

# 2024 Statutory Review of Mississippi's Education Scholarship Account Program

A Report to the Mississippi Legislature  
Report #710  
December 9, 2024



# PEER Committee

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Becky Currie, Vice-Chair  
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James F. (Ted) Booth

## About PEER:

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 of the House 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, 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, the agency examined, and the general public.

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.



# Joint Legislative Committee on Performance Evaluation and Expenditure Review

PEER Committee

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December 9, 2024

Honorable Tate Reeves, Governor

Honorable Delbert Hosemann, Lieutenant Governor

Honorable Jason White, Speaker of the House

Members of the Mississippi State Legislature

On December 9, 2024, the PEER Committee authorized release of the report titled **2024 Statutory Review of Mississippi's Education Scholarship Account Program**.

## Representatives

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Senator Charles Younger, Chair

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**This report does not recommend increased funding or additional staff.**

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**CONCLUSION:** During FYs 2023 and 2024, the Mississippi Department of Education (MDE) disbursed \$5.1 million (90%) of ESA funds available. In those two years, 515 ESA participants attended 109 nonpublic schools in Mississippi. Participants used an average of 96% of their ESA funds on tuition expenses. Because resources are limited and the ESA program has few scholarships available to award to new participants, the Legislature should consider its options for allowing more students with disabilities to participate with the resources available (e.g., by revising the funding formula). The state's net cost increase for the ESA program for FYs 2023 and 2024 was approximately \$1.2 million and \$1.3 million respectively. PEER's satisfaction survey indicated high levels of satisfaction with the program by both parents and students.



## BACKGROUND

### Background

In 2015, the Mississippi Legislature enacted The Equal Opportunity for Students with Special Needs Act (Chapter 441, *Laws of 2015*). MISS. CODE ANN. Section 37-181-1 (1972) et seq., directs MDE to administer the ESA program.

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.

This biennial report is the fourth conducted by PEER.

### Satisfaction Survey Results

For this year's satisfaction survey, parents indicated that they and their children are highly satisfied with the ESA program and with the disability services provided by nonpublic schools. They also believe their children have shown progress in achieving their academic and disability-related goals through participation in the ESA program. Notably, satisfaction regarding MDE's customer service was higher than in previous surveys.



## KEY FINDINGS

- **For FYs 2023 and 2024, the budget for the ESA program was \$6 million (\$3 million in FY 2023 and \$3 million in FY 2024).**  
In FYs 2023 and 2024, MDE disbursed 90% (\$5.1 million) of ESA funds available, while 10% (\$557,604) lapsed. The 91% disbursement of funds for FY 2024 represents the highest percentage of funds disbursed since the program's inception.
- **During FYs 2023 and 2024, 515 ESA participants attended 109 nonpublic schools in Mississippi.**  
While some of the schools are designed to serve students with disabilities, the majority are not. However, state law allows for ESA participants to enroll in any nonpublic school as long as the school meets the requirements in law and provides services for the student's disability.
- **During FYs 2023 and 2024, participants used an average of 96% of their ESA funds on tuition expenses.**  
Various expense categories accounted for the remaining expenditures (e.g., textbooks, tutoring, education services or therapies).
- **For FYs 2023 and 2024, the state's net cost increase for the ESA program was approximately \$1.2 million and \$1.3 million respectively.**  
The fiscal impact to public school districts was immaterial.
- **MDE has improved some aspects of its administration of the ESA program since PEER's 2022 report.**  
For example, MDE has met the statutory requirement of requiring recertification of ESA participants after three years of program participation, which helps ensure that the program continues to serve only eligible students with disabilities.
- **Some aspects of MDE's administration of the program still need improvement.**  
For example, MDE has not consistently required nonpublic schools to submit a signed form to help ensure that schools enrolling ESA participants meet requirements in state law.

## Options for Enrolling Additional Students in the ESA Program

Because resources are limited and the ESA program has few scholarships available to award to new participants, the Legislature should consider the following options to allow for more students with disabilities to participate.

1. Revise the ESA funding formula (MISS. CODE ANN. Section 37-181-7 [1]) so that the ESA amount equals the base student cost of the state's education funding formula, which is the same amount of the two other nonpublic school choice scholarships administered by MDE—the Nate Rogers Scholarship and the Dyslexia Therapy Scholarship.
2. Require MDE to advise parents of students who qualify for the two other nonpublic school choice scholarships administered by MDE to apply for those programs rather than the ESA.

## Options for Ensuring that All Schools Enrolling ESA Participants are Providing Services

The majority (82%) of nonpublic schools enrolling eligible students are not special purpose schools or nonpublic schools accredited by MDE. Therefore, PEER determined that the Legislature could consider the following options with the goal of helping to ensure that nonpublic schools enrolling ESA students meet the requirements in law and are providing services addressing the ESA student's disability:

3. Require MDE to implement an application process for schools to become "eligible" or a process by which schools may be approved by MDE based on certain standards (e.g., accreditation).
4. Require nonpublic schools to periodically report to MDE the services ESA participants are receiving.

## Summary of Other Recommendations

5. To provide an assessment of ESA participants' academic performance, the Legislature should revise MISS. CODE ANN. Section 37-181-15 (1) (f) to:
  - a. limit the types of assessments that ESA students can take to either a nationally standardized norm-referenced achievement test or a current state board-approved screener. If neither of these assessment types are appropriate due to the severity of the student's disability, the school should provide a performance-based assessment appropriate for assessing the student's abilities (e.g., a behavior checklist or communications assessment), along with a statement that a standardized achievement test or board-approved screener is not appropriate for the student; and,
  - b. require that the pre-assessment given at the beginning of the school year and the post-assessment given at the end of the school year are the same assessment.
6. MDE should continue to improve its administration of the ESA program by:
  - a. ensuring that reimbursements are recorded as credits to the students' ESA accounts; and,
  - b. developing a policy or procedure to comply with MISS. CODE ANN. Section 37-181-5 (9) (1972), which would include a process to transfer any unused ESA funds by the end of the fiscal year to the school district in which the student attends.
7. If an approval process is not required in law to deem schools eligible to enroll ESA students, MDE should require that all participating schools submit MDE's Participating School Assurances Form.



# 2024 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. Section 37-181-1 (1972) et seq., directs 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<sup>1</sup> 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 fourth conducted by PEER and includes a review of the last two years of program operation, FYs 2023 and 2024.

MISS. CODE ANN. Section 37-181-13 (2) states that PEER's report is to assess the following:

- a. *The degree to which eligible schools are meeting the needs of participating students as defined by the participating students' [individualized education program] IEPs;*
- b. *The level of participating students' satisfaction with the ESA program;*
- c. *The level of parental or guardian satisfaction with the ESA program;*
- d. *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, as required in Section 37-181-15 (f);*
- e. *Participating students' performance on Advanced Placement examinations or similar courses and any examinations related to college or university admission;*
- f. *The four-year high school graduation rates and college acceptance rates of participating students;*
- g. *The percentage of funds used for each qualifying expense identified in Section 37-181-5 (2); and*
- h. *The fiscal impact to the state and home school districts of the ESA 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.*

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

<sup>1</sup> According to the statute, the review is to take place every two years. Therefore, PEER prepares a biennial report, not a biannual one.

## Method

### To conduct this analysis, 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, reimbursement, and assessment 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; and,
- administered a survey to 398 parents of children who were awarded an ESA for FY 2024.

## Scope Limitation

For FYs 2023 and 2024, The Equal Opportunity for Students with Special Needs Act did not require the collection of data by MDE regarding the following:

- ESA student performance on Advanced Placement (AP) examinations or similar courses and any examinations related to college or university admission; and,
- four-year high school graduation rates and college acceptance rates of participating students.

While PEER attempted to obtain some of this information in its survey to parents of ESA recipients, 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 page 38 for related survey questions and responses). As required in House Bill 1229 (2024 Regular Session), MDE will begin collecting this data from schools in FY 2025; therefore, PEER’s 2026 report will include this information.

## 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 (i.e., schools that focus on a special area of study such as science or performing arts), 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).

## School Choice Options in Mississippi (continued)

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 in kindergarten through grade 6 (or its equivalent) with speech-language impairments. The maximum amount of the scholarship is equivalent to the base student cost of the state's education funding formula. 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 base student cost of the state's education funding formula. This scholarship is available to children who 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 Protection Services, the program does allow parents to place their child in an MDE-approved nonpublic school after submitting the required documentation.

In addition to enrolling their children in nonpublic schools, Mississippi also allows parents to homeschool their children.

Mississippi's addition of an ESA 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 non-tuition educational expenses (e.g., tutoring, textbooks). The Nate Rogers Scholarship and Dyslexia Therapy 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. 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 claim 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 claim 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 (ESA) program and how is it administered?

This chapter discusses the following:

- description of Mississippi's ESA program;
- administration of the ESA program;
- the ESA program budget, disbursements, and administrative costs;
- number of ESAs awarded and number of applicants on waiting list; and,
- nonpublic schools serving ESA participants in FYs 2023 and 2024.

## Description of the ESA Program

**In its 2015 Regular Session, the Legislature passed The Equal Opportunity for Students with Special Needs Act, which directed MDE to implement an ESA program in the state. 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. Section 37-181-1 et seq., The Equal Opportunity for Students with Special Needs Act, passed by the Legislature during its 2015 Regular Session, directed MDE to implement a five-year ESA pilot program. 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. 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 2023-2024 school year, the ESA amount was \$7,089.

The program's budget of \$3 million for FY 2024 provided for a maximum of 397 ESAs. See page 10 for the actual number of participating students and the number of students on the waitlist.

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 2023 and 2024, a student must have had an individualized education program (IEP)<sup>2</sup> within three years of applying to the ESA program. According to the U.S.

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<sup>2</sup> 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 Code of Federal Regulations (CFR) Section 300.320 through Section 300.324. An IEP must take into account a child's present levels of academic achievement and functional

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. Section 37-181-5 (1972) et seq., outlines the obligations of parents for participating in the program, MDE, and eligible schools that enroll students with an education scholarship account.**

### Parental Obligations

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

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

- 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<sup>3</sup> 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 Therapy Scholarship Program (i.e., the Nate Rogers Scholarship Program).

### MDE Obligations

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 IEP of

ESA program 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.

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.

<sup>3</sup> 34 CFR Section 300.17 and 34 CFR Section 300.101 require a school district to provide a "free appropriate public education" 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 a student's unique needs.

the existence of the program. MDE complies with this mandate by sending ESA program information to special education directors/supervisors in all school districts, who are then responsible for distributing the information electronically or in paper form to all students with disabilities in their districts. Additionally, in February 2023, MDE released a guidance document for school districts regarding the ESA program. According to this document, a parent/guardian can obtain an ESA application in two ways:

- request that the public school district make the ESA application available to the parent/guardian; or,
- access the application via MDE’s website.

MISS. CODE ANN. Section 37-181-9 (4) 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 ESA 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<sup>4</sup> or reimbursements to parents, and establish methods for reporting fraud electronically and via phone.

The ESA program has two MDE staff 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, 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);
- copy of student’s most recent IEP that was active within the eligible time period (three years for FYs 2023 and 2024);
- copy of student’s most recent eligibility ruling and/or evaluation;
- signed “Responsibilities of Parents” page; and,
- letter of acceptance or documentation on school letter head, verifying the child has been accepted into an eligible private school (beginning with the 2024-25 school year, in accordance with House Bill 1229 [2024 Regular Session]).

A child’s IEP is written with a child’s present levels of academic achievement and functional performance in mind.

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<sup>4</sup> Per MISS. CODE ANN. Section 37-181-3 (j) (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.”

For FY 2024, signed applications and documentation must either have been submitted via certified mail or through MDE's online portal.

MISS. CODE ANN. Section 37-181-7 (2) (1972) requires MDE to award ESAs in chronological order according to the waitlist rather than through a lottery.

Per MISS. CODE ANN. Section 37-181-5, 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.<sup>5</sup>

### Eligible Schools' Obligations

MISS. CODE ANN. Section 37-181-3 (1972) defines an "eligible school" as a state-accredited special purpose school, a state-accredited nonpublic school, or a nonpublic school located in the

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.

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 participating student's IEP. 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 states that to ensure that students are treated fairly and kept safe, all eligible schools must:

- comply with the nondiscrimination policies set forth in Title 42, Section 1981, of the United States Code;
- provide parents with details of the school's programs, record of student achievement, qualifications, experience, capacities to serve students with special needs, and capacity to serve the participating student within the scope of their IEP;
- comply with all health and safety laws or codes that apply to nonpublic schools;
- hold a valid occupancy permit if required by their municipality;
- have no public record of fraud or malfeasance;
- require participating students to take a pre-assessment at the beginning of the school year and a post-assessment at the end of the school year;
- notify a parent or guardian applying for the program that the parent waives the right of the student to an individual entitlement to a free and appropriate public education from their home school district, including special education and related services;
- 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; and,

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<sup>5</sup> According to MISS. CODE ANN. Section 37-181-5 (9), 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.

- certify to MDE upon enrollment of a participating student that the eligible school shall provide services for the participating student’s disability or special education needs, or shall provide services addressing a participating student’s IEP.

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. 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,<sup>6</sup> 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) lists the types of expenses eligible for reimbursement in FYs 2023 and 2024 (i.e., allowable expenses).

## ESA Program Budget, Disbursements, and Administrative Costs

**For FYs 2023 and 2024, the budget for the ESA program was \$6 million (\$3 million in FY 2023 and \$3 million in FY 2024). Of this amount, MDE disbursed approximately \$5.1 million to parents and educational service providers and expended \$255,870 for program administration.**

Exhibit 1 on page 8 provides the ESA program budget, disbursements, and administrative costs for FYs 2023 and 2024. As shown in Exhibit 1, MDE budgeted \$3 million for the ESA program in FY 2023. Of this amount, MDE disbursed approximately \$2.5 million in ESA funds to parents and educational service providers and expended \$115,747 for administration of the program. In FY 2024, MDE budgeted \$3 million. Of this amount, MDE disbursed approximately \$2.6 million in ESA funds to parents and educational service providers and expended \$140,123 for administration of the program. In both fiscal years, administrative costs included primarily salaries and benefits of the employees responsible for the operation of the program. Other costs included supplies and postage. Exhibit 2 on page 9 lists the allowable expenses for the program.

### Exhibit 1: FYs 2023 and 2024 ESA Program Budget, Disbursements, and Administrative Costs

	FY 2023	FY 2024	TOTAL
ESA Program Budget	\$3,000,000	\$3,000,000	<b>\$6,000,000</b>
Disbursements	\$2,498,948	\$2,563,448	<b>\$5,062,396</b>
Administrative Costs	\$115,747	\$140,123	<b>\$255,870</b>

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

<sup>6</sup> Mississippi’s Accountability System for Government Information and Collaboration.



Exhibit 2: List of Allowable Expenses in the ESA Program for FYs 2023 and 2024

**Educational Scholarship Account (ESA)**

**Allowable Expenses**

Parents can only use ESA funds for the expenses listed. Expenses must be to provide an organized appropriate educational program with measurable goals to their participating students in at least the subjects of reading, grammar, mathematics, social studies, and science.

