

# **LEGISLATIVE PERFORMANCE AUDIT AND OVERSIGHT COMMITTEE APRIL 10, 2026 MINUTES**

The Legislative Performance Audit and Oversight Committee met on Friday, April 10, 2026 at 9:00 AM at 1 Granite Place, Room 234.

Members in attendance were as follows:

Rep. Gerald Griffin, Chair  
Rep. Mary Jane Wallner  
Rep. Keith Erf  
Rep. Ken Weyler  
Sen. Cindy Rosenwald, Vice Chair  
Sen. Timothy Lang (arrived late)  
Sen. Howard Pearl (arrived late)

The meeting was called to order by Representative Griffin at 9:02 AM.

## **Vote on Acceptance of the March 6, 2026 Meeting Minutes**

On a motion by Senator Rosenwald, seconded by Representative Erf, that the minutes of the March 6, 2026, meeting be accepted. **MOTION ADOPTED.**

## **Status of Ongoing Performance Audits**

Christine Young, Director of Audits for the LBA, and Jay Henry, Performance Audit Supervisor, provided updates on current LBA performance audits.

### ***NHED Oversight of Special Education***

Christine Young explained the report is being written and the audit team has completed 39 observations. The LBA has identified 80 observations and hopes to have a draft report in the second quarter of calendar year 2026 and a final report in the Summer of 2026.

### ***NHED Oversight of Education Freedom Accounts***

Christine Young noted the audit team is currently writing observations. Twenty-seven of 42 of the planned observations have been completed. Five observations are currently in management review status, and three observations are being drafted. Christine Young

stated the LBA hopes to have a draft report in the second quarter of calendar year 2026 and a final report in the Summer of 2026.

### ***Doorway Program***

Christine Young noted that we have a draft report with 15 observations. The report was sent to the Department of Health and Human Services on March 30, and we expect to receive the auditee responses by April 24. The LBA is expecting to present the report at the May Fiscal Committee meeting.

## **Review of Responsiveness to Prior Performance Audits**

### ***Commission for Human Rights***

Raymond Pinard, Chairman, and Katrina Taylor, Executive Director, were in attendance to discuss the February 2025 Commission for Human Rights audit.

Raymond Pinard stated 22 of the observations were complete, with three observations still outstanding. He explained that the hiring of two new investigators will help cases to be processed in a timelier manner. He also stated that a formal risk assessment has been drafted, and a comprehensive performance measurement was near completion. He noted that the three outstanding items will be completed by year end.

### ***Police Standards and Training Council***

John Scippa, Director, and Mark O'Brien, Assistant Director, were in attendance to discuss the February 2019 Police Standards and Training Council audit.

John Scippa noted that observations six and nine were substantially resolved, 7 and 10 were a priority, and the status of observation 16 was unchanged, due to the newly hired Commissioner.

### ***Department of Corrections, Adult Parole Board***

William Hart, Commissioner for the Department of Corrections (DOC), and Jane Graham, Strategic Communications and Legislative Affairs Administrator, were in attendance to discuss the April 2019 Adult Parole Board audit.

Jane Graham stated there were 13 of the 26 findings that involve the DOC. Out of those 13 observations, 11 have been resolved. Of the two remaining observations, one especially involved the Parole Board, which they reported they do not need assistance with. For the other observation, they are working with the Parole Board to ensure they get them the information they need in a timely manner.

***Office of Professional Licensure and Certification, Mental Health Workforce Licensing***

Deanna Jurius, Executive Director at the Office of Professional Licensure and Certification, was in attendance to discuss the October 2023 Mental Health Workforce Licensing audit.

They are targeting the Spring of 2027 for a completion date.

**Suspended, Tabled, and Potential Audit Topics**

***Department of Health and Human Services, Bureau of Elderly and Adult Services***

- Suspended in November 2021 due to ongoing litigation.

***Department of Health and Human Services, Division of Children, Youth, and Families and the Bureau of Children’s Behavioral Health - when placing children out of state***

- Suspended in August 2024 due to ongoing litigation.

***Department of Health and Human Services, Contract Management - potential audit topic***

- The Committee heard from the Department on this topic in March 2026.

***Department of Health and Human Services, Bureau of Developmental Services, possibly including reviewing: 1) the system redesign and its effects on billing and services, and/or 2) housing practices - potential audit topic***

- The Committee heard from the Department on this topic in February 2026.

