



*North Carolina State Education
Assistance Authority*

Education Savings Account Program

Family Manual

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The North Carolina State Education Assistance Authority

The North Carolina State Education Assistance Authority (“Authority” or “SEAA”) is a political subdivision of the State of North Carolina. Among its functions, the Authority has responsibility for over 30 different State-funded programs to help students and families pay for education from kindergarten through higher education.

The Education Savings Account

The Education Savings Account (“ESA”) program is a program established by the North Carolina General Assembly (G.S. § 115C-567.5 through G.S. §115C-567.13) in 2017 that expands school choice for eligible students with disabilities in kindergarten through 12th grade. The Education Saving Account Program (the “Program”) helps Parents pay tuition and required fees at an eligible nonpublic school and/or qualified expenses for their children with disabilities who attend school in an eligible nonpublic setting, including a home school.

Eligible students who attend private school full time may receive up to \$9,000 for the fiscal year. Eligible students who attend public school part time *and* attend a private school, which exclusively serves students with disabilities, part time may receive up to \$4,500 for the fiscal year.

SEAA administers the Program (manages the application, student selection, fund distribution, and approval of use processes for the Program) as directed by the General Assembly. SEAA has Rules governing the ESA Program. Links to the Program statute and rules are posted on the SEAA website: <http://www.ncseaa.edu/ESA.htm>. Funding for the Program is contingent each year upon appropriations made available to SEAA by the General Assembly.

Who Can Apply for an ESA?

Parents may submit applications on behalf of their students with disabilities.

SEAA defines a Parent as:

- A natural, adoptive, or foster Parent;
- A legal guardian or legal custodian, but not the State if the child is a ward of the State;
- An individual acting in the place of a natural or adoptive Parent, including a grandparent, stepparent, or other relative, and with whom the child lives;
- An individual who is legally responsible for the child's welfare; or
- A surrogate if one is appointed under G.S. § 115C-109.2.

This Program is available for students in kindergarten through 12th grade who have a disability, as documented by a current Individualized Education Program (IEP). Preschool students or students with 504 plans are not eligible for the Program.

Who is Considered a Child with a Disability?

A child with a disability is defined, for purposes of the Program, as a child who requires Special Education and Related Services for the child's disability. A physically disabled child is not the same as a child with a learning disability.

Parents who are concerned that their students may have a disability should contact their students' public school or Local Education Agency ("LEA" or "School District") to request an initial evaluation. The North Carolina Department of Public Instruction (<http://www.ncpublicschools.org/>) provides an Education Directory with contact information for public school districts. The NC DPI also offers valuable information on the Exceptional Children section of their website (<http://ec.ncpublicschools.gov/>).

What is an IEP?

An IEP is a written statement for each child with a disability that is developed, reviewed, implemented, and revised consistent with the Individuals with Disabilities Education Improvement Act (IDEA) and State law.

A student with an IEP is reevaluated at least every three years to determine continuing eligibility, assure that the continuing individual needs of the student are identified, and assure appropriate educational programming (review and/or revision of the IEP).

If a student has not been reevaluated in more than three years, the IEP may be expired and the student may not be eligible for the Program. Contact the student's public school or LEA to request a re-evaluation.

How Does the ESA Work?

A Parent whose student has a current IEP can submit an application for the Program on behalf of the student. The applications are generally available by February 1 each year for the following school year. If the student is eligible for the Program and is awarded an Education Savings Account (ESA), the Parent should ensure the student is enrolled in a nonpublic school that has been approved by SEAA to participate in the ESA Program and that best meets the needs of the student.

The Parent on the application will sign the Parental Agreement to become the Account Holder for an ESA electronic account.

The electronic account may be used for the following, but is not limited to:

1. Tuition and/or fees for an Eligible School;
2. Textbooks required by the Eligible School;
3. Tutoring and teaching service provided by an individual or facility that meets the requirements set by SEAA, including accreditation by a State, regional or national organization that is acceptable to SEAA;
4. Payment for purchase of curricula;
5. Fees for nationally standardized norm-referenced achievement tests, advanced placement tests, or nationally recognized college entrance exams;
6. Fees charged to the Account Holder for the management of the ESA;
7. Fees for services provided by a public school and approved by SEAA, including individual classes and extracurricular programs;
8. Premiums charged to the Account Holder for any insurance or surety bonds required by SEAA;
9. Educational Therapies provided by a practitioner who holds a license that meets the requirements set by SEAA, including accreditation by a State, regional or national organization that is acceptable to SEAA;
10. Educational Technology as defined by SEAA (see the [Educational Technology for Children with Disabilities](#) document for more information); and
11. Student transportation, pursuant to a contract with an entity that regularly provides student transportation, to and from (i) a provider of education or related services or (ii) an education activity.

