



SCHOOL MANUAL

A Guide to the South Dakota Tax Credit Scholarship

Compiled by **SD Partners in Education**
www.sdpartnersinedu.org

Program Overview

South Dakota Partners in Education



South Dakota created the Partners in Education tax credit scholarships recognizing and believing in the great responsibility parents have for their child's education. Every parents' hope is that their child has every opportunity to succeed. The tax credit scholarship program is one more effort by the State of South Dakota to help parents achieve that goal. The program provides scholarships to income-eligible students entering kindergarten, first grade, ninth grade; switching from a public school; or starting at a K-12 school in South Dakota for the first time. Whatever school a family chooses, South Dakota, in partnership with the insurance industry, has further empowered parents with that decision.

Who Runs this Program?

The SDPE Board plays an active role in the operations by officially managing this scholarship program under the Great Plains Education Foundation. Each board member lends expertise to insure the success of the program. Together we coordinate with you, the participating schools, so that the program is effective, transparent and accountable. South Dakota Partners in Education is a South Dakota Non-Profit 501(c)3 organization.

Board Members

Dan Fritz	Board President, Legal Counsel	
Phyllis Heineman	Legislative Effort, Annual Reporting,	School Liaison
Katie Mellor	School Coordinator, Web Site Manager	School Liaison
Scott Perrenoud	Legal and Financial Counsel	
Robert Satter	Communications	
Dustin Strande	Insurance Industry Advisor	
Tom Cink	Insurance Industry Advisor	
Brian Gosch	Legislative Effort, Legal Counsel	

Contact Information:

(605) 679-0112
sdpartnersinedu@gmail.com

SD Partners in Education
 920 W 4th St
 Sioux Falls, SD 57104

Role of TADS

SD Partners in Education have chosen to use the services of TADS in verifying the income eligibility of each applicant. This arrangement provides professional, confidential data collection from the families applying for scholarships. SD Partners in Education is dedicated to awarding scholarships to schools in every region of the state. Working with TADS gives SDPE a cost-effective way to use accurate verification to yield impartial results in compliance with the law. Many of the participating schools already use this third-party provider either for tuition management or financial aid application services and are therefore familiar with working with TADS. SDPE requires schools to follow certain reporting procedures thereby facilitating the collection and storage of information in the TADS database.

If you are new to using TADS, SDPE or TADS can assist you in setting up a private school portal in TADS. You will have access to the information that has been submitted by families who designate to attend your school. SDPE will assist you in becoming comfortable with working in the TADS online platform and with the school reporting procedures.



Where does the money come from?

South Dakota law allows the program a maximum \$2 million tax credit limit annually. There is work to be done to reach that amount; but we are hopeful and excited about what that could potentially mean for families—more scholarships with higher amounts. We are encouraged as the number of families interested in this opportunity continues to grow; our challenge is to grow the contributions for them. We are so grateful for each of the insurance companies that have led the way and contributed in our first years and know that there is so much potential for contributions from this very generous industry.

Schools as Partners

Schools, you are the key to helping us meet this challenge for families across South Dakota. You are a critical partner in South Dakota Partners in Education. Please be responsive to saying “thank you “to donors; talking to local insurance agents to educate them about the program and telling the stories of the families that are being helped. You have the stories of how the scholarships make a difference in the lives of students and families who otherwise would not have this choice for their child’s education.



Qualifying Schools

In order to accept students receiving the SD Partners in Education Scholarship, a “qualifying school” is any nonpublic school that operates within the boundaries of South Dakota, is accredited by the SD Department of Education, provides education to elementary or secondary students, has notified the scholarship granting organization (SDPE) of its intention to participate in the program and complies with the program requirements outlined in this manual. Any non-public school that receives a majority of its revenues from public funds is excluded from eligibility.

For questions related to school accreditation requirements for non-public schools in South Dakota, schools must contact the South Dakota Department of Education at (605) 773-3134 or www.doe.sd.gov.

School Participation Agreement

Each year participating private schools are required to submit the SDPE School Participation Agreement. The Participation Agreement is strictly between the participating private school and South Dakota Partners in Education (SDPE) and is separate from the South Dakota Department of Education (DOE) accreditation process.

Schools are asked to attach a listing of Tuition and Fees for both Members and Non-Members when submitting the School Participation Agreement. Because schools set tuition and fee amounts on an annual basis, providing this information each year along with the SDPE School Participation Agreement is important in determining scholarship awards. Failure to submit in a timely manner may result in a delay in scholarship payments.

