

## **Indiana Choice Scholarship (Voucher) Program**

This program provides money to send your child to a private school. Voucher programs allow parents to use all or part of the government funding set aside for their children's education to send their children to the public or private school of their choice.

### Is my non-public school eligible to participate?

- Participating non-public schools must be accredited by the state or another regional accreditation agency recognized by the state board (see list of approved agencies here) [add link] and administer the ISTEP, including end of course assessments (ECAs) for high school
- Participating non-public schools must not discriminate in admissions based on race, color or national origin
- Participating non-public schools must conduct a lottery if the number of voucher applicants meeting admissions criteria exceeds the number of slots available for students receiving vouchers
- PL 221 accountability (school grading system) applies and any school that is consistently in lowest categories will become ineligible to receive voucher funds
- Participating non-public schools must meet certain curricular standards which are consistent with state-accreditation in addition to not advocating for any government overthrow
- Annual teacher performance evaluation plans must also be implemented

### What are the basic conditions/requirements if my school is considering participation in the voucher program?

To be approved as an "eligible school," the school must meet seven basic conditions:

- Be located in Indiana
- Require an eligible student to pay tuition to attend
- Voluntarily agree to enroll the eligible student
- Be accredited by either the State Board or a national or regional accreditation agency that is recognized by the State Board
- Administer the Indiana Statewide Testing for Educational Progress (ISTEP) program (for a high school, administer End-of-Course Assessments) to all students at the testing grade levels
- Not be a charter school or the school corporation in which an eligible individual has legal settlement under IC 20-26-11
- Submit to the department data required for A-F grading

### Student and family information

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

- Be a resident of Indiana
- Be accepted for enrolment into a participating voucher school that is located in Indiana
- Be between the ages of 5 and 22 no later than August 1 of the school year
- Meet the income requirement (information in the chart below)

AND MEET AT LEAST ONE OF THE FOLLOWING

- Child attended public school the full previous school year AND entering 1st grade or higher
- Child is assigned to an **"F" public school** for the 2013-2014 school year
- Child has a sibling who received a voucher or tax credit scholarship in the 2012-2013 school year
- Child received a tax credit scholarship from an approved SGO in the 2012-2013 school year. Approved SGOs are listed below:
  - Educational Choice Charitable Trust
  - The Lutheran Scholarship Granting Organization of Indiana
  - Sagamore Institute
  - School Scholarship Granting Organization of Northeast Indiana
- Received a voucher in any previous school year
- Child has an IEP or ISP

These are the voucher household income limits for the 2013-2014 school year.

Household Size	Larger Voucher*	Smaller Voucher**
1	\$21,257	\$31,885
2	\$28,694	\$43,041
3	\$36,131	\$54,196
4	\$43,568	\$65,352
5	\$51,005	\$76,507
6	\$58,442	\$87,663
7	\$65,879	\$98,818
8	\$73,316	\$109,974
For each additional family member, add:	\$7,437	\$11,156

Table 1.1

The scholarship is the **lesser** of the following amounts:

1. Tuition and fees
2. \$4,700 (for grades 1-8 **only**) large voucher or \$2,600 small voucher.
3. An amount based off of the funding the state gives per student to your local school corporation.

Kindergartners who are assigned an **"F" public school** are eligible for a voucher. Kindergartners who do not reside in a district with an "F" public school are eligible for a **tax credit scholarship**.

The voucher 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 voucher, the school will provide you a "distribution endorsement" that both you and the school must sign twice a school year (one per semester). 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.

## **Scholarship Granting Organization (SGO) Program**

### What exactly is a tax credit scholarship (SGO)?

Individuals and/or corporations get a tax credit for making donations to private charitable organizations, which use the money to fund scholarships for students. These scholarships can cover the cost of private school tuition, tutoring, and transportation. Families must meet the income requirements below to be eligible for scholarships. Participating private schools are required to meet standards for safety, fiscal soundness, and non-discrimination.

<b>Household Size</b>	<b>SGO Scholarship</b>
1	\$42,514
2	\$57,388
3	\$72,262
4	\$87,136
5	\$102,010
6	\$116,884
7	\$131,758
8	\$146,632
For each additional family member, add:	\$14,874

Table 1.2

### What are the student-based requirements for a tax credit scholarship (SGO)?

1. Resident of Indiana **AND**
2. Family meets the household income limits of 200% (table 1.2) or below the Free or Reduced Lunch Program

### What is a Tax Credit Scholarship (SGO)?

State approved non-for-profit organizations known as scholarship granting organizations (or commonly referred to as an SGO) collect private donations from individuals and businesses. Those donations are given as scholarships to low and middle income children so they can attend private schools.

In exchange for donating to an SGO, the donor receives a 50% tax credit on their state taxes. If the Federal taxes are itemized then the donation may be used to reduce Federal taxes.

### Are current private school students eligible for this program?

Current private families are not eligible for the voucher program. However, in 2013 the General Assembly passed legislation that allows current private families to use a tax credit scholarship as long as they meet the **income requirements**. Using a tax credit scholarship for one year would allow families to apply for a voucher the following school year as long as they meet the voucher program's income requirements.

### Tax Credit Scholarships

The tax credit scholarship program was designed to encourage private donations to allow low and middle income children an opportunity to attend a private school of their choice. Under HEA 1003, which was enacted in May 2011, the tax credit scholarship program was expanded and is now a component of the Indiana voucher program.

Scholarships awarded from this program represent the ability for a child who meets the voucher income limits to receive a voucher after having received a tax credit scholarship.

Families who meet the eligibility requirements can apply to certified scholarship granting organizations (SGOs) to receive a scholarship for their child to attend the K-12 public or private school of their choice.

Both corporate and individual donors are eligible to provide charitable donations to these SGOs in order to receive a 50% state tax credit from the state of Indiana, all while providing educational choices to families and opportunities to Hoosier students.