**Eligible Expenses**

- a) Tuition and or academic fees from an eligible school- Fees in addition to tuition are allowable only if they directly impact the educational needs of the student.
- b) Textbooks related to academic coursework
- c) Payment to a tutor - Documentation must be provided that verifies the tutor is certified or licensed by a state, regional, or national certification, licensing or accreditation
- d) Payment for purchase of curriculum including any supplemental materials required by the curriculum
- e) Fees for nationally standardized norm-referenced achievement tests, including alternate assessments; Advanced Placement exams or similar courses; and any exams related to college/university admission
- f) Educational services or therapies from a licensed or certified practitioner or provider, including licensed or certified paraprofessionals or educational aides;
- g) Tuition, and fees related to dual enrollment at a postsecondary institution, - These expenses are allowable for a **high school student** taking a class or classes at a postsecondary institution (community college, college, or university accredited by a state, regional or national accrediting organization) but they are not allowable for a student who has graduated from high school and is enrolled at a postsecondary institution.
- h) Textbooks related to dual enrollment academic coursework at a postsecondary institution
- i) No more than \$50.00 in annual consumable school supplies necessary for educational services and therapies, daily classroom activities, and tutoring
- j) 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 educational and academic goals or goals within the scope of the eligible student’s IEP. Qualifying expenses for computer hardware and software include only those expenses incurred within the awarded year. Once a student is no longer participating in the program all computer hardware and technology devices must be donated to the public school or library.

SOURCE: MISS. CODE ANN. Section 37-181-5 (2) (1972) and MDE.

## Number of ESAs Awarded and Number on Waiting List

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In FYs 2023 and 2024, MDE offered ESAs to 515 students. As of August 2024, 306 students were on the ESA waiting list.

MDE offered ESAs to 515 students in FYs 2023 and 2024. Of the 515 students, 479 (93%) used their ESAs by enrolling in an eligible nonpublic school and receiving reimbursements. Of the 479 who used their ESAs, 329 (69%) ESAs were students who had previously participated in the ESA program, indicating that these students are likely to continue in the program unless they no longer meet eligibility requirements or their circumstances change.

MDE reported that 306 students were on the ESA waiting list as of August 31, 2024. MDE sent award packets to an additional 11 students as of August 31, 2024, and these students are able to participate in the program if they complete the necessary steps within the given time period to finalize their awards (e.g., enroll in an eligible school).

## Nonpublic Schools Serving ESA Participants in FYs 2023 and 2024

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During FYs 2023 and 2024, ESA participants attended 109 nonpublic schools. The majority of these schools (95%) are not specifically designed to serve students with disabilities. However, state law allows for ESA participants to enroll in any nonpublic school as long as the school meets the requirements in law and provides services for the student's disability or special education needs.

Starting in 2020,<sup>7</sup> MISS. CODE ANN. Section 37-181-3 (g) allows for three categories of eligible nonpublic schools to enroll ESA students:

- **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. Five schools serving 112 ESA students (28%) in FY 2024 were MDE-accredited special purpose schools: Dynamic Dyslexia Design: 3-D School; Innova Preparatory School; Lighthouse Academy for Dyslexia; Magnolia Speech School; and The Canopy School.
- **State-accredited nonpublic schools:** Nonpublic schools can elect to receive accreditation from MDE upon completion of the state's accreditation process. Fifteen schools that enrolled ESA students in FYs 2023 and 2024 were state-accredited nonpublic 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 allows any nonpublic school to participate in the program as long as they are providing services to address the student's disability and meet the requirements for eligible schools set out in law (e.g.,

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<sup>7</sup> Prior to 2020, 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.

comply with all health and safety laws or codes that apply to nonpublic schools, comply with nondiscrimination policies). See page 37 for more discussion. Eighty-nine schools that enrolled ESA students in FYs 2023 and 2024 fell into this category of eligibility, accounting for the largest category of schools.

See Appendix A on page 48 for a complete list of schools that served students in FYs 2023 and 2024.

Unlike the Nate Rogers and Dyslexia Therapy scholarships, the ESA program does not require that students attend one of the five special purpose schools in the state. Because the ESA program is not limited to specific geographical areas, it is available to a greater population of students.

While the majority of ESA students (81%) did not attend a state-accredited special purpose school, 74% of parents indicated in responses to PEER’s satisfaction survey that a top factor in applying for an ESA was to seek more individual attention and smaller class sizes for their children, which they believed would be provided in a nonpublic school. Additionally, when asked what disability and special needs services their children were receiving at the private school while participating in the ESA program, 66% of parents indicated that their child had a formal disability service and improvement plan. Thus, the majority of parents reported that the nonpublic schools are addressing their child’s special needs.

### **Snapshot Profile of ESA Participants**

PEER analysis of the 479 students who used their ESAs in FYs 2023 and 2024 indicated that the most common primary disability types among ESA participants, representing 63% of students’ primary disability categories were:

- Autism;
- Specific Learning Disability (e.g., reading comprehension); and,
- Other Health Impaired (e.g., attention deficit disorder).<sup>8</sup>

For FYs 2023 and 2024, 53% of ESA participants were designated as having a permanent disability. This represents a notable increase since 2022 when 31% were designated as having a permanent disability.

Exhibit 3 on page 12 presents the disability types of ESA participants for FYs 2023 and 2024.

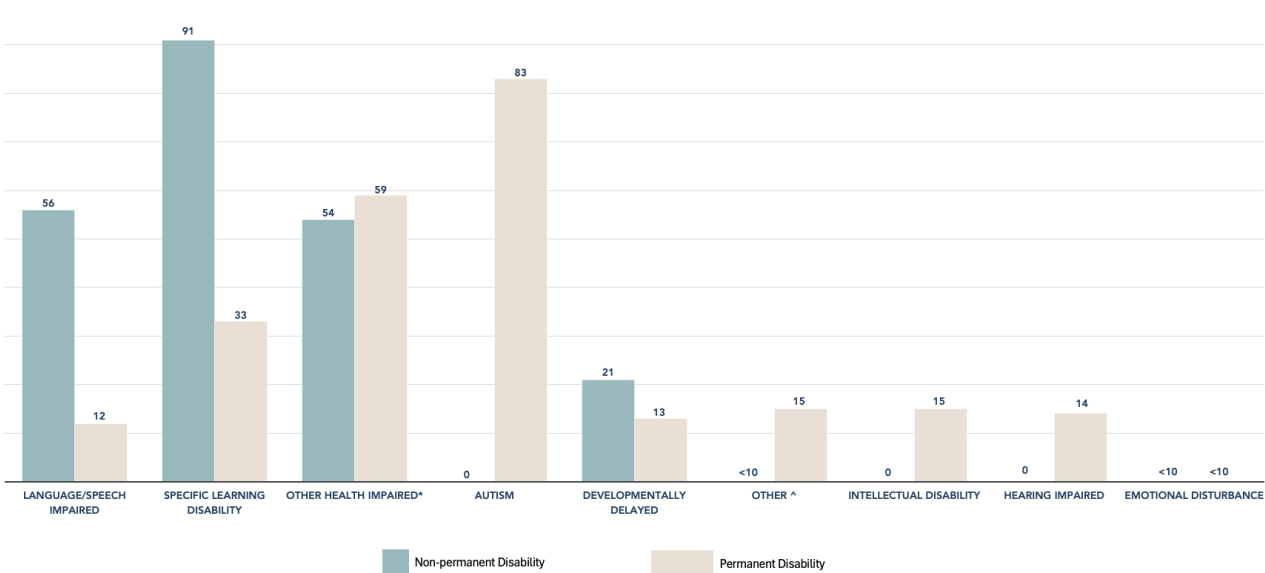
PEER compared the types of disabilities of ESA participants between FYs 2023 and 2024. PEER determined that for FYs 2023 and 2024, more participants had permanent disabilities than non-permanent disabilities. Among the various disabilities, the Specific Learning Disability category shows a significant distinction between non-permanent and permanent disabilities, with a much

Exhibit 3 on page 12 provides the disability types of ESA participants for FYs 2023 and 2024.

higher number of non-permanently disabled participants. Similarly, the Language/Speech Impaired category consists predominantly of non-permanent cases. The Autism category shows a stronger presence of participants with permanent disabilities, similar to the Intellectual Disability and Hearing Impaired Disability category.

<sup>8</sup> Categories of disabilities under the Individuals with Disabilities Education Act (IDEA). IDEA grants provide federal funding for the education of children with disabilities.

### Exhibit 3: ESA Participant Disability Types for FYs 2023 and 2024



Note: Disability categories with fewer than 10 students have been denoted in the exhibit as “<10” to protect potential personally identifiable information in accordance with the Family Educational Rights and Privacy Act (FERPA).

\*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 ESA participant data for FYs 2023 and 2024 as provided by MDE.

Compared to previous years, there were noticeably fewer ESA participants in FYs 2023 and 2024 with designations of Language/Speech Impaired and Developmentally Delayed.

PEER compared ESA participants between FYs 2021 and 2022 and FYs 2023 and 2024, and there were noticeable shifts across multiple disability categories. For instance, the number of ESA participants with Language/Speech Impaired disabilities decreased from 123 in FYs 2021 and 2022 to 68 in FYs 2023 and 2024. Similarly, the Developmentally Delayed

category decreased, with participation nearly halving from 66 to 34. The Specific Learning Disability, Other Health Impaired, and Autism categories slightly increased, with more participants in FYs 2023 and 2024 compared to the earlier fiscal years. Categories such as Intellectual Disability, Hearing Impaired, and Emotional Disturbance demonstrated little to no changes between the two reporting periods.

For more information, refer to **Appendix B on page 51** for a map presenting the locations of ESA participants across the state.

# Was funding for the ESA program sufficient?

This chapter discusses the following:

- a comparison of Mississippi’s ESA formula and amounts to similar programs in Mississippi;
- a comparison of funding formulas and ESA amounts to ESA programs in other states;
- the extent of use of ESA funds;
- impact on the number and amounts of ESAs; and,
- impact on the program waitlist.

## ESA Formula and Amounts Compared to Similar Programs in Mississippi

For Mississippi’s Nate Rogers Scholarship and Dyslexia Therapy Scholarship programs, amounts are equal to the MAEP base student cost. For FY 2024, the maximum scholarship amount for these programs was \$6,062.50, while the maximum ESA amount was \$7,089, a difference of \$1,026.50 (17%).

PEER compared the ESA amount for FY 2024 to the amounts for the other two nonpublic school choice programs for students with disabilities in the state—the Nate Rogers Scholarship for Students with Disabilities and the Mississippi Dyslexia Therapy Scholarship for Students with Dyslexia.

For both the Nate Rogers Scholarship and the Dyslexia Therapy scholarships, the maximum yearly amounts of the scholarships are equivalent to the adjusted MAEP base student cost. In contrast, the ESA program began with a set amount of \$6,500 and increases or decreases by the same proportion as the MAEP base student cost each year.

For FY 2024, the maximum scholarship amounts for the Nate Rogers Scholarship and dyslexia therapy scholarship programs were \$6,062.50, while ESA amounts were \$7,089, a difference of \$1,026.50 (17%).

It should be noted that some ESA participants could qualify for the Nate Rogers scholarship or Dyslexia Therapy scholarship. For example, 49 ESA participants in FY 2024 attended nonpublic schools that are approved schools in the Nate Rogers and Dyslexia Therapy programs. While the ESA program offers more flexibility for parents to individualize their child’s education with various educational services, 99% of the funds for these 49 students were used for tuition. Parents may have decided to enroll in the ESA program due to the higher scholarship amount, which covers more tuition.

# A Comparison of Funding Formulas and Amounts of ESAs in Other States

The Legislature set an ESA amount of \$6,500 in state law for school year 2023-2024, with adjustments each year. For other states administering ESA programs in FY 2024, the funding formulas vary.

## Growth of ESA Programs in Other States

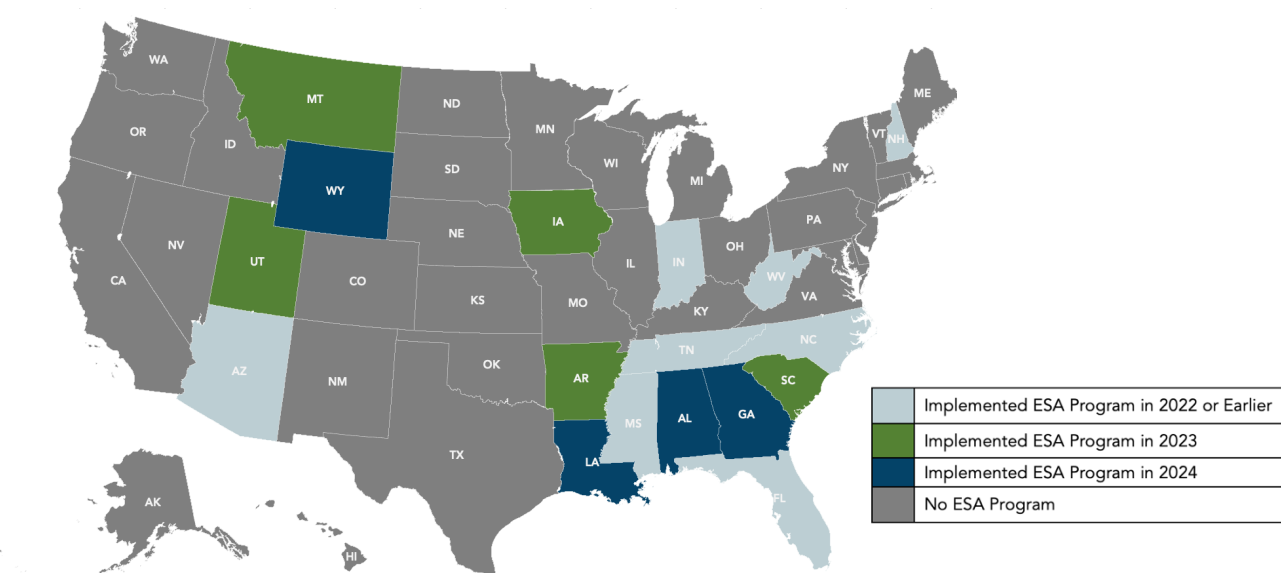
Exhibit 4 on page 14 provides a map showing the states operating an ESA program as of October 1, 2024. As the map shows, 13 states implemented an ESA program prior to the 2024-2025 school year. Of these 13:

- six states (i.e., Florida, Indiana, Mississippi, Montana, North Carolina, and Tennessee) offer the ESA program only to students with special needs; and,
- seven states (i.e., Arizona, Arkansas, Iowa, New Hampshire, South Carolina, Utah, and West Virginia) provide ESA scholarships to students with or without special needs. For example, as of September 24, 2022, Arizona expanded its ESA program to make 100% of K-12 students in the state eligible to receive ESA funding.

Seventeen states have implemented ESA programs. Six states offer ESAs to only students with disabilities, while 11 states offer ESAs to a broader population of students.

Since PEER's first statutory review of the ESA program in 2018, there has been a significant expansion in the number of states implementing ESA programs. In 2023, Arkansas, Iowa, Montana, South Carolina, and Utah joined the list of states offering ESAs. By 2024, Alabama, Georgia, Louisiana, and Wyoming implemented ESA programs in their states, bringing the total number of states operating ESA programs to 17 states.

**Exhibit 4: Map of States Operating an ESA Program as of October 1, 2024**



SOURCE: PEER analysis of program websites.

## Funding Formulas for ESA Programs in Other States

In FY 2016, the Mississippi Legislature set an education scholarship account amount of \$6,500 in state law, with yearly adjustments based on the MAEP<sup>9</sup> base student cost. PEER reviewed the various funding formulas for the 13 states operating ESA programs prior to the 2024-2025 school year. Refer to Appendix C on page 52 for more information regarding the funding formulas for ESA programs in other states. Notably:

- six states (i.e., Arizona, Florida, Indiana, Montana, Tennessee, and Utah) base their ESA amounts on what a student's school or district would have received for that student. For example, in Indiana, per-pupil ESA accounts are funded at 90% of what a student would receive in a public school, which is affected by a student's school district of residence; and,
- six states (i.e., Arizona, Arkansas, Florida, Indiana, North Carolina, and South Carolina) provide additional funding based on the student's disability. For example, North Carolina offers larger scholarship amounts to students with certain disabilities (e.g., autism) outlined in state law.

