December 13, 2021

TO: Lucas Narducci
President, Arizona State Board of Education

FROM: Teri O'Brien
Executive Director, ESA

RE: Empowerment Scholarship Account Program Quarter 1 Report

Dear President Narducci,

The Department of Education (Department) is pleased to submit to the State Board of Education (Board) the Empowerment Scholarship Account (ESA) Program Fiscal Year 2022 Quarter 1 Report pursuant to Title 7, Chapter 2 Article 15 of the Arizona Administrative Code. Quarter 1 covers the period between July 1, 2021 and September 30, 2021. The Department also included data from previous quarters where appropriate for comparison.

We look forward to our discussion at the next Board meeting.

Sincerely,

Teri O'Brien
Executive Director
Empowerment Scholarship Account Program

Empowerment Scholarship Account (ESA)

Quarterly Report to the Arizona State Board of Education

Fiscal Year 2022

Quarter 1

October 2021

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1   Introduction

In accordance with Article 15 Empowerment Scholarship Accounts Rule 7-2-1503 Department Responsibilities, the Arizona Department of Education and the Empowerment Scholarship Account Program present this quarterly report to the Arizona State Board of Education. This report reflects data and information from quarter 1 of fiscal year 2022 and covers the time from July 1, 2021 to September 30, 2021. As stipulated in Rule 7-2-1503 item 5, this report includes the following:

a) The number of students in the program disaggregated by eligibility, grade level and the school district or charter school associated with each student;
b) The annual award amount associated with each student;
c) The number of ESA applications received, approved, and denied in the preceding quarter, including the justification for the denied applications;
d) The number of applications processed within 45 days of receipt and the number of administratively incomplete applications;
e) A summary of any parent input or feedback collected pursuant to R7-2-1503(6) and how the Department is responding to concerns submitted as part of the process;
f) Information on the private financial management firm contracted to assist with financial management of the program, including:
    i.   The number and eligibility type of accounts utilizing the firm,
    ii. The number of providers and vendors on the firm's platform,
    iii. Communications and training provided to parents,
    iv. Concerns from parents submitted to the Department, the Treasurer, and the private financial management firm and how the Department, Treasurer and private financial management firm are addressing the concerns, and
    v.   Any other information the Board requests

2   Students in the Program

This section includes the number of students in the program disaggregated by eligibility, grade level, and the school district or charter school associated with each student.

As of September 30, 2021, there were 10,699 active students in the ESA program. By comparison, there were 9,669 students in the program during quarter 4 and 9,831 in quarter 3.

2.1   Students by Eligibility Category

Eligibility Category	Active Students	Exited Students
	Q1 FY 2022	Q1 FY 2022
Special Needs	6,379	253
Adoption / Foster Care –Planned Adoption	546	3
Attending D/F School	421	10
Sibling	1,671	28
Military	1,158	18
Previously in ESA Program	89	6
Legally Blind/Deaf/Hard of Hearing	46	1
Residing on a Native American reservation	389	9
Total Active ESA Students	**10,699**	**328**

2.2   Students by Grade Level

Grade Level	Active Students	Exited Students
	Q1 FY 2022	Q1 FY 2022
Preschool	224	0
Kindergarten	732	0
1st	844	0
2nd	893	0
3rd	892	0
4th	1,005	0
5th	972	0
6th	909	0
7th	904	0
8th	815	0
9th	712	0
10th	601	0
11th	540	0
12th	656	328
Total	**10,699**	**328**

2.3   Students by Associated School District or Charter School

Under most circumstances, a student prior must have previously attended a public school in Arizona for at least 100[1] days of the prior school year to be eligible for an ESA. This section provides information regarding the associated schools active ESA students attended prior to joining to ESA program.

As of September 30, 2021, ESA students previously attended 408 of the 667 total number of school districts and charter districts (referred to as local education agencies or LEAs) in Arizona. The complete list of students by associated LEA can be found in Appendix A. In Quarter 4 FY21, 380 of the 667 ESA students previously attended school districts and charter districts.

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[1] Due to legislative changes as of September 29, 2021, students are only required to attend public school for 45 days vs.100 days.

3 Annual Award Amount

This section includes a summary of the annual award amounts associated with students. The average annual award amount for active accounts as of September 30, 2021 was $15,189.

3.1 Recipients by Award Range

Award Range	Count of Recipients
	Q1 FY 2022
<$3,000	0
$3,000-$3,999	13
$4,000-$4,999	715
$5,000-$5,999	44
$6,000-$6,999	4,979
$7,000-$7,999	746
$8,000-$8,999	12
$9,000-$9,999	0
$10,000-$14,999	95
$15,000-$19,999	157
$20,000-$24,999	121
$25,000-$29,999	1,601
$30,000+	2,216

4   ESA Applications

This section includes the number of applications that were received in the previous quarter broken down by those approved and those denied. Information on denied applications includes count by denial justification.

