



INDIANA CHOICE SCHOLARSHIP PROGRAM

Frequently Asked Questions—Parents

June 29th, 2011

1) What are the eligibility requirements for a Choice Scholarship?

To be eligible, a student must meet the following requirements:

- Have legal settlement in Indiana;
- Be accepted for enrollment into a participating school **that is located in Indiana**;
- Be between the ages of 5 and 22 no later than August 1 of the school year;
- Live in a household at or below the household income limits;
- **Either:**
 - (A) Have been enrolled in an Indiana public school (grade 1 through 12, charters included) that did not charge the individual transfer tuition for at least two (2) semesters before applying for a Choice Scholarship; **or**
 - (B) Have received a scholarship from one of the following in a previous school year:
 - Educational Choice Charitable Trust
 - School Scholarship Granting Organization of Northeast Indiana
 - Tuition Assistance Fund of Southwestern Indiana
 - North Central Indiana Scholarship Granting Organization
 - Sagamore Institute.

2) What are the household income limits?

Please see the following chart:

Household Size	Annual income limit for a 90% Choice Scholarship	Annual income limit for a 50% Choice Scholarship
1	\$20,147	\$30,220
2	\$27,214	\$40,820
3	\$34,281	\$51,421
4	\$41,348	\$62,021
5	\$48,415	\$72,622
6	\$55,482	\$83,222
7	\$62,549	\$93,823
8	\$69,616	\$104,423

*For a household size of nine (9) or more, add \$3,820 to the annual limit for each additional member or \$318 to the monthly limit.

*To determine household size and respective income limits on page 1, include the following:

- Parents
- Grandparents
- Children
- Other relatives and unrelated people who live in your household

*Any misrepresentations of household income could affect the student's eligibility.

3) How is the amount of the Choice Scholarship determined?

The scholarship essentially is the **lesser** of three amounts: 1) Tuition and fees; 2) \$4,500 for grades 1-8; or, 3) An amount based off the per-student state funding for the student's school corporation of residence, determined as follows:

- **90%** of funding formula amount if the family income falls within 100% of Reduced Lunch eligibility (\$40,820 for a family of four)
- **50%** of formula amount if family income is above 100% but under 150% of Reduced Lunch eligibility (approx. \$62,021 for a family of four)
- If eligible school's tuition & fees are lower than the amount(s) above, scholarship is worth the lower amount

4) If my child currently receives special education services, will we receive additional funding to meet this student's needs in the participating school?

No. Special education services will remain the responsibility of the public school corporation. A student's individualized education plan (IEP) does not affect the Choice Scholarship amount.

5) Who is responsible for determining whether a student is eligible?

The school is responsible for determining whether the student meets the eligibility requirements. As part of being "eligible," the school must have enrolled (or agree to enroll) the student and may do so on condition of the student receiving a Choice Scholarship.

Rules for household income sources that should be included (and excluded) will be provided to the school and to the public via the Choice Scholarship website. Make sure you provide copies of documents requested by the school, since these records may be inspected by the department (for purposes of the Choice Scholarship program only).

6) What about kindergarten students?

They are not eligible for Choice Scholarships. They would be eligible for SGO scholarships (see question #17).

7) Can a school charge tuition/fees in addition to what is covered by a Choice Scholarship?

Yes. The parent/guardian is responsible for any tuition/fees that the school charges beyond the Choice Scholarship amount. You should also read carefully any agreement you sign with the school. The school's policies may include language requiring payment regardless of whether a Choice Scholarship is awarded.

8) How will the payment process work? Is there anything I need to do?

The Choice Scholarship award is designated for the student but will be distributed directly to the school. The parent/guardian plays a very important role in the payment process. Provided the student has been approved for a Choice Scholarship, the school will provide you a ‘distribution endorsement’ form in October that both you and the school must sign. This form will instruct the state to provide payment to the school on your behalf, as part of your education choice. Without the completed form, the state will not make any payments.

9) Can I apply to the department for a Choice Scholarship before being accepted to the school?

No. The parent and school must have decided that the student will attend if a Choice Scholarship is awarded.

10) Can I send multiple applications to the department in case I change my mind about what school I would like my child to attend?

A: No. Before the department will process an application, the parent/guardian and the school must mutually agree that the student will attend school there for 2011-2012 if the department awards a Choice Scholarship.

11) I understand there is a statewide limit of 7,500 students for the 2011-2012 school year. How will the department address this?

