Private School Choice Programs Requirements Overview

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Public Instruction
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Program Requirements Training Overview

- Choice administrators of private schools first participating in a Private School Choice Program (PSCP or Choice program) are required to read this training presentation and successfully complete the training quiz.

- New Choice administrators of schools currently participating in the PSCP are also required to read this training presentation and successfully complete the training quiz, unless they have been a Choice administrator within the past two years.

- The quiz must be submitted electronically to the DPI.

- Choice administrators may print the pdf quiz questions and mark the correct answer as you read the training, then enter the answers in the electronic quiz. The quiz can be found on the following web page: Choice Administrator Training and OAS Access.

- The information provided in this document is subject to statutory and administrative rule change.

Resources

This presentation will provide an overview of the requirements of the Choice Programs. More detailed information is available here:

- In-depth trainings on various topics are available on the On-Demand Training web page.
- Informational Bulletins on various topics are available on the Program Bulletins and the School Application Processing web pages.
- Important Dates are available on the Information for Schools web page.
- Statutes and Rules for the PSCP are available on the Statutes and Rules web page.

Training Topics

- School eligibility and general information
- School requirements, including requirements that first occur between January 11 and the beginning of August, or in the beginning of May (date varies by requirement) if offering summer school
- School registration requirements
- Training requirements
- School participation requirements
- Fiscal requirements
- Student eligibility
- School payments

School Eligibility: Private School Report PI-1207

All private schools in Wisconsin are required annually under Wis. Stat. §115.30(3), to submit to the DPI a statement of enrollment as of the 3rd Friday in September (form PI-1207).

- All private schools in Wisconsin are required to electronically file this enrollment report.
- Due on or before October 15 each year.
  - Requires school information, enrollments, and self-verification that school meets definition of a private school.

General Information: Three Private School Choice Programs

MPCP

- Milwaukee Parental Choice Program
- Students residing in the City of Milwaukee

RPCP

- Racine Parental Choice Program
- Students residing in the Racine Unified School District

WPCP

- Wisconsin Parental Choice Program
- Students residing in Wisconsin outside the City of Milwaukee and the Racine Unified School District

School Eligibility: Being a Private School

Schools participating in the PSCP must be located in Wisconsin and meet the private school definition under Wis. Stat. § 118.165 (1):

1. **Primary purpose of the school's program is to provide private or religious-based instruction.**
2. **The program is privately controlled.**
3. **The program is not operated for the purpose of avoiding or circumventing the compulsory school attendance requirement.**
4. **The program provides at least 875 hours of instruction each school year.**
5. **Pupils at the institution return annually to their home for not less than 2 months of summer vacation or the institution is licensed as a child welfare agency.**
6. **The program provides a sequentially progressive curriculum of fundamental instruction in reading, language arts, mathematics, social studies, science and health.**

School Eligibility: "New Private School"

If your school…..

- **Has been open for less than 12 months, and**
- **Either has fewer than 40 students or has students in 2 or fewer grade levels,**

Your school is considered a <u>new</u> (start-up) school and is required to meet additional requirements. Some of these requirements must be met by the prior August 1. These additional requirements are covered in a separate training. However, a new school is not subject to these additional requirements if it is operated by a governing board that operates a private school that is currently participating in the Choice program and hasn't been issued a legal order in the last three years.

- **If your school is a new school and did not meet the prior August 1 requirements and the school is not going to be operated/managed by a private school already participating in the PSCP, your school is not eligible to participate in the following school year.**

General Information: Combined School Agreements

- State law allows for a new school first participating in the RPCP or WPCP to enter into an agreement to be subject to the same governing body as a private school currently participating in the RPCP or WPCP.
- Under this agreement, the prior year attendance requirements for students would not apply to the new school for two years. More detail on prior year attendance requirements is given later in the presentation.
- Deadline to submit the agreement to the DPI is *January 10* prior to the school year the school registers to participate.
- If your school is considering this option, please see the Combined Private Schools and Prior Year Attendance Bulletin on our Program Bulletins web page for further information

General Information: Online Application System (OAS)

Schools participating in the Choice program will use OAS to:

- Verify student applications that are submitted by parents/guardians;
- Complete and submit program reports;
- View payment listings; and
- Export student data, if needed.

School Eligibility: OAS Access

- Choice administrator for schools new to Choice send email requesting OAS username and password (required to complete the Intent to Participate (ITP), explained on later slides).
- Choice administrator authorize staff to serve as designees, who assist with processing applications.
- Only authorized and trained Choice administrators and designees receive username and password to access OAS on an ongoing basis.
- Usernames and passwords securely emailed.
- Under no circumstances should passwords or usernames be shared with anyone.
- All new designees and new Choice administrators in continuing Choice schools must also submit form. See the Training webpage for more information.

Registration Requirements

The next section will cover the annual school registration process

Annual Registration

Every year the school's Choice administrator must by January 10:

1. Submit the Intent to Participate (ITP) in the Online Application System (OAS).
2. Pay the Auditor Fee electronically. Alternatively, schools may choose to pay the fee with a cashiers check and submit the Auditor Form.
3. Submit Disclosure of Information required school policies and board member information (*first year only*).
4. Submit Combined Private School Agreement, if applicable *(first year only--optional)*.