There were 1,189 applications received during Quarter 1 (July 1, 2021 through September 30, 2021), of which 69 were deemed administratively incomplete. All applications received during this time have been processed.

4.1   Applications by Status

Status of Application	FY 21 Q2		FY 21 Q3		FY 21 Q4		FY 22 Q1	
	COUNT	%	COUNT	COUNT	COUNT	%	COUNT	%
Approved	651	72%	1,043	79%	1,439	83%	869	73%
Denied	119	13%	204	15%	229	13%	222	19%
Duplicate	18	2%	-	0%	13	1%	21	2%
Sibling-waiting on anchor	14	2%	3	0.20%	11	1%	8	1%
Incomplete	102	11%	77	6%	55	3%	69	6%
Total	**904**		**1,327**		**1,734**		**1,189**	

4.2   Denied Applications[2]

Reason for Denial	Count of Applications			
	FY21 Q2	FY21 Q3	FY21 Q4	FY22 Q1
Did not meet the first 100 days	50	119	143	120
Did not meet AOI hours	7	19	19	22
Did not meet eligibility category	58	78	74	90
Graduated	-	1	-	-
Previously Terminated	4	7	6	2

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[2] There were 222 total denials in quarter 1, of which some applications have two (2) or more reasons for denial.

5 ESA Applications Processing Time

This section includes the number of applications received in the previous quarter that were processed within 45[3] days of receipt and the number of applications that were administratively incomplete.

5.1 Applications by Processing Time

	Count	Percentage
Applications processed in <= 45 days*	1,094	100.00%
Applications processed in > 45 days*	0	0.00%
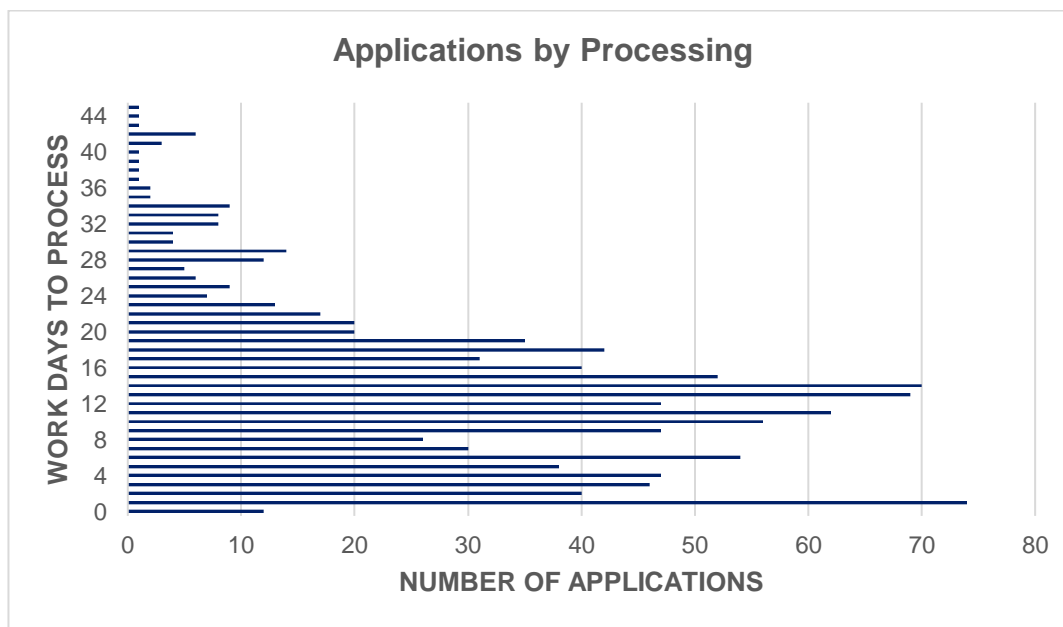
- Average number of days to process applications: **12.5 days**

5.2 Incomplete Applications

Status of Application	Count of Applications
Incomplete	69

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[3] Due to legislative changes as of September 29, 2021 the application processing time was reduced from 45 days to 30 days.

6   Parent Engagement and Feedback

This section includes a summary of the parent feedback that has been collected by the ESA program. It also includes a list of current and upcoming action steps to address the feedback shared by ESA families and increase parent engagement.

6.1   Parent Feedback

The ESA program solicits parent feedback through the following processes:

- ESA Parent Advisory Council
- Written comments
- Electronic surveys
- Town Hall meetings

Parent Advisory Council

The Department held one Parent Advisory Council (PAC) meeting during quarter 1, on September 28, 2021. The meeting included agenda items such as the recent ESA statutory changes, a discussion about the opportunities and challenges when moving to a risk-based, audit approach, as well getting initial thoughts and feedback on how we might improve the ESA Parent Handbook to allow for more flexibility for families. The PAC meeting was open to all families. There were 11 PAC members in attendance with 84 parents observing. The PAC meeting notes are included in Appendix B.

