

# Tuition Donation Credit Program Participation Guide

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## I. Introduction and Purpose

Created by the 2012 Louisiana Legislature, The Tuition Donation Credit Program (TDC) empowers Louisiana families with the financial resources to choose the school that will best prepare their child for college and career. This program provides tax credits to Louisiana taxpayers who donate to tax-exempt, not-for-profit organizations called School Tuition Organizations that provide scholarships to K-12 students. The TDC program launched statewide during the 2013-2014 school year and is governed by BESE Bulletin 134.

School Tuition Organizations (STOs) play a critical role in the Tuition Donation Credit Program by: a) galvanizing Louisiana taxpayers to directly provide economic resources to Louisiana families; and b) conducting the scholarship award process to enable low-income children to attend the school that they feel will best prepare their child for college or career success.

The Louisiana Department of Education (LDOE) created this Tuition Donation Participation Guide to provide information and guidance to families, participating schools and STOs. This guide serves as a comprehensive tool designed to enhance understanding of the programmatic requirements and expectations outlined in Bulletin 134 by (1) clearly communicating program requirements and expectations; and (2) providing comprehensive timelines, guidance and suggested best-practices for participation.

## II. Program Eligibility

Students, schools, donors, and STOs must meet eligibility criteria to participate in the [Tuition Donation Credit Program](#).

### Student Eligibility

To be eligible to receive a scholarship through the [Tuition Donation Credit Program](#), a student must meet the following income, residency, and prior school year requirements:

Requirement	Criteria
Income	<ul style="list-style-type: none"><li>Have a family household income that does not exceed 250% of the federal poverty guidelines, as established by the Federal Office of Management and Budget.</li></ul>
Residency	<ul style="list-style-type: none"><li>Be a resident of the state of Louisiana.</li></ul>
Prior School Year	<ul style="list-style-type: none"><li>Have attended a public school in Louisiana on October 1st and February 1st of the most recent school year<sup>1</sup>;</li><li>Be entering Kindergarten for the first time; or</li><li>Have participated in the Louisiana Scholarship Program/Tuition Donation Credit Program the previous school year.</li></ul>

A list of acceptable forms of eligibility documentation can be found in [Appendix 3](#). Continuing students need to reconfirm eligibility each year they participate in the program.

### School Eligibility

Schools seeking to participate in the [Tuition Donation Credit Program](#) must meet minimum criteria as identified in [Bulletin 134](#). Additional criteria exist in [Bulletin 134](#) for schools that have been BESE approved (Nonpublic School Seeking BESE Approval) for less than five years.

While [Bulletin 134](#) outlines minimum criteria, School Tuition Organizations may ultimately choose to use additional STO-specific criteria (e.g. academic performance) to determine the schools with which they partner.

### Minimum Criteria

At a minimum, participating nonpublic schools must meet the following criteria:

Classification	Criteria
Bulletin 134	<ul style="list-style-type: none"><li>Conduct criminal background checks on its employees in compliance with <a href="#">R.S. 17:15</a> and exclude from employment any person not permitted by state law to work in a nonpublic school<sup>2</sup>.</li></ul>

<sup>1</sup> STOs may release their student application prior to the February 1st public school count date, but will not be able to verify prior year eligibility in a public school until approximately April.

<sup>2</sup> Qualified schools will be barred by the LDOE from participating in the program if the school fails to comply with any of the above criteria.

Classification	Criteria
<b>BESE Approval</b>	<ul style="list-style-type: none"> <li>Utilize “a curriculum of quality at least equal to that prescribed for similar public schools,” as required by the Louisiana Constitution.</li> <li>Submit information and documentation, which vary based on school characteristics, to the LDOE annually in order to obtain or renew BESE approval for the following school year.</li> </ul>
<b>Brumfield v. Dodd Compliance</b>	<ul style="list-style-type: none"> <li>Be <a href="#">Brumfield v. Dodd</a> certified and compliant. <ul style="list-style-type: none"> <li>The Brumfield v. Dodd certification process verifies that schools receiving state and federal funds are not racially discriminatory.</li> </ul> </li> </ul>

The most up to date list of BESE approved nonpublic schools and their Brumfield v. Dodd compliance status can be found on the [Nonpublic Schools Resources](#) page on the LDOE website.

#### Additional Requirements for Recently BESE Approved Schools

Classification	Criteria
<b>BESE Approved less than 5 years</b>	<ul style="list-style-type: none"> <li>If a school plans on receiving more than \$50,000 in scholarships from an STO, they must demonstrate their financial viability by: <ul style="list-style-type: none"> <li>filing a surety bond payable to the STO equal to the amount of donations expected to be received during the school year, prior to the start of the school year; or</li> <li>providing financial information to the STO. <ul style="list-style-type: none"> <li>STOs can determine what specific financial information they require in lieu of the surety bond, and should maintain documentation of a school’s fulfillment of this requirement.</li> </ul> </li> </ul> </li> </ul>
<b>BESE Approved less than years</b>	<ul style="list-style-type: none"> <li>Meet the requirements for BESE approved &lt;5 years, AND:</li> <li>Maximum of 20% of the school’s enrollment can be scholarship students if the school takes part in both the Tuition Donation and Louisiana Scholarship Programs.</li> </ul>

#### Additional STO Criteria for Schools

- STOs may either award scholarships for students to attend all eligible schools or decide to use specific criteria to partner with a subset of schools.
  - These STO specific criteria may include, but are not limited to, the school’s academic performance and/or geographic location.
  - If an STO decides to partner with a subset of schools, the partnership must be with a group of schools and not a single school.

## Donor Eligibility

While STOs may receive donations from any donor, donors must meet the following requirements to qualify for a tax credit:

- Donors must be taxpayers who are required to file a Louisiana income tax return for the year in which the donation was made; and
- Have some portion of their donation used by the school tuition organization to provide scholarships for tuition and fees for student scholarships at an eligible school.

Donors who allocate their donation to cover 100% operating/administrative costs may still qualify for a tax deduction for a donation to a charitable organization, but since no funds were used to fund student scholarships, the donation would not qualify for a tax credit for this program. STOs are responsible for verifying donor eligibility and should retain donors' Louisiana Tax-ID for their records.

## School Tuition Organization Eligibility

### Initial Eligibility Requirements

Organizations seeking to serve as an STO to award student scholarships through the TDC Program must meet all of the initial criteria below:

- Be exempt from federal income tax and be established as an organization as described in Section 501(c)(3) of the Internal Revenue Code;
- Not employ or allow as a board member any individual that has been convicted of or entered a plea of nolo contendere to a crime listed in the Louisiana Child Protection Act. More guidance regarding crimes listed as part of the Louisiana Child Protection Act and background check requirements may be found in [R.S. 15:587.1.1](#).
- Agree to follow the Tuition Donation Credit Program's rules and policies found in [R.S.47:6301](#) and [BESE Bulletin 134](#), as amended.

### Notice of Intent to Participate Process

Organizations that meet these requirements may submit a formal [Notice of Intent to Participate \(NOI\)](#) and the required supporting documentation to the LDOE. The LDOE will review the information submitted and officially notify the organization of its eligibility to serve as an STO in writing.

### Continued Eligibility

STOs must continue to comply with all financial and advertising requirements to remain eligible. The LDOE may bar an organization from continuing to serve as an STO if it fails to meet these requirements.

(For more information on the financial and advertising requirements for STOs, see [Section VI: Budgeting and Financial Reporting Requirements](#) and [Section VII: Advertising Requirements](#)).

### III. Awarding Scholarships

STOs participating in the Tuition Donation Credit Program must meet minimum criteria as identified in [Bulletin 134](#). STOs:

- may only use applications approved by the LDOE in awarding scholarships to qualified students;
- are required to document the eligibility of each qualified student for each year that qualified student receives a scholarship;
- award scholarships to qualified students on a first-come, first-serve basis, with priority given to students who received a scholarship from the STO or the Louisiana Scholarship Program the previous year; and
- are not permitted to limit available scholarships to students of only one qualified school.

#### Scholarship Award Process

The steps from application release to issuing scholarship payments are detailed in this section.