Additionally, the school's Choice administrator must:

1. Complete Required Training *(first year only)*. See the Training webpage for training due dates and additional information.
2. Submit the Hours of Instruction Calculator by the first weekday in May *(first year only)* .
3. Submit a Designee Authorization and Update Form *(at any time--optional)*.

Registration: Who can be a Choice Administrator?

Choice administrator:

- Is either the sole owner of the school or an individual appointed by the governing body of the school;
- Meets the educational credential requirements with one of the following:
  - at least a bachelor's degree from an accredited institution of higher education or
  - a teaching or administrator's license issued by the DPI;
- Is not a disqualified person (i.e. did not hold a certain position at a Choice school that was terminated from the program during the last 7 years); and
- Meets Choice training requirements.

Registration: Intent to Participate (ITP) Form

- Part of the Choice School registration process is completing the ITP.
- Annually by January 10, all Choice administrators must complete, electronically sign, and submit the ITP in the OAS.
- The ITP indicates the school's intent to participate in the Choice program for the upcoming school year and agreement to comply with all program requirements.
- The ITP must be completed in OAS by the individual who will serve as the school's Choice administrator.

Registration: ITP continued

The ITP includes:

- General Information: Contact Information, FEIN, grades offered, number of seats available, and estimated amount of surety bond, if applicable.
- Locations: All locations used for instructional purposes, noting those used as the primary location and mailing address.
- MPCP, RPCP, and WPCP Random Selection Agreement: Explains how random selection will be conducted at the school.
- Open Application Periods: The dates(s) when the school will accept Choice applications. These dates cannot be changed after the deadline of the ITP (January 10).
- Summer School Indication: School indicates if it intends to offer Choice summer school.

Registration: Auditor Fee Requirements

Schools must pay the auditor fee annually by January 10:

- **Payments are made electronically**
- **Alternatively, schools may submit a cashier's check and Auditor Fee Form**
- **Nonrefundable**
- **Must be RECEIVED at DPI by January 10**

For the auditor fee amount and additional information, see the Cover Letter Regarding School Registration or the School Registration Checklist, available on the School Registration Information from November through January.

Registration: School Policies and Board Members

- By January 10, schools new to Choice must provide a copy of statutorily required policies, information, and board member names and signatures to DPI. Schools must also provide this information to the DPI at any time upon request.
- A school must provide these policies to each student, or parent or guardian of a minor student, who applies to the Choice program at the school each year and upon request.
- Policy Template and Disclosure of Information Form for schools is located on School Submitted Reports and Forms webpage.

Registration: School Policies and Board Information continued

Policies and information that must be provided:

- Contact information
- Policy for granting a High School diploma

  Must include:

  Pupil's academic performance, recommendations of teachers, and successful completion of civics test.
- Application appeals process
- Not-for-Profit status and documentation
- Non-Harassment policy
- Suspension and expulsion and appeal procedures
- Transfer of Coursework policy
- Visitor policy
- Board Member signatures

School Requirements: Religious Activities

A private school may not require a Choice student to participate in any religious activities if the student's parent or guardian submits a written request that the student be exempt from such activities.

School Requirements: Hours of Instruction

- Wisconsin Private School Requirement: s.118.165(1)(c), Wis. Stats. The program provides at least 875 hours of instruction each school year.
- Wis. Stat. §§ 118.60(2)(a)8 and 119.23(2)(a)8: Notwithstanding s. 118.165 (1) (c) Wis. Stats., the private school annually provides at least 1,050 hours of direct pupil instruction in grades 1 to 6 and at least 1,137 hours of direct pupil instruction in grades 7 to 12.
- Hours provided under this subdivision include recess and time for pupils to transfer between classes but do not include the lunch periods.
- Choice schools utilizing virtual instruction (digital, analog, synchronous, asynchronous, or hybrid) or utilizing a combination of traditional in person instruction with virtual instruction, may count these hours toward their hours of instruction. It should be based on the time teachers are available to students and the private school's estimate of the amount of time needed to accomplish daily learning objectives.

Hours of Instruction Requirements for K4 and K5

- **Schools that offer a K4 program or a half-time (.5) kindergarten must provide a minimum of 437 hours of instruction.**
- **When a schools offers a 0.6 FTE, 0.8 FTE, and/or 1.0 FTE K5 program *and* first grade, the scheduled *daily hours* must match the scheduled daily hours for the full day of first grade. The 0.6 FTE, 0.8 FTE, and 1.0 FTE K5 program must provide the applicable minimum hours of direct student instruction seen below.***
  - 0.6 FTE program must provide at least 630 hours (students attend 3 full days of instruction each week)
  - 0.8 FTE program must provide at least at least 840 hours (students attend 4 full days of instruction each week)
  - 1.0 FTE program must provide at least 1,050 hours (students attend 5 full days of instruction each week)

****For schools that offer kindergarten but do not offer first grade, the required minimum K5 hours are 525 for a 0.6 FTE program, 700 for a 0.8 FTE program, and 875 for a 1.0 FTE program.***

School Requirements: Hours of Instruction Reports

All Schools must submit the Hours of Instruction Report annually.