Electronic Surveys

The Department continues to provide a survey link to all tickets received through the Department's HelpDesk for families to provide feedback on the timeliness, completeness, quality, and helpfulness of the response regarding their request. Families are also given an opportunity on the survey link to provide general feedback. During Quarter 1, the Department received 204 responses to HelpDesk-linked surveys and only 3 Website-linked surveys:

- ESA Customer Satisfaction Survey (Help Desk Ticket): https://www.surveymonkey.com/stories/SM-8FR9JF9Q/
- ESA Program Satisfaction Survey (Website): https://www.surveymonkey.com/stories/SM-DG77TF9Q/

Town Hall Meetings

The Department held two town hall meetings during Quarter 1. ESA staff gave a brief presentation on a key program topic and then answered questions that had been submitted by families in advance. Questions were also taken during each town hall.

- Thursday, August 26, 2021, from 7-7:30pm attended by 112 stakeholders

- Wednesday, September 1, 2021, from 7-7:30pm attended by 128 stakeholders

6.2   ADE Response to Feedback

Communications and Training

The Department continues to review and update its communications strategy for sharing information with prospective and existing Account Holders.

In addition to a weekly newsletter, the Department hosts a monthly town hall featuring a presentation and an opportunity for Q and A. The next town hall is scheduled for November 3, 2021 from 7-8pm.

ESA Weekly Newsletter

All families receive a weekly newsletter, called the ESA Weekly Bulletin, that includes upcoming town hall information and other helpful program tips.

- September 10th, information on Q1 expense attestation with step-by-step instructions and a debit card reminder along with a short instructional video on uploading receipts.
  https://www.azed.gov/sites/default/files/2021/10/ESA%20Weekly%20Bulletin%209_10.pdf

- September 17th, information about the October 7th town hall along with registration information.

  https://www.azed.gov/sites/default/files/2021/10/ESA%20Weekly%20Bulletin%209_17.pdf

- September 24th, information on different ways to view your student's ESA account balance with step-by-step instructions and a reminder about the October 7th town hall.
  https://www.azed.gov/sites/default/files/2021/10/ESA%20Weekly%20Bulletin%209_24.pdf

Expense Approval Process

In response to parent feedback regarding consistency and timeliness of the expense approval process, the ESA program team is undergoing continuous improvement for processes and procedures and is conducting ongoing staff training.

In addition, the Department is evaluating the current functionality of the database and exploring opportunities to improve searchability and integration with the financial management vendor and exploring a risk-based audit process.

Appeals

In response to parent feedback on the Department's facilitation of the appeals process, the Department is working with its Assistant Attorney General and the State Board of Education to streamline the appeals process and conform to recently adopted legislative changes.

7   Private Financial Management Firm

This section includes information on the private financial management firm, ClassWallet, assisting in the management of the program and includes:

- The number of accounts utilizing the firm
- The number of providers and vendors on the firm's platform
- Communications and training provided to parents
- Concerns from parents submitted to the Department, the treasurer, and the private financial management firm and how the Department, Treasurer and private financial management firm are addressing the concerns
- Any other information the Board requests

7.1   ClassWallet Accounts

ClassWallet: Count of Students	
Active	10,699
Exited	354

7.2   Providers and Vendors

As of September 30, 2021, there were 2,033 vendors/providers in the ClassWallet application, and an additional 345 private schools registered for Direct Pay.

7.3   Communications & Trainings

The private financial management firm, ClassWallet, facilitates training for parents who use the platform to spend ESA monies. Training videos are available on the ESA website at https://www.azed.gov/esa/classwallet. In addition, the Department has posted a short informational video on the ESA website that is specific to the Arizona ESA program at https://www.azed.gov/esa.

7.4   Parent Concerns and Responses

The Department was notified on September 27, 2021 that some ESA parents were able to view other ESA parent names and email addresses in a certain user search feature inside the ClassWallet portal. The Department notified all account holders of the situation on September 27, 2021. ClassWallet removed the search feature on September 28, 2021 and they are currently working with multiple quality assurance teams and an outside consultant to ensure that privacy controls are strengthened.

7.5   Other Requests

There were no additional requests identified by the Board for this report.

8   Performance Metrics

This section includes information on the performance metrics on the critical functions of the ESA program from July 1, 2021 through September 30, 2021.

8.1   Call Center Data
- Total number of calls (in/outbound) 8,960
- Average call wait time 3:59 minutes
- 27% of calls answered within 8 seconds, 43% of calls answered withing 30 seconds, 47% of calls answered withing 60 seconds
- Average handling time for inbound calls 5:23 minutes
- Average handling time for outbound calls 2:03 minutes
- 12% of calls abandoned (Note: Industry average is 20%)

8.2   Help Desk Service Tickets
- Total number of tickets that required response 2,697 (July 985, August 1,085, September 627)
- Program/Support Related Tickets: average 5 workdays to complete
- Compliance/Expense Related Tickets: averaged 13 workdays to complete

8.3   ClassWallet Orders
ESA staff reviewed **33,965** ClassWallet orders for reimbursement (receipts with credentials), Marketplace (purchases with over 2,033 vendors/providers), and Direct Pay (private schools and approved vendors).