The electronic account may not be used for the following, but is not limited to:

1. Computer hardware or other technological devices that are not defined by SEAA as approved as Educational Technology (see the [Educational Technology for Children with Disabilities](#) document for more information);
2. Consumable educational supplies, including paper, pen or markers;
3. Tuition and fees at an institution of higher education, as defined in G.S. § 116-143.1, or a private postsecondary institution; or
4. Tuition and fees for a Home School student.

The Education Savings Account award will be divided and available via the electronic account each Quarter of the Fiscal Year, subject to the Parent and student's compliance with the Program's requirements.

For example, for a full time nonpublic school student, \$2,250 is available in July for the first Quarter (July, August, and September); the second installment of \$2,250 is available in October for the second Quarter (October, November, and December) and so forth. The exact dates the award will be available will be communicated by SEAA each Fiscal Year.

Parents must submit to SEAA a Quarterly expense report in a format acceptable to the Authority with receipts supporting purchases and/or payments made via the electronic account. SEAA will review and approve or disapprove the expenses. Failure to submit expense reports and/or disapproved expenses may result in a delay of availability of additional funds, forfeiture of remaining award funds, and/or the student being deemed ineligible for the Program and any other programs administered by SEAA.

Provided the Parent/student continues to participate in the program and continues to meet the Program's requirements, unused funds on the student's account are carried forward from Quarter to Quarter and Fiscal Year to Fiscal Year in an amount not to exceed the maximum amount permitted by SEAA.

If a Parent/student does not continue to participate in the Program or does not continue to meet the Program's requirements, the student shall forfeit the scholarship funds.

Parents should note that the ESA funds do not constitute taxable income for the State of North Carolina to the Parent or the students; however portions of ESA funds may constitute taxable income under the federal Internal Revenue Code.

For continued participation in the Program, the Parent must ensure:

1. The student has a current eligibility determination;
2. The student and the Parent continue to meet the Program's requirements;
3. To submit a Renewal form for the Program by the priority deadlines set by SEAA (forms are generally available by February 1 of each year for the upcoming school year); and
4. To sign the Parental Agreement each Fiscal Year.

School Choice

SEAA encourages Parents to carefully select a nonpublic school for their students. When speaking with school administrators the Parent should fully explain the student's needs and behaviors to make sure the school is ready to provide all the support necessary for the student to be successful. The North Carolina Division of Nonpublic Education (DNPE) (<http://www.ncdnpe.org/>) has information for Parents about home schools and private schools, including nonpublic school directories (<http://www.ncdnpe.org/hhh118.asp>).

If a parent enrolls a student in the ESA Program, they waive all the rights of the student to Individual with Disabilities Education Act (IDEA) services and the right for a Free and Appropriate Public Education (FAPE). Students who are placed in nonpublic schools by their Parents do not have a right to receive all of the Special Education and Related Services that they would receive if enrolled in the public schools. Likewise, a nonpublic school does not have a legal obligation to provide Special Education and Related Services for students who are children with disabilities.

When selecting a nonpublic school, the Parent should be sure the school is registered with DNPE and registered with SEAA for the Education Savings Account Program. If a Parent chooses to home school the student, the home school must be registered with DNPE.

Program funds may not be used for home school tuition and/or fees. If a student will attend a home school and is awarded ESA funds, the funds may be used for other Qualifying Education Expenses.

Transferring a Student to another Eligible Nonpublic School

When a Parent whose student is enrolled in the Program wants to transfer the student from one eligible nonpublic school to another eligible nonpublic school before a semester or school year ends, the Parent should:

1. Consult with the administration at the current school to determine if a refund for tuition paid up to the point of the transfer is due;
2. Direct the administration at the current school that a refund for tuition paid up to the point of transfer, if any is due, must be returned directly to SEAA to be credited to the Parent's ESA Account;
3. Inform SEAA of the student's transfer date; and
4. Inform SEAA of the amount, if any, that the school will send to SEAA as a refund for tuition.