- **Schools new to Choice: Hours of Instruction Calculator Report Due by the first weekday in May prior to first year of participation.**
- **Continuing and New Schools: Report hours of instruction within the Third Friday in September Count Report in OAS.**
- **Revisions are allowed if there are changes to the schedule. These changes do not need to be reported to the DPI unless the school ends the school year earlier then reported.**
- **If it is necessary to shorten the school term, a school must get prior written approval from the DPI using the School Information Update Form.**
- **Forms indicated above can be found at School Submitted Reports and Forms.**

Training Requirements: Choice Administrators for Schools New to Choice

Choice administrators for schools new to Choice must complete the following:

- Programs Requirements Training and Quiz (Online)
- OAS Access Training and Quiz (Online)
- Fiscal Management Training, which will be provided through virtual trainings (information emailed to schools new to Choice)
- See the Training webpage for training due dates and additional information on the above trainings.

The DPI recommends that the school's accountant/bookkeeper complete the Fiscal Management Training as well.

Schools new to Choice are not permitted to change Choice administrators prior to August 1, unless the individual has completed the trainings, including the Fiscal Management Training.

Training Requirements: Choice Administrators for Continuing Schools

The following must be completed before OAS access can be granted to the Choice administrator of a continuing Choice school:

- **Program Requirements Training and Quiz (Online)**
- **OAS Access trainings and Quiz (Online)**
- **Choice Administrator Authorization and Update form**

The Chair of the Governing Board must approve the administrator.

See the Choice Administrator Training and Access to OAS webpage for more information.

Training Requirements: Designees

Choice administrators of schools new to Choice and of continuing schools may designate and approve individuals to serve as designees to assist with processing Choice student applications.

***Designees* must complete the following:**

- OAS Access trainings
- OAS Access Quiz (Online)
- Designee Authorization and Update form
- See the Designee Training and Access to OAS webpage for more information.

Financial Requirements

Schools first participating in the Choice program must provide to the DPI by May 1 one of the following:

- A surety bond equal to 25% of the school's estimated Choice program payments based on the ITP; OR
- A budget covering the first school year that the school will participate in the Choice Program using the DPI Budget and Cash Flow Report and related attachments that demonstrate the school meets the program's financial requirements.

See Training 3-5 on the On Demand Training webpage for additional information on these options.

Financial Requirements continued

A school that chooses to provide a surety bond must provide a bond every year it is in the Choice program until it meets the requirements to have the surety bond requirement removed.

In order for the bond requirement to be removed the school must:

- Submit a financial audit at the legal entity level, that doesn't contain any indicators that the school is not financially viable.
- Provide evidence of sound fiscal and internal control practices for the year of the financial audit and the subsequent school year.

Health and Safety, Insurance and Certificate of Occupancy Requirements

Choice program private schools must:

- Comply with all health and safety laws or codes that apply to public schools.
- Meet PSCP insurance coverage requirements by the first weekday in August prior to participation, or by the first weekday in May if offer summer school, and then continuously. See the Insurance and Fidelity Bond Bulletin on the Program Bulletins webpage for additional information.
- Meet building code requirements, including certificate of occupancy requirements. See the following slides for additional information.

Program Requirements: Certificate of Occupancy

- All MPCP schools and RPCP or WPCP schools with <u>any</u> buildings located within the boundaries of the Racine Unified School District must file a copy of the school's FINAL certificate of occupancy and capacity placard (if available):
  - By May 1, if offering summer school; or
  - By August 1, if not offering summer school.
- The school must have one of the following:
  - A certificate of occupancy from the municipality within which the private school is located; or
  - A certificate of occupancy from a local or regional unit who has the authority to issue certificates of occupancy; or
  - If the municipality does not issue certificates of occupancy, a letter from the municipality explaining that the municipality does not issue certificates of occupancy.

Certificate of Occupancy continued

- Temporary certificate of occupancy will not meet this requirement.
- A school must provide one of the required documents described on the previous slide for a new location used for educational programming if the school participates in the MPCP or if the location is in the Racine Unified School district.
- The certificate must be for school use (not church or daycare).

Program Requirements: Preaccreditation

- Schools in their first year of participation are required to obtain preaccreditation, unless fully accredited by one of the accrediting entities listed in statute.
- Evidence of preaccreditation is required by August 1 if the school is not offering summer school or May 1 if the school is offering summer school.
- If an accrediting organization determines during the preaccreditation process that a location does not meet the private school requirements, the organization must notify the DPI.
- For additional information, see the Accreditation Bulletin on our Program Bulletins web page.

Program Requirements: Accreditation

- New schools that aren't already fully accredited must:
  - Apply for accreditation by December 31st of the first year of participation in the Choice program; and
  - Achieve accreditation by the 3rd year following the first year of participation.
- All schools that are fully accredited must maintain their accreditation.
- Annually, by August 1, a notice from the school's accrediting agency must be submitted to the DPI confirming that the school remains accredited for the current school year.
- For additional information, see the Accreditation Bulletin on our Program Bulletins web page.

Program Requirements: Approved Accreditation Entities

- Cognia
- Wisconsin Religious and Independent Schools Accreditation
- Independent Schools Association of the Central States
- Archdiocese or diocese within which the school is located
- Wisconsin Evangelical Lutheran Synod School Accreditation
- National Lutheran School Accreditation
- Wisconsin Association of Christian Schools
- Association of Christian Schools International
- Christian Schools International
- An organization recognized by the National Council for Private School Accreditation

Program Requirements: Staff Credentials--Administrator

"Administrator" includes superintendent, supervising principal, executive director, or other person who acts as the administrative head of the school.

