

INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING AGREED-UPON PROCEDURES

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We have performed the procedures enumerated below, which were agreed to by the Ohio Department of Education (“the Department”), Ohio Auditor of State, and the United States Department of Education, to assist the Department in fulfilling its oversight responsibilities related to the application and selection of subgrant recipients, subgrant recipient claims and payments, and monitoring and performance for the Charter Schools Program for the year ending June 30, 2017.

The Department’s management is responsible for the application and selection of subgrant recipients, subgrant recipient claims and payments, and monitoring and performance for the Charter Schools Program. The sufficiency of these procedures is solely the responsibility of the Ohio Department of Education, Ohio Auditor of State, and the United States Department of Education. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures and associated findings are as follows:

1. Application & Selection of Subgrant Recipients

1.1 Eligibility

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| (A) | (1) | Obtain a list of sponsors rated “effective” or “exemplary” overall on the most recent posted sponsor evaluation results, as well as ratings for each component. |
| | (2) | Compare the list of CSP applicants with the sponsors to confirm the applicant’s sponsor is rated “effective” or “exemplary” overall. |
| | (a) | Confirm each applicant’s sponsor is rated “effective” or “exemplary” overall. <i>Finding</i> – We confirmed each CSP applicant's sponsor was rated "effective" or "exemplary" overall. |
| | (b) | Confirm each applicant’s sponsor received a score of three or higher on the standards “Oversight and Evaluation: Site Visit Reports” and “Termination and Renewal Decision-Making: Renewal and Non-Renewal Decisions” of the quality practices rubric. <i>Finding</i> – We confirmed each sponsor received a score of three or higher on the standards “Oversight and Evaluation: Site Visit Reports” and “Termination and Renewal Decision-Making: Renewal and Non-Renewal Decisions” of the quality practices rubric. |

1.2 Public Awareness

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| (A) | (1) | Obtain copies of communications sent to stakeholders and observe the website. |
| | (a) | <p>Confirm communications were sent to multiple stakeholders and document in the finding the types of stakeholders (e.g., sponsors, schools, or other organizations).</p> <p><i>Finding</i> – We confirmed communications were sent to multiple stakeholders. The Department’s EdConnection newsletter is emailed to various subscriber groups, including but not limited to: Communication Directors, Community School Superintendents, Curriculum Coordinators, Educational Service Center Superintendents, Education Associations, K-12 Principals, and Public School Superintendents. The Department’s website and social media accounts are available to any stakeholders who view or subscribe to them.</p> |
| | (b) | <p>Confirm communications were made available through a variety of means and document in the finding which means the Department used.</p> <p><i>Finding</i> – We confirmed communications were made available through a variety of means, including the Department’s website, EdConnection Newsletters sent via email, and the Department’s, Twitter, Facebook, and Instagram accounts.</p> |
| | (c) | <p>Confirm the date of the communications’ release is at least six to eight weeks prior to the deadline for applicants to prepare and submit applications</p> <p><i>Finding</i> – We confirmed the above communications were released starting at least six to eight weeks prior to the June 15, 2017 deadline for applicants to prepare and submit applications.</p> |
| | (d) | <p>Confirm CSP information is posted on the Department’s website.</p> <p><i>Finding</i> – We observed the Department’s website and confirmed CSP information is posted.</p> |
| (B) | (1) | Obtain the training schedule and observe the Department’s website for posted webinars. |
| | (a) | <p>Confirm the training schedule and webinars were posted.</p> <p><i>Finding</i> – We confirmed the Department posted 13 application training videos as well as information regarding the May 17, 2017 in-person application training it offered. The Department also posted the slide presentation for the in-person training to its website.</p> |
| | (2) | Obtain the STARS registration information |
| | (a) | <p>Confirm in-person trainings were offered (not mandatory for potential applicants).</p> <p><i>Finding</i> – We inspected training registration documentation and confirmed the May 17, 2017 in-person application training was offered.</p> |