Using available FY 2024 data, PEER determined that Mississippi is not an outlier in terms of ESA amounts. This applies to states in which ESAs are targeted to students with disabilities and to states in which ESAs are available to a broader population of students.

## Extent of Use of ESA Funds

**In FYs 2023 and 2024, MDE disbursed 90% (\$5.1 million) of ESA funds available, while 10% (\$557,604) lapsed. The 91% disbursement of funds for FY 2024 represents the highest percentage of funds disbursed since the program's inception.**

As shown in Exhibit 5 on page 15, \$2.82 million was available in both FYs 2023 and 2024. In FY 2023, MDE disbursed approximately \$2.5 million (89%) and returned \$321,052 to the State Treasury. In FY 2024, MDE disbursed approximately \$2.6 million (91%) and returned \$256,552 to the State Treasury. Unused or partially used ESAs for FYs 2023 and 2024 resulted in a total lapsed amount of \$557,604, which was returned to the State Treasury.

### Exhibit 5: ESA Funds Disbursed and Funds Returned to State in FYs 2023 and 2024

Fiscal Year	ESA Funds Available*	ESA Disbursements	Percentage Disbursed	Amount Returned to State Treasury	Percentage Returned
2023	\$2,820,000	\$2,498,948	89%	\$321,052	11%
2024	\$2,820,000	\$2,563,448	91%	\$256,552	9%
TOTAL	\$5,640,000	\$5,062,396	90%	\$557,604	10%

\* Of its annual \$3 million ESA budget, MDE allocated \$180,000 per year to administration.

SOURCE: PEER analysis of Mississippi Department of Education data.

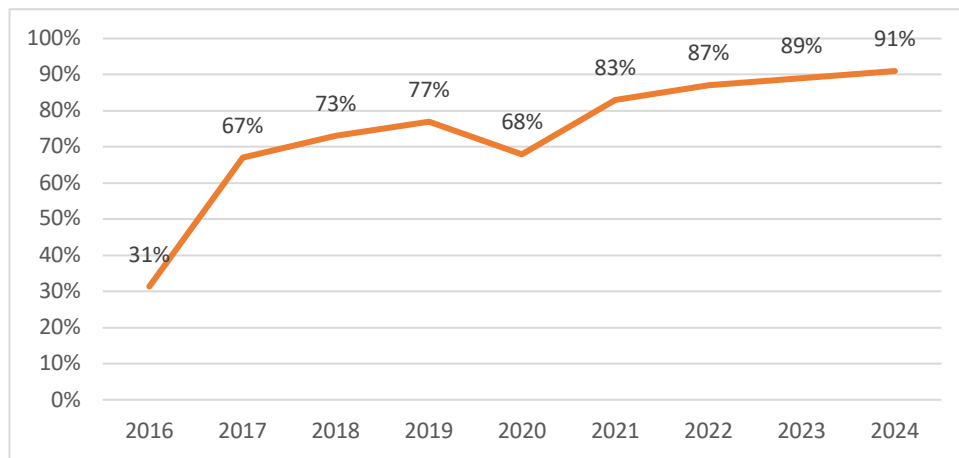
<sup>9</sup> House Bill 4130 (2024 Regular Session) created the new Mississippi Student Funding Formula (MSFF), which replaces the previous funding formula MAEP. The new formula became effective July 1, 2024.

In 2022, PEER reported that MDE disbursed only 85% (\$4.8 million) of ESA funds available in FY 2021 and 2022, while 15% (\$0.9 million) lapsed and was returned to the State Treasury. Therefore, the current reporting period of FY 2023 and 2024 represents an increase of five percentage points distributed to ESA participants. One key factor contributing to this increase could be that more participants are remaining in the program year after year. This means that MDE does not have to re-award the ESA and wait for the recipient to either forfeit the award or finalize the award, which creates a lag in the time reimbursements are paid out.

**Program Disbursement Trends**

As illustrated in Exhibit 6 on page 16, the percentage of funds disbursed by MDE have steadily increased with an average year over year growth from FY 2017 through FY 2024 of 4.5%. The 91% disbursement of funds for FY 2024 represents the highest percentage of funds disbursed since the program’s inception.

**Exhibit 6: Percentage of ESA Funds Disbursed from FYs 2016 through 2024**



SOURCE: PEER analysis of Mississippi Department of Education data.

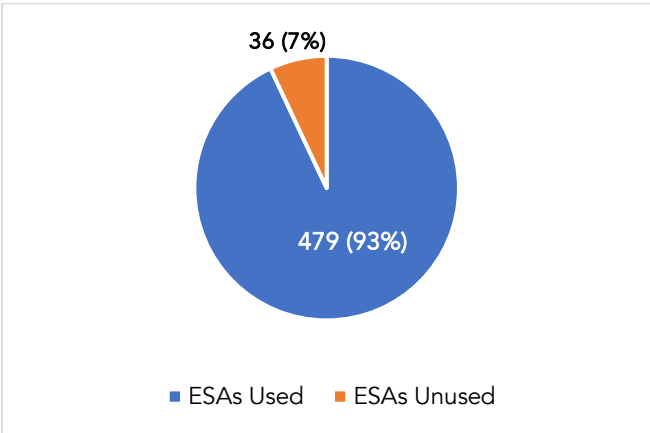
**Used Versus Unused ESAs**

MDE awarded ESAs to 515 students in FYs 2023 and 2024. As illustrated in Exhibit 7 on page 17, parents received reimbursements or authorized direct pay to educational service providers for 479 ESAs—93% of those who were awarded an ESA. Therefore, the total unused ESAs for FYs 2023 and 2024 was 36 (7%). This data suggests that ESAs for new students are limited.

In FY 2024, 368 participants (93%) continued using their ESAs from the prior year.



**Exhibit 7: Used and Unused ESAs in FYs 2023 and 2024**



SOURCE: PEER analysis of Mississippi Department of Education data.

**Partially Used ESAs**

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 \$6,779 for FY 2023 and \$7,089 for FY 2024.

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.

As presented in Exhibit 8 on page 17, for FYs 2023 and 2024, an average of 57% of the ESAs were exhausted, and 43% were used for less than the full amount. Of those who used less

than the full amount of the ESA in FY 2024, the average amount of unused funds was \$1,652. Partially used ESAs contribute to the unused funds returned to the State Treasury each year.

**Exhibit 8: Number of Full and Partially Used ESAs in FYs 2023 and 2024**

Fiscal Year	Total Number of Used ESAs	Number Used for Full ESA Amount	Percentage of Total	Number Used for Less Than Full ESA Amount	Percentage of Total
2023	412	221	54%	191	46%
2024	397	243	61%	154	39%
AVERAGE	405	232	57%	173	43%

SOURCE: PEER analysis of Mississippi Department of Education data.

**Administrative Funds Returned to State Treasury**

According to MISS. CODE ANN. Section 37-181-9 (4), 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 2023 and 2024; however, it spent only approximately 4.3% of appropriations for administration of the program for those fiscal

years. As shown in Exhibit 9 on page 18, 29% of the funds MDE set aside for administration were unused and returned to the State Treasury.

### Exhibit 9: Used and Unused Administrative Funds in FYs 2023 and 2024

Fiscal Year	6% Administrative Set-Aside Funds	Used Administrative Funds	Unused Administrative Funds	Percentage of Administrative Funds Unused
2023	\$180,000	\$115,747	\$64,253	36%
2024	\$180,000	\$140,123	\$39,877	22%
TOTAL	\$360,000	\$255,870	\$104,130	29%

SOURCE: PEER analysis of Mississippi Department of Education data.

With excess funds available, MDE stated to PEER that it hired an additional full-time staff member to support the ESA program. PEER will report on the impact of that hiring on unused administrative funds in its 2026 ESA report.

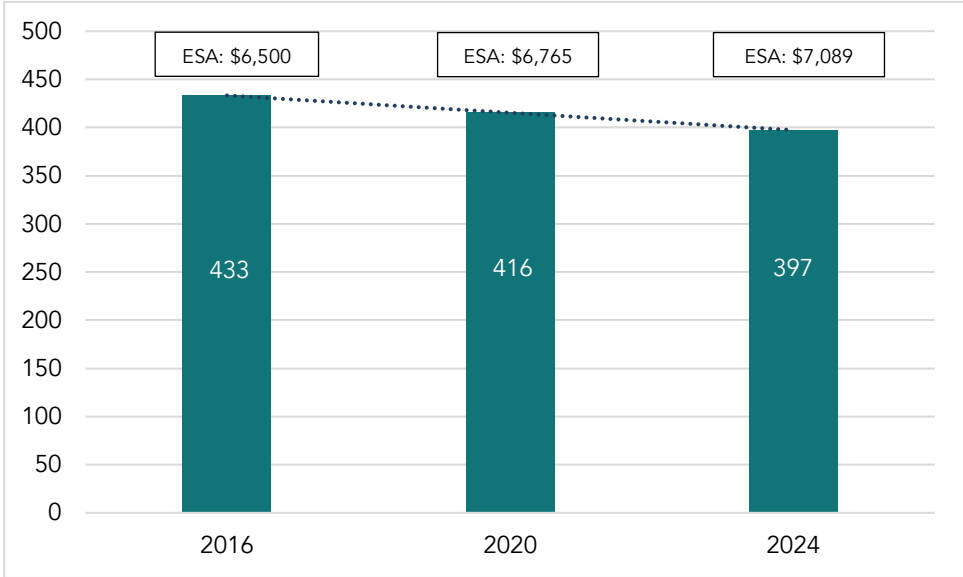
## Impact on Number and Amounts of ESAs

The number of available ESAs has decreased due to more participants remaining in the program, thereby limiting new student participation. Additionally, while program funding has remained relatively consistent, individual ESA amounts increase each year, which reduces the maximum number of ESAs available to award. In some years, MDE has not increased the amounts of the ESAs in accordance with state law because it would not be able to fund ESAs for current participants at the increased amounts.

The number of available ESAs has decreased over time primarily due to the following factors:

- More participants are remaining in the program year after year; over half of the FY 2024 participants have been in the program since FY 2021. Additionally, the percent of students with permanent disabilities has increased to 53%, which indicates that more students will likely remain in the program until graduation from high school. This effectively limits the number of ESAs available to new students.
- Because the individual amounts of the ESAs increase each year, and program funding has remained at \$3 million, the number of possible ESAs has decreased over time. See Exhibit 10 on page 19. Fiscal year 2024 is the first fiscal year in which the number of ESAs available to award was below 400. There has been a year over year reduction of 1% of the total possible ESAs from FY 2016 through FY 2024.

### Exhibit 10: Maximum Number of ESAs Available in FYs 2016, 2020, and 2024



SOURCE: PEER analysis of Mississippi Department of Education data.

#### ESA Amounts Impacted by Program Funding

In accordance with state law, the ESA program began with a set amount of \$6,500 in FY 2016 for ESAs, and increases or decreases by the same proportion as the MAEP base student cost each year. Program funding has remained at \$3 million since the program began, except for one year (FY 2020), in which the Legislature appropriated an additional \$2 million to the program.

In some years, MDE has not increased the amounts of the ESAs in accordance with state law because it would not be able to fund ESAs for current participants at the increased amounts. For example, in FY 2023, the base student cost increased by 11.29%. This increase would have raised the ESA amount from \$6,779 to \$7,544. Because MDE anticipated funding needed for 416 ESAs totaling \$3,138,304 (in addition to the \$180,000 administrative set-aside funding), MDE concluded that program funding of \$3 million was not sufficient to support the increase. For FY 2023, MDE set the ESA amount at \$6,779, which was the same amount as ESAs for FY 2022.

For FY 2025, MDE has planned to fund 360 ESAs at \$7,829, which is proportionate to the base student cost increase of 10.44%. This accounts for 340 ESAs rolling over from the previous year and 20 ESAs for new participants.

#### Impact on ESA Program Waitlist

Since MDE implemented the new statutory requirement that students must be accepted into a nonpublic school to be eligible for program participation, the ESA program waitlist decreased from 306 students in August 2024 to 149 students in October 2024.

In accordance with state law, MDE maintains a waitlist of eligible students. As of August 2024, 306 students were on the ESA program waitlist. The following are key factors contributing to the growing waitlist since PEER's previous report in 2022, in which 127 students were on the waitlist:

- The number of students applying to the program increased. In Calendar Year 2023, 201 students applied and were placed on the ESA waitlist.
- The number of ESAs available to be awarded has decreased.

Students who were placed on the waitlist in January 2023 were recently awarded ESAs in August 2024.

House Bill 1229, passed during the 2024 Regular Session, requires that the ESA program waitlist only include students who have been accepted into an eligible school. Since MDE began implementing that requirement, the waitlist has decreased to 149 students as of October 2024. This number represents approximately 37% of the total ESAs available. With a limited number of ESAs available for new students each year, students on the waitlist are not likely to be awarded an ESA within a year of applying for the program.

# How did participants utilize ESA funds for allowable expenses?

This chapter describes participants' use of ESA funds in FYs 2023 and 2024.

## Use of ESA Funds

In FYs 2023 and 2024, participants used an average of 96% of their ESA funds on tuition expenses, while various expense categories accounted for the remaining expenditures.

Exhibit 11 on page 21 illustrates ESA expenses by expense type. The premise of the ESA program is to provide funds for nontuition educational expenses in addition to tuition expenses so that parents can individualize their child's education. However, expense data for FY 2023 and 2024 suggests that parents are not typically using the program to individualize their child's education with various educational tools but rather to cover nonpublic school tuition alone. In FYs 2023 and 2024, 96% of the funds distributed were for tuition reimbursement. Additionally, the majority of participants (63%) only received reimbursements for tuition. Further, only 37 participants (9%) were reimbursed for tutoring and/or educational services or therapies in addition to tuition.

**Exhibit 11: Percentage of ESA Expenses by Type in FYs 2023 and 2024**

Expense Type	FY 2023		FY 2024	
Tuition and/or academic fees	\$2,402,810	96%	\$2,469,608	96%
Textbooks related to academic coursework	\$36,552	1.5%	\$31,943	1%
Tutoring	\$24,381	1%	\$19,616	1%
Educational services or therapies (from licensed providers)	\$17,819	1%	\$18,275	1%
Curriculum and supplemental materials	\$9,908	0.5%	\$17,451	1%
Testing fees	\$1,954	0%	\$3,961	0%
School supplies (no more than \$50 per child)	\$4,277	0%	\$1,506	0%
Computer hardware, software, and other tech devices	\$1,247	0%	\$524	0%
Tuition and fees for dual enrollment at postsecondary institution	\$0	0%	\$264	0%
Textbooks related to coursework at postsecondary institution	\$0	0%	\$300	0%
<b>TOTAL</b>	<b>\$2,498,948</b>	<b>100%</b>	<b>\$2,563,448</b>	<b>100%</b>

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

# What is the fiscal impact to the state and home school districts as a result of the ESA program?

This chapter discusses:

- the fiscal impact of the ESA program to the state; and,
- the fiscal impact of the ESA program to students' home school districts.

## Fiscal Impact of the ESA Program to the State

The state's net cost increase for the ESA program for FYs 2023 and 2024 was approximately \$1.2 million and \$1.3 million respectively.

### Fiscal Impact to State Expenditures and Revenues

MISS. CODE ANN. Section 37-181-13 requires in part that PEER assess the fiscal impact to the ESA program to the state.

#### MAEP Funds<sup>10</sup>

When an ESA participant leaves a public school, the school district will receive fewer MAEP funds in the future, 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 for FYs 2023 and 2024 are based on districts' ADA figures for FYs 2022 and 2023. For example, MAEP disbursements were based on FYs 2022 and 2023 ADA figures, as shown in Exhibit 12 on page 23.