<b>Step One:</b>	Release of Student Application
<b>Step Two:</b>	Verification of Student Eligibility
<b>Step Three:</b>	Awarding of Student Scholarships
<b>Step Four:</b>	Enrollment in a Nonpublic School
<b>Step Five:</b>	Issuance of Student Scholarship
<b>Step Six:</b>	Verification of Quarterly Enrollment and Issuance Scholarship Payments
<b>Step Seven:</b>	Certification of Issuance of Scholarships to the LDOE

#### Step One: Release of Student Application

- Each STO must submit their student application to the LDOE and receive approval before releasing it to the public.
  - The application may not impose any additional student eligibility criteria beyond those listed in Bulletin 134. A sample application may be found in [Appendix 4](#).
  - STOs may charge an application fee.
- STOs may create their own application timeline for when an application is released and when the application period ends.
  - STOs may release their student application prior to the February 1 public school count date; however, verification of prior year eligibility in a public school will not occur until approximately April.

#### Step Two: Verification of Student Eligibility

- STOs will verify student income and residency eligibility, as well as maintain eligibility documentation for auditing purposes.

- Scholarship recipients must submit eligibility documentation to the STO each year they participate in the program.
- Scholarship recipients will lose their eligibility status if they do not meet the income requirement in subsequent years.
- The LDOE will verify prior school eligibility for the STO to determine if the student was enrolled in a Louisiana public school, the Louisiana Scholarship Program, or the [Tuition Donation Credit Program](#) for the previous school year (refer to [Section IX: Programmatic Compliance](#) for more information).

### Step Three - Awarding of Student Scholarships

- Once student eligibility has been verified, scholarships are awarded on a first-come, first-served basis, with priority given to students who received a scholarship through the [Tuition Donation Credit Program](#) or the Louisiana Scholarship Program the previous year.
- The LDOE recommends that STOs include the following information in scholarship notification letters to families:
  - Amount of the scholarship award funded by the STO through the [Tuition Donation Credit Program](#)
  - Financial liability/responsibility of families for all school tuition and/or fees that exceed the amount of the scholarship
  - Next steps for students to enroll in a nonpublic school
  - Instructions for notifying the STO that a student has enrolled in a nonpublic school

### Step Four: Enrollment in a Nonpublic School

***NOTE: Receipt of a scholarship award does not guarantee enrollment into a specific school. Students must apply directly to a participating nonpublic school for enrollment.***

- Qualified schools maintain their own enrollment procedures.
- Schools that partner with an STO should let the STO know the number of Tuition Donation scholarship seats they have available.
  - If the number of Tuition Donation applicants that meet the participating school's enrollment criteria exceeds the number of available Tuition Donation seats, the school must conduct a lottery to determine enrollment.
    - The school can give preference to siblings of students already enrolled in the school, scholarship award recipients transferring from another nonpublic school, and students who attended a D or F rated Louisiana public school in the previous school year.
- Once a student is officially enrolled in a partner nonpublic school, the family should promptly notify the STO.

### Step Five: Issuance of Student Scholarship

- Once an STO awards a scholarship and confirms a student's enrollment at a partnering nonpublic school, the STO can officially issue a scholarship.
- The issue date refers to the date when the following are 100% complete:
  - The STO has awarded a scholarship to the student
  - The student is matched to a specific school
  - The school confirms the student is enrolled at the school
  - Funds are earmarked for the student's scholarship
- Students may receive awards from multiple School Tuition Organizations as long as the total award does not exceed the maximum scholarship award amounts (refer to [Section IV: Scholarship Award Amount](#) for more information).

- Students may apply for and be offered a scholarship from the Louisiana Scholarship Program, School Choice Program for Certain Students with Exceptionalities, and the [Tuition Donation Credit Program](#). However, they may only accept and use **one** of the scholarships.

#### **Step Six: Verification of Quarterly Enrollment and Issuance of Scholarship Payments**

- The school is required to immediately notify the respective STO and the LDOE when a scholarship student is no longer enrolled at the school. However, it is the STO’s responsibility to verify student enrollment in each quarter prior to issuing payments.
  - As a best practice, the LDOE suggests that STOs establish consistent count dates in September, December, February and May.
    - For example, an STO may designate the count dates as the second Wednesday of these months.
  - On these count dates, the STO should verify enrollment of their scholarship students across all partner schools.
- STOs distribute quarterly scholarship payments to each participating school in September, December, February and May of the current school year.
- Quarterly payment checks are issued and made payable to the parent/guardian listed on the scholarship student’s application.
- Parents must restrictively endorse the check for deposit into the school’s account.
- The check recipient must verify that:
  - the information on the check is accurate and complete;
  - the check has been restrictively endorsed into the school’s account; and
  - sign under the check’s “For Deposit Only” line.
- Once received, nonpublic schools should stamp or write “For Deposit Only into the Account of (name of nonpublic school).”

#### **Step Seven: Certification of Issuance of Scholarships to the LDOE**

- STOs are required to certify that scholarships have been issued by submitting quarterly enrollment reports to the LDOE in September, December, February and May.
  - Certifications for scholarships should include:
    - Information pertaining to the student(s) who received the scholarship;
    - Nonpublic school the student(s) will use the scholarship for;
    - List of the taxpayer(s) whose donation(s) to the STO funded the scholarships, including the date of the donation; and
    - Amount of each taxpayer’s donation used to fund the scholarships.
- STOs are required to provide certification to the LDOE of any scholarships that have been issued within 30 days of issuing the scholarship.
  - STOs are to submit updated enrollment reports as necessary to satisfy this 30 day reporting requirement (refer to Section VI of this document for more information).
  - Every student that has been issued a scholarship for the current school year should be listed on the respective STOs’ enrollment report.

Note: If an STO fails to submit all required certification information and/or updated enrollment reports, or if the required information is submitted after the due date, the STO may receive a Notice of Non-compliance and/or other accountability action(s)(see [Section IX: Programmatic Compliance](#) for more details)



## IV. Scholarship Award Amount

The amount of scholarships awarded by an STO must be equal to the amount of donations the organization has received, minus allowable administrative and promotional costs. Of the money an STO receives from taxpayers' donations for scholarships:

- Only 5% can be used for administrative and/or promotional expenses.
- At minimum, 95% must be used to provide scholarships to students to attend a qualified nonpublic school.

STOs determine the amount of student scholarships; however, scholarship amounts cannot exceed the lesser of either the school's tuition and mandatory fees or:

Student Grade Level	Maximum Scholarship Award Amount
K-8	<ul style="list-style-type: none"><li>• 80% of the state average MFP per pupil funding amount from the previous school year. The Department of Education will communicate the exact award amount to STOs each year as it becomes available.</li></ul>
9-12	<ul style="list-style-type: none"><li>• 90% of the state average MFP per pupil funding amount from the previous school year. The Department of Education will communicate the exact award amount to STOs each year as it becomes available.</li></ul>

**NOTE:** If the total amount of scholarships received by a qualified student exceeds one of these amounts, the STO that awarded the scholarship that caused the student's total scholarship amount to exceed the specified amount is required to refund the state the difference.

Any qualified student receiving a scholarship from an STO cannot receive any other publicly funded scholarship, voucher, or other form of public financial assistance for purposes of attending a nonpublic school. However, a qualified student may receive scholarships from multiple school tuition organizations, as long as the total amount of the scholarships does not exceed the amount outlined above.

### School Tuition and Mandatory Fees

School tuition and fees charged to TDC scholarship students cannot be higher than those charged to non-TDC scholarship students. Fees should include only the expenses that are mandatory for all enrolled students in that grade level (e.g. school tuition, books and materials, registration fees, etc.). In many cases, the scholarship award will not cover the full tuition and mandatory fees of the applicable nonpublic school. In these instances, families are responsible for the school tuition and fees that exceed the amount of the scholarship.

STOs may choose to enter into formal partnership agreements with participating schools. When doing so, STOs should collect information about the partner school's total educational costs, which include school tuition and all mandatory fees charged to non-scholarship students.

### Prorating Scholarship Award Amounts

Scholarships granted to qualified students are transferable during the school year and can be used at any qualifying school served by the STO that accepts the qualified student. The parent must verify that the STO partners with the new school, as well as provide verification that the student has been enrolled in the new, qualified school.

If the student moves to a new qualified school served by the STO during a school year, the STO can transfer the scholarship award and prorate the scholarship amount.

Please see below for the three common occurrences resulting in the need for a scholarship award to be prorated. For the purposes of the example scenarios below, MFP for grades K-8 = \$4,200, and for grades 9-12 it is \$4,700.