	Total	Marketplace	Direct Pay	Reimbursement
			July Orders	
Submitted:	7,114	1,919	3,343	1,852
Approved:	6,238	1,624	3,135	1,479
Rejected:	844	288	187	369
			August Orders	
	Total	Marketplace	Direct Pay	Reimbursement
Submitted:	16,311	4,213	9,003	3,095
Approved:	14,098	3,376	8,421	2,301
Rejected:	2,072	808	507	757
			September Orders	
	Total	Marketplace	Direct Pay	Reimbursement
Submitted:	10,540	2,605	5,830	2,105
Approved:	9,708	2,291	5,667	1,750
Rejected:	690	294	73	323

8.5   ClassWallet Prepaid Debit Card Transactions
In addition, there were **6,877** receipts reviewed for prepaid ClassWallet debit card purchases. ESA is concerned because as of September 30, 2021 there are 1,246 debit card transactions that cannot be reviewed parents have not uploaded receipts in ClassWallet.

	July	August	September	Totals
Number of Orders with receipts	689	3,230	3,136	7,055
Number of Orders without receipts	78	518	650	1,246
Number of Prepaid approved/final accepted orders	507	2,548	2,394	5,449
Number of Prepaid rejected/incomplete orders	161	604	655	1,420
Number of Prepaid disallowed orders	8	0	0	8

Appendix A: 2.3 Students by Associated School District or Charter School

District/Charter ID	District/Charter Name	Count of Student
78582	Arizona Education Solutions	*
108734	Academy Del Sol, Inc.	*
78242	Academy of Mathematics and Science South, Inc.	*
78270	Academy of Mathematics and Science, Inc.	*
108713	Academy of Mathematics and Science, Inc.	*
108665	Academy of Tucson, Inc.	*
108767	Accelerated Elementary and Secondary Schools	*
138760	Acorn Montessori Charter School	*
70516000	Agua Fria Union High School District	53
100215000	Ajo Unified District	*
70468000	Alhambra Elementary District	30
78724	Allen-Cochran Enterprises, Inc.	*
100351000	Altar Valley Elementary District	*
78989	American Basic Schools LLC	*
78948	American Charter Schools Foundation d.b.a. Estrella High School	*
138754	American Heritage Academy	*
78725	American Leadership Academy, Inc.	72
78926	American Virtual Academy	31
100210000	Amphitheater Unified District	140
78525	Anthem Preparatory Academy	*
110243000	Apache Junction Unified District	37
78247	Archway Classical Academy Arete	12
78597	Archway Classical Academy Chandler	12
78248	Archway Classical Academy Cicero	*
78406	Archway Classical Academy Glendale	*
78234	Archway Classical Academy Lincoln	*
78214	Archway Classical Academy North Phoenix	*
78590	Archway Classical Academy Scottsdale	*
78266	Archway Classical Academy Trivium East	*
78595	Archway Classical Academy Trivium West	*
78596	Archway Classical Academy Veritas	*
78527	Arete Preparatory Academy	*
78412000	Arizona Agribusiness & Equine Center INC.	*
78510	Arizona Agribusiness & Equine Center, Inc.	*
78226	Arizona Autism Charter Schools, Inc.	60
108709	Arizona Community Development Corporation	*
78511	Arizona Connections Academy Charter School, Inc.	152
78260	Arizona Language Preparatory	*
78991	Arizona Montessori Charter School at Anthem	*
78722	Arizona School For The Arts	*
70447000	Arlington Elementary District	*

District/Charter ID	District/Charter Name	Count of Student
78205	ASU Preparatory Academy	*
78207	ASU Preparatory Academy	*
78208	ASU Preparatory Academy	*
78251	ASU Preparatory Academy	*
118716	ASU Preparatory Academy - Casa Grande	*
78284000	ASU Preparatory Academy Digital	16
70444000	Avondale Elementary District	78
78542	AZ Compass Schools, Inc.	*
100240000	Baboquivari Unified School District #40	*
78988	Ball Charter Schools (Dobson)	*
78987	Ball Charter Schools (Hearn)	*
78586	Ball Charter Schools (Val Vista)	*
70431000	Balsz Elementary District	18
78418000	BASIS Charter Schools, Inc	*
78288000	BASIS Charter Schools, Inc.	*
38707	BASIS Schools, Inc.	*
78212	BASIS Schools, Inc.	*
78225	BASIS Schools, Inc.	*
78231	BASIS Schools, Inc.	*
78236	BASIS Schools, Inc.	*
78268	BASIS Schools, Inc.	*
78273	BASIS Schools, Inc.	*
78403	BASIS Schools, Inc.	*
78575	BASIS Schools, Inc.	*
78588	BASIS Schools, Inc.	*
78589	BASIS Schools, Inc.	*
78736	BASIS Schools, Inc.	*
108404	BASIS Schools, Inc.	*
108725	BASIS Schools, Inc.	*
108737	BASIS Schools, Inc.	*
138786	BASIS Schools, Inc.	*
78282000	BASIS Schools, Inc.	*
78283000	BASIS Schools, Inc.	*
130326000	Beaver Creek Elementary District	*
78972	Bell Canyon Charter School, Inc	*
78766	Benchmark School, Inc.	*
78754	Benjamin Franklin Charter School	19
20209000	Benson Unified School District	*
20202000	Bisbee Unified District	*
108501	Blue Adobe Project	*
90232000	Blue Ridge Unified School District No. 32	25
78745	Blueprint Education	*
78613	Boys & Girls Clubs of the East Valley dba Mesa Arts Academy	*
78762	Bright Beginnings School, Inc.	*