For FYs 2023 and 2024, PEER determined the ESA program's net cost increase to the state using the following formula: total amount of ESA program disbursements minus the MAEP reduction to school districts<sup>11</sup> for ESA students who left those districts.<sup>12</sup>

In FY 2023, the state disbursed \$2,498,948 to 412 ESA participants, and in FY 2024 the state disbursed \$2,563,448 to 397 ESA participants for a total of \$5,062,396. 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 by approximately

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<sup>10</sup> House Bill 4130 (2024 Regular Session) created the new Mississippi Student Funding Formula (MSFF), which replaces the previous funding formula MAEP. The new formula, which became effective July 1, 2024, uses average net enrollment (ANE) instead of average daily attendance (ADA).

<sup>11</sup> In its calculation, PEER utilized the school districts that corresponded with recipients' mailing addresses for each school year as the affected school district for reduced MAEP distributions.

<sup>12</sup> 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.

\$1.3 million in both FY 2023 and FY 2024. For FYs 2023 and 2024, the net cost increase to the state was \$1,173,789 and \$1,306,689 respectively.

## Exhibit 12: ESA Disbursements, MAEP Reductions, and Net Cost Increases to the State for FYs 2023 and 2024

Fiscal Year	ESA Disbursements	Reduction to MAEP (based on ADA from the prior year)	Net Cost Increase to State
2023	\$2,498,948 (412 participants)	\$1,325,159 (for 284 FY 2022 participants who were enrolled in a public school at the time of application)	<b>\$1,173,789</b>
2024	\$2,563,448 (397 participants)	\$1,256,759 (for 266 FY 2023 participants who were enrolled in a public school at the time of application)	<b>\$1,306,689</b>

SOURCE: PEER analysis of Mississippi Department of Education data.

### How many ESA participants came from public school districts?

In FYs 2023 and 2024, students from public school districts and nonpublic schools were eligible to participate in the ESA program as long as the public school had prepared an IEP for the student within three years prior to applying to the ESA program. In FY 2023, a total of 412 students participated in the ESA program resulting in MDE disbursements of approximately \$2.5 million. Of these totals, 266 students (65%) had been enrolled in a public school at the time of application and MDE disbursed approximately \$1.6 million in payments to parents or education providers of these ESA students. The remaining 146 students (35%) were not enrolled in a Mississippi public school at the time of application.<sup>13</sup> MDE disbursed approximately \$900,000 in ESA payments to parents or education providers of ESA students not enrolled in a Mississippi public school at the time of application.

In FYs 2023 and 2024, students from public school districts represented approximately 65% and 61% of ESA participants, respectively.

In FY 2024, a total of 397 students participated in the ESA program resulting in MDE disbursements of approximately \$2.6 million. Of these totals, 241 participants (61%) had been enrolled in a public school at the time of application and MDE disbursed approximately \$1.6 million in payments to parents or education providers of these students. MDE disbursed approximately \$1.0 million to the remaining 156 participants (39%) who had not been enrolled in a Mississippi public school at the time of their application to the ESA program.

<sup>13</sup> These students came from various educational settings such as homeschool, a nonpublic school, an out-of-state school, a preschool, or a university-based program.

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

In FYs 2023 and 2024, five public school districts accounted for an average of 40% 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, which accounted for 26 participants in FY 2023 and 33 participants in FY 2024.

#### FY 2023

In FY 2023, 266 ESA students left 73 school districts in the state. Five school districts accounted for 40% of all ESA students leaving public school districts, including:

- Madison County: 26 students;
- Rankin County: 24 students;
- Jackson Public: 23 students;
- Lamar County: 18 students; and,
- Harrison County: 15 students.

#### FY 2024

In FY 2024, 241 ESA students left 59 school districts in the state. Five school districts accounted for 41% of all ESA students leaving public school districts, including:

- Madison County: 33 students;
- Rankin County: 20 students;
- Jackson Public: 19 students;
- Lamar County: 14 students; and,
- Harrison County: 12 students.

## Fiscal Impact of the ESA Program to Home School Districts

**Based on a review of the cost factors associated with ESA students (e.g., impact on staffing), PEER determined that the fiscal impact on district expenditures resulting from an ESA student leaving the public school district is immaterial compared to overall district expenditures.**

MISS. CODE ANN. Section 37-181-13 requires in part that PEER assess the fiscal impact to the ESA program to students' home school districts (i.e., the public school district in which the student resides) and the savings associated with students departing public schools.

### Impact of ESA Students Leaving a Home School District

The state funds public school districts based on student attendance; therefore, if a student leaves the school district to attend a nonpublic school, the school district will experience a reduction in revenues. However, these losses are immaterial compared to overall district revenues. For FY 2024, the greatest impact to a school district was seen in Kemper County School District, which had a projected loss of \$5.03 for every \$1,000 in revenue based on attendance.



In addition, fiscal savings associated with students leaving are minimal, if any, due to the small number of ESA students leaving any single district. Cost savings in public schools is typically associated with staffing, as staffing represents the highest district expense category; however, the discussion below details how the ESA program has likely not impacted staffing in public school districts.

### 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. Factors such as the dispersion of the departing students 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.

As mentioned above, the Madison County School District, which includes 19 schools, had the most ESA students departing with 33 students, which 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/or,
- 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;
- reassign staff to other special education areas that lack sufficient staff support;
- transfer staff to other schools in the district; or,
- reassign staff to other areas of need in their current school.

For these reasons, cost savings associated with students departing public schools have not materialized.

### Other Impacts

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.

# Has the ESA program been administered as effectively as possible?

PEER's previous reports on the ESA program noted several areas needing improvement in MDE's administration of the program and in the program's accountability. PEER reviewed program data and information to determine whether improvements have been made or if issues still exist.

## MDE's Administration of the ESA Program

MDE has improved some aspects of its administration of the ESA program since PEER's 2022 report. For example, MDE has met the statutory requirement of requiring recertification of ESA participants after three years of program participation, which helps ensure that the program continues to serve only eligible students with disabilities. Some aspects of MDE's administration of the program still need improvement, however. For example, MDE has not consistently required nonpublic schools to submit a signed form to help ensure that schools enrolling ESA participants meet requirements in state law.

In PEER's 2022 report, PEER noted the following deficiencies in MDE's administration of the ESA program:

- MDE had not consistently required parents to submit documentation after three years of program enrollment showing that their child continues to have a disability, as required by state law;
- MDE had weaknesses in its internal controls, which resulted in overpayments, data entry errors, and other payment processing issues;
- MDE had not implemented its online portal for submitting applications;
- MDE had not required that all schools submit a form attesting to compliance with statutory requirements and their ability to meet the student's disability needs;
- MDE had not ensured that pre-assessments and post-assessments were submitted in accordance with state law; and,
- MDE had not transferred unused ESA funds to the public school districts to which students returned.

Some of these issues have been resolved, and some have not, as indicated in the following sections.

### Improvement Regarding Eligibility Recertification of ESA Participants

Regarding the recertification of ESA participants, MISS. CODE ANN. Section 37-181-5 (9) 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)).*

In accordance with state law, MDE has required participants to submit documentation showing that the child continues to have a disability, which helps ensure that the ESA program is serving its intended population.

Because ESA participation began in July 2015, recertifications should have begun three years later in July 2018. However, as of the end of FY 2020, MDE had not requested any recertifications of ESA participants. MDE then initiated a process to notify parents of the recertification requirement six months before the third anniversary of their award date.

For this year's review, MDE provided PEER with a spreadsheet of ESA participants and their respective dates of recertification. According to the spreadsheet, all ESA participants for which recertifications were due in FYs 2023 and 2024 provided recertification documentation to MDE or, in some cases, the participants did not recertify and left the program.

PEER requested recertification documents for a random sample of 10 program participants and determined that MDE has improved its maintenance of student eligibility regarding the three-year recertification.

MDE reported that nine students' ESAs were closed in FY 2024 due to not providing MDE the required three-year recertification.

### **Improvement Regarding Internal Controls**

MISS. CODE ANN. Section 37-181-11 (1) 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 conducts 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.
- Since PEER's 2022 report, MDE created procedures for conducting an annual post-audit, which consists of randomly selecting 25 files to audit for financial and data entry errors. MDE conducted these post-audits in FYs 2023 and 2024 in accordance with its policies and procedures.

In PEER's previous three reviews, PEER noted that MDE's weakness in internal controls resulted in a consistent pattern of overpayments, data entry errors, and other

MDE has improved its internal controls for the ESA program by implementing an annual post-audit of the program.

payment processing issues. In 2022, ESA staff indicated that a tracking system had been implemented to prevent overpayments in the future.

PEER reviewed MDE's documentation on disbursements made to parents and educational service providers for each ESA in FYs 2023 and 2024 and determined there has been some improvement in the financial reporting of ESAs. For example, MDE did not overpay parents or education service providers in FYs 2023 and 2024. However, there is room for improvement, as PEER noted the following errors:

- *two payments were made to the wrong education service provider.* In this case, payments were made to a vendor that had sold its company. MDE staff were notified of the error and conducted an investigation. The errant payments were returned and issued to the correct vendor; and,
- *two refunds were not credited to students' ESA accounts.* In this case, refunds received from an education service provider were not recorded as reductions to participant distributions. In reimbursement data provided to PEER, 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.

Errors or inaccuracies in financial reporting can reduce the ability of program staff to manage current operations of the program, and impedes the ability of third parties to audit these programs.

### **Improvement in the Development of an Online Portal**

An ESA portal became operational during the 2022-2023 school year, allowing parents to submit applications electronically via the portal. However, the portal is unavailable as of the time of this review due to updates needed to reflect statutory changes.

Prior to the development of its online portal, MDE required ESA applicants to submit their applications via certified mail through the United States Postal Service. While MDE had improved its process by notifying applicants when MDE receives the

application, PEER has noted that this process could result in lost applications and other required documentation (e.g., a copy of the 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 2020, MDE indicated to PEER that its Office of Technology and Strategic Services had been developing an online portal for the ESA program. The portal would allow parents to submit applications and upload required documentation to the system for MDE to review, and the system would allow for immediate feedback to parents on the status of the application. MDE anticipated that parents would be able to use the portal beginning in January 2021; however, there were delays in the portal's implementation due to changes in MDE's IT teams assigned to the project.

The ESA portal became operational during the 2022-2023 school year, allowing parents to submit applications electronically via the portal. However, the portal is unavailable as of the time of this review due to updates needed to reflect statutory changes.

## Eligible School Assurances Form Not Required by MDE for Program Participation

S.B. 2594 (2020 Regular Session) attempted to address an apparent lack of program accountability by incorporating reporting requirements for eligible schools. MISS. CODE ANN. Section 37-181-15 now requires that an eligible school must “certify” to MDE upon enrollment of an ESA student that the eligible school shall provide services for the participating student’s disability or special education needs, or shall provide services addressing a participating student’s IEP.<sup>14</sup>

In FYs 2023 and 2024, MDE did not require all schools enrolling ESA students to attest to meeting statutory requirements, which ultimately allowed for ineligible schools and students to participate in the program.

To comply with statutory requirements, MDE developed a “Participating School Assurances Form,” which school administrators are asked to sign and submit to MDE. This form, which can be found in Appendix D on page 54, requires a school to attest that it meets all statutory requirements for eligible schools (e.g., conduct criminal background checks on employees) and that it “shall provide supports to meet the individual needs of each student.” According to MDE staff, the requirement became effective during the 2021-2022 school year.

In 2022, PEER reviewed MDE’s documentation on assurances forms and found that 93% (398) of participants had an assurances form on file with MDE and 7% (28) did not.

For this year’s review, PEER reviewed MDE’s documentation on assurances forms for a sample of 10 students participating in the ESA program during FY 2023 and FY 2024 and determined the following:

- nine (90%) had a valid assurances form on file with MDE as required by law; and,
- one (10%) did not have a valid assurances form on file.

For the one ESA without a valid assurances form, the form was submitted; however, the signature line included a statement that the school would not sign the form.

MDE staff stated to PEER that schools were not required to sign the form in FYs 2023 or 2024. House Bill 1229 (2024 Regular Session) added the following language regarding certification via the form, which became effective July 1, 2024: “Such certification must be received by the department before the ESA is reimbursed to an eligible student.” MDE indicated that this new language provides them the authority needed to require the form beginning in the 2024-2025 school year.

No students have been removed from the ESA program for not having a signed school assurances form. This does not appear to be a prevalent issue; however, because this form is MDE’s only determinant as to whether nonpublic schools enrolling ESA students meet all statutory requirements and are able to provide services that the child needs, and not requiring the form ultimately allows for ineligible schools and students to participate in the program.

The following factors are important for further understanding the need for the school assurances form:

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<sup>14</sup> Regarding this certification, House Bill 1229 (2024 Regular Session) added the following language, which became effective July 1, 2024: “Such certification must be received by the department before the ESA is reimbursed to an eligible student.”

- There is no statutory requirement for schools to apply for participation.
- There is no statutory requirement for schools to monitor and report progress on ESA students' special needs goals.

No Statutory Requirement for Schools to Apply for Participation

The Equal Opportunity for Students with Special Needs Act defines an "eligible school" one that has enrolled a participating student and is providing services for the student's disability or special education needs, or services addressing the student's IEP.

In addition, MISS. CODE ANN. Section 37-181-15 (1972) outlines obligations of schools to become and remain eligible. Specifically, to ensure that students are treated fairly and kept safe, all eligible schools shall meet certain requirements (e.g., comply with all health and safety laws or codes that apply to nonpublic schools).

The Act does not require that nonpublic schools apply for participation in the ESA program or authorize a process by which MDE ensures that schools meet the requirements set out in law. Without this application process or another verification method, the state has no assurance that schools enrolling ESA students meet all requirements in law.

Nine other states administering ESA programs require schools to apply to participate in the ESA program.

No Statutory Requirement for Monitoring Progress Towards Special Needs Goals

The Equal Opportunity for Students with Special Needs Act allows any student who has had an active IEP within the past three years to be eligible for an ESA. When students with disabilities are enrolled in public school, an IEP committee must develop an individualized plan for those students. The plan includes measurable goals and identifies what specially-designed instruction or other supports the student needs to progress toward his or her goals (e.g., speech therapy). The committee reviews the IEP at least annually but also determines the best way to assess and report the child's progress on IEP goals throughout the year (e.g., observation or criterion-referenced testing). This information provides assurance to the state that the students are receiving the supports they need and progressing towards their IEP goals.

The Equal Opportunity for Students with Special Needs Act does not require that the parent or nonpublic school report to MDE regarding progress made towards the students' special needs goals or what special needs services the student received in the nonpublic school. The only information available regarding progress made and services received is via PEER's satisfaction survey of parents. Thus, the state has little data to assess to what extent ESA students are receiving services and progressing in their disability areas. It should be noted that in PEER's survey, only 66% of parents indicated that the private school had a formal disability service and improvement plan in place for their child.

Senate Bill 2594 (2020 Regular Session) amended MISS. CODE ANN. Section 37-181-13 by adding a requirement for PEER to "assess the degree to which eligible schools are meeting the needs of participating students as defined by the participating students' IEPs." Without a requirement in law that schools and/or parents must provide information related to ESA students' progress on goals related to their disability (e.g., as documented in a service plan), PEER has no information by which to make its assessment.

## Pre-post Assessments Not Consistently in Compliance with Statutory Requirements

To further increase program accountability, S.B. 2594 (2020 Regular Session) incorporated a testing requirement for ESA participants. MISS. CODE ANN. Section 37-181-15 mandates that all eligible schools shall:

*Require participating students to take a pre-assessment at the beginning of the school year and a post-assessment at the end of the school year. The eligible school shall have the option to select their current assessment used to demonstrate academic progress, a nationally standardized norm-referenced achievement test, or a current state board-approved screener...*

To track compliance with the new assessment requirements, MDE maintains a checklist of all students in the program and assessments submitted by the eligible schools.