***Department of Health and Human Services, Division of Children, Youth, and Families – potential audit topic***

- Representative Erica Layon was in attendance to discuss a potential audit topic and concerns regarding DCYF case workers. She asked if the State is supporting case workers appropriately, and what is needed to be more efficient in dealing with our most vulnerable population, which are children in potentially unsafe homes. The Committee agreed this is an area that needs to be looked at, but now, given limited staffing within the LBA, it would have to wait. It was suggested

that reaching out to the Governor's Office may be a way of getting an executive order in a short window of time.

## **Other Business**

### ***NHED Oversight of Education Freedom Accounts***

Senator Lang expressed interest in expanding the scope of the Education Freedom Accounts audit to add objectives: 1) the verification of residency and eligibility, and 2) records of educational attainment. He will work with Department of Education and the LBA to ensure the scope of work is clearly defined so a vote can be made at next month's meeting.

### ***Local Education Agencies Special Education Audit***

Steven Grady, Senior Performance Audit Manager, and Nicole Gaffen, Performance Audit Manager, were in attendance to seek clarification on what the Committee is looking for in terms of subject matter and timing. Steven Grady described potential limitations to their audit scope. Senator Lang expressed concern that all LEAs have different success rates, as well as different cost rates. He stated it was necessary to see what is working, what is not, and what changes need to be made at the local level to make any recommendations. Steven Grady noted that once the report writing is complete for the current special education audit, some auditors will be available to begin working on the local education agency audit topic.

## **Date of Next Meeting and Adjournment**

Next meeting is scheduled for Friday, May 8, 2026, at 9:00 AM. Representative Griffin adjourned the meeting at 10:20 AM.

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Gerald Griffin, Chair

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**Proposed Addendum To The EFA Audit Scope**  
**PERFORMANCE AUDIT OF EDUCATION FREEDOM ACCOUNT PROGRAM**

In July 2022, the Legislature passed Chapter 297, Laws of 2022, which required the Office of Legislative Budget Assistant (LBA) to “complete a performance audit of the department of education, education freedom account [EFA] program.” It required the audit include seven topic areas including eligibility; qualifying expenditures; identification and recovery of ineligible disbursements; transfers of funds to the scholarship organization; phase-out grants; public reporting of participation, student outcomes, and expenditures; and demographic information of EFA participants. Chapter 297 became effective October 1, 2023. We held an entrance conference with the New Hampshire Education Department (NHED) in January 2024. LPAOC approved a scope statement on August 27, 2024.

The audit scope approved in August 2024 limited the LBA’s ability to access records, data, reports, files, memoranda, or documents which are not the property of, nor in the possession of, NHED. NHED agreed auditors would be given access to all documentation in NHED’s possession regarding the EFA program. However, NHED also reported it could not be compelled to request information from its contractor, the Children’s Scholarship Fund (CSF), for LBA audit purposes, as requiring NHED to request these items from CSF would violate the separation of powers between the Legislative and Executive branches. Additionally, NHED and the Attorney General representative did not consider the data collected or generated by the contractor to be the property of the State under the standard State contract. Preliminary discussions with NHED indicated most documents, including those pertaining to verifying or reverifying residency and students’ records of educational attainment, were solely in the possession of the CSF. As a result, our audit was limited to reviewing NHED’s oversight of the EFA program and the documents in NHED’s possession.

At its April 10, 2026, meeting, the LPAOC discussed expanding the scope of the current audit to address constituent concerns over EFA accountability and transparency. LPAOC members requested an expanded scope include: 1) verifying the student’s residency status, and 2) reviewing records of educational attainment for students enrolled in the EFA program. Preliminary discussions with NHED management indicated a willingness to facilitate the work associated with an expanded scope. NHED and the LBA also discussed signing a cooperation agreement between NHED, LBA, and the CSF to outline each party’s responsibilities. This expanded scope will be contingent on the parties reaching a written agreement on auditor access to necessary CSF personnel; source documents, records, and data; and CSF policies, procedures, manuals, and other internal guidance.

### **Residency Requirements**

To be eligible for an EFA, the EFA law required the student to be “a resident of this state....” State education laws defined the legal residence of a minor student as the

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place “where his or her parents reside.” For students whose parents did not live together and were not divorced, the student’s “legal residence is the residence of the parent with whom the child resides.” If the parents had a divorce decree where parents were awarded joint custody, the parenting plan would outline the “child’s legal residence for school attendance purposes.... If the parent with sole or primary physical custody lives outside the [State], the pupil does not have residence in New Hampshire.”

Education laws further defined the legal resident of a school district as a person “who is domiciled in the school district and who, if temporarily absent, demonstrates an intent to maintain a principal dwelling place in the school district indefinitely....”