District/Charter ID	District/Charter Name	Count of Student
70433000	Buckeye Elementary District	56
70501000	Buckeye Union High School District	20
80415000	Bullhead City School District	*
78564	CAFA, Inc. dba Learning Foundation and Performing Arts Gilbert	*
78909	Calibre Academy	*
78768	Cambridge Academy East, Inc	*
78959	Camelback Education, Inc	*
130228000	Camp Verde Unified District	16
78534	Candeo Schools, Inc.	11
148761	Carpe Diem Collegiate High School	*
70483000	Cartwright Elementary District	40
110404000	Casa Grande Elementary District	51
110502000	Casa Grande Union High School District	11
100216000	Catalina Foothills Unified District	64
70293000	Cave Creek Unified District	94
28750	Center for Academic Success, Inc.	*
78772	Challenge School, Inc.	*
78957	Challenger Basic School, Inc.	*
78515	Chandler Preparatory Academy	*
70280000	Chandler Unified District #80	414
10224000	Chinle Unified District	*
130251000	Chino Valley Unified District	14
78549	Choice Academies, Inc.	*
78249	Cicero Preparatory Academy	*
108720	CITY Center for Collaborative Learning	*
130403000	Clarkdale-Jerome Elementary District	*
28701	Cochise Community Development Corporation	11
80214000	Colorado City Unified District	*
138501	Compass Points International, Inc	*
10306000	Concho Elementary District	*
100339000	Continental Elementary District	16
110221000	Coolidge Unified District	34
130406000	Cottonwood-Oak Creek Elementary District	19
140413000	Crane Elementary District	52
70414000	Creighton Elementary District	47
78544	Daisy Education Corporation dba Paragon Science Academy	*
108666	Daisy Education Corporation dba Sonoran Science Academy	*
108504	Daisy Education Corporation dba. Sonoran Science Academy Davis Monthan	*
70297000	Deer Valley Unified District	376
78621	Desert Heights Charter Schools	*
138714	Desert Star Community School, Inc.	*
48701	Destiny School, Inc.	*
20227000	Douglas Unified District	*

District/Charter ID	District/Charter Name	Count of Student
60202000	Duncan Unified District	*
70289000	Dysart Unified District	296
78911	E-Institute Charter Schools, Inc.	*
78541	EAGLE South Mountain Charter, Inc.	*
78509	East Mesa Charter Elementary School, Inc.	*
108506	Ed Ahead	*
108653	Edge School, Inc., The	*
78971	Edkey, Inc. - Arizona Conservatory for Arts and Academics	*
78742	Edkey, Inc. - Pathfinder Academy	*
78740	Edkey, Inc. - Redwood Academy	*
78915	Edkey, Inc. - Sequoia Charter School	*
78705	Edkey, Inc. - Sequoia Choice Schools	350
78246	Edkey, Inc. - Sequoia Pathway Academy	*
78744	Edkey, Inc. - Sequoia School for the Deaf and Hard of Hearing	*
78917	Edkey, Inc. - Sequoia Village School	*
78717	EduPreneurship, Inc.	*
78687	Eduprize Schools, LLC	80
20412000	Elfrida Elementary District	*
110411000	Eloy Elementary District	*
78785	Fit Kids, Inc. dba Champion Schools	*
38750	Flagstaff Arts And Leadership Academy	*
30201000	Flagstaff Unified District	33
110201000	Florence Unified School District	126
100208000	Flowing Wells Unified District	12
20100000	Fort Huachuca Accommodation District	48
50207000	Fort Thomas Unified District	40
70298000	Fountain Hills Unified District	21
70445000	Fowler Elementary District	*
138751	Franklin Phonetic Primary School, Inc.	*
78528	Freedom Academy, Inc.	*
78611	Friendly House, Inc.	*
140432000	Gadsden Elementary District	*
10220000	Ganado Unified School District	*
78774	Gem Charter School, Inc.	*
78585	George Gervin Youth Center, Inc.	*
70224000	Gila Bend Unified District	*
70241000	Gilbert Unified District	373
70440000	Glendale Elementary District	59
78540	Glendale Preparatory Academy	*
70505000	Glendale Union High School District	52
40201000	Globe Unified District	29
108770	Great Expectations Academy	*
78594	Happy Valley East	*
78998	Happy Valley School, Inc.	*