PEER conducted an independent analysis of pre- and post-assessment data for ESA participants who completed the full 2023-2024 school year. PEER notes that assessment submissions of the following types of data were counted as not complying with the assessment requirement:

- assessments taken in a previous school year (e.g., 2022-2023);
- different assessments for both the pre- and post-assessment;
- memos stating student improvement but not providing any further information regarding the type of assessment provided; and,
- transcripts.

For FY 2024, 77% of ESA participants complied with statutory requirements for pre- and post-assessments.

In addition, PEER noted the following examples of issues with the assessments submitted to MDE:

- assessments not date-stamped by MDE;
- assessments not dated by the ESA participant; and,
- school-developed assessments not scored and/or did not have a scoring scale.

PEER determined that 397 students participating in the ESA program during the 2023-2024 school year were required to submit pre- and post-assessments to MDE. Of the 397 students, 304 (77%) of the students received pre- and post-assessments during the 2023-2024 school year and were in compliance with state law. Conversely, 93 (23%) did not have both pre- and post-assessments including:

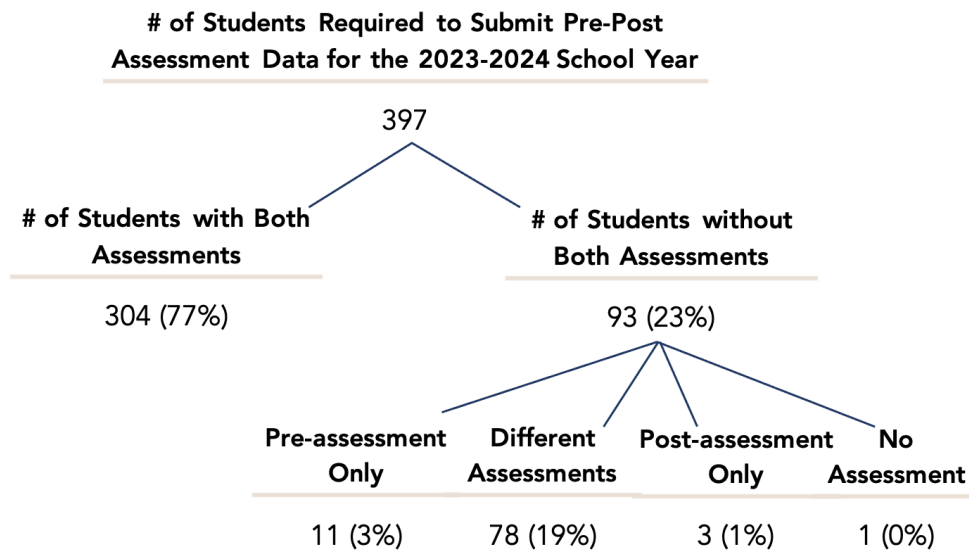
- 11 (3%) of the students only submitted a pre-assessment;
- 78 (19%) did not submit the same assessments for both the pre- and post-assessment;
- 3 (1%) of the students only submitted a post-assessment; and,
- 1 (0%) of the students did not provide any assessments for the 2023-2024 school year.

Exhibit 13 on page 32 provides a breakout of PEER's analysis for the 2023-2024 school year. The 77% compliance rate is an improvement from PEER's previous report, in which only 61% of participants' assessments complied with state law. The majority of test non-compliance consists of students taking different pre- and post-assessments. MDE stated that the law does not require that the tests are the same. The premise of pre- and post-assessments is that assessments are

given before an intervention (e.g., instruction, therapy) and then after the intervention to determine if the intervention had an effect. A determination of intervention effectiveness cannot be made using two different types of assessments.

While MDE does submit a letter to schools stating that the participating school may not be recognized as an eligible school if they fail to submit assessment documentation, MDE has not yet removed any school or student from the ESA program for not providing pre- and post-assessment data.

### Exhibit 13: Number of ESA Participants with Pre- and Post-assessments in School Year 2023-2024



**SOURCE:** PEER analysis of ESA student assessments submitted to MDE.

#### Reporting Procedures and Allowed Assessments

MISS. CODE ANN. Section 37-181-13 (2) (d) requires that PEER 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.

Such assessments could increase ESA program accountability through monitoring ESA student academic performance. As indicated in responses to PEER's satisfaction survey, few parents reported academic improvement in pre- and post-progress monitoring assessments (36%) and state board approved screener assessments (23%).

The following were barriers for PEER to complete its mandate to assess ESA students' performance:

- the wide variety of tests administered; and,

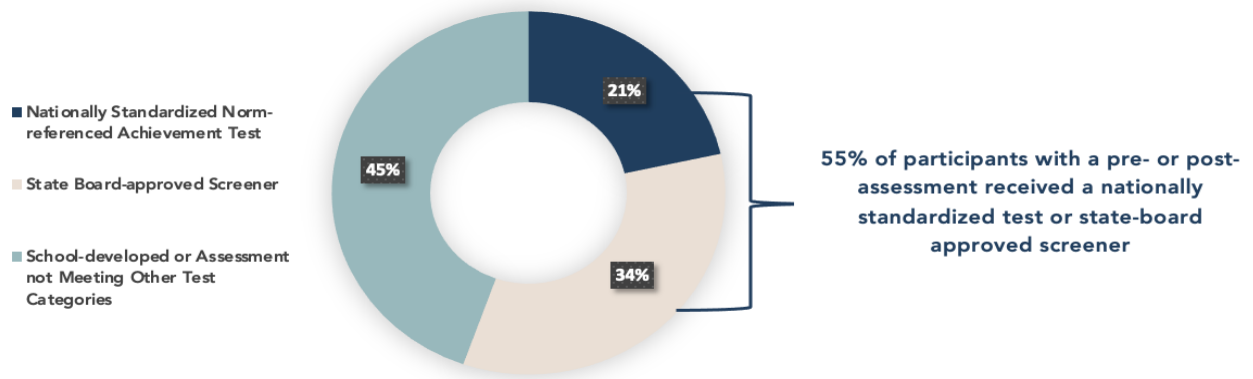


- the lack of uniform reporting format for test results.

Variety of Assessments Administered

During the 2023-2024 school year, there were over 29 different types of tests provided to participants of the ESA program for pre- and post-assessments. Exhibit 14 on page 33 shows the types of pre- and post-assessments provided to ESA participants during the 2023-2024 school year. As shown in the exhibit, PEER determined that 55% of the pre- and post-assessments for ESA participants during the 2023-2024 school year were either a nationally standardized norm-referenced achievement test (21%) or a state board-approved screener (34%), and 45% of the assessments were developed by the school or teacher or did not meet one of the other testing categories (e.g., Diagnostic Assessments of Reading [DAR]).

**Exhibit 14: Type of Pre- and Post-assessments Administered to ESA Participants during the 2023-2024 School Year**



**SOURCE:** PEER analysis of ESA assessments during the 2023-2024 school year as provided to MDE by the participating schools.

PEER notes that assessments in the “School-developed” category ranged from very specific IEP-related testing to teacher-created worksheets and examinations.

As a result, it was difficult to determine:

- if nonpublic schools were addressing the needs and disabilities of participating students;
- if students showed improvement during the school year; and,
- if ESA participants' testing results were comparable to other students in the program or to their peers in public school.

Pursuant to MISS. CODE ANN. Section 37-181-15, schools are allowed to use any assessment that they choose.

Appendix E on page 55 provides a list of all assessments reported during the 2021-2022 school year, including a description of the test, type of test, and number of pre- and post-

assessments given. As shown in Appendix E, approximately 25% of students were given Star Assessments, which are not only national standardized tests, but are also an MDE-approved universal screener and diagnostic assessment.

An assessment of performance on each of the 29 types of tests would require a significant amount of time. Also, 23% of participants did not submit both a pre- and post-assessment. Therefore, PEER cannot make a valid assessment of student performance at this time.

It should be noted, however, that some of the pre- and post-assessments administered by schools were tests directly related to the student's disability. For example, one test administered to a student with a speech/language disability measured the student's expressive language and indicated to what extent the student could use eight- to ten-word sentences.

#### Lack of Uniform Reporting Format

In FYs 2023 and 2024, state law did not require that schools report assessment results using a uniform reporting format. This allowed schools to submit the information in any form, including:

- scores only, with no other testing information;
- letters stating student improvement, without further testing information;
- actual tests, but without information regarding testing instrument used;
- different assessments in different subject areas; and,
- assessments from prior school years.

House Bill 1229 (2024 Regular Session) requires that MDE develop a uniform reporting format for schools to use when submitting assessment results. PEER will use the new reporting format for its next review in 2026.

#### No Transfer of Closed ESA Funds to Public School Districts

MDE has not complied with state law regarding the transfer of certain unused ESA funds to local public school districts.

According to Senate Bill 2594 (2020 Regular Session) 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. In PEER's 2022 report, PEER noted that MDE had not complied with this state law, and recommended that MDE develop a policy or procedure to comply with the law, which would include:

- a process for determining and documenting when a student has voluntarily left the ESA program and returned to a public school; and,
- a process to transfer any unused ESA funds by the end of the fiscal year to the school district in which the student attends.

For FYs 2023 and FY 2024, MDE reported eight students who returned to their home school district after receiving an ESA. At the time of their departure, which was within the school year, MDE should have "closed" that student's ESA and transferred the remaining ESA funds to the school districts in which the child was enrolled. MDE stated to PEER that, because the program is

reimbursement-based and that the ESA reimbursement cut-off date is in mid-July, MDE would be unable to reconcile and redistribute the unused funds to the school districts by the end of the fiscal year. However, PEER notes that while the program is reimbursement based, it does operate on quarterly reimbursements. If a student leaves in the second quarter, for example, MDE should “close” that ESA at the end of the second quarter, calculate the amount to be paid to the home school district (the unused funds), and transfer the funds by the end of the fiscal year.

# Are there policy considerations for the ESA program?

This chapter discusses the following:

- options for enrolling additional students in the ESA program; and,
- options for ensuring that all schools enrolling ESA participants are providing services for the participants' disabilities.

## Options for Enrolling Additional Students in the ESA Program

**Because resources are limited and the ESA program has few scholarships available to award to new participants, the Legislature should consider whether options exist to allow for more students with disabilities to participate.**

As stated on page 19, the number of ESAs available has decreased and there is a waitlist of over 100 students. Program funding has been set at \$3 million per year. Because resources are limited, PEER determined that the Legislature could consider the following options with the goal of allowing more students with disabilities to participate:

- **Revise the ESA funding formula so that the ESA amount equals the base student cost of the state's education funding formula, which is the same amount of the two other nonpublic school choice scholarships administered by MDE.** As discussed on page 3, the amounts of the Nate Rogers scholarships and the Dyslexia Therapy scholarships are equal to the base student cost. For FY 2025, the base student cost is \$6,695.34. The ESA scholarship amount was set at \$6,500 in state law with yearly adjustments. For FY 2025, the ESA amount is \$7,829. Revising the formula for the scholarship amount would allow for more students to participate by reducing the amounts of each individual scholarship. For example, if the ESA amounts were equal to the base student cost, approximately 60 ESAs would become available.
- **Require MDE to advise parents of students who qualify for the two other nonpublic school choice scholarships administered by MDE to apply for those programs rather than the ESA.** Once the scholarship amounts for the three programs are equal, MDE should encourage parents to utilize the other scholarship funding sources. In FY 2024, at least 49 ESA participants in FY 2024 attended nonpublic schools that are approved schools in the Nate Rogers and Dyslexia Therapy programs. If those participants were transferred out of the ESA program, then those ESAs would become available.

## Options for Ensuring that All Schools Enrolling ESA Participants are Providing Services

Because the ESA program lacks the accountability structure to ensure that schools enrolling ESA participants are providing services for their disabilities, the Legislature should consider whether options exist to increase program accountability in this area.

The following Mississippi CODE Sections make clear that nonpublic schools enrolling ESA participants are expected to provide services addressing the student's disability:

- "Eligible school" means a state-accredited special purpose school, a state-accredited nonpublic school, or a 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 participating student's IEP. (MISS. CODE ANN. Section 37-181-3 [g]); and,
- An eligible school shall certify to the department upon enrollment of a participating student that the eligible school shall provide services for the participating student's disability or special education needs, or shall provide services addressing a participating student's IEP. Such certification must be received by the department before the ESA is reimbursed to an eligible student. (MISS. CODE ANN. Section 37-181-15 [i]).

The majority (82%) of nonpublic schools enrolling eligible students are not special purpose schools (i.e., schools who specifically serve students with disabilities) or nonpublic schools accredited by MDE. Therefore, PEER determined that the Legislature could consider the following options with the goal of helping to ensure that nonpublic schools are providing services addressing the ESA student's disability:

- **Require MDE to implement an application process for schools to become "eligible" or a process by which schools may be approved by MDE based on certain standards (e.g., accreditation).** State law does not require that nonpublic schools apply for participation in the ESA program or authorize a process by which MDE ensures that schools meet the requirements set out in law. Without this application process or another verification method, the state has no assurance that schools enrolling ESA students meet all requirements in law. Nine other states administering ESA programs require schools to apply to participate in the ESA program. Eleven states require full certification or approval from the state to participate based on certain standards (typically accreditation by specific accrediting agencies). Such a process could help ensure that schools have the resources needed to provide disability services to ESA participants.
- **Require nonpublic schools to periodically report to MDE the services ESA participants are receiving.** State law does not require that the parent or nonpublic school report to MDE what special needs services the student received in the nonpublic school. Further, the only information available regarding services received is via PEER's satisfaction survey of parents. Thus, the state has little data to assess to what extent ESA students are receiving services. In Louisiana and Montana, schools are required to periodically report the specific special education services provided to students with disabilities enrolled in the ESA program.

# Have parents and students been satisfied with the ESA program?

This chapter discusses the following:

- survey responses; and,
- suggested improvements by parents.

## Survey Responses

Similar to the positive survey results presented in PEER's 2018, 2020, and 2022 reports, this year's survey respondents indicated that parents and their children are highly satisfied with the ESA program and with the disability services provided by nonpublic schools. They also believed their children had shown progress in achieving their academic and disability-related goals through participation in the ESA program. Notably, satisfaction regarding MDE's customer service was higher than in previous surveys.

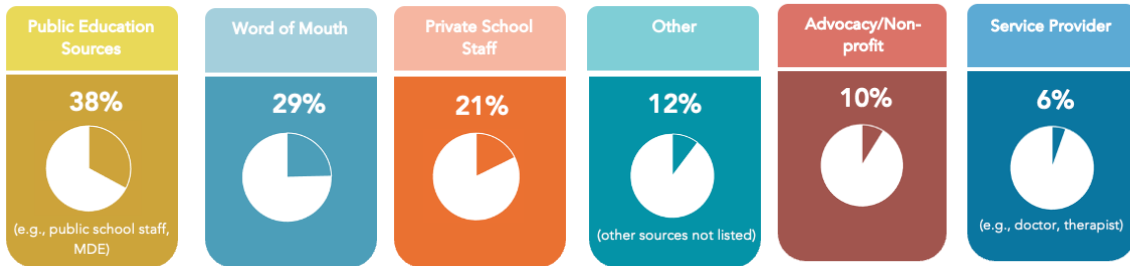
PEER administered a satisfaction survey to 398 parents and guardians of children who were awarded an ESA during the 2023-2024 school year. PEER mailed each parent or guardian a letter explaining the purpose of the survey and a web address and a unique QR code to access the survey. Parents could complete the survey by computer or cell phone. PEER also sent email reminders to complete the survey to parents. In addition, MDE sent an email encouraging parents to respond to PEER's survey.

