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Report Highlights

Louisiana Department of Education

Monitoring of Charter Schools

Audit Control # 40120016
Performance Audit Services • May 2013

Why We Conducted This Audit

We evaluated if the Louisiana Department of Education (LDOE) met required monitoring activities for charter schools during fiscal year 2012.

What We Found

Bulletin 126 of the Louisiana Administrative Code requires LDOE to annually monitor the academic, financial, and legal/contractual performance of charter schools authorized by the Board of Elementary and Secondary Education (Types 2, 4, and 5) and to conduct renewal and extension reviews of these schools' contracts. We determined that LDOE monitored the financial performance of all charter schools as required in fiscal year 2012, but found the following issues regarding LDOE's monitoring of schools' academic and legal/contractual performance.

- **LDOE did not provide a Pre-Assessment Index (PAI) for the 10 charter schools in their first year of operation in fiscal year 2012 within the required time period.** The PAI provides a school with a baseline measure of student performance and consists of its enrolled students' state testing results from the preceding spring, where available. LDOE did not provide these 10 schools with a PAI until April 8, 2013. As a result, the schools did not have the information they needed to assess their academic performance until halfway through their second year of operation.
- **LDOE had sufficient processes to ensure testing data was reliable, but did not verify that the school-reported data used to calculate School Performance Scores was reliable.** According to LDOE, it stopped conducting on-site audits in 2008 because of a lack of resources. We found the following issues:
 - Eighty-four (25.8%) of 325 student attendance records contained attendance data that differed from LDOE's most current Student Information System data from fiscal year 2011.
 - Fifteen (11.5%) of 130 student dropout records did not have sufficient documentation to support the withdrawal.
 - LDOE regulations and policies do not specify what documentation schools should maintain to support what they enter into the Student Transcript System, so we were unable to assess the accuracy of transcript information.
- **LDOE could not provide evidence that it comprehensively monitored the legal/contractual performance of charter schools during fiscal year 2012.** LDOE could not provide evidence that it comprehensively monitored all six indicators required by Bulletin 126 for any of the 78 Types 2, 4, or 5 charter schools during fiscal year 2012.
- **LDOE did not determine in fiscal year 2011 if the eight charter schools placed on probation during fiscal year 2010 met required standards to continue operating during fiscal year 2012.** LDOE placed eight schools on contract probation in fiscal year 2010 as a result of financial performance issues identified during their extension reviews. However, in fiscal year 2011 LDOE did not determine if any of these schools met required standards to continue operating during fiscal year 2012. While one of the schools closed on its own, the remaining seven were allowed to operate during fiscal year 2012 without LDOE ensuring they were in compliance with state standards.

View the full report, including management's response, at www.la.gov.