The Parent may use the tuition refund (if applicable) and the existing balance in the ESA electronic account toward the tuition at the new eligible nonpublic school. Parents should note that due to account processing timelines for the school and SEAA, there may be a delay in the availability of the funds refunded by the school.

SEAA recommends the Parent confirm possession of all receipts for expenses incurred at the school from which the student is transferring prior to transferring the student; the Parent should submit an expense report with the receipts to SEAA as soon as possible for review.

Withdrawing a Student from an Eligible Nonpublic School

When a Parent ends the student's participation in the Program and wants, or needs, to withdraw the student from an eligible nonpublic school before a semester or school year ends, the Parent should:

1. Consult with the administration at the current school to determine if a refund for tuition paid up to the point of the withdrawal is due;
2. Direct the administration at the current school that a refund for tuition paid up to the point of transfer, if any is due, must be returned directly to SEAA to be credited to the Parent's ESA Account;
3. Inform SEAA of the student's withdrawal date; and
4. Inform SEAA of the amount, if any, that the school will send to SEAA as a refund for tuition.

Because the student's participation in the Program will end, the ESA electronic account will be deactivated on the student's program participation end date.

SEAA recommends the Parent confirm possession of all receipts for expenses incurred at the school from which the student is withdrawing prior to withdrawing the student; the Parent should submit an expense report with the receipts to SEAA as soon as possible for review.

Applicant Type: First Time or Renewing

First- Time Applicant

A first time applicant is a student for whom:

1. A program application has never been submitted, or
2. A program application was submitted but the student was not awarded, or
3. A program application was submitted, the student was awarded, but the student did not participate in the Program. Therefore, funds were not expended on behalf of the student during school year prior to the semester for which the application is being submitted.

Renewing Applicant

A renewing applicant is a student for whom a program application was submitted, the student was awarded, and funds were expended on behalf of the student during the school year prior to the semester for which the application is being submitted.

Student Eligibility

Student eligibility is determined each Academic Year. A student may qualify to receive a Scholarship if the student:

- a. Is a legal resident of North Carolina;
- b. Is a Child with a Disability;
- c. Has a current IEP (specially the DEC3 Eligibility Determination Form and DEC3 Eligibility Worksheets) from a North Carolina public school or North Carolina LEA for first time ESA applicants
Or,
Has a current IEP (specially the DEC3 Eligibility Determination Form and DEC3 Eligibility Worksheets) from a North Carolina public school or North Carolina LEA or a Documentation of Continuing Eligibility form completed by a North Carolina Licensed Psychologist with a school psychology focus or a North Carolina Licensed Psychiatrist for a student applying to renew an existing ESA;
- d. Will not be enrolled in a North Carolina public school to which the student has been assigned as provided in G.S. § 115C-366 for the semester in which the student is receiving the Scholarship;
- e. Will be enrolled in a Eligible School in a grade level no lower than kindergarten;
- f. Has reached or will reach the age of 5 on or before August 31;
- g. Is eligible to attend a North Carolina public school pursuant to G.S. § 115C-364 and 366;
- h. Is younger than 22 as of the date of the beginning of the Semester;

- i. Has not been enrolled full-time in a postsecondary institution; and
- j. Does not have a high school diploma or its equivalent.

Multiple K12 Program Participations

SEAA administers three K12 school choice programs: Opportunity Scholarship, Disabilities Grant, and the ESA Program. A student may participate in more than one K12 program simultaneously under the following conditions for each combination of programs:

1. Opportunity Scholarship and Disabilities Grant- the student must meet the criteria of each program.
2. Opportunity Scholarship and ESA- the student must meet the criteria of each program.
3. Disabilities Grant and ESA- the student must meet the criteria of each program AND the student must have one of the following disabilities designated in the student's IEP as the primary or secondary disability at the time of the submission of the Program application:
 - i. Autism Spectrum Disorder;
 - ii. Deaf/Blindness
 - iii. Developmental Delay;
 - iv. Deafness or Hearing Impairment;
 - v. Intellectual Disability;
 - vi. Multiple Disabilities; or
 - vii. Visual Impairment.