PEER received 175 responses, resulting in a response rate of 44%. Survey responses are anonymous and reflect only the parents' perceptions of various aspects of the ESA program.

### Parent Awareness of ESA Program

MISS. CODE ANN. Section 37-181-9 (3) requires MDE to annually notify parents and guardians of eligible students with IEPs about the ESA program. MDE complies with this mandate by sending ESA program information to special education directors/supervisors in all school districts, who are then responsible for distributing the information electronically or in paper form to all students with disabilities in their districts. Due to continued interest in the program, PEER asked parents how they found out about or became aware of the ESA program. Public education sources and word of mouth were the most frequently selected survey responses.

Parents reported learning about the ESA program through the following sources:



It is important to note that some parents selected more than one source.

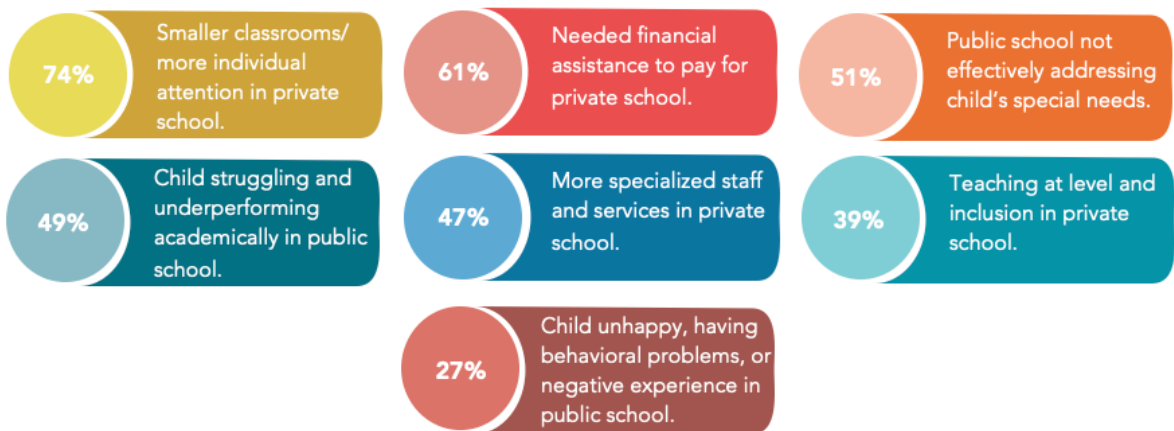
### Overall Parent Satisfaction with the ESA Program

Approximately 99% of parents reported overall satisfaction with the ESA program, which represents a nine percentage point increase from 91% in 2022, and MDE should be commended on administering a program with such a high satisfaction rating.



### Reasons for Applying for an ESA

Parents identified factors that contributed to or may have played a role in their decision to apply for an ESA including:



It is important to note some parents reported more than one contributing factor to their decision to submit an application for the ESA program. Consistent with survey results in prior years, the

majority of parents (74%) reported smaller classrooms and more individual attention as their reason for applying for the ESA program.

### Student Satisfaction with Nonpublic Schools

Approximately 97% of parents reported that their child was satisfied with the private school where he or she was last enrolled while participating in the ESA program. This indicates a high level of student satisfaction with the private school and the ESA program. This represents a five percentage point increase from 92% reported in the 2022 survey. Only 3% of respondents reported their child was not satisfied with their private school.



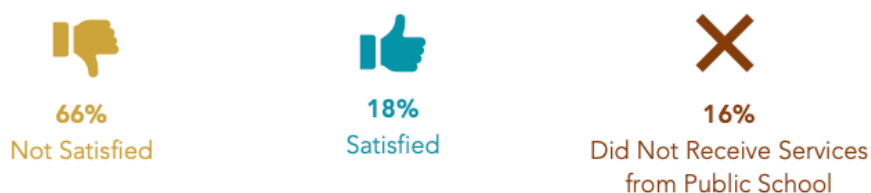
### Satisfaction with Private School Disability Services

Approximately 88% of parents were satisfied with the disability and special education services provided by nonpublic schools participating in the ESA program. Parent satisfaction increased by 17 percentage points from 71% reported in the 2022 survey. Only 6% were not satisfied with the disability services at their child's private school.



### Satisfaction with Public School Disability Services

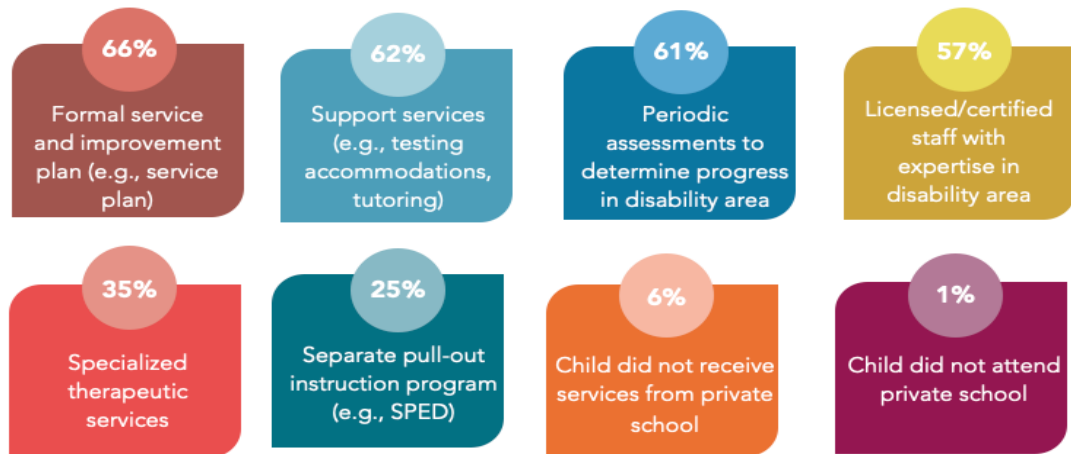
In contrast to their satisfaction with private school services, only 18% of parents reported satisfaction with the disability and special education services provided in public schools where their child was last enrolled. These results are similar to the results reported in 2022.





### Types of Private School Disability Services Received

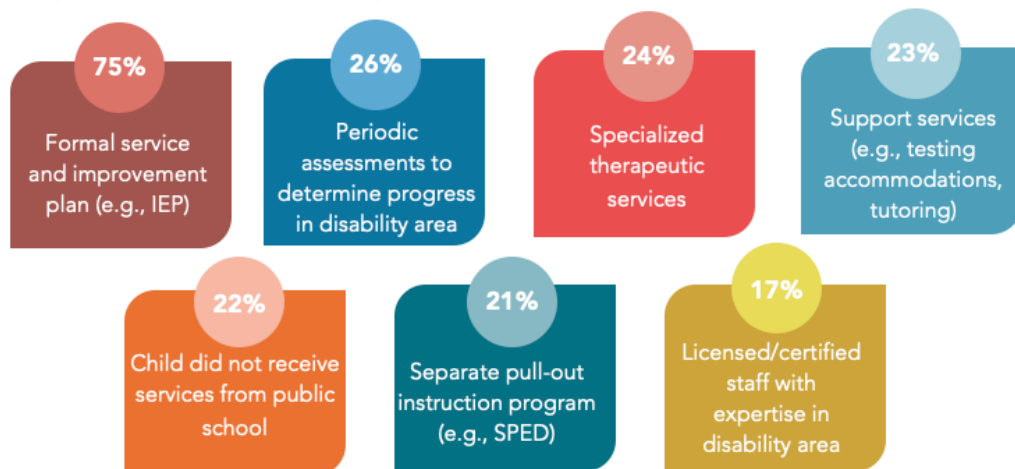
Parents selected the types of disability and special education services their child received at the **private school**, including:



It is important to note some parents selected more than one type of service provided. Over 60% of parents reported that their children received a formal service and improvement plan, support services, and periodic assessments to determine progress in their disability area. Further, 57% of parents reported that their child was taught by licensed/certified staff with expertise in the child's disability area.

### Types of Public School Disability Services Received

Parents selected the types of disability and special education services their child received at the **public school** the child last attended, including:



The most prevalent type of service offered in both the public and private school, according to parents, was a formal service and improvement plan. Otherwise, a higher percentage of parents reported that their children received more types of disability-related services in private school than the public school they previously attended.

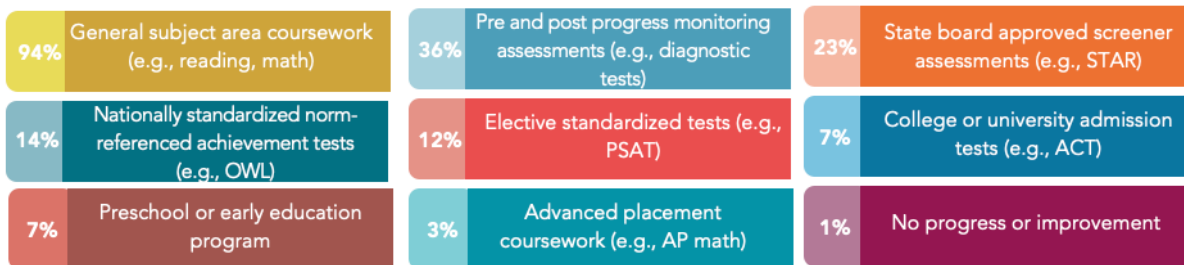
## Disability Area Progress and Improvement in Students

According to specific goals outlined in the child’s IEP and/or private school service plan, approximately 93% of parents reported shown or demonstrated measurable and documented progress or improvement in their child’s specific disability area(s) while participating in the ESA program. Two percent indicated no progress or improvement according to information provided by the private school. Approximately 5% of parents were unsure because their private school had not provided the necessary documentation to assess progress and/or assessed improvement. Results for this measure in the 2024 survey were similar to the results of the 2022 survey.



## Academic Progress and Improvement in Students

Parents were asked about their child’s academic related progress and improvement while participating in the ESA program. Approximately 94% reported progress and improvement in general subject area coursework (e.g., reading, math). Only one percent (1%) of parents indicated no academic progress or improvement. Responses from parents in the 2024 survey show more improvement in academic progress than the 77% reported in the 2022 survey.



## Personal Growth Achievement in Students

Parents were asked to select areas in which their child achieved personal growth while participating in the ESA program. Approximately 91% reported their child gained confidence and hopefulness about their ability to achieve and improve their future. From the 2022 survey to the 2024 survey, personal growth outcomes in students increased in all six categories. Only 2% of parents indicated no achievement in any of these areas.



## MDE's Administration of the Program

Parents provided feedback regarding aspects of MDE's administration of the ESA program, including MDE's processes for applying for the ESA program, for requesting reimbursements for expenses, and customer service provided by MDE staff.

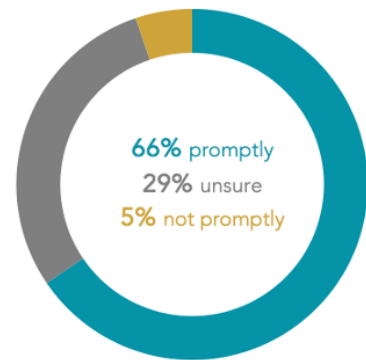
### Application Process

Approximately 95% of parents reported that the overall application process was easy. Additionally, 66% of parents felt that their child's application was promptly processed within the 21 business days required by state law.<sup>15</sup>

Ease of Application Process



Promptness of Application Processing



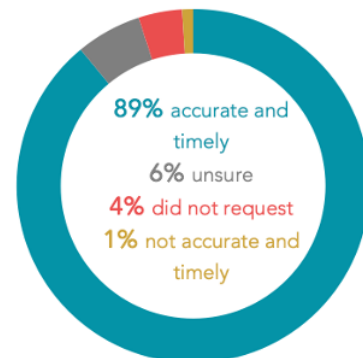
### Reimbursement Process

Approximately 84% of parents reported the overall reimbursement process was easy. Additionally, 89% reported that their reimbursements were accurate and processed in a timely manner.

Ease of Reimbursement Process



Reimbursements Processed Accurately and Timely



<sup>15</sup> MISS. CODE ANN. Section 37-181-9 (5) (a) (1972), requires MDE to make a determination of eligibility and approve ESA applications within 21 business days of receiving an application for participation in the program.

### Customer Service

Approximately 97% of parents responded that MDE staff were responsive, provided effective assistance, and the overall customer service experience was positive. This represents an improvement from previous PEER surveys.



97%  
True



1.5%  
False



1.5%  
Unsure

### Expertise of Staff and Effectiveness of Communication

Parents were asked to provide feedback on the expertise of MDE staff regarding the policies and procedures that govern the ESA program and if recent program changes and updates were communicated effectively. Approximately 91% of parents reported that MDE staff were well trained and knowledgeable about the ESA program and recent changes were quickly and effectively communicated.



91%  
True



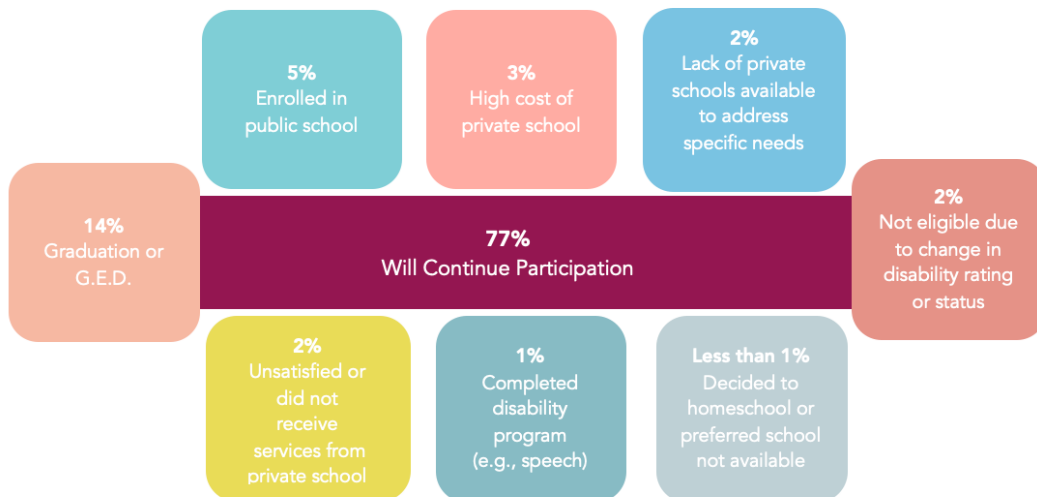
4%  
False



5%  
Unsure

### Reasons for Exiting the ESA Program

In the 2024 survey, parents were asked if their child would discontinue the program during the 2025-2026 school year. Approximately 77% of parents indicated that their child would continue participating in the program. The remaining 23% of parents indicated that their child would no longer participate in the program for various reasons (e.g., graduation or G.E.D attainment).



