



SOUTH DAKOTA Partners in Education

School Manual

EMPOWERING PARENT CHOICE	2
WHO RUNS THIS PROGRAM?	2
WHERE DOES THE MONEY COME FROM? – TAX CREDIT.....	3
SCHOOLS AS PARTICIPATING PARTNERS	4
ANNUAL SCHOOL PARTICIPATION AGREEMENT REQUIRED	5
THE APPLICATION PROCESS	6
ROLE OF TADS.....	7
SCHOLARSHIP AWARDS.....	8
SCHOLARSHIP PRIORITY AWARD POLICY	8
CONDITIONAL SCHOLARSHIP AWARD NOTIFICATION.....	9
STUDENT APPLICATION CATEGORIES.....	10
CHILDREN IN FOSTER CARE	11
INCOME-ELIGIBILITY AND AWARD AMOUNTS	12
TRANSFERRING STUDENTS	12
SCHOLARSHIP RECIPIENT OBLIGATIONS	13
STUDENT VERIFICATION REQUIRED.....	14
SCHOLARSHIP DISTRIBUTION	15
CONTACTING SDPE	17
LIST OF SDPE FORMS AND POLICIES:.....	17
ANNUAL PARTICIPATION AGREEMENT	18
QUALIFYING INCOME SCALE.....	19
LIMITED POWER OF ATTORNEY.....	20
CONDITIONAL NOTIFICATION OF RETURNING STUDENTS	22
SAMPLE FORM - VERIFICATION REPORT	23
SAMPLE FORM - CHECK CONFIRMATION FORM	25
SCHOLARSHIP CHECK DISTRIBUTION POLICY / PROCEDURE	26
SCHOLARSHIP CHECK CASHING POLICY / PROCEDURE	27
SCHOLARSHIP PRIORITY AWARD POLICY	28
HIGH SCHOOL APPLICATION RENEWAL	29

Empowering Parent Choice

South Dakota created the South Dakota Partners in Education tax credit scholarship program recognizing and believing in the great responsibility parents have for their child’s education. Every parent’s hope is that their child has every opportunity to succeed. The tax credit scholarship program is one more effort by the State of South Dakota to help parents achieve that goal. The program provides scholarships to income-eligible students. Whatever school a family chooses, the State of South Dakota, in partnership with the insurance industry, has further empowered parents to make that decision.

Who Runs this Program?

South Dakota Partners in Education is the SGO (Scholarship Granting Organization).

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

Board Members	
Dan Fritz	Board President, Legal Counsel
Brian Gosch	Board Vice President, Legislative Advisor, Legal Counsel
Phyllis Heineman	Board Secretary, Legislative Advisor, Annual Reporting
Tom Cink	Board Treasurer, Insurance Industry Advisor
Dustin Strande	Insurance Industry Advisor
Lisa Beacom	School Liaison, Database Advisor
Alan Kjenstad	Accounting Advisor

Employees	
Robert Satter	Executive Director
Katie Mellor	Administrator

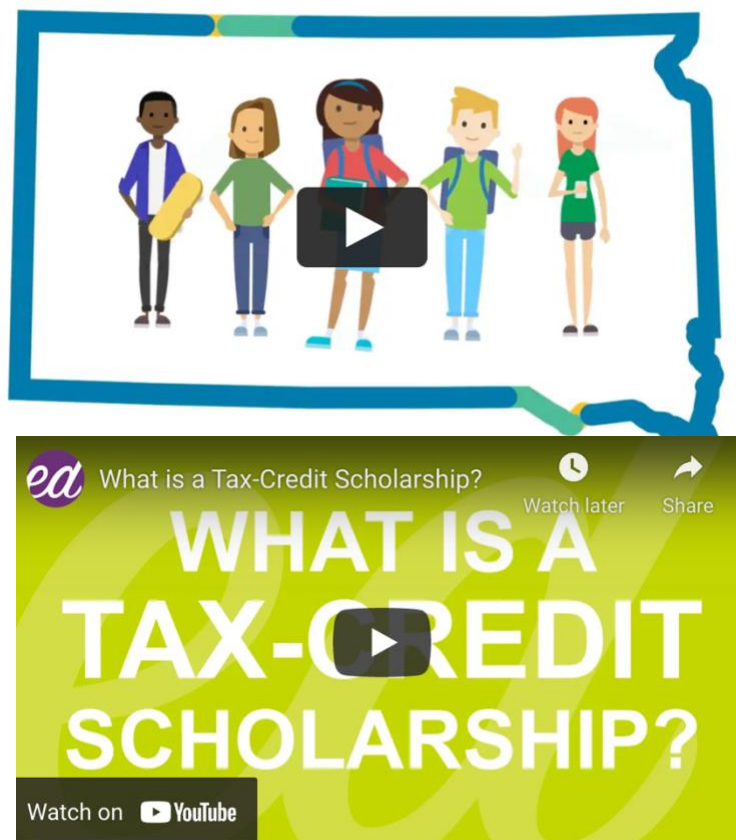
Where does the money come from? – Tax Credit

Where does the money come from?