If you are a new school interested in participating in the SDPE scholarship program, please contact a SDPE School Liaison at sdpartnersinedu@gmail.com to request an emailed version of the School Participation Agreement form and a copy of the School Manual. Let us answer any questions you may have about the program.

The Participation Agreement process has changed.

1.) SDPE will email the School Participation Agreement form to all interested private schools along with the updated SDPE School Manual. 2.) The primary administrator for the school completes the form – certifying that the school is accredited by the SD Department of Education, they have read the School Manual, will abide by the SDPE policies and will use the school’s private portal in TADS to verify specific information. 3.) If the primary administrator has delegated scholarship coordinator duties to someone else at the school, the local scholarship administrator must also sign the form.

4.) Mail the completed original form to SDPE. 5.) Include a copy of your school's tuition and fees schedule with the form you mail to SDPE.



Scholarship Awards

Scholarship Funding

The SD Partners in Education Scholarship award amount changes from one year to the next, based upon two things:

- South Dakota's per-student-allocation for public school students – SDPE scholarships are capped at 82.5% of the state's share paid out to public schools for each individual public-school student. (SD Codified Law 13-65-1)
- The amount of funds donated to the SD Partners in Education tax credit scholarship program. These funds come as both tax credit dollars from Insurance Companies and from private donations.

Tuition Rates

Schools that participate in the scholarship program may not charge a different rate for scholarship students. The same published tuition schedule must apply to all students, whether they are on scholarships or paying privately. The scholarship cannot be used for any fees that are not included on the published fee schedule provided to all prospective parents.

Award Notification

When a student is approved for a scholarship, the school will be notified by SDPE. The family will be notified either by the school or by SDPE email. There will be **ONE** scholarship check issued

within the first semester which represents the full scholarship amount given for the current school year. Should the program receive additional funding later in the school year, SDPE may issue additional dollars to scholarship recipients.

The scholarship funds may be used towards the following private school fees and are allocated in the order below until the maximum award is reached, or until all fees are satisfied:

	Tuition
	Books sold through the school (e.g. textbooks, workbooks, etc.)
	Registration
	Testing (e.g. standardized or entrance testing)
	Other fees (e.g. graduation fees, yearbook fees, field trips, etc.)

After – school care services are not included.

KNOWING THE APPLICATION PROCESS

Each school should know the application process thoroughly. As helpful as scholarship money can be, it is the relationship between school and family that creates the student success that we hope to achieve. The support for a family often begins with the guidance and care given by the school as they help the family complete the SDPE Application. Sometimes it is helping a family know what documents are required to verify income and sometimes it is finding an interpreter who can help a non-English speaker understand the process. We have tried to streamline as much as possible. For those schools that use TADS for their internal financial aid process, it is as simple as checking the SDPE box on the online application. One application and one fee to apply for financial aid and to SDPE at the same time. For others it requires completing the SDPE application. Either way, it is the exact same online application.

As school personnel become familiar with the process, don't hesitate to contact TADS directly through their help line or contact a SDPE School Liaison.



Student / Family Application

All applications for SD Partners in Education scholarships will be completed electronically at www.TADS.com. NOTE: A valid email address is required to complete an application. Schools are encouraged to assist families wherever possible, particularly in cases where the family would need to use a computer and/or the Internet at the school.

Students eligible for the scholarship will fall into one of the following categories:

1. **A New student** is a student who was not funded by the scholarship program the previous year or a student that has not previously applied. The student is a member of a household whose total annual income, did not exceed one hundred fifty percent (150%) of the income standard used to qualify for a free or reduced-price lunch under the [national free or reduced-price lunch program](#). New qualifying students remain eligible for three (3) years or if the student is entering high school, until the student graduates high school regardless of household income.
2. **A Returning Student** is a student who attended a participating private school and received funding for at least one day during the previous academic year. Income verification for scholarships is student specific. A qualifying renewal student does not have to submit a TADS application until they are beginning their 4th year in the program. The family must apply each subsequent year a sibling applies for a scholarship.
3. **A Reapplying student** is a student that has received the Partners in Education Scholarship for three (3) years at which time the family must reapply for income eligibility purposes to continue to receive a scholarship. A reapplying student remains eligible if the student is a member of a household whose total annual income in the prior year did not exceed two hundred percent (200%) of the income standard used to qualify for a free or reduced-price lunch. Once approved of income eligibility, the student is again able to receive the scholarship for another three (3) years.