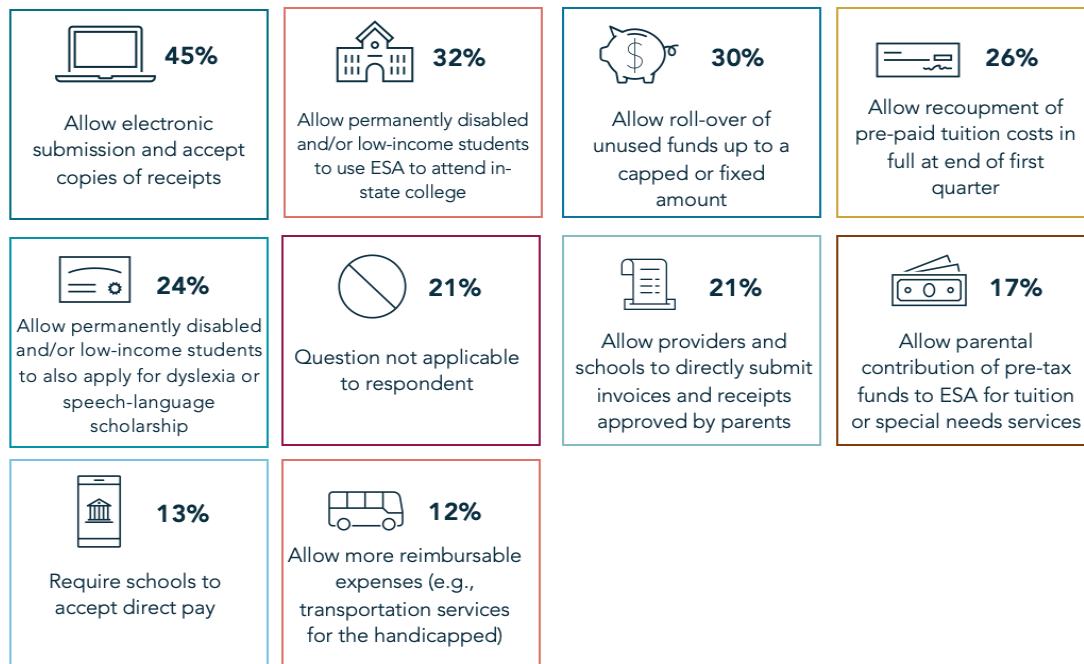
## Suggested Program Improvements by Parents

The majority of parents did not provide any suggested improvements to the program. Regarding options for improvements, 45% of parents indicated that the program would be improved by allowing for electronic submissions of reimbursement requests and receipts.

Consistent with prior ESA surveys, parents were encouraged to explain reasons for dissatisfaction with aspects of the program and suggest additional changes or improvements. Parents provided significantly fewer comments and identified fewer areas needing improvement in 2024 than in prior years. Reasons for this may include that MDE made improvements to its administration of the program, fewer parents were new to the program and had less feedback, and/or the survey incorporated more questions based on parents comments and suggestions in prior years.

Numerous parents took the opportunity to provide positive comments about the ESA program, including how beneficial the scholarship has been in furthering the education of their child.

Parents selected the following options as potential improvements to the program:



### Reimbursement Process Improvements

Forty-five percent of parents noted that the reimbursement request process should be electronic rather than paper-based. Although MDE established an online portal to apply for the program, the portal does not allow for electronic submission of reimbursement documents. Rather, parents must mail quarterly reimbursement requests via mail, postmarked by a certain date, with original receipts included. This process could result in lost documentation and potentially delay a parent from receiving reimbursement. MDE informed PEER that it does allow parents to submit some supporting documentation by email; however, reimbursement requests or copies of receipts are not accepted by email and these requirements are in place to prevent fraud.

### **Reimbursement Timeline Improvements**

Consistent with comments in previous surveys, 26% of parents stated the need for full reimbursement when tuition is pre-paid in full at the beginning of the year. In accordance with MISS. CODE ANN, Section 37-181-5 (7), Mississippi's program operates on a quarterly reimbursement basis. First quarter reimbursements are received at the end of September and fourth quarter reimbursements are received at the end of June. Waiting to recoup funds could be financially burdensome for some parents and could prevent some students from participating in the program (e.g., students from low income families). Most other states with ESA programs provide parents with a pre-loaded debit card or digital wallet to use for approved expenses, which allows for more immediate access to funds.

### **Funding and Eligibility Improvements**

Consistent with comments in previous surveys, parents stated the need for more funding to cover the full cost of tuition, more flexible use of funds (e.g., increasing the \$50 consumable school supply cap), and expanding program eligibility (e.g., for siblings with disabilities in private schools).

# Recommendations

1. To allow for more students to participate in the ESA program with the resources available, the Legislature should consider amending MISS. CODE ANN. Section 37-181-7 (1) to revise the funding formula so that the ESA amount equals the adjusted base student cost.
2. To further increase the number of available ESAs available to new students, the Legislature should consider requiring that MDE advise parents of students who qualify for the Nate Rogers or Dyslexia Therapy scholarships administered by MDE to apply for those programs rather than the ESA program.
3. To ensure that nonpublic schools enrolling ESA students meet the requirements in law, the Legislature should consider requiring MDE to implement an application process for schools to become eligible or a process by which schools may be approved by MDE based on certain standards (e.g., accreditation).
4. To ensure that nonpublic schools enrolling ESA students are providing services for the student's disability, the Legislature should consider requiring that nonpublic schools report to MDE periodically regarding the services provided to ESA participants.
5. To provide for an assessment of ESA participants' academic performance, the Legislature should revise MISS. CODE ANN. Section 37-181-15 (1) (f) to:
  - a. limit the types of assessments that ESA students can take to either a nationally standardized norm-referenced achievement test or a current state board-approved screener. If neither of these assessment types are appropriate due to the severity of the student's disability, the school should provide a performance-based assessment appropriate for assessing the student's abilities (e.g., a behavior checklist or communications assessment), along with a statement that a standardized achievement test or board-approved screener is not appropriate for the student; and,
  - b. require that the pre-assessment given at the beginning of the school year and the post-assessment given at the end of the school year are the same assessment.
6. MDE should continue to improve its administration of the ESA program by:
  - a. ensuring that reimbursements are recorded as credits to the students' ESA accounts; and,
  - b. developing a policy or procedure to comply with MISS. CODE ANN. Section 37-181-5 (9), which would include a process to transfer any unused ESA funds by the end of the fiscal year to the school district in which the student attends.
7. If an approval process is not required in law to deem schools eligible to enroll ESA students, MDE should require that all participating schools submit MDE's Participating School Assurances Form attesting that they meet statutory obligations and will comply with program requirements (e.g., provide a pre- and post-assessment to students and submit results to MDE). For current ESA participants, forms should be signed before MDE reimburses any additional expenses to parents or schools. For future participants, forms should be signed before ESA awards are finalized.

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# Appendix A: Nonpublic Schools Serving ESA Participants in School Years 2022-2023 and 2023-2024

*Note: Schools with an (\*) only served students during the 2022-2023 school year.*

## Nonpublic Schools Accredited by the Mississippi Board of Education

### Special Purpose Schools

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Dynamic Dyslexia Design: The 3-D School (Petal)

Innova Preparatory School (Hattiesburg)

Lighthouse Academy for Dyslexia (Ocean Springs)

Magnolia Speech School (Madison)

The Canopy School (Ridgeland)

### Other State-accredited Schools

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French Camp Academy

Sacred Heart School (Southaven)

Holy Trinity Catholic School\*

St. Anthony Catholic School

Nativity BVM Catholic School

St. Elizabeth Catholic School

Our Lady Academy Catholic School\*

St. James Catholic School

Our Lady of Fatima Elementary School

St. Patrick Catholic High School  
(Biloxi)

Resurrection Catholic School

St. Patrick Catholic School  
(Meridian)

Sacred Heart Catholic Elementary School  
(D'Iberville)

Sacred Heart Catholic School (Hattiesburg)

St. Vincent de Paul Catholic School



## All Other Participating Nonpublic Schools

Agape Montessori Christian Academy  
Amite School Center  
Bayou Academy  
Benedict Day School  
Bethany Baptist Academy\*  
By Faith Academy & Dyslexia Therapy Services  
Calhoun Academy  
Canton Academy  
Carroll Academy\*  
Central Hinds Academy  
Christ Covenant School  
Christian Collegiate Academy  
Coast Episcopal School  
Columbia Academy  
Copiah Academy  
Delta Academy  
Desoto Christian Academy  
Discovery Christian School  
East Rankin Academy  
Emmanuel Christian School  
Excellence in Learning Academy  
Exygnos Christian Academy  
Faith Academy of Jackson  
Faith Baptist Academy  
First Presbyterian Day School  
Greenville Christian School  
Gulf Coast Education Solutions  
Harper Learning Academy  
Hartfield Academy  
Heritage Academy  
Heritage Christian Academy  
Hillcrest Christian School  
Hope Academy  
Huntington Learning Center  
Indianola Academy\*  
Ivy Greene Academy  
Jackson Academy  
Jackson Preparatory School  
Kaleidoscope Heights Academy  
Kemper Academy  
King's Court Christian Academy  
Lamar Christian School  
Lamar School Foundation  
Laurel Christian School  
Learning Skills Center  
Lee Academy  
Leflore Christian School  
Madison-Ridgeland Academy

## All Other Nonpublic Schools (continued)

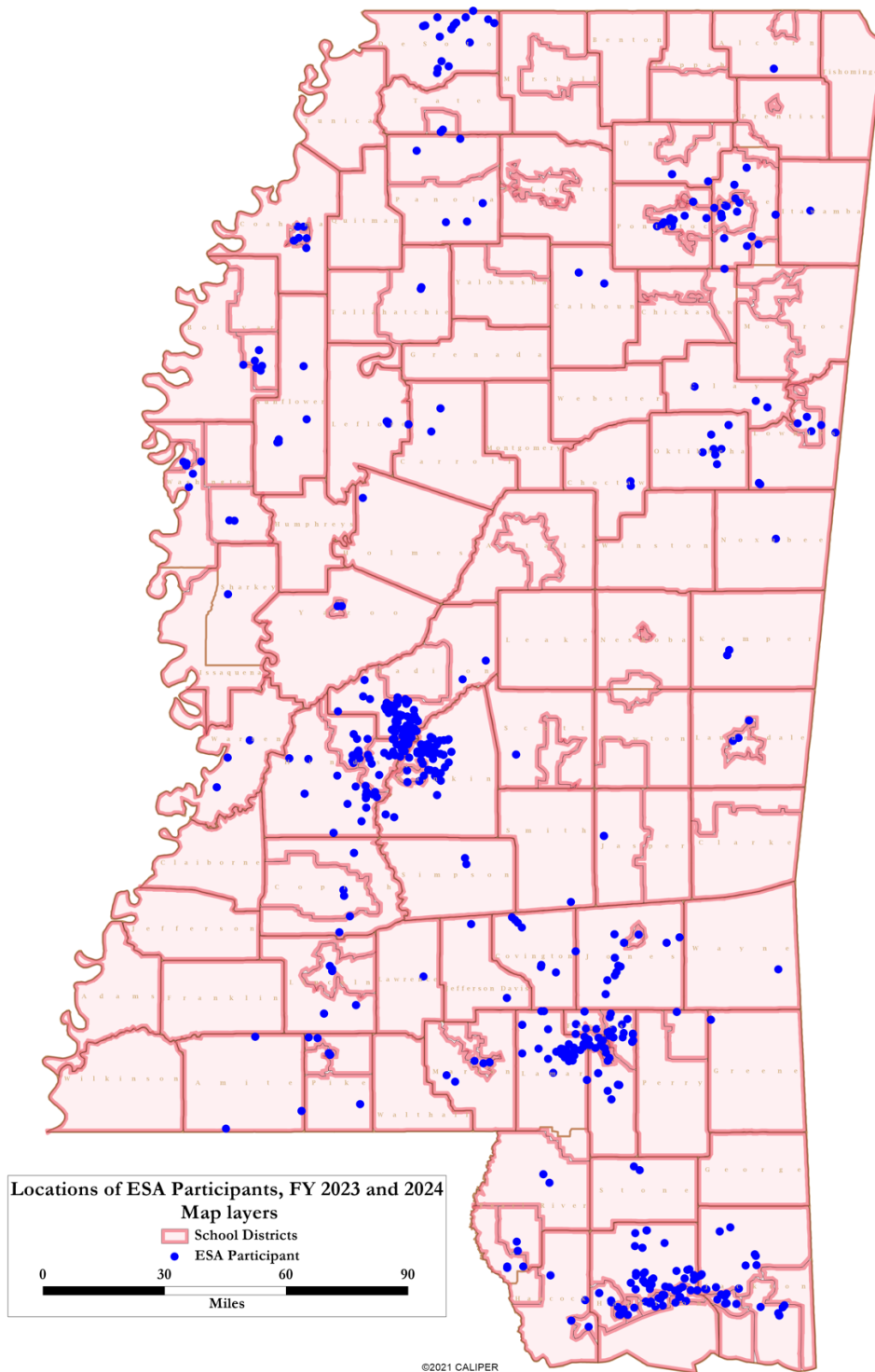
Magnolia Heights School	Russell Christian Academy
Manchester Educational Foundation	Simpson County Academy
North Corinth Christian Academy	St. Andrew's Episcopal School
North Delta School	St. John's Day School
North McComb Academy	St. Joseph Catholic School (Greenville)
North Sunflower Academy	St. Joseph Catholic School (Madison)
Northpoint Christian School	St. Richard Catholic School
Oak Hill Academy	St. Stanislaus*
Oxford Kinder Academy	Starkville Academy
Park Place Christian Academy	Sylva Bay Academy*
Parklane Academy	Tender Ages Christian Academy
Pentecostal Christian Academy*	The Education Center School
Pey Academy	The Piney Woods School*
Prentiss Christian School	Thomas Christian Academy
Presbyterian Christian School	Treehouse Montessori Christian School
Presbyterian Day School	Tri County Academy
Prosper Day School*	Tupelo Christian Preparatory School
Reading Nook Academy	Unity Christian Academy
Rebul Academy	Victory Christian Academy
Regents School of Oxford	Woodlawn Preparatory School
Ron's Brothers Academy	

SOURCE: PEER analysis of MDE data.

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## Appendix B: Locations of ESA Participants in FYs 2023 and 2024



SOURCE: PEER.