Additional documentation may be requested for students applying for the Disabilities Grant and ESA.

The programs are not interchangeable therefore, applications, supporting documentation, etc. for one program may not solely substitute the applications, supporting documentation, etc. for the other.

Visit the SEAA website for more information about the Opportunities Scholarship and/or Disabilities Grant programs:

Opportunity Scholarship <http://www.ncseaa.edu/OSG.htm>

Disabilities Grant <http://www.ncseaa.edu/CDSG.htm>

Applying for an ESA

The ESA applications are generally available on the SEAA website by February 1 each year.

Preparing for the Application

Parents must use a desktop or laptop computer with access to Chrome, Safari, and/or FireFox to complete the application. Before starting the application, have the following information available:

- **About the Parent:**
 - The Parent completing the application must be the Parent with whom the child resides
 - Parent data
 - If the student has a Parent active in the military, have the Parent's full name available
- **About the Student:**
 - Student data
 - The Parent should know:
 - If the student will be a resident of North Carolina for the school year for which the student is applying for the Scholarship;
 - If the student has received a high school diploma or its equivalent;
 - If the student has ever been enrolled in a postsecondary institution (college or university) as a full-time student taking at least 12 hours of credit;
 - The name of the nonpublic school in which the student will attend
 - If the nonpublic school the student will attend is unknown at the time the application is completed, the Parent can select "Unknown" as a placeholder.
 - If SEAA offers the student an ESA, the Parent must select an eligible nonpublic school by the deadline specified on the offer.
 - The student's grade level for the upcoming school year
 - The date on the student's evaluation document:
 - For first time ESA applicants, the student must have a current IEP (specially the DEC3 Eligibility Determination Form and DEC3 Eligibility Worksheets) from a North Carolina public school or North Carolina LEA
 - The DEC3 Eligibility Determination form starts with "Eligibility Determination" displayed across the top of the page and ends with a list of the IEP team names;
 - The DEC3 Worksheets start with "Summary of Evaluation/Eligibility Worksheet" displayed across the top of

the page; the student’s disability will display to the right of the page’s title.

- For an ESA recipient reapplying for the scholarship, the student may have a current IEP (specially the DEC3 Eligibility Determination Form and DEC3 Eligibility Worksheets) from a North Carolina public school or North Carolina LEA. The student may also have a Documentation of Continuing Eligibility form completed by a North Carolina Licensed Psychologist with a school psychology focus or North Carolina Licensed Psychiatrist.
- The date on the IEP/DEC3 Form or the Documentation of Continuing Eligibility form must be within three years of the date the application is submitted. See the table below for examples of when the documentation must be dated for a particular academic year.

Award for Academic Year	Documentation Date
2018-19	1/1/15 or later
2019-20	1/1/16 or later
2020-21	1/1/17 or later

- SEAA will neither review nor consider an application until the appropriate document is on file.

Things to Know

1. When completing an application, the Parent may skip among the questions however; all required questions must be answered in order to submit the application.
2. The application will automatically save the selections/entries; the Parent will have the opportunity to close the application and return to it before the application window closes. See the [Award Process](#) section of this document for more information about the application deadlines.
3. Once the Parent submits the application, SEAA will send the Parent a confirmation email.
4. Generally, within one week of submitting the application, SEAA will email the Parent instructions to access the ESA Student Portal.
 - a. The Parent should upload the student’s current DEC3 Eligibility Determination Form and DEC3 Eligibility Worksheets within one week of date the email was sent.
5. An application is considered complete when the application is submitted and the current DEC3 Eligibility Determination Form and DEC3 Eligibility Worksheets (or a Documentation of Continuing Eligibility form for a renewing applicant) has been received by SEAA.
6. In the event SEAA requests additional documentation, the Parent should submit the documentation in the format and by the deadline specified by SEAA.
7. It is important that the application and any supporting documentation is accurate and verifiable at the time it is submitted.

8. If after submitting an application, any information presented on the application changes, the Parent is responsible for notifying the ESA staff (ESA@ncseaa.edu) of the change as soon as possible.
9. Failure to cooperate with the verification process by the Parent or any member of the Household may result in the student being deemed ineligible to participate in the Program.