To qualify for the scholarship, the following requirements must be met:

- Any student transferring from a SD public school to a participating private school.

- The eligible student must be starting at a participating private K-12 school in South Dakota for the first time, or is entering kindergarten, first grade or ninth grade.
- The eligible student resides in South Dakota.
- If a student is entering kindergarten s/he must be five (5) years old on or before September 1st of the academic year being applied for.
- If a student is entering first grade s/he must be six (6) years old on or before September 1st of the academic year being applied for.
- All families, regardless of student type, must meet the income guidelines found on the Partners in Education website.

TADS Application Fee

Is there a fee or not?

- If TADS is used by the participating school to process local school financial aid, families will have the option to check a box to apply for the SDPE Scholarship. No additional fee will be charged beyond the cost of applying for the local school.
- If a family chooses to apply for just the SDPE Scholarship (separate from any financial assistance from the private school of their choice), the family will be asked to select the school they wish to attend. The family will be asked to pay the application fee (\$34) to submit the application.

Someone must pay the application fee. If the family does not have the ability to pay, the school may choose to cover the cost for the family. That is a school by school decision. If the school is not paying the application fee, the school may contact SDPE and inquire about alternate options. On occasion, SDPE receives private donations and can cover the cost. If SDPE pays the fee, SDPE will issue the school a fee waiver number. There is no money transaction with the family or the school. TADS will bill SDPE for any application fee that had a waiver code.

Transfer Students

The SD Partners in Education scholarship may be transferred to another participating private school at any time throughout the academic year.

To transfer the scholarship, the current participating private school must first withdraw the student by electronically submitting an Exit Form. Once the Exit Form has been completed, the new school will need to electronically complete the SDPE Student Verification Form for the newly enrolled student. If you have questions about how to do this, please contact the SDPE Director or School Liaison.

Funding for students transferring will be determined for each school based on the student's funding start date and the actual days the student attended the school. The total may not exceed the student's maximum funding amount for that academic year.

Please note that if a student has an outstanding balance with the previous school, the student will not be able to transfer the scholarship to the new school until a payment arrangement is made with the previous school or the balance is paid in full. SDPE will issue a new Award Notification to the new school.

Do not accept a student without an award notification unless the School is willing to assume full responsibility for the student's tuition.

Scholarship Recipient Obligations – Student Attendance

Students must abide by the attendance policy of the participating private school in which they are enrolled. Failure to do so may result in a loss of scholarship. Should extenuating circumstances exist that cause a student to be absent for an excessive amount of days, during which no education is being provided by the school to the student, the school should submit an Exit Form for this student. Once the student has returned to the participating private school, the school should complete an additional SDPE School Verification Form with new dates. This will reactivate scholarship funding. If the circumstances surrounding the student's absence are unique, please contact SD Partners in Education for additional guidance.

Scholarship Recipient Obligations – Discipline

Students and families must abide by the behavioral and disciplinary policies of the participating private school in which the student is enrolled. Failure to do so may result in loss of scholarship. A participating private school reserves the right to suspend or expel students if its published policies are not followed.

If a student, over the course of his/her academic career as a SD Partners in Education scholarship recipient, is expelled from a participating private school three (3) times, s/he will lose the scholarship permanently; with no option to renew.

(This will not affect the scholarship of any siblings.)



Access to SDPE Documents

Staying informed and up-to-date is important. The South Dakota Partners in Education web site www.sdpartnersinedu.org is designed to give information to:

- **Families** interested in knowing more about the scholarship program and how to apply
- Anyone interested in **Parent Choice** issues and solutions for South Dakota
- **Insurance companies** interested in learning more about the program and how they can contribute
- **Schools** interested in staying informed and up-to-date

To better serve the needs of the schools, we have reinstated the School Portal. This is a private password protected page accessed from the SDPE web site. Each school will be given a login and password enabling you to get to the forms and documents your school will need for managing the requirements of the program. This access will allow you to get to the New Student Verification Form, the Renewal Student Verification Form, and the Exit Form. On the portal you will also have access to the School Manual, Promotional fliers, SDPE brochure, presentation information and other materials generated by SDPE.