- A school may have multiple administrators, but only one Choice administrator
- All administrators must have one of the following:
  - At least a bachelor's degree from an accredited college; or
  - A current DPI teacher or administrator license.
- For additional information, see the Staff Credentials Bulletin on our Program Bulletins web page.

Program Requirements: Staff Credentials--Teacher

“Teacher" means a person who has primary responsibility for the academic instruction of pupils.

- **All teachers, including substitute teachers, must have one of the following:**
  - **At least a bachelor’s degree from an accredited college; or**
  - **A current DPI teacher license.**
- **For additional information, see the Staff Credentials Bulletin on our Program Bulletins web page.**

Program Requirements: Staff Credentials—Rabbinical Studies Exception

An administrator of a Choice school that prepares and trains pupils in rabbinical studies and a teacher who teaches only courses in rabbinical studies are not required to meet the staff credentials requirements.

Program Requirements: Staff Credentials—Teacher Aide

"Teacher Aide" is any individual assisting with educational programming who is not a teacher or a volunteer.

- All teacher aides must have one of the following:
  - High school diploma;
  - GED (General Educational Development) certificate;
  - HSED (High School Equivalency Diploma);
  - Degree or educational credential higher than a high school diploma, GED or HSED; OR
  - Has been granted a high school diploma by the administrator of a home-based private education program.
- For additional information, see the Staff Credentials Bulletin on our Program Bulletins web page.

Program Requirements: Criminal Background Checks

- Choice schools must conduct a criminal background check for any individual at the school's legal entity who is defined as an employee under Wis. Stat. § 108.02 (12) and is directly or indirectly related to the school's educational programming.

Criminal Background Checks continued

Schools have 2 options for completing the background check for employees who are directly or indirectly related to educational programming:

1. DPI-Issued License Background Check Option: The background check requirement can be met by determining that an individual has a current, DPI-issued license.
2. Non-DPI-Issued License Background Check Option: The background check must be completed prior to employing any individual who meets the specified criteria and every five (5) years thereafter.

Criminal Background Checks continued

Choice schools cannot employ:

- **Any individual who is not eligible for a teaching license as the result of an offense; and**
- **Any individual who might reasonably be believed to pose a threat to the safety of others, which includes individuals who have engaged in immoral conduct.**

See the Criminal Background Checks Bulletin on the Program Bulletins webpage for more information.

Program Requirements: Grade Promotion Policies

Wis. Stat. 118.33(6)(c) and 118.33(6)(cr) The governing body of each school must adopt a written policy specifying criteria for promoting a student from 4th to 5th grade and from 8th to 9th grade. (Not required to be submitted to DPI.)

- **The criteria must include:**
  - **the pupil's score on the state examinations, unless excused according to state procedures;**
  - **the pupil's academic performance;**
  - **recommendations of teachers which shall be based solely on the pupil's academic performance; and**
  - **any other academic criteria specified by the governing body.**

The school may not promote a 4th or 8th grade choice student unless the student has satisfied the criteria.

Program Requirements: Granting High School Diplomas

- The governing body of each school must develop a policy specifying criteria for granting a high school diploma to Choice students. The criteria must include:
  - Academic performance;
  - Recommendations of teachers; and
  - Successful completion of the civics test required under Wis. Stat. 118.33 (1m)(a).
- Schools with grades 9-12, must issue a high school diploma or certificate to each Choice student who satisfactorily completes the course of instruction and any other requirements for high school graduation. A school may not grant a high school diploma to a choice student unless the student has satisfied the criteria.

Program Requirements: Civics Test

Choice schools may not grant a high school diploma to any pupil unless the pupil successfully takes a civics test comprised of 100 questions that are identical to the 100 questions that may be asked of an individual during the process of applying for U.S. citizenship by the United States Citizenship and Immigration Services.

- The test may be completed by students anytime between 9th and 12th grade.
- Schools are responsible for the format and date of the exam.
- This test must be completed by all students at the school, not just Choice students.

Program Requirements: Student Assessments

Choice schools are required to administer the following assessments each year to their Choice students:

- Wisconsin Forward Exam for English Language Arts and Mathematics for grades 3-8
- Wisconsin Forward Exam for Science for grades 4 and 8
- Wisconsin Forward Exam for Social Studies for grades 4, 8, and 10
- The ACT with Writing® for grade 11
- The PreACT Secure™ for grades 9 and 10

Schools that have fewer than 20 choice students in grades 3 to 12 (20 for the MPCP or 20 for the RPCP and WPCP) are not required to administer the state examinations (Wisconsin Forward Exam and ACT).

Program Requirements: Student Information System (SIS)

- All schools participating in a Choice program must have a SIS capable of exchanging data with the WISEdata system.
- The list of SIS vendors is available on the WISEdata Info for Schools webpage.
- DPI will take the following snapshots of the data sent by Choice schools:
  - Third Friday September;
  - Assessment Demographic;
  - Attendance; and
  - Year-end graduation and dropout.
- Snapshot data is used to produce the school's report card(s).