1. A student scholarship award was issued after the first scholarship payment date.

Scholarship Issue Date	Grade Level	Maximum Scholarship Award Amount (assuming school's tuition and fees meet or exceed 90% of MFP)
October 20	9	<ul style="list-style-type: none"> <li>Since the student was not issued a scholarship until after the Quarter 1 count date, the student is not eligible to receive funding for this quarter.</li> <li>The student is eligible to receive a scholarship for the next three quarters, assuming the student is enrolled for the remainder of the school year. <ul style="list-style-type: none"> <li>3/4 of \$4,700.00 = \$3,525.00</li> </ul> </li> </ul>

2. A student transfers to a different school during the school year.

Scholarship Issue Date	Transfer Date	Grade Level	Maximum Scholarship Award Amount (assuming school's tuition and fees meet or exceed 80% of MFP)
August 15 (School 1)	November 5 (School 2)	5	<ul style="list-style-type: none"> <li>1/4 of the payment should be distributed to the school the student was enrolled in during Quarter 1 <ul style="list-style-type: none"> <li>1/4 of \$4,200.00 = \$1,050.00 to School 1</li> </ul> </li> <li>3/4 of the payment should be distributed to the school the student was enrolled in during Quarters 2, 3 and 4 <ul style="list-style-type: none"> <li>3/4 of \$4,200.00 = \$3,150.00 to School 2</li> </ul> </li> </ul>

**Note:** The original and new school will only receive payments for the quarters in which the student is enrolled. The September report would reflect the full \$4,200.00 at the student's initial school. However, the December report would have two separate lines for this student: one for School 1 reflecting a scholarship award of \$1,050.00 and one for School 2 with a scholarship award amount of \$3,150.00.

3. A student exits the Tuition Donation Credit Program before the end of the school year.

Scholarship Issue Date	Exit Date	Grade Level	Maximum Scholarship Award Amount (assuming school's tuition and fees meet or exceed 90% of MFP)
August 15 (School 1)	January 10 (School 2)	10	<ul style="list-style-type: none"> <li>Since the student exited the program prior to the February (Quarter 3) count date, the student is not eligible to receive funding for quarters 3 or 4.</li> </ul>

Scholarship Issue Date	Exit Date	Grade Level	Maximum Scholarship Award Amount (assuming school's tuition and fees meet or exceed 90% of MFP)
			<ul style="list-style-type: none"> <li>• The student is eligible to receive a scholarship for quarters 1 and 2.               <ul style="list-style-type: none"> <li>◦ <b>2/4 of \$4,700.00 = \$2,350.00</b></li> </ul> </li> </ul>

**Note:** The September report would reflect the full \$4,700.00 at School 1. However, the February report would include the January 10 exit date and an updated scholarship award amount of \$2,350.00

#### Quarterly Enrollment

If a student attends the qualified school and is absent less than 10 days during any of the following timeframes, that student is considered "enrolled" for that quarter.

- Quarter 1 = Beginning of the school year through September 30
- Quarter 2 = October 1 through December 31
- Quarter 3 = January 1 through February 28
- Quarter 4 = March 1 through May 31

## V. Donations And Credits

The [Tuition Donation Credit Program](#) provides Louisiana taxpayers the opportunity to receive tax credits for donations that fund private school scholarships for low-income students. However, parents who receive scholarship payments are not allowed to claim the amount received as any other credit, deduction, exemption, or rebate.

### Tax Credit Amounts And Administrative Fees

Donors receive tax credits that are equal to the actual amount of the donation used by a school tuition organization to fund a scholarship to a qualified student, which shall not include administrative costs.

STOs may use no more than 5% of donations for student scholarships on administrative costs such as salaries, supplies or utilities.

### Donation And Tax Credit Implications

Donations used to fund student scholarships directly lower a donor's tax liability. Donors and STOs with specific questions regarding how a donation may impact a donor's specific tax liability should consult a tax lawyer or advisor.

### Donation Specific Stipulations

Donors may impose specific stipulations on any donation that they make to an STO. However, unless otherwise in alignment with one of the stipulations listed below, a donor may not earmark their donation to fund scholarships for a specific student or a specific school.

Donor Stipulations	Donors may designate their donation for:
<b>Special Education</b>	<ul style="list-style-type: none"><li>• Special education students in general;</li><li>• Students with a specific type of exceptionality; or</li><li>• An individual special education student</li></ul>
<b>Group of Schools</b>	<ul style="list-style-type: none"><li>• A group of two or more schools.<ul style="list-style-type: none"><li>○ For example, a donor could designate their funds to be used specifically for a group of schools located in a specific parish. However, the donor could not designate the donation for a specific school in that parish..</li></ul></li></ul>
<b>Time Frame to Use Donation</b>	<ul style="list-style-type: none"><li>• If not designated, the STO may carry forward a donation to another school year</li></ul>
<b>Administrative Fees</b>	<ul style="list-style-type: none"><li>• A donor may also designate their entire donation to be used for administrative purposes.</li></ul>

## Donor Receipt And Credit Process

The following table provides an example overview of how donors receive a tax credit for student scholarships.

Steps		Description
1	<b>Initial Donation</b>	<ul style="list-style-type: none"> <li>A donor makes an initial donation to an STO with any applicable stipulations. The credit is earned by the donor when the donation is made.</li> </ul>
2	<b>Initial Funding of Scholarship</b>	<ul style="list-style-type: none"> <li>School Tuition Organizations submit the amount of donations that are eligible for a tax credit to the LDOE in the Donor Credit Report on a monthly basis as determined by the Department.</li> <li>The STO must use at least 95% of each individual donation to fund student scholarships, unless the donation was designated for administrative purposes. Donations used for administrative costs or purposes are not eligible for a tax credit.</li> </ul> <p>To complete the Donor Credit Report, the STO reports all required information to the LDOE including:</p> <ul style="list-style-type: none"> <li>All donors' names</li> <li>Tax IDs or social security numbers</li> <li>Donation amounts</li> <li>Dates the donations were made.</li> </ul> <p>STOs must submit this report via the secure FTP site and notify LDOE personnel when the report has been submitted. The LDOE uses this information in the Donor Credit Report to prepare appropriate tax credit documentation.</p>
3	<b>Subsequent Funding of Student Scholarships</b>	<ul style="list-style-type: none"> <li>If an STO receives donations after submitting the initial report, this information must be submitted to the LDOE on the subsequent Donor Credit Report.</li> </ul>
4	<b>Issue Donor Receipts</b>	<ul style="list-style-type: none"> <li>The LDOE reviews the Donor Credit Reports completed by STOs and issues receipts within two weeks to the STOs for the amount of the donation used on student scholarships.</li> <li>The STO will then distribute these receipts to their donors.</li> </ul>
5	<b>Issue Donor Credits</b>	<ul style="list-style-type: none"> <li>The donor submits this receipt as an attachment when filing their taxes.</li> </ul>

## VI. Budgeting And Financial Reporting Requirements

### Budgeting

Each School Tuition Organization is required to pay out or “reserve” at least 75% of all the funds received from donations for student scholarships. In order for the funds to qualify, the funds must be designated for a specific student who will be awarded for the next school year.

On July first of each year, STOs are required to make an accounting of all funds received as donations during the previous calendar year, as well as the amount retained from the year before the previous calendar year. Any donated funds retained by an STO as of July 1 that exceeds 25% of all funds available from donations from all prior calendar years must be remitted to the LDOE for deposit into the general fund.

In addition to the budgeting requirements above, using the funds retained from the administrative costs, each STO must fund the administration of state tests associated with the school and district accountability system to scholarship students enrolled in grades that require state testing under the state’s accountability and testing laws for public schools. These costs cannot be included as part of any scholarship award.

### Financial Reporting Requirements

In addition to the Donation Credit Report, STOs are responsible for providing three financial reports to the LDOE. Noncompliance with the financial guidelines set forth in [Bulletin 134](#) may result in the LDOE barring an STO’s participation in the program.