Questions and assistance with procedures can be directed to the SDPE School Liaisons.

Call: (605) 679-0112

Email: sdpartnersinedu@gmail.com



Required Student Verification

SDPE will contact each school individually announcing those applicants that after preliminary review meet the requirements to receive a scholarship. SDPE is reliant upon each school to authorize the student information, verifying the information is correct. SDPE will have successfully raised contributions and determined the scholarship amounts. However, before checks can be issued, SDPE needs a verification from the school insuring that the scholarship recipient is in fact registered and attending your school.

The Student Verification process has changed.



Two Different Verification Forms

Schools will only fill out one Student Verification form per student. However, the school must determine which form fits the student's status with the scholarship program.

- 1) New students need confirmation that they meet the requirements for the scholarship. This information is a portion of the accountability requirements and becomes part of SDPE's required annual reporting.
- 2) Returning students are those students that have received a SDPE scholarship in the previous year. They have met the necessary requirements and are eligible for three (3) consecutive years. The school needs to confirm that the student is enrolled.
- 3) Reapplying students are returning students. Schools will use the Returning Student Verification Form.

Reapplying Students

Reapplying students are students that have qualified and received a SDPE scholarship for three (3) years. In the fourth (4th) year the family must reapply by submitting a TADS application to determine income eligibility. At this stage, the family is income eligible if their income is at or below 200% of Free & Reduced Lunch Program guidelines. SDPE is responsible for screening the income eligibility and will notify the school if the student qualifies. The law permits a high school student to complete the entirety of their high school education without having to reapply for eligibility.

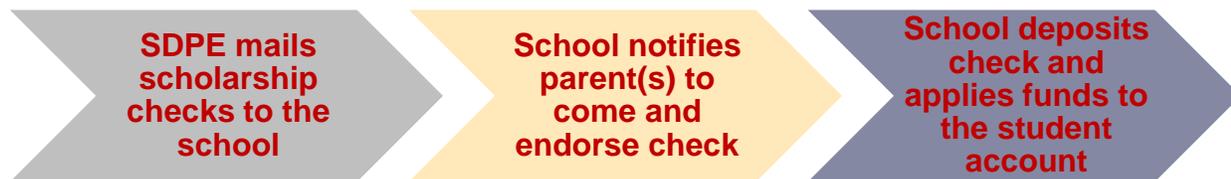


SCHOLARSHIP DISTRIBUTION

Scholarship payments are mailed to the school's physical address that is reported on the School Participation Agreement. If the checks need to be sent to a different address, please notify the SDPE Director or School Liaison.

The school will receive one scholarship check per verified student. As in previous years, SDPE still advises schools to apply half of the scholarship amount to the first semester and half to the second semester through the school's internal bookkeeping. Should SDPE receive additional contributions after award checks have been issued, the scholarship granting organization may issue additional scholarship payments to the eligible scholarship recipients. Parents and schools must abide by the SD Partners in Education Check Cashing Policy.

The check distribution process has changed. There is now only one check per year.



Scholarship Payments

Checks are distributed to the participating private school during the first semester. The parent or guardian listed on the check must endorse the check upon notification by the participating private school as soon as the check is available. Failure to endorse a scholarship check in a timely manner could result in the loss of scholarship and/or an outstanding balance at the participating private school.

The participating private school or any entity related to it may not be assigned as a Power of Attorney (POA) for any purpose related to a SD Partners in Education scholarship. However, SD Partners in Education may accept a properly executed Power of Attorney for the purposes of signing scholarship checks, after submission of the document by the applicant to SD Partners in Education for approval.

Should there be an emergency (i.e., illness, death, etc.) and another parent/guardian needs to sign a scholarship check, please contact SD Partners in Education for further instructions.

Financial Obligation

If the cost to attend the participating private school is more than the student's funding amount for that academic year, the parent is responsible for the difference. If a student withdraws from a school and has an outstanding balance, the school must indicate this on the student's Exit Form. If the amount owed is a family balance then SDPE advises that the school divide the balance by the number of children. Priority can be given to the outstanding balance due for the individual student that has withdrawn. SDPE will not transfer scholarship money to a new school until it is determined that the debt has been paid or an acceptable payment arrangement is reached with the school.