Insurance companies who do business in South Dakota are eligible to receive a 100% tax credit on their annual premium tax for contributions made to the state recognized SGO, South Dakota Partners in Education. The maximum allowable tax credit is \$5 million annually.

Click on the links below and both will take you to our website. Scroll down the page to find each video. The first explains how our program works. The second video gives more information about tax credit scholarships.

Both videos are effective resources to inform your school community.



Schools As Participating Partners

Schools are the key to helping families successfully use this program.

You are a critical partner in South Dakota Partners in Education (SDPE). Please be responsive to saying “thank you” to donors; and talking to local insurance agents to educate them about the program. You have the stories of how the scholarships make a difference in the lives of students and families who otherwise would not have this choice for their child’s education.

Qualifying Schools

To accept students receiving the South Dakota Partners in Education Scholarship, a “qualifying school” is:

- Any nonpublic school that operates within the boundaries of South Dakota
- Is accredited by the South Dakota Department of Education
- Provides education to elementary and/or secondary students (K-12)
- Has notified the scholarship granting organization (SDPE) of your intention to participate in the program by completing the annual School Participation Agreement
- Complies with the program requirements outlined in this manual

South Dakota law states that any non-public school that receives a majority of its revenues from public funds is excluded from eligibility. For questions related to school accreditation requirements for non-public schools in South Dakota, schools must contact the South Dakota Department of Education at (605) 773-3134 or doe.sd.gov.

School Participation Agreement

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

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

If you are a new school interested in participating in the SDPE scholarship program, please contact the SDPE Administrator at sdpartnersinedu@gmail.com. You will need the School Participation Agreement form and a copy of this School Manual. Both items are available on the SDPE website or the SDPE Administrator can email them to you. We are happy to answer any questions you may have about the program.

Annual School Participation Agreement Required

Schools can obtain the SDPE School Participation Agreement form along with the updated SDPE School Manual from sdpartnersinedu.org. You can print a copy of the form found on page 18 of this manual or by contacting the program Administrator.

1. The primary administrator for the school completes the form – certifying the following:
 - The school is accredited by the South Dakota Department of Education
 - The school administrator(s) have read the School Manual and will abide by the SDPE policies.
 - South Dakota law (per the enactment of SB94) states that, beginning July 1, 2024, a school electing to accept scholarships from a Scholarship Granting Organization (SGO) may only enter into a participation agreement with one Scholarship Granting Organization each school year. By signing the Annual School Participation Agreement, you are affirming your **exclusive** partnership with South Dakota Partners in Education (SDPE) as the sole Scholarship Granting Organization (SGO) for your school. This commitment prohibits the signing of any participation agreement with other South Dakota SGOs. Your dedication to this exclusivity ensures a focused and impactful collaboration with SDPE in advancing educational opportunities for your students. (SD 13-65-3)
2. Two signatures are required on the School Participation Agreement. In addition to the primary administrator, we request a second contact person at each school.
3. Please use the check box to identify which contact person is the SDPE Scholarship Coordinator and is responsible for the following duties:
 - Submitting the required forms to SDPE
 - Verifying that scholarship students are attending
 - Is responsible for handling the scholarship checks
4. Attach a copy of your school’s tuition and fees for the upcoming school year including member and non-member rates.
5. Send the completed Participation Agreement and Tuition and Fees document to sdpartnersinedu@gmail.com.