Report	Due Date	Purpose
<b>Quarterly Enrollment and Certification Report</b> <i>Starting the first month in which an STO issues scholarship award</i>	<ul style="list-style-type: none"> <li>The last day of September, December, February and May</li> <li>Within 30 days of any issued scholarship               <ul style="list-style-type: none"> <li>If the report was previously submitted, it must be updated and resubmitted as necessary to satisfy this requirement</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>To provide certification to the LDOE that scholarships have been issued</li> <li>To verify prior school eligibility (LDOE)</li> <li>To verify information that will be submitted in STOs Annual Program Report</li> </ul>
<b>Annual Program Report</b>	<ul style="list-style-type: none"> <li>STOs are required to submit this report annually on January 1 if student scholarships were issued previous state fiscal year</li> </ul>	<ul style="list-style-type: none"> <li>To ensure that donations are being used in accordance with Bulletin 134</li> <li>Shared annually with the LDR</li> </ul>
<b>Annual Financial Information Report</b>	<ul style="list-style-type: none"> <li>Six months following the end of the STO’s fiscal year</li> </ul>	<ul style="list-style-type: none"> <li>To ensure STO’s compliance with national accounting standards</li> <li>Shared annually with the LDR</li> </ul>

## Quarterly Enrollment Reports

### Purpose

STOs communicate awards issued to the LDOE through submission of the quarterly enrollment report. The LDOE verifies prior school eligibility for students listed on the quarterly reports and uses the data submitted throughout the year to inform the TDC annual report, as well as verify the information submitted in the STO's Annual Program Report.

### Content

1. Student Information
2. Parent Information
3. Student Eligibility Verification
4. Award Date - refer to [Section III](#) for more information
5. Issue Date - refer to [Section III](#) for more information
6. Decline Date
7. Entry Date - date student started attending the nonpublic school for the current school year
8. Exit Date - date the student exited the nonpublic school (if applicable)
9. Nonpublic School Name and Site Code
10. School Tuition and Mandatory Fees
11. Scholarship Award Amount
12. Student Exceptionality, if applicable
13. Certification of Scholarships
  - a. List of the taxpayer(s) whose donation(s) to the STO funded the scholarships
  - b. Date of the donation
  - c. Amount of each taxpayer's donation used to fund the scholarships

### Due Date

- Quarterly or within 30 days of issuing a scholarship, starting the first month in which the STO issues an award

### Accountability and Compliance

- If the report is submitted after the due date, the STO may receive a Notice of Noncompliance and/or other accountability action(s) (see [Section IX. Programmatic Compliance](#) for more details)
- If the report contains inaccurate information, one or both of the following steps may be warranted (depending on the type of inaccuracies):
  - return the report for the STO to update/correct with a specified due date
  - lock the tab for the original submission and create an "Amended" tab, and return the report for the STO to update/correct the inaccurate information with a specified due date
- If the STO does not submit required information, the STO may receive a Notice of Noncompliance and/or other accountability action(s) (see [Section IX. Programmatic Compliance](#) for more details)

## Annual Program Report

### Purpose

The LDOE will use this report to ensure that donations are being used in accordance with [Bulletin 134](#). The LDOE will annually share this report with the Louisiana Department of Revenue.



Each School Tuition Organization and the LDOE must redact all names of donors and social security numbers or tax identification numbers before publicly releasing any annual report.

## Content

Must be prepared by a certified public accountant and include:

1. Name and address of the school tuition organization
2. Total number and total dollar amount of credit-eligible donations received during the previous fiscal year<sup>3</sup>
3. Total number and dollar amount of educational scholarships awarded to qualified students during the previous fiscal year.
4. Total amount of donations expended on administrative costs during the previous fiscal year
5. Percentage breakdown of donations expended on scholarship and administrative costs during the previous fiscal year
6. Actual tuition and fee amounts published by the qualifying schools which enrolled a student with a scholarship from that School Tuition Organization during the previous school year
7. Total amount of contributions received by the School Tuition Organization during the previous calendar year (January 1 – December 31)<sup>4</sup>
  - a. The social security number or Louisiana taxpayer identification number for each contributor each time the contributor is listed
8. Total amount of contributions made by each contributor during the previous calendar year (January 1 – December 31)
  - a. The social security number or Louisiana taxpayer identification number for each contributor each time the contributor is listed
9. Amount of each donor's donations expended on scholarships during the previous school year
  - a. The social security number or Louisiana taxpayer identification number for each donor each time the donor is listed
10. The total dollar amount of donations retained from the year before the previous calendar year<sup>5</sup>

## Due Date

- Annually, no later than January 1
- STOs are required to submit this report if they issued student scholarships during the previous fiscal year.

## Accountability and Compliance

- If the report is submitted after the due date/extension or is missing information, the STO may receive a Notice of Noncompliance and/or other accountability action(s) (see [R.S. 47:6301\(B\)\(1\)\(c\)\(ix\)](#) and [Section IX. Programmatic Compliance](#) for more details)
- If the report contains inaccurate information, one or both of the following steps may be warranted (depending on the type of inaccuracies)
  - return the report for the STO to update/correct with a specified due date
  - the STO may receive a Notice of Noncompliance and/or other accountability action(s)

<sup>3</sup> Fiscal year refers to July 1 - June 30 (e.g. for the report due January 1, 2023, the previous fiscal year is July 1, 2021 - June 30, 2022).

<sup>4</sup> Calendar year refers to January 1 - December 31 (e.g. for the report due January 1, 2023, the previous calendar year is January 1, 2021 - December 31, 2021).

<sup>5</sup> To comply with [R.S. 47:6301\(B\)\(1\)\(c\)\(xii\)](#), this item is being added as a requirement for the Annual Program Report. It is optional for the report due no later than January 1, 2023; however, it is a required item beginning with the report due no later than January 1, 2024. For the January 1, 2023 report, the year before the previous calendar year is January 1, 2020 through December 31, 2020.



- If the expenditures in the report are not in compliance with statute
  - the STO will receive a Notice of Noncompliance and/or other accountability action(s)
  - the STO will have 12 months to come into compliance with statute
    - [R.S. 47:6301 \(A\)\(3\)](#) No less than 95% of the monies received by the school tuition organization from taxpayer donations for scholarships shall be used to provide scholarships
    - [R.S. 47:6301 \(B\)\(1\)\(a\)](#) No more than 5% of a donation shall be used by the school tuition organization for administrative or promotional costs.
  - failure of an STO to come into compliance after the 12 month period will result in the STO being deemed sufficient noncompliance of the portions of statute noted above and being barred from participating in the tuition credit donation program for the upcoming and following school year

## Annual Financial Information Report

### Purpose

To ensure STOs' compliance with national accounting standards, this report is shared annually with the Louisiana Department of Revenue.

### Content

Must be prepared by a certified public accountant and include:

- Financial information that complies with uniform financial accounting standards.
- Certification from an auditor that the report is free of material misstatements.

### Due Date

- Six months following the end of the STO's fiscal year<sup>6</sup>

### Accountability and Compliance

- If the report is submitted after the due date/extension or is missing information, the STO will receive a Notice of Noncompliance and/or other accountability action(s) (see [Section IX. Programmatic Compliance](#) for more details)
- If the report contains inaccurate information, any or all of the following steps may be warranted (depending on the type of inaccuracies)
  - return the report for the STO to update/correct with a specified due date
  - the STO receives a Notice of Noncompliance and/or other accountability action(s)
  - the STO will have 12 months to come into compliance with statute/policy; failure of an STO to come into compliance after the 12 month period will result in
    - the STO being deemed sufficient noncompliance
    - being barred from participating in the tuition credit donation program for the upcoming and following school year.

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<sup>6</sup> For example, if the STOs fiscal year ends on December 31, then their annual financial information report would be due to the LDOE on June 30. STOs are required to submit this report starting the first year in which they begin issuing student scholarships.

## VII. Advertising Requirements

Advertising is vital in ensuring that families are aware of all available school and scholarship options for their students. STOs are responsible for all advertising activities and must follow the guidelines set forth in Bulletin 134, Chapter 7. Noncompliance with these advertising guidelines may result in the LDOE barring an STO from program participation.

### Required Advertising Activities

Placing emphasis on notifying parents of students in public schools that received a letter grade of D or F, all School Tuition Organizations must complete at least the following required advertising activities each school year they award student scholarships:

1. Advertise scholarship availability, specific award amounts, and application instructions on the School Tuition Organization’s website
2. Host at least one public information session regarding scholarship availability for families in proximity to a public school that has received a grade of D or F.

*Example: An STO may hold a parent information session open to the public near a public school that has received a grade of D or F. At the session they could share information about the [Tuition Donation Credit Program](#), their organization and scholarship availability for the upcoming school year.*

3. On a per-parish basis, advertise scholarship availability to families of students in public schools that received a grade of D or F at least equally to families of students in public schools that received a grade of A, B, and C.