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## Appendix C: State Comparison of ESA Funding Formulas and Estimated Annual ESA Amounts for Eligible Students, Categorized by Eligibility Type

State (Program Name)	Formula to Determine ESA Amount	Estimated Annual ESA Amounts
<b>Funding Only Provided to Students with Special Needs</b>		
<b>Mississippi</b> (Education Scholarship Account Program)	Per-pupil ESA amount of \$6,500, set in law in FY 2016, with yearly adjustments based on the MAEP base student cost.	\$7,089 (FY 2024 amount)
<b>Florida</b> (Family Empowerment Scholarship for Students with Unique Abilities)	Per-pupil ESA amount varies according to grade, county of residences and public- school spending for students with disabilities, with the maximum equating to 90% of the cost of the services a student would have received from a school district.	\$9,858 (FY 2024 amount)
<b>Indiana</b> (Education Scholarship Account Program)	Per-pupil ESA accounts are funded at 90% of what a student would receive in a public school, which is affected by a student’s school district of residence as well as special needs status. Indiana limits eligibility to students from families earning no more than 300% of the threshold for free and reduced-price lunch and have an education plan for students with special needs.	\$6,236 (FY 2024 amount)
<b>Montana</b> (Education Savings Account for Students with Special Needs)	Per-pupil ESA amount varies according to the student's resident district, using the ANB (Average Number Belonging) formula, which takes into account the average funding allocated to public schools, allowing families to receive funds equivalent to what the school district would have provided.	\$5,000 to \$6,000 for elementary students  \$6,400 to \$8,000 for high school students
<b>North Carolina</b> (Personal Education Student Accounts for Children with Disabilities)	The General Assembly determines the maximum amount of the ESA and appropriates the funds for the program each academic year. A student attending an eligible school full-time can receive a scholarship up to the statutory amount set forth in state law, and a part-time student is eligible to receive up to one-half of the statutory amount of the scholarship set forth in state law. Further, students with certain disabilities (e.g., autism) are eligible for larger scholarship amounts.	\$9,000 to \$17,000 for students with disabilities enrolled in a non-public school  \$4,500 for students with disabilities attending public school part-time  (FY 2024 amount)
<b>Tennessee</b> (Individualized Education Account Program)	The ESA is funded at an amount equivalent to 100% of the state and local funds reflected in the state funding formula that would have gone to the student had he or she attended a zoned public school, plus special education funds to which the student would otherwise be entitled under the student’s IEP.	\$6,968 (FY 2023 amount)

<b>Funding Provided to Students with or without Special Needs</b>		
<b>Arizona</b> (Empowerment Scholarship Accounts)	Per-pupil ESA amount is equal to 90% of the state's per-student base funding and varies based on annual legislative state budget allocation and the specific ESA eligibility category (e.g., grade level). As of October 1, 2024, 100% of students in the state are eligible to receive the scholarship. However, students with special needs receive additional funding and those amounts vary based on the types of special needs.	\$7,000 for students without special needs  \$9,782 for students with special needs (FY 2024 amounts)
<b>Arkansas</b> (Children's Educational Freedom Account Program)	Per-pupil ESA amount is equal to 90% of the state's average per-student funding from the previous education year, with initial amounts set at approximately \$6,600 for the 2023-24 school year, and adjusted based on specific student needs, including additional categorical funding for students qualifying for free and reduced-price lunch.	\$6,672 (FY 2024 amount)
<b>Iowa</b> (Students First Education Savings Accounts)	The ESA amount is equal to the per pupil funding allocated to public school districts for the same budget school year.	\$7,413 (FY 2024 amount)
<b>New Hampshire</b> (Education Freedom Account Program)	The ESA amount is equal to the per-pupil adequate education grant amount under RSA 198:40-a (\$3,400), plus any differentiated aid that would have been provided to a public school for that eligible student. Differentiated aid ranges from an estimated additional \$600 to \$1,800, for each certain individual factor (e.g., eligibility to receive Free or Reduced Lunch). ESAs in New Hampshire are available for students of families earning 350% of the poverty line or below.	\$5,255 (FY 2024 amount)
<b>South Carolina</b> (Education Scholarship Trust Fund Program)	Per-pupil ESA amount is initially set at \$6,000, which equates to approximately 53% of the public school per-student spending in South Carolina, with potential adjustments based on legislative appropriations and specific student needs, particularly for those from low-income households.	\$6,000 (FY 2024 amount)
<b>Utah</b> (Fits All Scholarship Program)	Per-pupil ESA amount is set at \$8,000, equating to approximately 84% of the public school funding that would have been allocated for the student, with funding limited by annual appropriations and available to all K-12 students statewide.	\$8,000 (FY 2024 amount)
<b>West Virginia</b> (Hope Scholarship Program)	The ESA amount is equal to 100% of the prior year's statewide average net state aid allotted per pupil based on net enrollment adjusted for state aid purposes. The program is available to all students switching out of a public school in grades 1-12 or entering kindergarten.	\$4,489 (FY 2024 amount)

SOURCE: PEER analysis of program websites.

# Appendix D: Participating School Assurances Form



<i>For Office Use Only</i> <i>Date Received:</i> _____ <i>Received by:</i> _____ <i>Control Number Assigned:</i> _____
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## Education Scholarship Account (ESA) Participating School Assurances Form 2024 - 2025

Per the **Equal Opportunity for Students with Special Needs** Miss. Code Ann. § 37-181- 5, in order for an eligible student to qualify to participate in the ESA program the school that the ESA recipient is attending **MUST** agree to the following statements listed below.

**Please check** each item signifying that you agree to abide by the statements listed below upon enrolling and accepting a student with an Education Scholarship Award.

- I agree to provide notice to a participating student's home school district when the eligible student enrolls in the eligible school with an ESA.
- I agree to provide the parent or guardian who submitted the ESA program application with an original itemized receipt, including the service provider's name and address, for all qualifying expenses.
- I agree to ensure that students are treated fairly and kept safe, by complying with the nondiscrimination policies set forth in 42 USCS 1981.
- I agree to participate in ongoing meaningful consultation with the school district where my school is located to discuss how the school district will provide equitable services to parentally placed private school students with disabilities, including children enrolled with an ESA.
- I agree to, prior to enrolling a student with an ESA, provide parents with details of the school's programs, record of student achievement, qualifications, experience, and the capacity to serve the participating student's individual needs.
- I agree to comply with all health and safety laws or codes that apply to nonpublic schools.
- I agree to hold a valid occupancy permit if required by my municipality.
- I attest that I have no public record of fraud or malfeasance.
- I agree to administer a pre-assessment to students at the beginning of the school year and a post-assessment at the end of the school year. (The school shall have the option to select their assessment used to demonstrate academic progress.)
- I agree to notify a parent or guardian that upon enrollment of their participating child, the parent or guardian waives the right of the participating student to an individual entitlement to a free and appropriate public education (FAPE) from their home school district, including special education and related services, for as long as the student is participating in the ESA program.
- I agree to conduct criminal background checks on employees and exclude from employment any person not permitted by state law to work in a nonpublic school.
- I agree to exclude from employment any person who might reasonably pose a threat to the safety of students.
- I agree that upon enrollment of a participating student that the school shall provide services and supports to meet the individual learning needs of the student.
- I agree to submit individual results of the pre-assessment and post-assessment or benchmark assessments, screening and diagnostic test, or other standardized measure that was used to assess student progress to the parent or guardian at the end of the school year.
- I agree to provide the Mississippi Department of Education (MDE), Office of Special Education (OSE) with participating students' participation and performance results of all AP exams and any exit exams related to college admissions (i.e. ACT and SAT).
- I agree to provide the MDE, OSE with the graduation rate and if known, the college acceptance rate for all participating students.

Signature of School Administrator \_\_\_\_\_ Date \_\_\_\_\_

Student Name and Control Number \_\_\_\_\_

SOURCE: MDE.

# Appendix E: Pre- and Post-assessments Administered to ESA Participants in School Year 2023-2024, Categorized by Type of Assessment

## Nationally Standardized Norm-referenced Achievement Test or Current State Board-approved Screener

	# of Students with	
	Pre-test	Post-test
<p><b>Star Assessments:</b> These are short, computer adaptive tests for early literacy, math, reading, or other subjects chosen by teachers. The test identifies what students already know, what they are ready to learn next, monitors student growth, and determines which students may need additional help. This assessment is also an MDE approved universal screener and diagnostic assessment.</p>	102	92
<p><b>i-Ready:</b> i-Ready assessments are adaptive diagnostic tests designed to evaluate students' skills in reading and mathematics for grades K-8. These assessments determine the student's needs, personalize their learning, and monitor progress throughout the year. This assessment is also an MDE approved universal screener and diagnostic assessment.</p>	34	34
<p><b>Diagnostic Testing from Edmentum Online Learning:</b> Diagnostic assessments provide a snapshot of what students know and can do, and they help create personalized roadmaps for learning. This test covers math, reading, and language arts.</p>	20	20
<p><b>Oral and Written Language Scales (OWLS-II):</b> OWL-II provides a complete and integrated picture of oral and written language skills across a wide range test. The norms are based on a sample of 2,123 individuals from 31 states, ages 3 through 21, representative of the U.S. population in regard to ethnicity, gender, parental education, and region.</p>	10	10
<p><b>A.C.E. Diagnostic Test:</b> Provides online testing for students based on what they have learned. The test documents learning gaps (i.e., subject concepts the student may have missed), and when weak areas are evident from testing, appropriate gap PACEs are prescribed to help strengthen specific weaknesses.</p>	7	8
<p><b>Acadience Assessments:</b> These assessments, formerly known as DIBELS (Dynamic Indicators of Basic Early Literacy Skills), are standardized measures designed to evaluate students' early literacy and math skills from kindergarten through sixth grade. These brief, powerful indicators assess key skills such as phonemic awareness, phonics, fluency, and comprehension in reading, as well as basic math concepts.</p>	11	17

	# of Students with	
	Pre-test	Post-test
<b>ACT:</b> The ACT assessment is a curriculum- and standards-based educational planning tool that assesses students' academic readiness for college.	6	11
<b>TerraNova Achievement Test:</b> A nationally recognized, norm-referenced test that provides diagnostic testing in several areas, including reading, language, math, science, and social studies.	5	3
<b>Let's Go Learn:</b> Let's Go Learn assessments are national comprehensive, adaptive diagnostic tools designed to evaluate students' skills in reading and mathematics across various grade levels.	4	0
<b>Wechsler Individual Achievement Test (WIAT-III):</b> The WIAT-III is an achievement test for use in a variety of clinical, educational, and research settings. The test screens for dyslexia, identifies student academic abilities, makes educational placement decisions, diagnoses specific learning disabilities, designs instructional objectives, and provides interventions.	4	0
<b>PSAT:</b> The PSAT is used to identify National Merit Scholars and award merit scholarships. The test provides assessment in math, reading, and writing.	3	0
<b>Stanford 10 Achievement Test:</b> The Stanford 10 Achievement Test is a nationally normed, standardized achievement test that is completed online and covers the subjects of: reading, language arts, math, science, and social studies.	3	7
<b>California Achievement Test:</b> A nationally normed standardized test that measures achievement in areas of reading, language arts, and math.	1	0
<b>FAST:</b> An assessment system that broad reading abilities and early literacy skills in grade K-12, covering phonics, phonemic awareness, vocabulary, comprehension. This assessment is also an MDE approved universal screener and diagnostic assessment.	1	1
<b>Woodcock-Johnson IV:</b> A standardized, nationally norm-referenced achievement test that is administered by a trained examiner and is provided in an oral format. The test covers reading recognition and comprehension, spelling, mathematics, science, social studies, and humanities.	1	1



	# of Students with	
	Pre-test	Post-test
<b>Otis-Lennon School Ability Test:</b> A nationally standardized, norm referenced, group administered assessment for K-12 related to a student’s ability to learn and succeed in school. It is often used to identify gifted students and for admission into gifted and talented programs.	1	1
<b>Wide Range Achievement Test:</b> An academic skills assessment which measures reading skills, math skills, spelling, and comprehension. The test serves as an initial academic achievement evaluation, re-evaluation, or progress measure for students.	1	3
<b>Iowa Assessments:</b> Standardized tests that measure student achievement and growth across the continuum of next generation learning standards. Subjects covered in testing, include reading, language arts, math, science, and social studies.	0	6
<b>Pre-ACT:</b> This assessment offers 8 <sup>th</sup> , 9 <sup>th</sup> , and 10 <sup>th</sup> graders early experience with ACT test items, provides a predicted ACT test score, and offers information to help students prepare for college.	0	2
<b>The Comprehensive Testing Program (CTP):</b> CTP is a rigorous assessment for students in 1 <sup>st</sup> through 11 <sup>th</sup> grade that covers reading, listening, vocabulary, writing, mathematics, and science. The test allows teachers to compare student performance and growth against similar students via national, independent, international, association, and district norms.	0	1
<b>Subtotal</b>	<b>214</b>	<b>218</b>

### School Developed or Assessment Not Meeting Other Test Categories

<b>School Exam/Assessment/Worksheet:</b> Assessments in this category were created by the schools to either test students in specific subject areas (e.g., geometry) or assess grade-level readiness (e.g., pre-K assessment).	84	91
<b>Progress Monitoring Assessment:</b> Progress Monitoring Assessments provided testing in reading, sentences, spelling, fluency, comprehension, and writing. The school did not provide a specific name of the assessment given. Therefore, PEER could not determine if the assessment provided is a state-board approved screener or national norm-referenced test. Because not enough information was provided by the school, PEER categorized these assessments as school developed or assessments not meeting other pre-test categories.	41	29

	# of Students with	
	Pre-test	Post-test
<b>Diagnostic Assessments of Reading (DAR):</b> An individual student achievement test that assesses a student’s relative strengths and weaknesses in key areas of student learning in reading. The test is structured to provide assistance to teachers regarding instruction and materials appropriate for improving students’ reading ability.	25	23
<b>IXL Real-time Diagnostic:</b> Reveals what students know and helps teachers take actionable steps to foster growth at each level.	18	20
<b>Multiple Assessments:</b> This category encompasses students who were given multiple assessments by the school, e.g., Roe Burns Reading, Math Skills Survey, Phonological Awareness, Fry’s Writing Assessment.	6	1
<b>DRC Beacon:</b> An online assessment tool that helps teachers identify student (grades 3-8) learning needs and monitor student progress throughout the year.	3	0
<b>IEP Related Testing:</b> Multiple assessments provided to track student’s progress in meeting IEP related goals and addressing the student’s disability.	2	1
<b>LIFEPAC Test:</b> Placement tests provided for students in 1-12 grades.	1	1
<b>Dyslexia Therapy Program:</b> Program created by the school to provide appropriate services for students diagnosed with Dyslexia.	0	2
<b>Subtotal</b>	<b>180</b>	<b>168</b>
<b>Total</b>	<b>394</b>	<b>386</b>

**SOURCE:** PEER analysis of ESA student assessments during the 2023-2024 school year as provided to MDE by the participating schools.

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# Agency Response



## MISSISSIPPI DEPARTMENT OF EDUCATION

Lance Evans, Ed.D.  
*State Superintendent*

December 6, 2024

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

Dear Mr. Booth,

The Mississippi Department of Education (MDE) reviewed the final draft of the *2024 Statutory Review of Mississippi's Education Scholarship Account Program*. MDE appreciates the collaborative nature of the recent conference with PEER staff which provided an opportunity to provide feedback on the draft report.

MDE's responses for content in the PEER report are contained within the enclosed document. MDE looks forward to receiving the final report and request that our response be included as an addendum to the final PEER report.

Sincerely,

A handwritten signature in black ink that reads "Lance Evans".

Lance Evans, Ed.D.  
State Superintendent of Education

Enclosure: MDE Response Table – 2024 PEER ESA Report

MDE Response Table  
 ESA PEER Report 2024

Page	Report Content	MDE Response
28	Regarding internal controls: “two payments were made to the wrong education service provider...”	The education service provider was sold to another company. Once the MDE received notification of this sale, it immediately reconciled the improper payments by investigating the matter, recouping the payment from the incorrect vendor, and issuing payment to the correct vendor.
32	Regarding pre- and post-assessments	For 2024-2025, the MDE will not approve reimbursements without receipt of applicable pre- and post-assessments.
35	Regarding No Transfer of Closed ESA Funds to Public School Districts	For the 2025 Legislative Session, the MDE will work with legislators and submit a technical amendment to address this issue.
37	Regarding Options for Ensuring that All School Enrolling ESA Participants are Providing Services for the Participants’ Disabilities: “Require MDE to implement an application process for schools to become “eligible” or a process by which schools may be approved by MDE based on certain standards (e.g., accreditation).	While the MDE does not disagree with this proposed action, such an activity would require a significant increase in ESA funding needed for administration of the program. Such an activity would involve multiple MDE program offices and require significantly more personnel to administer such a process.
46	Regarding Reimbursement Process Improvements: “Although MDE established an online portal to apply for the program, the portal does not allow for electronic submission of reimbursement documents.”	The ESA online portal does have the functionality to allow for electronic submission of reimbursement documents.

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**James F. (Ted) Booth, Executive Director**

Legal and Reapportionment

Ben Collins

Administration

Kirby Arinder

Stephanie Harris

Gale Taylor

Quality Assurance and Reporting

Tracy Bobo

Performance Evaluation

Lonnie Edgar, Deputy Director

Jennifer Sebren, Deputy Director

Taylor Burns

Emily Cloys

Kim Cummins

Matthew Dry

Rucell Harris

Matthew Holmes

Drew Johnson

Chelsey Little

Billy Loper

Debra Monroe

Meri Clare Ringer

Sarah Williamson

Julie Winkeljohn

Ray Wright