District/Charter ID	District/Charter Name	Count of Student
148760	Harvest Power Community Development Group, Inc.	*
40241000	Hayden-Winkelman Unified District	*
90206000	Heber-Overgaard Unified District	*
78258	Heritage Academy Queen Creek, Inc.	*
78712	Heritage Academy, Inc.	*
78985	Heritage Elementary School	*
108701	Hermosa Montessori Charter School	*
108775	Highland Free School	*
70260000	Higley Unified School District	191
90203000	Holbrook Unified District	*
78233	Horizon Community Learning Center, Inc.	*
78752	Horizon Community Learning Center, Inc.	*
130222000	Humboldt Unified District	50
78535	Imagine Avondale Elementary, Inc.	*
78553	Imagine Avondale Middle, Inc.	*
78536	Imagine Coolidge Elementary, Inc.	*
78532	Imagine Desert West Middle, Inc.	*
78521	Imagine Middle at East Mesa, Inc.	*
78522	Imagine Middle at Surprise, Inc.	*
78547	Imagine Prep Coolidge, Inc.	*
78537	Imagine Prep Superstition, Inc.	*
78538	Imagine Prep Surprise, Inc.	*
78210	Incito Schools	*
70405000	Isaac Elementary District	21
110244000	J O Combs Unified School District	89
78795	James Madison Preparatory School	*
90202000	Joseph City Unified District	*
148759	Juniper Tree Academy	16
78230	Kaizen Education Foundation dba Discover U Elementary School	*
78570	Kaizen Education Foundation dba Gilbert Arts Academy	*
78571	Kaizen Education Foundation dba Liberty Arts Academy	*
78576	Kaizen Education Foundation dba Mission Heights Preparatory High School	*
78999	Kaizen Education Foundation dba South Pointe Elementary School	*
78616	Kaleidoscope School	*
90227000	Kayenta Unified School District # 27	*
78779	Keystone Montessori Charter School, Inc.	*
108784	Khalsa Family Services	*
78759	Khalsa Montessori Elementary Schools	*
88620	Kingman Academy Of Learning	*
80220000	Kingman Unified School District	17
70428000	Kyrene Elementary District	163
138503	La Tierra Community School, Inc	*
80201000	Lake Havasu Unified District	*

District/Charter ID	District/Charter Name	Count of Student
70459000	Laveen Elementary District	47
78968	LEAD Charter Schools	24
78101	LEAD Charter Schools dba Leading Edge Academy Queen Creek	*
118708	Leading Edge Academy Maricopa	*
118715	Legacy Traditional Charter School	*
78215	Legacy Traditional Charter School - Laveen Village	*
78518	Legacy Traditional Charter School - Maricopa	*
78245	Legacy Traditional Charter Schools - Casa Grande	*
78416	Legacy Traditional School - Avondale	*
118712	Legacy Traditional School - Avondale	*
78413000	Legacy Traditional School - East Mesa	*
78229	Legacy Traditional School - Gilbert	*
78408	Legacy Traditional School - Glendale	*
78409	Legacy Traditional School - North Chandler	*
78407	Legacy Traditional School - Peoria	*
78415000	Legacy Traditional School - Phoenix	*
78274	Legacy Traditional School - Surprise	*
108738	Leman Academy of Excellence, Inc.	38
70425000	Liberty Elementary District	52
78235	Lincoln Preparatory Academy	*
70479000	Litchfield Elementary District	181
78997	Little Lamb Community School	*
80209000	Littlefield Unified District	*
70465000	Littleton Elementary District	33
70438000	Madison Elementary District	50
78219	Madison Highland Prep	*
110208000	Mammoth-San Manuel Unified District	*
100206000	Marana Unified District	167
110220000	Maricopa Unified School District	70
110100000	Mary C O'Brien Accommodation District	*
78592	Maryvale Preparatory Academy	*
88759	Masada Charter School, Inc.	*
108798	Math and Science Success Academy, Inc.	*
130243000	Mayer Unified School District	*
10323000	Mcnary Elementary District	*
70204000	Mesa Unified District	727
128703	Mexicayotl Academy, Inc.	*
40240000	Miami Unified District	*
78976	Midtown Primary School	*
138712	Mingus Springs Charter School	*
130504000	Mingus Union High School District	*
140417000	Mohawk Valley Elementary District	*
78977	Montessori Academy, Inc.	*
78758	Montessori Day Public Schools Chartered, Inc.	*