Tuition Rates

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

Use of Scholarship Funds

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

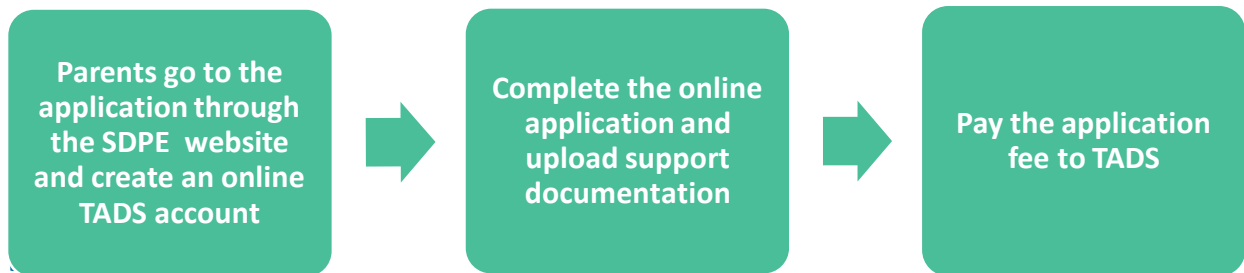
Tuition
Books sold through the school (e.g., textbooks, workbooks, etc.)
Registration
Testing (e.g., standardized or entrance testing)
Other fees (e.g., graduation fees, yearbook fees, field trips, etc.)

After - school care services are NOT included.

The Application Process

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

For those completing the SDPE application separate from the local school financial aid, we recommend you go to the application through the SDPE website. Either way, it is the same online application. Even as school personnel become familiar with the process, don't hesitate to contact TADS directly through their help line or contact SDPE.



South Dakota Partners in Education have chosen to use the services of TADS in verifying the income eligibility of each applicant. This arrangement provides professional, confidential data collection from the families applying for scholarships. Working with TADS gives SDPE a cost-effective way to use accurate verification to yield impartial results in compliance with the law. Many of the participating schools already use this third-party provider either for tuition management or financial aid application services and are therefore familiar with working with TADS.

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

You can reach TADS School Support at (888) 210-4857 or tads-adminsupport@communitybrands.com . You can have families contact TADS directly at (800) 477-8237 or email family support at tads-support@communitybrands.com.

Form Rating in TADS

TADS tags each application with a form rating designation. SDPE only awards scholarships to students who have their form rating at GOOD. The four levels are:

- **IN AUDIT** – the family has set up a TADS account and begun entering basic information.
- **POOR** – Some information has been entered.
- **FAIR** – Most of the information is in, but TADS is waiting for something else to be uploaded.
- **GOOD** – All necessary documents are on file and TADS auditors designate this application as complete.

Is there a fee or not?

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

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

Scholarship Awards

The South Dakota Partners in Education Scholarship award amount may change from one year to the next, based upon the following factors:

- South Dakota's per-student-allocation for public school students – SDPE scholarships cannot exceed 82.5% of the state's share paid out to public schools for each individual public-school student. ([SD Codified Law 13-65-1](#))
- The amount of funds donated to the South Dakota Partners in Education tax credit scholarship program. The funds can come from both tax credit dollars from insurance companies and from private donations.
- Scholarships cannot exceed the tuition and approved fees charged by the private school.
- Students in foster care are eligible at the Free Lunch Income Level regardless of household income.

When a student is approved for a scholarship, the school will be notified by SDPE. There will be ONE scholarship check issued usually within the first semester, which represents the full scholarship amount given for the current school year.

Scholarship Priority Award Policy

The number of scholarships and scholarship amounts are contingent on the contributions made to the program. If contributions reach the tax credit limit, SDPE commits to supporting the qualifying returning

students with scholarships at or near the previous year's award. After that, SDPE will determine the amount of aggregate funds and individual scholarships that will be available for qualifying new student applicants with due consideration given to our state law requirements and fulfilling the mission of SDPE.

A "qualifying new scholarship applicant" is a student who meets the requirements of the law, did not receive an SDPE scholarship in the previous year, and has the online application at a GOOD form rating by May 31st.

If it is determined by SDPE that the amount of funds available for scholarships to qualifying new scholarship applicants is insufficient, SDPE will award scholarships to such applicants on a first come – first served basis determined by when the required income documents have been received bringing the application to a GOOD form rating status.

Conditional Scholarship Award Notification

Schools will receive a returning student Conditional Scholarship Award Notification list in the Spring with the goal of assisting schools as they determine local financial aid packages for their families. Schools are free to share this information with the families. Families will receive an Award Notification for each child in the family that has applied for an SDPE scholarship prior to the start-date of school. This family notification will come either from SDPE or the school.

The information contained in these Conditional Notifications will be subject to the following conditions:

- Adequate funding as anticipated by SDPE is available.
- The student is either a *Returning, Re-applying, Student Entering High School, or a New Scholarship Applicant*.
- The student has met the eligibility requirements of the SD Codified Law 13-65 – Partners in Education Tax Credit Program and the policies of SDPE (South Dakota Partners in Education Scholarship Granting Organization) as verified by the school and/or TADS.