*Example: In X Parish Louisiana, there is 1 school with a grade of A and 1 school with a D. The high performing school is located in town A and the failing school is located in town D. The STO should ensure their advertisements reach families of students in town D at least as much as the families of students in town A.*

### Advertisement Message

Having multiple stakeholders involved with the [Tuition Donation Credit Program](#) (e.g. STOs, schools, government agencies, etc.), consistent advertising becomes critical to ensuring that families, donors, and schools are fully informed about how they may participate in the [Tuition Donation Credit Program](#).

To help STOs ensure consistent advertising, [Bulletin 134](#) outlines guidelines for what advertisements must and must not include:

<b>Must Include</b>	<ul style="list-style-type: none"><li>• Specific monetary scholarship amounts</li><li>• Scholarship availability on a first-come, first-served basis, with priority given to students who received a scholarship in the previous year</li><li>• Scholarship application instructions and deadlines</li><li>• STO’s contact information</li><li>• Student eligibility requirements</li></ul>
<b>Must Not Include</b>	<ul style="list-style-type: none"><li>• Discrimination against students for any reason, including, but not limited to, race or ethnicity, religion, academic performance, students with a disability, or gender;</li><li>• Guarantee of enrollment in any nonpublic school;</li></ul>

- Any indication that a STO's student application directly affects the student's participation in the Louisiana Scholarship Program;
- Student level data without appropriate approval as defined by LDOE; or
- Contradiction of any other requirements found in R.S. 47:6301, as amended, or BESE Bulletin 134, as amended.

### **Advertisement Reporting**

Each STO must upload an electronic copy of any advertisement used to the FTP site within 30 days of the advertisement's first use. The LDOE will then verify that each advertisement meets all requirements. If the LDOE requests revisions, STOs must submit revised advertisements to the LDOE within 30 days, or prior to the first use of the revised advertisement, whichever occurs first.

# VIII. Assessments

Tuition Donation scholarship recipients are required to take state tests in English Language Arts (ELA) and math. General LDOE provided information about required assessments, including an annual timeline, may be found in the LDOE Assessment Library.

## Overview Of Required Assessments And Ordering Information

Tuition Donation scholarship recipients are required to take the state assessments in English Language Arts (ELA) and math while enrolled in grades 3 through 8 and when they are taking a high school assessment-eligible course for English and mathematics. STOs are to use the [Participation Form for Nonpublic School Students](#) to order these requisite assessment materials. This form and other applicable deadlines can be found in the [LDOE Assessment Library](#).

Student Grade Level	Required Assessment
3-8	LEAP 2025
8-12 Students take these assessments the year in which they are enrolled in the applicable course.	LEAP 2025 For students entering high school or repeating a course: <b>Algebra I, Geometry, English I, and English II</b>

## Release Of Assessment Results

Annually, the LDOE will release a public report with the assessment results of Tuition Donation scholarship recipients at the same time the LDOE traditionally releases reports regarding individual school performance on state tests. The report will include:

1. The name of all qualified schools receiving scholarship recipients;
2. The number of scholarship recipients attending each qualified school; and
3. The results of the state's accountability and testing laws for students in public schools for scholarship recipients in each grade at each participating school.
4. State Test scores for each student receiving a scholarship with the entirety of the students participating in the TDC program. State test scores will be reported for any grade level with 10 or more participating students taking the same tests.

Note: The LDOE shall not include the name or any other identifying information for individual students.

## Assessment Responsibilities

STO Responsibilities	School Responsibilities
<ul style="list-style-type: none"> <li>● Ensure partner schools appoint a school test coordinator (STC) and share contact information with the STO and LDOE.               <ul style="list-style-type: none"> <li>○ If the STC changes, ensure that partner schools notify the LDOE and provide updated contact information</li> </ul> </li> <li>● Participate in regular LDOE training(s) to ensure that STO personnel can assist partner schools as needed.</li> <li>● Determine which, if any, assessments need to be ordered for each scholarship recipient.<sup>7</sup></li> <li>● Submit test order forms through the proper channels on or before LDOE issued deadlines.</li> <li>● Coordinate payment for these assessments<sup>8</sup></li> </ul>	<ul style="list-style-type: none"> <li>● Name a school test coordinator (STC) and provide contact information to LDOE.</li> <li>● The STC must attend pretest workshops and/or any additional required training(s) provided by the LDOE.</li> <li>● If the STC changes, the school must provide the contact information for the new STC to the LDOE on school letterhead within 15 days of the change.</li> <li>● Develop and annually submit a test security policy to the LDOE, in compliance with Bulletin 118, Chapter 3.</li> <li>● Follow BESE's test security policy as stated in Bulletin 118.</li> <li>● Make all arrangements for testing.</li> <li>● Maintain the security of test materials.</li> </ul>

<sup>7</sup> As a best practice, STOs should collect course enrollment information for students in LEAP 2025 or End of Course (EOC) applicable grades from their nonpublic schools partners during the Quarter 2 enrollment count. This will enable STOs to order applicable EOC assessments for students during the school year in which they are enrolled in a course requiring an EOC assessment.

<sup>8</sup> The LDOE, parents nor schools are responsible for paying for any portion of the cost of assessments.

## IX. Programmatic Compliance

The Louisiana Department of Education relies on cooperation with participating STOs to ensure that the [Tuition Donation Credit Program](#) runs efficiently and in a way that benefits all stakeholders involved. As part of this cooperation, STOs are expected to meet required deadlines for submission of critical items related to reporting, advertisements, assessments, or any other action requested by the LDOE. STOs should reach out to [studentscholarships@la.gov](mailto:studentscholarships@la.gov) or the Director of Strategic Initiatives if assistance or clarification is needed when completing programmatic requirements.

### Potential Programmatic Compliance Sanctions

Occasionally, the routine monitoring processes outlined in this document will result in adverse findings. STOs may fall out of compliance with regard to important legal or policy requirements. This may include but is not limited to reporting requirements, the organization's practices may come into question, or financial soundness may become an issue. When these situations occur, STOs may be issued a Notice of Noncompliance and/or face other accountability actions. The Louisiana Department of Education is committed to ensuring that STOs are aware of monitoring activities that may impact their participation in the program.

### Good Standing

STOs with no compliance issues are considered to be in good standing. STOs in good standing receive non-invasive regular oversight and submissions tracking. STOs must meet performance targets (such as quarterly enrollment reporting, certification of scholarships, annual program reporting, annual financial reporting, etc.) and maintain open communication with the Department in exchange for this level of non-invasive oversight.

### Notice Of Noncompliance

STOs may receive a formal Notice of Noncompliance if the Department determines that the organization violated law or policy, failed to complete required action items in a timely manner, or if regular oversight generates significant questions or concerns. Before any Notice of Noncompliance is given, the LDOE will communicate with the STO and any other necessary stakeholders to verify noncompliance, issues, and/or concerns to ensure that the Department is acting on truthful information. When issuing a Notice of Violation, the Department will contact the STO and its leadership directly.

The Notice of Noncompliance may contain specific actions and due dates required to remedy the violation. Upon remedying the concern, the STO will return to good standing. If the concern is not remedied in the time allotted, the STO may receive limits for participation for the subsequent school year(s) or be removed from the program entirely.

### Accountability Actions

Failure to meet the requirements of R.S. 47:6301 and/or Bulletin 134, which also may be specified in a Notice of Noncompliance, may result in complete and immediate removal from the program.

## X. GETTING SET UP IN LOUISIANA DEPARTMENT OF EDUCATION SYSTEMS

The LDOE provides access to a system that enables STOs to verify student eligibility and to securely transfer student information to the LDOE.

System	Why is it important?	Getting Set Up
<b>File Transfer Protocol (FTP)</b>	<ul style="list-style-type: none"> <li>The FTP enables STOs to securely submit sensitive student data to the LDOE.</li> <li>STOs submit advertisements, Prior School Eligibility Verifications, Quarterly Enrollment Reports, and any other necessary personally identifiable information for students through the FTP.</li> </ul>	<ul style="list-style-type: none"> <li>The LDOE will create an FTP folder for each STO once their data-sharing memorandum of understanding (MOU) with the LDOE is finalized.</li> <li>STOs will receive an email with access instructions.</li> </ul>

### Verifying Prior School Eligibility

STOs are responsible for collecting and verifying income and residency documentation. The LDOE has created resources to help STOs verify applicants prior school year eligibility.