Accessing the Application

Follow the steps below to access the application on the SEAA website:

1. Go to www.ncseaa.edu/
2. Click on the K-12 Grant tab
3. Click the Education Savings Account link
4. Click the application link (the link will be live on February 1)
5. Follow the steps to complete and submit the ESA application.
6. Generally, within one week of completing the application, SEAA will email Parents with instructions to access an ESA Student Portal to upload their students' appropriate evaluation documentation.

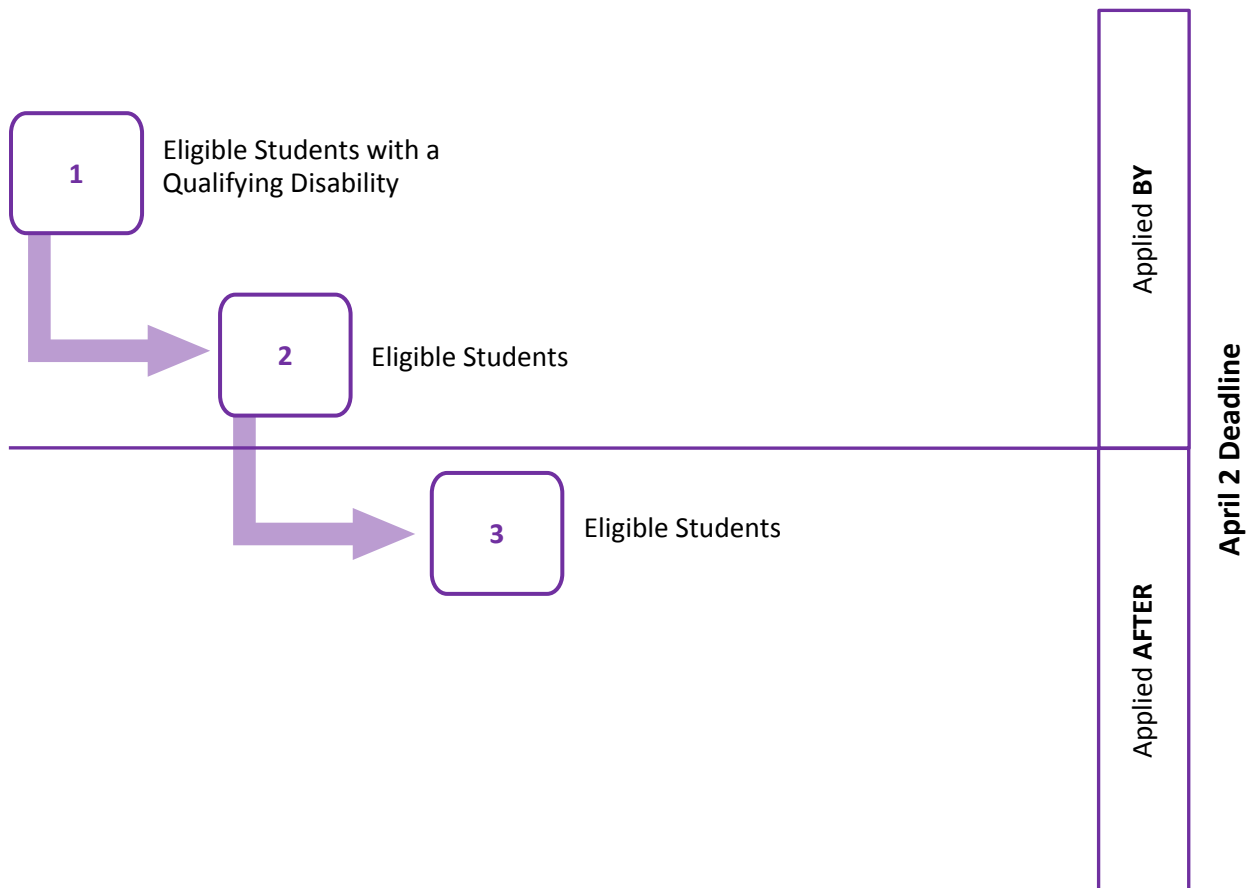
Award Process

The ESA Program will give priority in awards to applicants with one or more specified disabilities. These disabilities are documented on the DEC3 Eligibility Worksheets.

