Administrative
ADM-05 Procedure for Investigation of Suspected Intentional Misuse EFA Funds

I: RECEIPT OF A COMPLAINT/ALLEGATION

It is the duty of the Director of Policy and Compliance to review any allegation of intentional misuse of EFA funds.

Reporting Entity – CSF Team Member
If a CSF team member suspects the intentional misuse of EFA funds at any time, the team member shall immediately contact the Director of Policy and Compliance or the NH Executive Director ("Director"). The Director will meet with the team member to obtain all relevant information.

Reporting Entity - Third Party Reporters
If the scholarship organization is notified by a third-party, EFA parent, or anonymous reporting tool of suspected intentional misuse of EFA funds, the Director will obtain all relevant information from the individual making the allegation or complaint. At a minimum, the scholarship organization must identify the nature of the complaint, the name/s of the organization or individual/s believed to be involved, and copies of all relevant documentation.

II: INITIAL ASSESSMENT

The Director will review each allegation or complaint to determine whether or not there is a basis to investigate the issue/s identified in the complaint further. If an allegation is found to have merit, the Director of Policy and Compliance will launch an investigation which may involve more complex analyses of processes, tests of records, and follow-up interviews. The EFA account will be suspended pending the resolution of the investigation.

- If an allegation is invalid and or without merit, the report will be closed.
- The scholarship organization will generally limit its investigations to situations involving loss or intentional misuse of EFA funds or other types of misuse that may have occurred.
- The scholarship organization will document and report cases of repeated, clearly frivolous, or abusive complaints.

III: INVESTIGATION

The goals of an investigation of potential intentional misuse are to determine if the allegations are valid, then to identify control weaknesses or breakdowns in procedure that allowed the situation and any related problems to occur, determine the extent of any loss, and recommend corrective action to prevent the situation from recurring.

Investigations of potential misuse must be conducted in a confidential manner and with respect for the rights of the individual/s involved.

The type of investigative procedures used will depend on the nature of the potential misuse and the results of the preliminary review. The investigation may close with the preliminary review if the review shows the allegations are not valid, or if the issues are minor/unintentional and can be resolved through meetings with the EFA holder or provider.

IV. INVESTIGATION REPORTING

The Director shall present a report of their findings to the Executive Director at the conclusion of the investigation. If a determination of suspected intentional misuse of EFA funds has been made, the NH Executive Director shall notify the New Hampshire Department of Education, the State Board of Education, and the New Hampshire Attorney General's Office within 5 days of making such a determination.

The scholarship organization will notify local and/or state law enforcement if the amount of misused funds exceeds the amount of a Class B Felony ($500 or greater).

If an eligible student, or the eligible student's parent or guardian, is free from personal misconduct, the scholarship organization will reinstate the eligible student's EFA account. If the eligible student has been determined to be free from personal misconduct, but not the eligible student's parent or guardian, that student shall be eligible for an EFA in the future if placed with a new guardian or other person with the legal authority to act on behalf of the eligible student.

V: PROCEDURE FOR APPEAL

If a determination of suspected intentional misuse of EFA funds has been made, the EFA account may be terminated. Administrative Rule Ed 800 affords the parent, guardian, or EFA student the right to appeal the decision to the State Board of Education (BOE) pursuant to ED 200.

Revised: January, 2024

Approved: October, 2021