Requirement
<b>Step 1 – Complete the Prior School Verifications Template</b>
<b>Step 2 – Upload the Completed Template to the File Transfer Protocol Server</b>
<b>Step 3 – LDOE Returns the Template with Enrollment Findings</b>

#### Step 1 – Complete the Prior School Verifications Template

When STOs are ready to check applicants' prior school eligibility at the conclusion of the application process, STOs should complete the Prior School Verifications Template and submit to the LDOE via the File Transfer Protocol Server (FTP). All applicants, even those who are entering Kindergarten for the first time, should be included on this template. STOs should seek to submit all applicants for Prior School Verifications at the same time.

#### Step 2 – Upload the Completed Template to the File Transfer Protocol Server

STOs should upload their completed Prior School Verifications Template to the FTP server and notify the LDOE as soon as it has been uploaded. The LDOE will seek to complete all Prior School Verifications within two weeks of notification from the STO.

#### Step 3 - LDOE Returns the Template with Unique ID and Enrollment Findings

The LDOE will return the file to the STO via the FTP. The file will contain the site codes where the child was enrolled in school on the most recent October 1 and February 1 public school counts, if applicable. The returned file will also indicate if the child was enrolled in the Louisiana Scholarship Program or [Tuition Donation Credit Program](#) during the most recent school year.

STOs can reach out to families to verify the information they submitted on their applications. STOs can request additional eligibility checks if they are able to obtain additional student level information that may assist in the prior school eligibility check process.



## APPENDIX 1: SAMPLE STO OPERATIONAL TIMELINE

This timeline outlines month-by-month actions for STOs participating in the Tuition Donation Credit Program. If you are uncertain about a specific “Action,” see the page indicated or contact [studentscholarships@la.gov](mailto:studentscholarships@la.gov). Please note, however, that this sample timeline is subject to change.

Month	Action	Responsible Party
January	Student Application submitted to LDOE for approval	STO
	Order applicable student assessments	STO
	Annual Program Report <sup>9</sup>	STO
	Test Security Policy Due	Schools with testing students/STO ensures compliance
February	Public school enrollment reported	Public Schools
	Release of Student Applications	STO (suggested date)
	Distribution of quarterly payment to schools via mail	STO
	Quarterly Enrollment Report due	STO
March	Collect student applications	STO (suggested date)
April	Verify prior school eligibility	LDOE/STO
	Administer required state assessments	STO/Participating Schools
May	Distribution of quarterly payment to schools via mail	STO
	Administer required state assessments	STO/Participating Schools
	Notify families of scholarship award determinations (suggested date)	STO
	Quarterly Enrollment Report due	STO
September	Distribution of quarterly payment to schools via mail	STO
	Quarterly Enrollment Report due	STO

<sup>9</sup> STOs are required to submit this report if they issued scholarships during the previous fiscal year.

Month	Action	Responsible Party
<b>October</b>	Public school enrollment reported	Public Schools
<b>December</b>	Distribution of quarterly payment to schools via mail	STO
	Administer required state assessments	STO/Participating Schools
	Release of updated BESE/BvD approved schools	LDOE
	Quarterly Enrollment Report due	STO
	Financial Information Report due <sup>10</sup>	STO
<b>Monthly</b>	Donor Credit Report Submitted to LDOE	STO
	Credit receipts issued by LDOE distributed to STO via the FTP. STOs distribute receipts to donors. Donors will submit receipts as attachments to LDR when filing taxes.	LDOE/STO
<b>Ongoing</b>	Submit advertising to LDOE for approval	STO
	Maintain eligibility documentation in each scholarship student's file	STO
	Submit certification report within 30 days of issuing a student scholarship	STO

<sup>10</sup> The Financial Information Report is due 6 months following the end of the STO's fiscal year.

## Appendix 2: Helpful Links

### Helpful Links For School Tuition Organizations

What is it?	Link
Louisiana Department of Education Website	<a href="https://www.louisianabelieves.com/">https://www.louisianabelieves.com/</a>
LDOE School Choice Library	<a href="https://www.louisianabelieves.com/schools">https://www.louisianabelieves.com/schools</a>
All BESE Bulletins	<a href="https://bese.louisiana.gov/documents-resources/policies-bulletins">bese.louisiana.gov/documents-resources/policies-bulletins</a>
State Assessment Resources	<a href="https://www.louisianabelieves.com/resources/library/assessment">www.louisianabelieves.com/resources/library/assessment</a>
Scholarship Program Comparison	<a href="https://www.louisianabelieves.com/docs/default-source/school-choice/faq---scholarship-program-comparison.pdf?sfvrsn=18">https://www.louisianabelieves.com/docs/default-source/school-choice/faq---scholarship-program-comparison.pdf?sfvrsn=18</a>
Donor Specific FAQ on LDR Website	<a href="https://revenue.louisiana.gov/FAQ/QuestionsAndAnswers/72">https://revenue.louisiana.gov/FAQ/QuestionsAndAnswers/72</a>
Revenue Information Bulletin 18-024	<a href="https://revenue.louisiana.gov/LawsPolicies/RIB%2018024.pdf">https://revenue.louisiana.gov/LawsPolicies/RIB%2018024.pdf</a>
Nonpublic Schools Resources	<a href="https://www.louisianabelieves.com/resources/library/nonpublic-schools">https://www.louisianabelieves.com/resources/library/nonpublic-schools</a>
Louisiana Public School Site Codes	<a href="https://www.louisianabelieves.com/resources/library/student-attributes">https://www.louisianabelieves.com/resources/library/student-attributes</a>

## Appendix 3: Eligibility Documentation Reference Sheet

To be eligible to receive a scholarship through the [Tuition Donation Credit Program](#) for the **2022-2023 school year**, a student must meet the following income, residency, and prior school year requirements. Continuing students must reconfirm eligibility each year they participate in the program. STOs may decide to require additional forms of eligibility verification. STOs collect documentation from all applicants to verify both income and residency eligibility.

Requirement	Applicant Criteria
<b>Income</b>	Have a family household income that does not exceed 250% of the federal poverty guidelines, as established by the Federal Office of Management and Budget.
<b>Residency</b>	Family resides in the state of Louisiana.
<b>Prior School Year</b>	Students must meet one of the following prior school-year requirements: <ul style="list-style-type: none"> <li>• Participated in the Tuition Donation Credit Program during the previous school year.</li> <li>• Participated in the Louisiana Scholarship Program during the previous school year.</li> <li>• Attended a public school in Louisiana on October 1 and February 1 of the previous school year.</li> <li>• Entering Kindergarten for the first time.</li> </ul>

### Tuition Donation Credit Program Eligibility Table Based on 2022 Federal Poverty Guidelines:

Persons in Family/Household	Yearly Income	Monthly Income	Bi-Weekly Income	Weekly Income
<b>2</b>	\$45,775	\$3,815	\$1,761	\$880
<b>3</b>	\$57,575	\$4,798	\$2,214	\$1,107
<b>4</b>	\$69,375	\$5,781	\$2,668	\$1,334
<b>5</b>	\$81,875	\$6,765	\$3,122	\$1,561
<b>6</b>	\$92,975	\$7,748	\$3,576	\$1,788
<b>7</b>	\$104,775	\$8,731	\$4,030	\$2,015
<b>8</b>	\$116,575	\$9,715	\$4,484	\$2,242
<b>Add this amount for each additional person</b>	\$11,800	\$983	\$453	\$227

**In order to be eligible to receive a scholarship, families must submit proof of income by bringing one of the following documents to a School Tuition Organization.**

- 2022 Federal Tax Return
- SNAP Benefits/Louisiana Purchase Card Benefits Statement
- Unemployment compensation statement for period ending December 31, 2021
- Social Security benefits statement for the period ending December 31, 2021
- Pension statements for the period ending December 31, 2021

**In order to be eligible to receive a scholarship, families must submit proof of residency by bringing one of the following documents to a School Tuition Organization.**

- Rental lease agreement or mortgage agreement
- Electricity/Gas Bill
- Telephone Bill (must be a landline-cellular phone bills will not suffice.)
- Cable or Internet service bill
- Sewage/water bill
- Current Official letter from a Government Agency (Department of Social Services, Department of Health and Hospitals)
- Homestead Exemption Notice
- Property Tax notice

## Appendix 4: Sample Student Application

### Sample Application: Instructions To Complete

School Tuition Organizations: Please complete “Section 1 – For School Tuition Organization Information” prior to distributing student applications.