1.3 Peer Reviewer Selection and Training

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| (A) | (1) | Obtain the minimum and preferred qualifications used to rank Peer Reviewers. |
| | (2) | Obtain additional information if applicable used to vet the applicants. |
| | (3) | Obtain a list of selected Peer Reviewers. |
| | (a) | <p>Confirm the use of a resume review team to select reviewers.</p> <p><i>Finding</i> – We confirmed the Department used a resume review team to select Peer Reviewers.</p> |
| | (b) | <p>Confirm Peer Reviewers were selected using minimum and/or preferred qualifications.</p> <p><i>Finding</i> – We confirmed the resume review team used minimum and preferred qualifications to select Peer Reviewers.</p> |
| | (c) | <p>Confirm receipt of conflict of interest statements for each selected Peer Reviewer.</p> <p><i>Finding</i> – We confirmed each selected Peer Reviewer provided the Department with a signed conflict of interest statement.</p> |
| (B) | (d) | <p>Inspect each conflict of interest statement and, based on the information included, confirm no conflicts exist for each selected Peer Reviewer.</p> <p><i>Finding</i> – We inspected each conflict of interest statement and, based on the information included, confirmed no conflicts of interest existed for any of the selected Peer Reviewers.</p> |
| | (1) | Obtain a list of selected Peer Reviewers. |
| | (2) | Obtain a list of trainings required by the Department and log-in information. |
| | (a) | <p>Confirm that all Peer Reviewers attended the required webinar(s).</p> <p><i>Finding</i> – We confirmed each selected Peer Reviewer attended the training required by the Department.</p> |

1.4 Application Reviewer and Scoring

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| (A) | (1) | Obtain the Department’s established technical review procedures and confirm the Department completed a technical review for each CSP subgrant applicant. <i>Finding</i> – We confirmed the Department completed a technical review for each CSP subgrant applicant. |
| (B) | (1) | Obtain the Peer Reviewer’s scoring rubric for each CSP applicant awarded a subgrant. |
| | (a) | Confirm the Peer Reviewer rated the applicant using the Department’s CSP subgrant evaluation rubric. <i>Finding</i> – We confirmed the Peer Reviewers rated each applicant using the Department’s CSP subgrant evaluation rubric. |
| | (b) | Confirm the accuracy of the scoring rubric by recalculating scoring data. <i>Finding</i> – We confirmed the accuracy of the scoring rubric by recalculating scoring data. |
| (c) | (1) | Using the Peer Reviewer’s scoring rubric in (B), confirm the rating indicates that the budget review was completed. <i>Finding</i> – We confirmed each subgrant application was rated by each Peer Reviewer for the budget review eligibility requirement, indicating the budget review was completed. |

1.5 Grant Selection and Award

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| (A) | (1) | Obtain the scoring rubrics of the awarded subgrantees. |
| | | (a) Confirm the accuracy of the scoring rubric by recalculating scoring data. <i>Finding</i> – We confirmed the accuracy of the scoring rubric by recalculating scoring data. |
| | | (b) By inspecting meeting minute notes, confirm the Data Governance Committee reviewed the subgrantee selection process. <i>Finding</i> – We inspected meeting minute notes and confirmed the Data Governance Committee reviewed the subgrantee selection process. |
| | (c) | Confirm the amount awarded is in accordance with the established amounts for the type of grant awarded (planning, implementation year 1, or implementation year 2). <i>Finding</i> – We confirmed the amount awarded to each subgrantee was in accordance with the established amounts for the type of grant awarded. |
| (B) | (1) | Obtain the training registration lists. |
| | | (a) Confirm that each awarded subgrantee attended a training session. <i>Finding</i> – We confirmed one or more representatives from each awarded subgrantee attended a CSP grant awardee training session on July 26, 2017. |

2. Grant Recipient Claims and Payments

We determined subgrant activity did not commence until after the end of this monitoring period; thus, the procedures pertaining to grant recipient claims and payments, as detailed in the attachment to the engagement letter, are not applicable for this monitoring period.

3. Monitoring and Performance

We determined subgrant activity did not commence until after the end of this monitoring period; thus, the procedures pertaining to monitoring and performance, as detailed in the attachment to the engagement letter, are not applicable for this monitoring period.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the application and selection of subgrant recipients, subgrant recipient claims and payments, and monitoring and performance for the Charter Schools Program. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report only describes the agreed-upon procedures we performed and our findings. Accordingly, this communication is not suitable for any other purpose.



KENNEDY COTTRELL RICHARDS LLC

Columbus, Ohio
August 14, 2017