District/Charter ID	District/Charter Name	Count of Student
78763	Montessori Education Centre Charter School	*
60218000	Morenci Unified District	*
78556	Morrison Education Group, Inc.	*
138768	Mountain Oak Charter School, Inc.	13
70421000	Murphy Elementary District	*
70381000	Nadaburg Unified School District	*
78771	New Horizon School for the Performing Arts	*
78903	New School For The Arts	*
78981	New School for the Arts Middle School	*
78760	New World Educational Center	*
78930	Noah Webster Schools - Mesa	*
120201000	Nogales Unified District	15
78584	North Phoenix Preparatory Academy	*
38701	Northland Preparatory Academy	*
108707	Nosotros, Inc	*
108512	Open Doors Community School, Inc.	*
110302000	Oracle Elementary District	*
70408000	Osborn Elementary District	13
78907	P.L.C. Charter Schools	*
30208000	Page Unified District	11
78278	Painted Desert Montessori, LLC	22
138756	Painted Pony Ranch Charter School	*
20349000	Palominas Elementary District	15
70269000	Paradise Valley Unified District	301
78912	Paragon Management, Inc.	16
150227000	Parker Unified School District	19
120406000	Patagonia Elementary District	*
128725	Patagonia Montessori Elementary School	*
120520000	Patagonia Union High School District	*
78792	Pathfinder Charter School Foundation	*
40210000	Payson Unified District	*
20422000	Pearce Elementary District	*
70492000	Pendergast Elementary District	50
70211000	Peoria Unified School District	347
78714	Phoenix Advantage Charter School, Inc.	*
78716	Phoenix Education Management, LLC,	*
70401000	Phoenix Elementary District	31
70510000	Phoenix Union High School District	128
110433000	Picacho Elementary District	*
50206000	Pima Unified District	*
38706	Pine Forest Education Association, Inc.	*
78726	Pinnacle Education-Tempe, Inc.	*
90204000	Pinon Unified District	*
78925	Pointe Educational Services	*

District/Charter ID	District/Charter Name	Count of Student
108744	Portable Practical Educational Preparation, Inc. (PPEP, Inc.)	*
108796	Portable Practical Educational Preparation, Inc. (PPEP, Inc.)	211
130201000	Prescott Unified District	42
78516	Prescott Valley Charter School	*
70295000	Queen Creek Unified District	128
110203000	Ray Unified District	*
110405000	Red Rock Elementary District	*
78209	Reid Traditional Schools'Painted Rock Academy Inc.	*
78560	Research Based Education Corporation	*
78609	Ridgeline Academy, Inc.	11
70402000	Riverside Elementary District	*
70466000	Roosevelt Elementary District	112
78508	Rosefield Charter Elementary School, Inc.	*
10210000	Round Valley Unified District	*
110418000	Sacaton Elementary District	*
70290000	Saddle Mountain Unified School District	24
50201000	Safford Unified District	*
100230000	Sahuarita Unified District	97
40220000	San Carlos Unified District	135
78539	San Tan Montessori School, Inc.	27
10218000	Sanders Unified District	*
128726	Santa Cruz Valley Opportunities in Education, Inc.	*
120235000	Santa Cruz Valley Unified District	*
110540000	Santa Cruz Valley Union High School District	*
108719	Satori, Inc.	*
78243	Scottsdale Country Day School	*
78533	Scottsdale Preparatory Academy	*
70248000	Scottsdale Unified District	269
138708	Sedona Charter School, Inc.	*
130209000	Sedona-Oak Creek JUSD #9	*
78256	Self Development Academy-Phoenix	*
78796	Self Development Charter School	*
90210000	Show Low Unified District	37
20268000	Sierra Vista Unified District	137
130315000	Skull Valley Elementary District	*
138752	Skyview School, Inc.	*
90205000	Snowflake Unified District	23
140411000	Somerton Elementary District	*
120425000	Sonoita Elementary District	*
108503	Sonoran Science Academy - Broadway	*
108779	Southgate Academy, Inc.	*
10201000	St Johns Unified District	11
110424000	Stanfield Elementary District	*
78781	Stepping Stones Academy	*

District/Charter ID	District/Charter Name	Count of Student
78924	Success School	*
100212000	Sunnyside Unified District	145
110215000	Superior Unified School District	*
100213000	Tanque Verde Unified District	32
88702	Telesis Center for Learning, Inc.	*
78761	Tempe Preparatory Academy	*
70403000	Tempe School District	68
70513000	Tempe Union High School District	96
108722	The Charter Foundation, Inc.	*
118717	The Grande Innovation Academy	*
78561	The Odyssey Preparatory Academy, Inc.	16
78206	The Paideia Academies, Inc	*
70417000	Tolleson Elementary District	13
70514000	Tolleson Union High School District	46
110422000	Toltec School District	*
20201000	Tombstone Unified District	*
58702	Triumphant Learning Center	*
78591	Trivium Preparatory Academy	*
30215000	Tuba City Unified School District #15	*
108773	Tucson Country Day School, Inc.	*
108714	Tucson International Academy, Inc.	*
100201000	Tucson Unified District	810
70462000	Union Elementary District	11
100220000	Vail Unified District	177
78964	Valley of the Sun Waldorf Education Association, dba Desert Marigold School	25
78984	Veritas Preparatory Academy	*
10309000	Vernon Elementary District	*
78410000	Victory Collegiate Academy Corporation	*
78715	Villa Montessori Charter School	*
78224	Vista College Preparatory, Inc.	*
70406000	Washington Elementary School District	155
140424000	Wellton Elementary District	*
78935	West Gilbert Charter Elementary School, Inc.	*
70802000	West-MEC - Western Maricopa Education Center	*
78221	Western School of Science and Technology, Inc.	*
90220000	Whiteriver Unified District	96
70209000	Wickenburg Unified District	12
20213000	Willcox Unified District	*
30202000	Williams Unified District	*
10208000	Window Rock Unified District	140
90201000	Winslow Unified District	*
130352000	Yarnell Elementary District	*
40305000	Young Elementary District	*

