



EDUCATION SAVINGS ACCOUNT PROGRAM NONPUBLIC SCHOOL PARTICIPATION AGREEMENT

The Education Savings Account Program (“Program”) was established by the 2017 North Carolina General Assembly to provide scholarships to certain students attending eligible nonpublic schools. The Program is administered by the State Education Assistance Authority (“Authority”) pursuant to Article 41 of Subchapter 10 of Chapter 115C of the North Carolina General Statutes, as may be amended from time to time. Nonpublic schools that participate in the Program must comply with certain statutory and regulatory requirements. Proper execution of this Nonpublic School Participation Agreement (“Agreement”) is a prerequisite to a nonpublic school’s participation in the Program. Funds for the scholarships are contingent each year upon appropriations made available to the Authority by the General Assembly.

The undersigned nonpublic school (“School”) agrees to participate in the Program and thereby receive scholarship funds on behalf of eligible students as determined by the Authority under the following terms and conditions:

1. The School will comply with all relevant statutes and rules that pertain to the administration of the Program, as well as instructions and requests concerning the Program as may be issued by the Authority, including administrative forms, administrative memoranda, interpretive guidance, or any other procedures established by the Authority. The reference to or recitation of any portion of an applicable statute or rule in this Agreement does not limit the School’s obligation to comply with other applicable statutes and rules.
2. The School warrants that it meets the requirements of Part 1 or Part 2 of Article 39 of Chapter 115C of the North Carolina General Statutes.
3. The School agrees to provide the Authority access to all records related to the administration of the Program, including student records for the purpose of, among other things, conducting Program reviews.
4. The School agrees that it will not refund any Program funds directly to a Parent or an eligible student in any manner at any time. If a refund of Program funds is due, the School agrees to contact the Authority directly and refund any scholarship funds to the Authority, in the manner and by the deadline required by the Authority, in order for the Authority to return the scholarship funds to the Parent’s Education Savings Account.

5. The School agrees to provide every Parent participating in the Program with a receipt for all qualifying expenses charged by the School, including but not limited to providing receipts for tuition, fees, and textbooks required by the School. If the School charges fees other than tuition, these fees must be itemized on the receipt given to the Parent. Providing receipts to ESA parents is crucial to help them fulfill their contractual obligation to provide the Authority with quarterly expense reports and receipts.
6. The School agrees not to initiate any transaction or cause the Education Savings Account debit card to be charged without the parent present and on-site.
7. If an eligible student attending the School is enrolled in the Education Savings Account program and also concurrently enrolled in either or both the Opportunity Scholarship Program and the Children with Disabilities Grant Program, the School shall apply funds for tuition and fees and any other eligible expenses owed by the student first from the Opportunity Scholarship program, then from the Children with Disabilities Grant Program and, then from the Education Savings Account Program in that specific order.
8. The School will provide the Authority with a copy of its tuition and fees policies and schedules, and with documentation of the required tuition and fees charged to any eligible student under the Program.
9. The School agrees that it will not discriminate with respect to race, color, or national origin.
10. The School agrees to conduct a criminal background check, in the manner prescribed by the Authority, for its staff member with the highest level of decision-making authority to ensure that he or she has not been convicted of any crime listed in G.S. §115C-332(a)(1) and provide the Authority with a copy of the criminal background report. The School further agrees to notify the Authority if the staff member with the highest decision-making authority is charged or convicted of any crime listed in G.S. §115C-332(a)(1), within five business days of the charge or conviction. If a new staff member with the highest decision-making authority becomes employed at the School, the School agrees to notify the Authority within five business days of employing the new staff member and shall obtain a criminal background check on that person immediately thereafter, in the manner prescribed by the Authority. The School agrees to conduct a criminal background check on its staff member with the highest level of decision-making authority every two years, or more frequently, as requested by the Authority.
11. The School will provide the Parent or guardian of each student who receives a scholarship with an annual written explanation of the student's progress, including the student's scores on any standardized achievement tests.
12. The School agrees to administer, at least once a year, a nationally standardized test or other nationally standardized equivalent that measures achievement in the areas

of English grammar, reading, spelling, and mathematics to all students in grades three and higher receiving scholarship funds under the Program, and submit this test performance data to the Authority by July 15th of each year in a form acceptable to the Authority.

13. The School agrees to provide the Authority with the graduation rates for students participating in the Program in a manner prescribed by the Authority.
14. The School agrees to contract with a certified public accountant to perform a financial review, consistent with generally accepted accounting principles and in the manner prescribed by the Authority, for any year that the aggregate amount of funds the School receives under the Program is more than three hundred thousand dollars (\$300,000), and to provide the Authority with a copy of the report produced as a result of such review within ninety (90) days of the end of the School's fiscal year.
15. The School agrees that it will not require any additional fees based on the status of the student as an eligible student under the Program.
16. If the School has more than twenty-five (25) students who participate in the Program, it will report to the Authority on both the individual and the aggregate standardized test performance of such students.
17. The School agrees to maintain all records related to the Program for a period of five years from the close of the School's fiscal year, or until all audit exceptions have been resolved, whichever is longer.
18. The School agrees to participate in any training pertaining to the Program that may be required from time to time by the Authority.
19. The School agrees to notify the Authority promptly of any change affecting the School's ability to comply with any of the terms and conditions of this Agreement.
20. If the Authority determines that the School is noncompliant with Program requirements, the School understands and agrees that it will be ineligible to participate in the Program and will notify the parents or guardians of eligible students of its loss of eligibility to participate in the Program.
21. The School agrees to provide the Authority with a copy of an IRS Form W-9 complete with its federal taxpayer identification number.
22. This Agreement is not assignable.
23. This Agreement shall be effective when executed and shall terminate immediately upon written notice of the occurrence of the following: (a) any material change in the School affecting this Agreement; (b) notice from the School of its intent to terminate its participation in the Program; (c) notice from the Authority of its intent to terminate

the School's eligibility to participate in the Program; or (d) any action of the General Assembly which, in the opinion of the Authority, requires the termination of this Agreement.

24. The undersigned represents and warrants that he or she is authorized to bind the School to the terms and conditions of this Agreement.

Name of School

By: _____ SEAL Date: _____

**School Administrator
Signature**

Printed Name

Title