During the audit period, a family’s tax return was the only document the CSF used to establish an EFA student was a New Hampshire resident. Starting in the 2024-2025 school year the *Children’s Scholarship Fund Education Freedom Account Parent Handbook (EFA Parent Handbook)* outlined 14 additional types of documents that could be used to establish New Hampshire residency. Additionally, prior to the 2024-2025 school year, the CSF required the parent “agree to inform” the CSF of a change in residency, but until the 2024-2025 school year, there was no requirement for parents to submit documentation to prove the new address was still in New Hampshire.

NHED’s eligibility monitoring report, which reviewed 50 students from the 2021-2022 and 2022-2023 school years, indicated issues with seven students’ residency documentation (14.0 percent). The monitoring report, issued in August 2024, found the CSF approved six students for the EFA program whose residency documents listed a P.O. box without showing a physical New Hampshire address, and one student whose documents listed two different out-of-state addresses.

### **Records Of Educational Attainment**

EFA laws required parents to provide an annual record of educational attainment for their EFA students by submitting the results of a nationally standardized norm-referenced achievement test, statewide assessment test, or portfolio review. EFA laws required the CSF to make the aggregated scores from students taking the national achievement tests available to NHED. However, NHED did not request these aggregated scores during the audit period.

According to the *EFA Parent Handbook*, students had to submit their record of educational attainment by July 15 each year to maintain their EFA eligibility. When reporting the results of the nationally standardized achievement and statewide assessment tests, the CSF required parents to enter the student’s math, English language arts, and total scores. Parents were also required to upload the document containing the student’s test scores. When submitting a portfolio review, parents were required to upload the letter from the teacher performing the review which must contain: 1) the teacher’s name, address, and State teaching certification documents or the address of the nonpublic school where the nonpublic school teacher taught; 2) the

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evaluation date; 3) a description of the coursework reviewed; 4) a summary of the student's progress; and 5) the teacher's signature. Beginning in September 2024, CSF's policies and procedures also allowed students to submit a report card in place of a portfolio review.

### **Expanded Audit Scope**

The ongoing performance audit of the EFA Program will be expanded to include answers to the following questions:

- 1. *Were the students who enrolled in the EFA program during SFYs 2022 through 2025 residents of the State of New Hampshire at the time of initial enrollment, and for the entire duration of their participation in the EFA program?***
  
- 2. *Do the records of educational attainment of the students who participated in the EFA program during SFYs 2022 through 2025 indicate they made educational progress?***

Specifically, we will:

- Review and assess CSF's process for determining whether:
  - students met residency requirements when initially applying for the EFA program,
  - returning students met residency requirements when reapplying for the EFA program,
  - students continued to meet residency requirements for the entire duration of their participation in the EFA program, and
  - students who moved during the school year provided updated residency documentation.
  
- Review EFA applications and supporting documents, and follow-up as necessary, to determine whether there was sufficient evidence to show that:
  - students met residency requirements when initially applying for the EFA program,
  - returning students met residency requirements when reapplying for the EFA program,
  - students continued to meet residency requirements for the entire duration of their participation in the EFA program, and
  - students who moved during the school year provided updated residency documentation.

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- Review and assess CSF’s process for evaluating and processing annual records of educational attainment.
- Review students’ records of educational attainment and supporting documents, and follow-up as necessary, to determine whether there was sufficient evidence to show that:
  - students submitted their record of educational attainment as required by State law, and
  - students were making educational progress while participating in the EFA program.

To address these objectives, we will:

- Interview CSF staff responsible for reviewing and processing documents associated with residency and records of educational attainment to gain an understanding of internal practices.
- Review internal CSF policies, procedures, manuals, and other written documentation outlining its process for reviewing and processing residency documents and records of educational attainment.
- Review random samples of EFA student files to determine whether students met, and continued to meet, residency requirements for the entire duration of their participation in the EFA program. Our review will encompass an examination of source documents including, but not limited to: the initial EFA application, returning student EFA application, all documents used to establish and re-establish the student’s residency status, and all documents throughout the school year containing the student’s address including those maintained by third-party vendors or service providers, when appropriate.
- Review random samples of EFA student records of educational attainment to determine whether students made educational progress while participating in the EFA program. Our review will encompass an examination of source documents including, but not limited to: documents submitted to the CSF containing the student’s nationally standardized norm-referenced achievement test scores, documents submitted to the CSF containing the student’s statewide assessment scores, the signed evaluation letter from the teacher who reviewed the student’s portfolio of work, and the student’s report card.

While the audit period will encompass SFYs 2022 through 2025, we may examine NHED management controls and other relevant matters outside the audit period when they affect program operations during and after the audit period. Information obtained during fieldwork to address the objectives of this expanded scope may be used to support other findings, where appropriate.