Program Requirements: Accountability Reports (Report Cards)

- All Choice schools receive a Private School - Choice Students Report Card, which only includes Choice students.
- Choice schools may choose to also have a Private School - All Students Report Card, which includes both Choice and non-Choice students. Schools that select this option must submit data for all students.
- Schools new to the Choice program must submit the Private School – All Students Report Card form, by the first weekday in August, designating if they want to have a Private School - All Students Report Card in addition to the Choice Students Report Card.
- Continuing schools may change their Report Card status anytime after the school year ends and prior to the first weekday in August by submitting a Private School – All Students Report Card form.

The Private School – All Students Report Card form is located on the School Submitted Reports and Forms webpage. See Training 4-1: Report Cards, Student Information System, and WISEdata, on the On-Demand Training web page, for more information.

Program Requirements: Accountability Report Notifications

Annually, each private school must provide to the parent or guardian of each pupil enrolled in or attending the school:

- A copy of the school's accountability report; and simultaneously,
- A list of the educational options available to children who reside in the pupil's resident school district – including public school, choice schools, charter schools, virtual schools, full-time open enrollment, youth options, course options and options for pupils enrolled in a home-based private educational program.

Program Requirements: Academic Standards

By August 1, schools new to Choice must submit the school's Academic Standards to the DPI by emailing one of the following to privateschoolchoice@dpi.wi.gov:

1. A statement that the school has adopted the pupil academic standards issued by the governor as Executive Order No. 326, dated January 13, 1998; OR
2. A web link for the school's academic standards; OR
3. A scanned pdf copy of the school's academic standards.

Reminders:

- The school must provide the academic standards for grade levels in ALL of the following specific subjects to DPI: Mathematics, Science, Reading and Writing, Geography and History
- Academic standards specify what students should know and be able to do in the classroom. They serve as goals and outcomes for teaching and learning.
- Academic standards are not curriculum, material used in the classroom, or a program description.
- Do not provide the school's curriculum to DPI.

Program Requirements: Student Progress Records

- A school must maintain progress records for each Choice student while the student attends the school and for five years after.
- Schools must provide a copy of a Choice student's progress records to parents and adult pupils upon request.
- A school is required to send a copy of Choice student's progress records to another school district or school no later than the next working day of receiving written notice from a parent, school, school district, or court.
- If a school closes, the school must either:
  - Transfer the progress records of Choice students to the school district where the pupil resides and notify each parent in writing of the transfer; OR
  - Transfer the progress records of Choice students to an affiliated organization that will maintain the records for five years. Schools must receive a written consent from parents prior to the transfer.

Program Requirements: Tuition

A private school participating in the Choice program may charge or receive additional tuition payments for a pupil participating in the Choice program if:

1. The student is in grade 9-12; AND
2. Has a family income of more than 220% of the federal poverty level.

Students in grades K-8 may not be charged tuition.

See the Student Tuition and Fees Bulletin on the Program Bulletins webpage for additional information.

Program Requirements: Fees Schools May Charge

Per state law, a school may charge Choice students, regardless of their income, fees to recover the cost of the following items and only the following items:

- Personal use items, such as uniforms, gym clothes, and towels
- Social and extracurricular activities, if not necessary to the private school's curriculum
- Musical instruments
- Meals consumed by pupils of the private school
- High school classes that are not required for graduation and for which no credits toward graduation are given
- Transportation
- Before-school and after-school childcare
- Room and board at the private school

Program Requirements: Tuition and Fees

A school cannot:

- Withhold student records for failure to pay tuition or fees;
- Deny a program application for failure to pay tuition or fees; or
- Sanction a parent or pupil for failure to engage in fundraising.

See the Student Tuition and Fees Bulletin on the Program Bulletins webpage for additional information.

Program Requirements: Governing Board Meetings

A school must:

- Annually, schedule 2 meetings at which members of the governing body will be present and at which pupils, and the parents or guardians of pupils, applying to attend the private school or attending the private school may meet and communicate with the members;
- As part of the Third Friday in September Count Report in OAS, notify the DPI of the scheduled meeting dates; and
- At least 30 days before the scheduled meeting date, notify in writing each pupil, or the parent or guardian, applying to or attending the school of the meeting date, time, and place.

Other Requirements and Due Dates

Choice schools MUST:

- Comply with federal provisions prohibiting discrimination based on race, color or national origin; and
- Complete and file all required forms and reports on a timely basis.
- See the Important Dates document for a list of the required due dates under the Choice programs, located on the School Information webpage.

Audit Overview and Fiscal Requirements

The next section covers audit and fiscal requirements.

Fiscal Requirements: Audits and Reports

The school must hire an auditor to complete the following:

- September Enrollment Audit – Due December 15
- Fiscal & Internal Control Practices Report – Due December 15
- January Enrollment Audit – Due by first weekday in May, unless the school only participates in the MPCP, then it is due by the last weekday in June.
- Financial Audit – Due October 15 following the school year

Fiscal Requirements: Annual Budget

- All schools must complete a budget for the period from July 1 to June 30, no later than June 30 for the upcoming school year.
- The annual budgets are not submitted to DPI but are reviewed by the school's auditor as part of the Fiscal and Internal Control Practices Report.
- Schools may use the DPI budget form or their own form, as long as the required budget components are included.