Students who meet the eligibility criteria *and* whose DEC3 Eligibility Worksheets document at least one of the following specified disabilities will be given priority in awards:

1. Autism Spectrum Disorder
2. Deaf/Blindness
3. Developmental Delay
4. Deafness or Hearing Impairment
5. Intellectual Disability (moderate or severe)
6. Visual Impairment
7. Multiple Disabilities

The Renewal forms (for students who desire to continue in the Program) and the application for first time ESA applicants are available on February 1 of each year. In 2018, SEAA will use April 2, 2018 to determine the order in which applicants are selected to participate in the program.



Funding for the Program is contingent each year upon appropriations made available to SEAA by the General Assembly.

Generally, in April of each year, SEAA will begin awarding students until the funding is exhausted.

SEAA will email the Parents in reference to the students' application statuses. When SEAA offers a student an ESA, the Parent must accept the offer by the deadline specified on the offer in order to move forward with the Program. If the Parent does not accept the offer by the deadline, SEAA may revoke the offer and the Parent would not be eligible to receive Scholarship funds for that year.

If more than one student in a household is eligible for an ESA, consideration for the program will be at the household level meaning ESAs will be offered to all or none of the students in the household, except in cases where one sibling has a disability qualifying that student for priority and the other sibling does not have a disability which qualifies for priority.

The 2018-19 school year is the first year SEAA is implementing the ESA program therefore, all applicants for the 2018-19 school year will be considered New Applicants.

Communicating with Parents

SEAA will communicate with a Parent via the ESA Student Portal and email address provided on the ESA application.

Initially, SEAA will email a Parent with instructions to log onto the ESA Student Portal to upload the student's appropriate evaluation documentation. If the Parent submits an application for more than one student, the Parent will receive separate access information to the ESA Student portal to upload each student's appropriate evaluation documentation separately.

Next, the Parent should log onto the ESA Student Portal to view if the student is Eligible or Not Eligible.

Finally, if SEAA offers the student an ESA, SEAA will email the Parent in reference to the offer. The Parent should log onto the ESA Student Portal to respond to the offer; SEAA will email the Parent a confirmation of receipt of the response.

After the Parent receives the log on information for the ESA Student Portal, the Parent should check the Portal weekly for updates. In addition, if any student and/or Parent information changes, the Parent should email the changes to ESA staff (ESA@ncseaa.edu) as soon as possible.

Note: The Parent on the ESA application will be the only person authorized to access the ESA Student Portal and to communicate with the ESA staff in reference to the student's status and/or participation in the Program.

ESA Parental Agreement

After SEAA receives a Parent's acceptance of the student's ESA scholarship offer, SEAA will email the Parent a Parental Agreement for the Program. The Parent who completed the application should read

the Parental Agreement and if the Parent agrees to the terms and conditions, the Parent should sign and return the agreement to SEAA by the specified deadline. Failure to execute the Parental Agreement by the deadline set by SEAA may result in revocation of the ESA scholarship.

By signing the Parental Agreement, the Parent will be agreeing, among other items, to the following:

1. Releasing the Local Education Agency of all obligations to educate the Parent's student while participating in the Program (for students attending a nonpublic school full time).
2. Using a portion of the funds to provide an education to his or her student in the subjects of language arts, mathematics, social studies and science.
3. Using the funds only for Qualifying Education Expenses.
4. If a parent enrolls his or her student in public school during the year that the student is receiving ESA funds, returning scholarship funds as of the date of the public school enrollment, as required. This does not apply to students attending a nonpublic school part time and a public school part time where the nonpublic school is a school which exclusively serves children with disabilities.
5. Repaying any scholarship funds that the Authority deems a Parent has misspent in violation of Program requirements within the timeline established by the Authority.
6. Complying with all relevant Program statutes and Program rules, as well as all instructions and requests issued by SEAA concerning the Program.

Upon receipt of the signed Parental Agreement, SEAA will arrange to provide access to the electronic account to the Parent who signed the Parental Agreement.

Contact Information

Phone: 1-855-330-3955 (toll free)

Email: ESA@ncseaa.edu

Fax: 919-248-4687

ESA Website: <http://www.ncseaa.edu/ESA.htm>

NCSEAA Website: <http://www.ncseaa.edu/>

Participating Nonpublic School List: <https://www3.ncseaa.edu/cgi-bin/SCHOOLROSTER/NPS500.pgm>