District/Charter ID	District/Charter Name	Count of Student
140401000	Yuma Elementary District	348
140570000	Yuma Union High School District	60

Appendix B: PAC Meeting Notes

PAC Meeting Highlights

September 28, 2021

ESA Program Updates

1. Discussion on ESA program changes coming on September 29, 2021
    a. 45 days to process an application and send parent contract is now 30 days
    b. The FIRST 100 days public school attendance requirement changes to ANY 45 days (can be current or prior school year, or a combination of both years)
    c. Kindergarten online instruction requirement changes to 200 hours
    d. No change in hourly requirement for 1st-12th grades
    e. ESA funds can be used in combination with private health insurance to pay for educational therapies (only for applicants qualifying as a student with a disability)
    f. Students who qualify for the Free and/or Reduced Lunch Program AND who are attending a school or district assigned a letter grade of D or F or who is eligible to attend Kindergarten and who resides within the attendance boundary of a school or district assigned a letter grade of D or F, do not need to meet the 45 days public attendance requirement.

NOTE:

ADE will be hosting a Town Hall on these program changes on October 7th. Registration information is available on our website and has been emailed to all families.

Implementation was required by state law to begin on September 29th. Depending on Arizona State Board of Education rule-making and the Board's vote in January 2022, there could possibly be adjustments to the way these program updates are implemented.

Risk-Based Account Auditing

1. Discussion about moving from approving every item to a risk-based system
    a. ADE staff receives thousands of requests for preapproval/approval of individual items
    b. Current staffing limitations mean that a parent can be left waiting weeks for a response
    c. Moving to a risk-based approach has been a continued recommendation by the Auditor General
    d. Would involve reviewing a percentage of account transactions based on risk
    e. The risk level of an account would increase based on transaction history.

> ***Example:*** *Account with history of attempted cash withdrawals could be given a higher risk rating and could possibly have transactions viewed more frequently.*

  f. This new process would be phased-in, possibly looking at a January 2022 start date

  g. Parents could still request a preapproval, if desired

Opportunities:

Smoother process

Can be easier with well-defined process

Less frustration because wait time is reduced

Challenges:

Concern when purchasing items without approval in advance

Need a well-defined audit process

ESA Parent Handbook – Page 19

1. Discussion on how we can better align handbook with statute and rule, as well as provide parents with flexibility and clarity when making purchases

  a. Growing the list of "approved educational materials" found on page 19

  b. Items listed under the "approved educational materials" section DO not require curriculum

  c. Some of the non-approved materials on page 19 can be educational and could potentially be moved to the "approved educational materials" section.

  d. Consider rewording of "non-approved materials" to provide more clarity

  Example: *Some items listed as "non-approved", "might" be approved with curriculum*

Suggestions:

"Toys" to "Educational Toys" *(Legos, board games, puzzles, etc.)*

"Workshops" to "Educational Workshops" *(science workshops, art workshops, etc.)*

"Kits, Boxes and Sticker Books" to *"Educational Kits, Boxes or Sticker Books"*

Art supplies or consumable materials as part of a curriculum

Educational rugs (ABCs, colors, etc.) as part of a curriculum

Expand manipulatives *(letters, science, social studies, history, reading, social skills)*

NOTE:

Any handbook suggestions will be compiled and shared with the ADE policy team, the Attorney General's office and finally given to the Arizona State Board of Education for approval.

Other questions and topics of discussion:

- Can ESA clearly explain who qualifies for associated goods/assistive technology and what documentation needs to be provided? *Will be a future topic for town hall and/or weekly bulletin*
- Can PAC members observe a Compliance meeting? *Will need to be virtual and will work on scheduling.*
- Can we have a mentorship program for new parents (emotional support and resources)? *We are starting ESA 101 town halls, the first one will be on 11-3-21.*
- Can we have videos of real families utilizing the program on the website? *We are working on adding additional content to website, will discuss video possibilities with leadership.*
- ADE is working with the State Board of Education and will continue to collaborate as the rule making process continues. *Look for communication from SBE on public comment period.*
- Can we expand the resources available for Spanish language speakers? *Many current staffers are bilingual, will continue this conversation.*