Fiscal Requirements: Annual Budget continued

The budget must include the following required components, reported on the DPI's budget form:

1. Anticipated enrollments for all pupils enrolled in the school (Sept & Jan)
2. Anticipated enrollments for Choice program pupils (Sept & Jan)
3. Estimated total revenues
4. Offsetting Choice Program revenues
5. Estimated total costs
6. Estimated eligible education expenses
7. Schedule of anticipated beginning and ending net assets
8. Identification of the contingent funding sources the school will use should actual enrollments be less than expected
9. Anticipated beginning and ending reserve balance

Fiscal Requirements: Fiscal Practices Report

All Choice schools must hire an independent auditor to determine compliance with certain fiscal and internal control practices requirements.

- **The Fiscal and Internal Control Practices report is due by December 15th each year.**
- **The DPI reviews the Fiscal and Internal Control Practices report to determine whether the school is in compliance with the Fiscal and Internal Control Practices requirements.**
- **See the Training 6 series on the On Demand Training webpage for additional information.**

Fiscal Requirements: Fiscal Practices Report

The next slides provide an overview of the requirements audited as part of the Fiscal and Internal Controls Practices Report. A private school must meet requirements related to all of the following:

- Accounting System
- Annual Budgets
- Expense Payments and Employee Reimbursements
- Employee Compensation Agreements
- Financial Internal Control System
- Eligible Education Expense Policy
- Reserve Balance Plan
- Government Filings, Withholding and Payments
- Liability Insurance
- Transportation
- Alternative Vehicle Transportation
- Background Checks
- Fidelity Bond
- Employee Education
- Management Letter Review

Fiscal Practices: Accounting System and Annual Budget

The school's accounting system must:

- Allow for double entry bookkeeping;
- Allow for completion of the financial audit; and
- Separately account for eligible revenue and expenses.
- The fiscal year for the school must be from July 1 to June 30.

Required Budgets:

- The auditor will determine if the school's budget was completed by June 30th as part of the Fiscal & Internal Control Practices Report.

Fiscal Practices: Expense Payments and Employee Reimbursements

The school must make payments to vendors and reimbursements to employees and other persons as follows:

1. As required by the written agreement. A written agreement is anything in writing where the school and the vendor are agreeing to the payment terms. An invoice or a date on an invoice alone is not considered a written agreement.
2. If there is no written agreement, the school must pay the amount within 90 days of invoice receipt or payment request.

Fiscal Practices: Employee Compensation Agreements

A school must do all of the following for each school year:

1. Have a written agreement signed by a representative of the school and the employee for each employee stating the employee's compensation before the first payment is made.
2. Provide each employee with a document that states the dates the school will pay employees. This document must be provided to employees before the first payment is made. The school may not have any more than 31 days between the pay dates.
3. Provide a written document to the employee specifying any changes to one of the documents above before the changes are effective.
4. Make payments based on the documents above.

Fiscal Practices: Financial Internal Control System

- Generally, accounts must be maintained solely for the school.
- The one exception to that requirement is if the school's bank accounts are combined with the operating organization's account, then the accounting system must separately identify the school's transactions and account balances.
- The bank must be in Wisconsin.

Fiscal Practices: Eligible Education Expenses

The governing body must develop a written eligible education expenses policy which must:

1. Be a written policy that is approved by the school's governing board;
2. Describe the school's educational purpose;
3. Describe the services related to educational programming that the school provides to pupils enrolled in grades kindergarten to 12 that are reasonable for the private school to achieve its educational purpose; and
4. If the school has expenses or offsetting revenues that are partially related to educational programming and partially related to non-educational programming, describe the allocation.

Fiscal Practices: Government Agency Filings and Payments

- Must be current with the filings, payments and withholding payments (if applicable) with:
  - Internal Revenue Service (IRS)
  - WI Dept of Revenue (DOR)
  - WI Dept of Workforce Development (DWD)
  - WI Dept of Financial Institutions (DFI)
  - WI Dept of Safety and Professional Services
- The school must provide the DPI with a copy of any audits required by government agencies within 30 days of filing the audit.
- The school must file the 990 with the IRS if required. However, the school does not need to provide a copy of any 990s to DPI.

Fiscal Practices: Liability Insurance

- Coverage must meet the following requirements. For every insurance except the Worker's Compensation Liability Insurance, the coverage amounts may be lower if they are based on a written recommendation of a risk or insurance consultant.
- The school must be current with its insurance payments.

Coverage	Required Coverage Amount
Worker's Compensation Liability Insurance	Amount required by state statute
Commercial General Liability Insurance	
Each Occurrence - Required minimum	$1,000,000
Personal Injury - Required minimum	$1,000,000
Umbrella Excess Liability Insurance - Aggregate Limit	$5,000,000
Auto Liability Insurance - Each Accident	$1,000,000
Errors and Omissions Liability for School Leaders - Aggregate Limit	$1,000,000
Sexual Misconduct Liability - Aggregate Limit	$1,000,000

- See the Insurance and Fidelity Bond Bulletin on the Program Bulletins webpage for additional information.

Fiscal Practices: Transportation Requirements

If your school transports K-12 educational programming students using a bus or alternative vehicle, please see Training 6-8 on the Choice Programs: On Demand Training webpage for information about the requirements below.

