

<b>Agency Name</b>	Department of Education
<b>Audit Name</b>	Chartered Public School Approval Process
<b>Audit Period</b>	July 2014
<b>Status Report Date</b>	06-15-2023

Summary of Audit Observations/Findings					
Number	Observation Title	Status [place X in status column]			
		Unresolved	Partially Resolved	Substantially Resolved	Fully Resolved
1	<i>Update and implement administrative rules for the chartered public approval process.</i>				X
2	<i>Administrative Rules Should Describe Review Process</i>				X
3	<i>Application Form Should Be Consistent with Administrative Rules</i>				X
4	<i>Application Timelines Should Be Considered</i>				X
5	<i>Appeal Requests Should Be Answered</i>				X

**EXAMPLE Observation 1: No Formal Risk Assessment over XYZ program**

**Summary of Finding:** Agency has not performed a formal risk assessment. An effective assessment is the foundation for developing and implementing effective internal controls to eliminate, mitigate or otherwise manage identified risks.

**Current Status:** Substantially Resolved. Agency in connections with DAS, utilized the Internal Control Toolkit and performed a formal risk assessment. The next step is to implement new processes and controls to minimize the identified risks. Completion Date estimated: August 2019

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Observation 1: *Update and implement administrative rules for the chartered public approval process.*

**Summary of Finding:** We recommend DOE management adhere to the Administrative Procedure Act by updating and adopting Administrative Rules for the chartered public school approval process. No rules have been adopted for the SBOE approval process. As a result, there were no Administrative Rules during the audit period describing the current process, forms used, or other requirements such as how application content was scored.

**Current Status:** Fully Resolved. New administrative rules were adopted by the State Board of education effective 7.1.15. See Ed 318.08 Requirements for Submitting an Application, Ed 318.09 Review by Department of Chartered School for the State Board Approval, and Ed 318.10 State Board Approval.

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Observation 2: *Administrative Rules Should Describe Review Process*

**Summary of Finding:** We recommend DOE management describe in Administrative Rules its complete review process, including forms used. Informational material published on the DOE's website describe a robust internal review process that includes reviews by legal counsel; peers; and an additional review by, and meeting with, the Observations 13 Commissioner, before the application is sent to the SBOE for its review. However, the DOE's Administrative Rule Ed 318.08 refers to a vague "review process" without further description.

**Current Status:** Fully Resolved. New administrative rules were adopted by the State Board of education effective 7.1.15. Ed 318.09 Review by Department of Chartered School for the State Board Approval.

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Observation 3: *Application Form Should Be Consistent with Administrative Rules*

**Summary of Finding:** We recommend DOE management redraft its application forms to conform with its updated Administrative Rules. According to the chartered public school administrator, the Office of School Improvement manages several programs in addition to chartered public schools and staffing is limited. Observations 14 Therefore, there were inconsistencies between the Rules used and the

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application. Without complete information being requested, the DOE and SBOE may make decisions without all the information needed as contemplated by the application process.

**Current Status:** Fully Resolved. The application process has been defined on the NHED website and is compliant with ED 318.

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*Observation 4: Application Timelines Should Be Considered*

**Summary of Finding:** The Legislature may wish to consider establishing explicit timelines in statute for the SBOE to approve or deny a chartered public school application. We recommend the DOE examine the efficiency of its review processes to improve the timeliness of the process, particularly the reviews conducted by peers and the Commissioner, to determine whether each layer of review is necessary. We also recommend the DOE work with proposed charter schools to ensure a quality application is initially filed, perhaps by posting a model charter school application with detailed explanations on its website

**Current Status:** Fully Resolved. Various timelines are defined in law. See RSA 194-B

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*Observation 5: Appeal Requests Should Be Answered*

**Summary of Finding:** We recommend the SBOE and DOE management adopt procedures to ensure appeals are managed in compliance with its approval process and statute. By not addressing the requests for appeal, the SBOE did not follow its own approval process or RSA 541.

**Current Status:** Fully Resolved. The department believes subsequent appeals have been answered in a timely manner in accordance with RSA 541.