The department will process student applications on a first come, first served basis, and will not assign quotas to any particular school or county. However, ‘first come, first served’ applies to a **fully-completed application** and means the parent and school will have decided that the student will attend if a Choice Scholarship is awarded. Parent applications will be submitted electronically by the school on behalf of the student via a password-protected website and will be signed by both parties. The school will have more information about this process.

12) Can the school discriminate in its application process?

The school may not discriminate on the basis of race, color, or national origin. Participating schools are also not allowed to set admission standards for scholarship students that are higher than the standards used for the rest of their students. If the number of students applying for a scholarship to a school exceed the number of ‘scholarship seats’ available, the school must conduct a random drawing at a public meeting. Individual schools will have their own process in place to comply with this requirement.

13) If a student receives a Choice Scholarship and then decides to transfer within the same school year, what would happen to the Choice Scholarship?

As a condition of participation in the program, the department will require prompt notification from your school if this happens. The school’s receipt of Choice Scholarship funding for the student will be affected, depending on when the student withdraws.

The student would be able to change schools at the start of the following school year and apply for a scholarship to do so, if the household income requirements are still met and the new school participates in the program. But the student cannot change schools during the year and use a Choice Scholarship to attend the second school.

14) Can a student receive the Choice Scholarship after the school year has already begun?

A: Choice Scholarship applications should be submitted to the department by the school **no later than September 6th**. While exceptions may be granted, this date will ensure the department can execute the payment process (for approved applications) in a timely manner.

15) What if I am a foster parent and would like the foster child to receive a Choice Scholarship? Will our household income be included?

A: No. Under current state procedures, foster children are directly certified for Free/Reduced Lunch as well as textbook rental assistance. If official documentation can be provided that verifies the student's (current) foster status, the income verification process will not be required. Notwithstanding additional guidance from the Department of Child Services (DCS) in the future, we recommend the school obtain an official email from the local DCS caseworker confirming foster status, and then save this email for the school's records.

Additionally, if your household includes biological children in addition to foster children, payments received for serving as a foster parent will not be included in the household income calculation (i.e. if one or more biological children applies for a Choice Scholarship as well).

16) What if I choose to home school my child? Can s/he receive a Choice Scholarship? Would our family be eligible for a tax deduction?

A: Home school students are not eligible for the Choice Scholarship program. The parent would be eligible for a maximum of \$1,000 tax deduction per child for state tax liability for **unreimbursed** education expenses (in other words, expenses covered a Choice Scholarship would not be eligible unless there were leftover tuition and fees not covered by the scholarship). The Department of Revenue will provide further detail on this deduction.

17) What exactly is an 'SGO Scholarship?'

This refers to a program enacted in 2009 that allows state-registered nonprofit organizations (known as Scholarship Granting Organizations, or SGOs) to provide scholarships for Indiana students to attend an accredited school that charges tuition. These SGOs can raise money for the scholarships via a special tax credit. As of May 2011, SGOs may also restrict use of an SGO scholarship to a specific list of schools. Contact information for SGOs is available on the department's Choice Scholarship website.

18) What are the student-based requirements for an SGO scholarship?

- 1) Student is enrolling in kindergarten and meets the household income limits (\$82,696 or less for a family of four);
- 2) Student was enrolled in a public school in the previous school year; or
- 3) Student received a tax credit scholarship the previous year

19) Does the ‘public school in the previous school year’ requirement specifically mean an Indiana school?

No. IC 20-51-1-5 says only that the school must be a “public school.” As long as the student has legal residence in Indiana at the time he/she applies for the SGO scholarship, the SGO may provide one (assuming the other requirements are met). For the Choice Scholarship program, however, the statute (20-51-1-4.5) is clear that the school must be an Indiana public school

20) Does household income need to be re-verified by the Scholarship Granting Organization under the tax credit scholarship program?

Only if the period during which a student receives an SGO scholarship is interrupted. In other words, if the student receives an SGO scholarship in grade 2, income would not need to be re-verified if the SGO provided the student a scholarship for grade 3. But if the student attended grade 3 **without** an SGO scholarship, income would need to be re-verified for grade 4.

21) Could a student utilize an SGO scholarship for 2011-2012 and then be eligible for a Choice Scholarship for 2012-2013?

Yes, provided the student meets the household income requirements.

22) Could a student who receives a Choice Scholarship also receive an SGO scholarship?

Yes. A student that meets the requirements for a Choice Scholarship could qualify for an SGO scholarship as well, provided that the combination of the two does not exceed tuition and fees.