	Required Insurance Coverage	Insurance Payments Current	Inspection in Last 12 Months
School Operated Bus	X	X	X
Contractor Operated Bus*	X		X
School Owned or Leased Alternative Vehicle	X	X	X
Contractor Operated Alternative Vehicle*	X		X

*Excludes vehicles contracted from a Wisconsin School District.

Fiscal Practices: Alternative Vehicles

- The capacity of the vehicles and the logs of pupils transported must be maintained to ensure the vehicle did not exceed its capacity and that it did not have more than 9 passengers and the driver at any time.
- The school must ensure all drivers of alternative vehicles:
    - Complete the Alternative Vehicle Driver Information Request form
    - Have a background check completed
    - Do not have any convictions that prohibit the driver from meeting the requirements

Fiscal Practices: Fidelity Bond

A school shall have a fidelity bond indemnifying the school against loss resulting from dishonesty, malfeasance, or neglect by owners, officers, and employees.

Fiscal Practices: Management Letter

- Except for the first year a school participates in the Choice programs, the school must submit the management letter prepared by the auditor with the financial audit if the auditor issued a management letter.
- The management letter includes information and recommendations regarding the school's policies, procedures, and internal controls.
- As part of the Fiscal & Internal Control Practices Report, an auditor shall review the financial audit management letter from the previous year and determine whether a school has properly remediated any concerns raised by the auditor in the letter.

Fiscal Requirements: Reserve Balance

- A school must maintain the reserve balance, if positive, for future eligible education expenses. In order to meet this requirement, it must have a minimum cash and investment balance.
- The calculation of whether the school has a sufficient cash and investment balance is completed annually using the June 30th balances in the financial audit.
- Schools are strongly encouraged to track the expected June 30th reserve balance and cash and investment balance.

Fiscal Requirements: Reserve Balance continued

A Choice school must repay the Choice reserve balance to the DPI:

- If a Choice school that is continuing in the program does not maintain the required cash and investment balance; or
- If a school ceases to participate or is barred from all Choice programs;

If the reserve balance is greater than 50% of the total Choice revenue received by the school in the prior year, the governing body must approve a plan for how it will use the amount of the reserve balance that exceeds the 50% threshold.

Fiscal Requirements: Annual Financial Audit

- All schools must hire an independent auditor to complete an annual financial audit.
- If a school has total Choice and Special Needs Scholarship Program (SNSP) revenue of $100,000 or less in that school year and each of the previous school years, it has the option of submitting a modified financial audit.
- Detailed training regarding financial audits is in Training 5: Financial Audit, located on our On-Demand Training web page. Schools may also see the Financial Audit and PSCP/SNSP Reserve Balance Bulletin on the Program Bulletins webpage for additional information.

Student Eligibility

The next section of this presentation covers:

- Eligibility requirements for students
- Overview of the student application process

Student Eligibility

The Choice program has the following student eligibility requirements:

- Age
- Residency
- Income, if applicable
- Prior Year Attendance, if applicable

A parent/legal guardian must submit an application for the program each year.

Student Eligibility: Age

4K

- Student must be four-years-old on or before September 1 to apply for four-year-old kindergarten.

5K

- Student must be five-years-old on or before September 1 to apply for five-year-old kindergarten.

1st Grade

- Student must be six years old on or before September 1 to apply for 1st grade.

There is no early admission option for the Choice program.

Student Eligibility: Income and Residency

	Residency	Income (New students only)
MPCP	City of Milwaukee	300% of the Federal Poverty Level
RPCP	Racine Unified School District (RUSD)	300% of the Federal Poverty Level
WPCP	In Wisconsin, but not in the City of Milwaukee or RUSD.	220% of the Federal Poverty Level

Student Eligibility: Prior Year Attendance

	Residency	Prior School Year Attendance
MPCP	City of Milwaukee	None
RPCP	Racine Unified School District (RUSD)	•Applying for K, 1, or 9 grade; OR •In the prior school year: •Attended a public school in Wisconsin; OR •Attended school in another state; OR •Was not enrolled in school for the entire school year; OR •Participated in any Choice program (MPCP, RPCP or WPCP); OR •Was on the waiting list in any Choice Program; OR •WPCP only – Was on any prior year WPCP waiting list in 2015-16 or later due to a school district enrollment cap.
WPCP	In Wisconsin, but not in the City of Milwaukee or RUSD.	

How a Parent or Legal Guardian Applies

Step 1: Complete the Online Parent Application.

Step 2: Submit to the school income documentation, if applicable, and residency documentation.

All steps must be completed during the open application period in which a parent applies.

The parent or legal guardian must complete and submit the application each year.

Student Eligibility: Open Application Periods

Each school selects its open application periods from the following options:

MPCP	RPCP	WPCP
• First weekday in February-20 • Mar 1-20 • Apr 1-20 • May 1-20 • June 1-20 • July 1-20 • Aug 1-20 • Sept 1-14 • Oct 1-20* • Nov 1-20* • Dec 1 – Jan 7* *2nd semester participation only	• First weekday in February-20 • Mar 1-20 • Apr 1-20 • May 1-20 • June 1-20 • July 1-20 • Aug 1-20 • Sept 1-14	• First weekday in February-20 • Mar 1-20 • Apr 1-20 • May 1-20 • June 1-20 • July 1-20 • Aug 1-20 • Sept 1-14

If the last day for any of these open application periods falls on a weekend, the final day of the open application period is extended to the following Monday. The last day of the December-January application period may be earlier depending on the date for the 2nd Friday in January. See the School Verification of Applications section of the Application Process Bulletin the School Application Processing web page for the specific open application period dates for a school year.