If the family does not keep up with the payment arrangement but has already transferred to another school, we will not revoke the student's scholarship. Please keep this in mind and only make payment arrangement with those families who you are confident will keep up with the arrangement. The school must notify SD Partners in Education immediately once that balance is paid. If a student has an outstanding balance from a previous academic year, SD Partners in Education reserves the right to award the student depending on the individual circumstances. Please contact SD Partners in Education with any questions regarding financial obligations.

(605) 679-0112

sdpartnersinedu@gmail.com.

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Sioux Falls, SD 57104

Web Site: www.sdpartnersinedu.org



Scholarship Check Distribution Policy / Procedure

POLICY: SD Partners in Education scholarship checks, made payable to the parent applicant, on behalf of the scholarship student, will be distributed to eligible, participating schools. Each scholarship student will receive one check. The schools will be informed of the check distribution schedule.

PROCEDURE: Scholarship Verification

Student verification is required. Each eligible, participating school will complete a SDPE Student Verification Form for every qualifying student receiving a scholarship. Questions related to the student's eligibility must be answered and the report submitted to SD Partners in Education for scholarship payments to be processed. Should additional funds be available allowing the SGO to increase the amount of the scholarship, student verification is required for every additional scholarship payment. If the student withdraws during the school year, the school is required to submit the online SDPE Exit Form.

Scholarship Check Distribution

Scholarship payments will be processed in the form of checks and mailed to those eligible, participating schools that have verified student eligibility. All the scholarship checks for all verified students will be mailed in a single package to the school's physical address on file with the SDPE.

The package will contain one scholarship check for each verified student;

- If, when completing the verification report, an indication is made that a student is no longer attending that eligible, participating school, and an Exit Form was submitted, an adjustment will be made in the scholarship payment to reflect the exact number of days the student attended that school. The scholarship check included in the packet will reflect the adjustment.
- In the event a SD Partners in Education scholarship check must be returned it should be returned to SDPE.

The SD Partners in Education scholarship was created to ensure that all parents, regardless of means, may exercise and enjoy their basic right to an education for their children as they see fit. For this reason, the scholarship checks are made payable to the parent and are signed over to the eligible, participating private school of the parent's choosing as payment for tuition and fees.

SD Partners in Education | PO Box 89110 | Sioux Falls, SD 57109-9110

sdpartnersinedu@gmail.org | (605) 679-0112 | Website: www.sdpartnersinedu.org

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Scholarship Check Cashing Policy / Procedures

POLICY: Upon receipt of the SD Partners in Education scholarship check, the parent/s to whom the scholarship check is made payable must restrictively endorse the check to the private school for deposit into the account of the private school. The parent may not designate any entity or individual associated with the participating private school as the parent's attorney in fact to endorse a scholarship check. A participant who fails to comply with this paragraph forfeits the scholarship.

PROCEDURE: Scholarship Check Endorsement – Parent

Each SD Partners in Education scholarship check must be endorsed by the payee named on the check.

- If more than one parent or guardian is named as the payee on the scholarship check, at least one of them must sign the check. The names will be shown as follows: primary parent/guardian name OR secondary parent/guardian.
- If the parent or guardian named as the payee on the scholarship check is not available to sign a scholarship check and has authorized another individual (not related to the private school in any way) as their Power of Attorney, after submitting copies of the Power of Attorney to SD Partners in Education, that individual may sign the scholarship check.
- All scholarship checks must be endorsed by the named payee/s or their designee before being deposited into the private school's account. The parent's endorsement should be above or below the school's stamped endorsement.
- SD Partners in Education may conduct routine, random audits of the parent or guardian's endorsement on scholarship checks. The school will be notified in the event of a finding related to the endorsement. Repeated findings could result in disciplinary action or loss of participation privileges.

Scholarship Check Endorsement – School

Each SD Partners in Education scholarship check must be endorsed by the private school named on the check.

- The scholarship check must be endorsed using a stamp with the following information:
FOR DEPOSIT ONLY
Name of School
Name of Bank / Account #
- Once received, the school is responsible for the security of the scholarship checks. The parent should be notified that scholarship check(s) requiring their signature are at the school. The school should make every effort to provide a time and place at the school for the parent to sign the scholarship check(s).
- SD Partners in Education may conduct routine, random audits of the school's endorsement on scholarship checks. The school will be notified in the event of a findings related to the endorsement. Repeated findings could result in disciplinary action or loss of participation privileges.

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