retains present law.

Present law further requires that the department place on probation a participating school that does not comply with present law relative to the required audits; a school on probation is prohibited from enrolling additional voucher students. Proposed law retains present law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 17:4022(3))