Families: Please ensure you follow the steps below to successfully complete your application.

1. Read the entire application first
2. complete “Section 2 – Student Information”
3. Turn in the application directly to the identified School Tuition Organization

### Section 1 – School Tuition Organization Contact Information

Name:

Website Address:

Street Address:

City

State

Zip Code

Phone

Fax

E-mail

### Scholarship Award Amounts And Deadlines

[School Tuition Organization inputs specific amounts and deadlines for available scholarships before distributing application]

### Step 1: Eligibility Check

Instructions: Please answer each of the following questions. You must answer “Yes” to all questions to qualify for a Tuition Donation Credit Scholarship.

Yes  
 No

Is my child a resident of Louisiana?

Yes  
 No

If one of the below statements is true, mark Yes to the left.

- My child participated in the [Tuition Donation Credit Program](#) during the 2021-2022 school year.
- My child participated in the Louisiana Scholarship Program during the 2021-2022 school year.
- My child attended a public school in Louisiana on October 1 and February 1 of the 2021-2022 school year.
- My child will be entering Kindergarten for the first time during the 2022-2023 school year.

Yes  
 No

Is my family income less than the amount listed below?

Students enrolled in private school during the previous school year as part of the Louisiana Scholarship Program are eligible to apply for a scholarship under the [Tuition Donation Credit Program](#) and are given

priority over new applicants. However, students are not able to receive funding from both programs for the same school year.

Tuition Donation Credit Program Eligibility Based on 2022 Federal Poverty Guidelines				
Household Size	Yearly Income	Monthly Income	Bi-Weekly Income	Weekly Income
2	\$45,775	\$3,815	\$1,761	\$880
3	\$57,575	\$4,798	\$2,214	\$1,107
4	\$69,375	\$5,781	\$2,668	\$1,334
5	\$81,875	\$6,765	\$3,122	\$1,561
6	\$92,975	\$7,748	\$3,576	\$1,788
7	\$104,775	\$8,731	\$4,030	\$2,015
8	\$116,575	\$9,715	\$4,484	\$2,242
<b>Add this amount for each additional person</b>	<b>\$11,800</b>	<b>\$983</b>	<b>\$453</b>	<b>\$227</b>

### Step 2: Student Information

Instructions: Please fill out to the best of your ability.

Student Social Security Number	
Date of Birth (MM/DD/YYYY)	
Student Last Name, First Name and Middle Initial	
Suffix (Jr., Sr., etc)	
Gender (choose one)	<input type="radio"/> Male <input type="radio"/> Female
Ethnicity (for reporting only)	<input type="radio"/> Hispanic <input type="radio"/> Not Hispanic
Race (choose all that apply)	<input type="radio"/> White <input type="radio"/> Black <input type="radio"/> Asian <input type="radio"/> Pacific Islander <input type="radio"/> American Indian
Street Address (include apartment number if applicable)	
City, State and Zip Code	
What school is your student currently attending?	

What school district is the student's current school located in?	
Which grade is your child entering for the 2022-2023 school year? (K-12)	
Did your student receive a scholarship through the <a href="#">Louisiana Scholarship Program</a> or <a href="#">Tuition Donation Credit Program</a> in the 2021-2022 school year?	

### Step 3: Parent/Legal Guardian Information

Instructions: Please fill out to the best of your ability.	
Parent/Legal Guardian Last Name, First Name and Middle Initial	
Parent/Legal Guardian Suffix (Jr., Sr. etc.)	
Relationship to Student (choose one)	<input type="radio"/> Father <input type="radio"/> Mother <input type="radio"/> Step-father <input type="radio"/> Step-mother <input type="radio"/> Aunt/Uncle <input type="radio"/> Grandfather <input type="radio"/> Grandmother <input type="radio"/> Guardian/Other
Mailing Street Address	
City, State, Zip Code	
Home Phone and Cell Phone	
Email Address	
Annual Family Household Income	
Number Family Members in Household	

### Step 4: Students With Disabilities

Instructions: Please fill out to the best of your ability.	
Does your child have an Individual Education Plan (IEP) or services plan? (Choose One)	<input type="radio"/> Yes <input type="radio"/> No
If yes, please indicate your child's primary exceptionality. If no, please go to Step 5.	

### STEP 5: INCOME VERIFICATION

Instructions: Complete Part A or B (you do not need to complete both)
---



A. If you participate in any of the programs below, please check the circle next to the program. When you submit your application, please include evidence that you participate in the program.

Louisiana Purchase Card       SNAP Benefits       Social Security Benefits

B. If you do not participate in any of these programs, please submit proof of income for every member of your household. This can consist of any of the following:

- 2022 Federal Tax Return
- Unemployment compensation statement for the period ended December 31, 2021
- Social Security benefits statement for the period ended December 31, 2021
- Pension statements for the period ended December 31, 2021
- Placement form from DCFS, in the case of foster children

### Step 6: Residency Verification

Instructions: Please include proof of residency when you submit your application.

The address of residency should be where the child lives and should match the student address listed in Step 2. The proof can be dated for any time after January 2022. This proof can consist of any of the following:

- Rental lease agreement/mortgage agreement
- Electricity/Gas bill
- Telephone bill
- Cable or Internet service bill
- Sewerage/Water bill
- Current official letter from a Government Agency (DSS, DHH)
- Homestead Exemption Notice
- Property Tax Notice

### Step 7: Signature

By submitting this application to the School Tuition Organization (STO), you are granting permission for the School Tuition Organization and the Louisiana Department of Education to utilize, and to disclose to third parties, any information provided by you in this application to verify eligibility for the program and if a scholarship is awarded, to continue to utilize, and to disclose to third parties, this information as it relates to the award granted.

Parent/ Legal Guardian's Printed Name:

Parent/ Legal Guardian's Signature:

Date:

Before you submit your application, please check that you have done the following:

1. Completed all boxes in Sections 2 and 3
2. Attached Income Verification documents as described in Step 5
3. Attached Proof of Residency as described in Step 6
4. Signed the application in Step 7

**Applications will not be considered complete until all of the steps above are taken. If eligible, the application will be placed in line for funding. Scholarships are available on a first-come, first-served basis, with priority given to students who received a scholarship in the previous year.**

## Appendix 5: Frequently Asked Questions

### What is the purpose of the Tuition Donation Credit Program?

The [Tuition Donation Credit Program](#) empowers Louisiana families with the financial resources to choose the school that will best prepare their children for college and careers. This program provides credits to Louisiana state taxpayers that donate to tax-exempt, not-for-profit organizations that provide scholarships to students in low-income families.

### FAQs for Families:

#### 1. What students are eligible for a scholarship?

Students should meet each of the following income, residency, and prior school year requirements:

Requirement	Applicant Criteria
<b>Income</b>	Have a family household income that does not exceed 250% of the federal poverty guidelines, as established by the Federal Office of Management and Budget.
<b>Residency</b>	Family resides in the state of Louisiana.
<b>Prior School Year</b> <i>student must meet one of these requirements</i>	Students must meet one of the following prior school-year requirements: <ul style="list-style-type: none"><li>• Participated in the <a href="#">Tuition Donation Credit Program</a> during the previous school year.</li><li>• Participated in the Louisiana Scholarship Program during the previous school year.</li><li>• Attended a public school in Louisiana on October 1 and February 1 of the previous school year.</li><li>• Entering Kindergarten for the first time.</li></ul>

#### 2. Where can families find a list of School Tuition Organizations participating in the Tuition Donation Credit Program?

Families can find relevant information about participating School Tuition Organizations on the [Tuition Donation Credit Program Page](#).

#### 3. How do students apply for a scholarship?

Students apply to a School Tuition Organization for a scholarship. School Tuition Organizations are not-for-profit, tax-exempt organizations [501(c)(3)]. School Tuition Organizations award scholarships on a first-come, first-served basis. Priority is given to students who participated in the Tuition Donation Credit or Louisiana Scholarship Program in the previous year.