Student Eligibility: Random Selection

If the number of eligible applications received during an open application period exceeds the number of seats available by grade, a random drawing must be held to determine which applicants are accepted.

The school must follow its random selection plan submitted by January 10 with the ITP Preference may be given for:

1. **Students who attended the private school under any Choice program during the previous year**
2. **Siblings of students under number 1**
3. **Students who attended any other private school under any Choice program during the previous year**
4. **Siblings of students under number 3**
5. **Siblings of students who have been randomly accepted to attend the private school under the Choice program who did not attend a private school under any Choice program in the previous year.**

More information, including random selection plan guidance, is available on the School Application Processing webpage.

Student Eligibility: Notifications of Acceptance or Nonacceptance

For all programs, schools must notify the applicant after the drawing (but no later than 60 days after the end of the application period during which an application is received), of their acceptance or non-acceptance, including waiting list status or the reason if the applicant was not accepted.

School Payments

The next section of this presentation covers:

- Calculating payments for eligible students
- Reporting payments for eligible students
- More information, including payment amounts, is available on the Choice Programs Payment Information webpage.

School Payments: Full Time Equivalent (FTE)

- *Four-year-old kindergarten (K4)* pupils are counted as 0.6 FTE
- *Five-year-old kindergarten (K5)* pupils are counted as:
  - 0.5 FTE if enrolled less than full-time, but at least 437 hours a school year
  - 0.6 FTE if enrolled for 3 full days of instruction each week
  - 0.8 FTE if enrolled for 4 full days of instruction each week
  - 1.0 FTE if enrolled for school five full-days each week
- *Pupils in grades 1 -12* are counted as 1.0 FTE

School Payments: Membership (Count) Reports

A school must submit three membership (count) reports listing Choice students eligible for payment in the OAS:

- Preliminary Enrollment Report – Due by last weekday in August
- 3rd Friday in September Count Report – Due last weekday in September
- 2nd Friday in January Count Report – Due last weekday in January

School Payments: Count and Enrollment Audit Requirements

- An eligible student may be counted if they:
  - Were in attendance for instruction on the count date (3rd Friday in September and 2nd Friday in January); or
  - Were absent on the count date but attended at least one day before and one day after the count date and were not enrolled in another school during their absence. Students may not be simultaneously enrolled in another school or home-based private educational program and be eligible for a Choice payment.
- An Enrollment Audit is completed by an independent auditor for each count date.

School Payments throughout the Year

- Eligible schools will receive an ACH for each payment in September, November, February, and May.
- The September payment is 25% of the annual FTE Choice payment amount for each eligible pupil on the Preliminary Enrollment Report.
- The November payment is 50% of the annual FTE Choice payment for each eligible pupil on the 3rd Friday in September Count Report and class list *less* the September payment for each pupil on the Preliminary Enrollment Report. Eligible Choice summer school payments are also made in November.
- The February and May payments are each 25% of the annual FTE Choice payment amount for each eligible pupil on the 2nd Friday in January Count Report and class list.
- The DPI may not make a May payment to a school that has ceased instruction prior to the end of its scheduled school term originally reported to the DPI on the September Count Report unless the school obtained prior written approval from the DPI to end the school term early.
- More information, including payment amounts, is available on the Choice Programs Payment Information webpage.

School Payments: Communications

- To view your payments each quarter, prior to the end of the month, login to OAS and select "Payments" under "Pupil Count" on the left menu bar. From the “Payments” page in OAS, Choice administrators and designees can also export the data to Excel.
- School can use the Aids Register to see a history of payment information. Access this by clicking on “Aids Register” located on the Private School Choice Programs webpage on the left menu bar.
- If any amounts are deducted from your payment, you will receive a certification letter explaining the deduction.

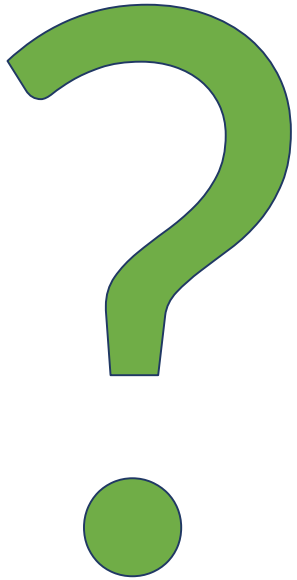
Questions about the Presentation

Please contact us at:

Website: http://dpi.wi.gov/choice

Email: privateschoolchoice@dpi.wi.gov

Phone: 1-888-245-2732 ext. 3



Answers to Future Questions

The Choice administrator may be new to the Choice program and it will take some time to become comfortable. For any future question about Choice, please start by looking on our Website http://dpi.wi.gov/choice.

The Information for Schools page and its sub-pages have information that is essential to apply program requirements correctly.

If the school's Choice administrator has questions after reviewing information on the Choice program webpages , please email privateschoolchoice@dpi.wi.gov or call at 888-245-2732 extension 3.