#### 4. How do students choose their school?

Receiving a scholarship from a School Tuition Organization does not guarantee enrollment in a specific nonpublic school. Rather, families must still apply directly for enrollment to the nonpublic school of their choice. School Tuition Organizations may determine to partner with a group of schools for which their scholarship may be used. Families should consult their choice school and the School Tuition Organization to ensure that a scholarship award can be used at the school. Scholarships are portable and may be used at any participating school that the School Tuition Organization partners with. Schools may use their own selective admissions

criteria to decide which students they enroll. If the number of students applying with a Tuition Donation Credit scholarship that meet the participating school's enrollment criteria exceeds the number of available seats, the school must conduct a lottery to determine enrollment.

**5. How much is the scholarship?**

School Tuition Organizations determine the amount of the scholarship. Scholarship amounts cannot exceed the lesser of either school's tuition and mandatory fees or 80% of the state average per pupil funding for elementary and middle school students and 90% of the state average per pupil funding for high school students.

Students may receive a scholarship from more than one School Tuition Organization. The total dollar amount of scholarships may still not exceed the maximum amounts outlined above.

**6. Do families have to pay the difference between the Tuition Donation Credit scholarship and the full tuition and fees charged by the nonpublic school?**

Yes, families are responsible for paying school tuition and fees that exceed the amount of the scholarship.

**7. Do families have to pay to apply for a scholarship?**

School Tuition Organizations may also charge families a scholarship application fee.

**8. Can a student participate in both the Louisiana Scholarship Program and the Tuition Donation Credit Program?**

Families may apply for a scholarship from both programs. If a student receives both scholarships, families may accept and use only one of the scholarships, either from the Louisiana Scholarship Program or the [Tuition Donation Credit Program](#).

**9. Can a student participate in both the School Choice Program for Certain Students with Exceptionalities and the Tuition Donation Credit Program?**

Families may apply for a scholarship from both programs. If a student receives both scholarships, families may accept and use only one of the scholarships, either from the **School Choice Program for Certain Students with Exceptionalities** or the [Tuition Donation Credit Program](#).

**FAQs for Schools:**

**10. What schools are eligible to participate in the program?**

Nonpublic schools that are eligible for State funding determined by the Board of Elementary and Secondary Education and comply with non-discrimination requirements of the law (Brumfield v. Dodd) are eligible to participate.

Schools are not required to submit a notice of intent to participate to the Louisiana Department of Education before enrolling a student with a scholarship from a School Tuition Organization. Rather, schools should coordinate directly with the School Tuition Organization who issued the student scholarship. School Tuition Organizations may use additional specific criteria to determine which nonpublic schools they partner with.

**11. Can nonpublic schools participate in both the Louisiana Scholarship Program and the Tuition Donation Credit Program? If so, do schools have any enrollment restrictions?**

Schools may participate in both scholarship programs. Schools that participate in the [Tuition Donation Credit Program](#) and the Louisiana Scholarship Program that have been approved, provisionally approved, or probationally approved for less than two years cannot exceed twenty percent of the school's total enrollment with students from these two programs.

## **12. How are schools paid?**

School Tuition Organizations distribute quarterly payments via mail to each participating school (September, December, February, and May). These quarterly payment checks are issued to the parents of the scholarship student. Parents must restrictively endorse the check for deposit into the school's account.

## **13. Are students required to take state tests?**

Students are required to take state tests in English Language Arts (ELA) and math. Results are publicly reported but do not impact a school's participation in the program. School Tuition Organizations pay to administer state tests for scholarship students.

## **14. What are the school's financial responsibilities?**

Schools are not required to submit an annual scholarship financial report. However, the Louisiana Department of Education may ask schools to submit documentation to help verify scholarship payments from the School Tuition Organizations.

Prior to the start of the school year, schools that have been in business for less than five years and plan on receiving more than \$50,000 in scholarships from a School Tuition Organization must demonstrate their financial viability by posting a surety bond or providing financial information to a School Tuition Organization.

## **FAQs for Potential Donors:**

### **15. Who is eligible for a credit for donations to this program?**

Donors that have filed a Louisiana income tax return in the year for which they make a donation are eligible.

### **16. Can donors designate their donation for a specific student or group of students?**

Taxpayers may not designate their donation for a specific student unless their donation benefits students with disabilities. Taxpayers may designate their donations for all students with disabilities, students with a specific type of disability, or a specific student with a disability.

### **17. Can donors designate their donation for a specific school or group of schools?**

While donors may not designate their donation for a specific school, donors may coordinate with School Tuition Organizations to potentially designate their donation for a particular group of schools. Taxpayers should work with their partner STO to codify their donation stipulations.

### **18. How much of a donor's TDC donation is eligible for a credit?**

Taxpayers receive credit for the portion of their donation that a School Tuition Organization uses to fund student scholarships.

### **19. How much of a donor's donation can be used for administrative costs?**

Up to 5% of donations for student scholarships may be used for administrative costs. Donors may choose to designate 100% of their donation for administrative costs instead of student scholarships; however, this donation is not eligible for a credit.

### **20. How does a donor receive the credit?**

The Louisiana Department of Education will verify the amount of each taxpayer's donation spent on student scholarships and issue a receipt to the taxpayer through the STO. The taxpayer must attach the receipt when filing their income tax return. If the donation was made by an individual or a business owned by a sole proprietor or a flow-through entity such as a Limited Liability Company (LLC), Partnership, Subchapter S corporation, the credit will be claimed on the Resident Individual Income Tax return, Form IT-540, or the Nonresident and

Part-Year Resident Individual Income Tax Return, Form IT-540B. If the business making the donation is a corporation or C corporation, the credit will be claimed on the Corporation Income and Franchise Tax Return, Form CIFT-620.

**21. Who should donors contact regarding specific tax liability questions?**

Donors with specific questions regarding how their donation and potential credit impacts their tax liability should consult a tax lawyer or advisor.

**FAQs for Potential School Tuition Organizations:**

**22. Who can become a School Tuition Organization?**

A School Tuition Organization must be a tax-exempt [501(c)(3)], not-for-profit organization. School Tuition Organizations must verify that its employees do not have a criminal record that would prohibit them from working in a school. To become a School Tuition Organization, the not-for-profit organization must complete and submit a [Notice of Intent to Participate](#) form found on the Louisiana Department of Education website. The Louisiana Department of Education will verify the organization's eligibility to participate.

**23. Can School Tuition Organizations limit the use of scholarships to a specific school?**

If the STO chooses to limit their scholarships to certain schools, the STO must partner with a group of schools and may not limit the use of STO scholarships to one particular school.

**24. Can School Tuition Organizations issue scholarships throughout the school year?**

Yes, School Tuition Organizations can issue scholarships to eligible students throughout the school year. Quarterly payments are made to each participating school (September, December, February, and May).

Scholarship recipients receive payments only for the quarters in which the scholarship was issued and the student was enrolled in the nonpublic school. For example, a student who is issued a scholarship after the Quarter 1 enrollment count date would not be eligible to receive a scholarship payment for Quarter 1.

**25. How should School Tuition Organizations advertise the scholarship program?**

School Tuition Organizations must adequately advertise the availability of scholarships to the public, with an emphasis on advertising to families with students in D and F schools. This includes posting clear student application instructions on the School Tuition Organization's website and hosting a parent-information session close to a D or F school.

School Tuition Organizations must submit a copy of all advertisements to the Louisiana Department of Education within thirty days of the advertisements' first use. The Louisiana Department of Education will review these advertisements for accuracy and may require revisions if needed.

**26. What financial information does a School Tuition Organization need to report?**

- a. A quarterly and certification report of all scholarships issued and the donations used to fund them
- b. By January 1, an annual report, prepared by a Certified Public Accountant that includes a financial summary of the School Tuition Organization's operations, the schools the School Tuition Organization awarded, and the number and amount of donations received in the previous calendar year. More information on this report can be found in [R.S. 47:6301](#) (B)(c)(ix).
- c. Annually, a financial information report, prepared by a Certified Public Accountant, that complies with generally accepted financial procedures.

**27. Can LDOE limit a School Tuition Organization’s participation in the Tuition Donation Credit Program?** The Louisiana Department of Education can limit or bar a School Tuition Organization from participating in the [Tuition Donation Credit Program](#) if the School Tuition Organization intentionally or substantially fails to comply with the Tuition Donation Credit Program’s policies found in [Bulletin 134](#).

**If you have any questions regarding the Tuition Donation Credit Program, please contact [studentscholarships@la.gov](mailto:studentscholarships@la.gov).**