Those requirements include:

- The student lives in South Dakota.
- The student is income eligible for this program.
- The student is enrolled at a participating private school in South Dakota.
- Or the student is in foster care in South Dakota.

Student Application Categories

All applications for South Dakota Partners in Education scholarships will be completed electronically. We recommend accessing the application by using the link on our website – sdpartnersinedu.org. NOTE: A valid email address is required to complete an application. Schools are encouraged to assist families wherever possible, particularly in cases where the family would need to use a computer and/or the Internet at the school.

SDPE is obligated by the law to view each student individually and not by family. That requires us to have income documentation for each child at the time they first qualify and then at 3-year intervals.

Students receiving a scholarship will fall into one of the following categories:

1. **A New Student** is a student who was not funded by the scholarship program the previous year. The student is a member of a household whose total annual income did not exceed one hundred fifty percent (150%) of the income standard used to qualify for a reduced-price lunch under the [Federal Free & Reduced-Price Lunch Program](#). New qualifying students remain eligible for three (3) years or if the student is entering high school, until the student graduates from high school.
2. **A Returning Student** is a student who attended a participating private school and received SDPE Scholarship funding during the previous academic year. Income verification for scholarships is student-specific. A qualifying renewal student does not have to submit a TADS application until they are beginning their 4th year in the program. The family must apply every year a new sibling becomes eligible to apply for a scholarship.
3. **A Student Entering High School** is a student who should reapply when they enter 9th grade even if their three-year eligibility has not expired. Students applying as a high school student are eligible for two scholarship benefits: 1) The High school scholarships are higher award amounts. 2) Students qualifying in high school remain eligible until they graduate. They do not need to reapply.

Should a student entering high school who has more time on their 3-year eligibility choose to not reapply, they will continue at the original scholarship level until it expires. At which time they must reapply to continue in the program.

4. **A Reapplying student** is a student who has received the South Dakota Partners in Education Scholarship for three (3) years at which time the family must reapply for income eligibility purposes to continue to receive a scholarship. A reapplying student remains eligible if the student is a member of a household whose total annual income in the prior year did not exceed two hundred percent (200%) of the income standard used to qualify for reduced-price

lunch. Once income eligibility is approved, the student is again able to receive the scholarship for another three (3) years.

For students to qualify for the scholarship, the school must verify that students meet the following requirements:

- Any student transferring from a South Dakota public school to a participating private school must identify themselves as transferring from a public school.
- The eligible student resides in South Dakota.
- The student is in foster care.
- All families, (not including children in foster care) must meet the income guidelines found on the South Dakota Partners in Education website and listed below.

Children in Foster Care

The law governing the SDPE Scholarship program was amended in 2022 to include any child in foster care as an eligible student. A foster child will be awarded at the Free Lunch Income Level. SDPE recognizes that foster care is designed to be a temporary situation for the child. However, SDPE will honor the 3-year eligibility given to all students in the program.

The foster family is required to submit a TADS application and to indicate that the child is in foster care by answering the question to that effect on the TADS application. The foster family is not held to the income eligibility requirement when applying for a foster child. Complete income documentation is not required in this case. SDPE will award a scholarship to a foster child based on confirming documentation and not on the form rating.

Foster parents should send the appropriate documentation about the child being in foster care to SDPE. SDPE will keep that documentation on file. The Foster Parent is responsible for paying the school the difference between the scholarship amount and the cost of tuition at the school.

Income-Eligibility and Award Amounts

Income eligibility is based on the previous year's gross income. SDPE awards its scholarship amounts based on a three-tiered income bracket scale. High school students receive a higher amount because high school tuition is higher than K-8 tuition. We use the current year's Income Eligibility Limits of The Richard B. Russell National School Lunch Act. The largest awards go to those students qualifying for Free Lunch, the next award amount goes to students qualifying for Reduced Lunch. The law allows us to also award scholarships to children of families who earn no more than 150% of the Reduced Lunch income limit. The law allows reapplying students to retain eligibility with a family income of 200%.

Students attending schools where the tuition & fees are less than the designated scholarship amount are awarded an adjusted amount that does not exceed the school's published tuition and fee amounts.

Please note – The annual income guidelines published by the Food and Nutrition Service of the US Department of Agriculture Free & Reduced Lunch Program are published in February or March for the upcoming school year. Typically, the income amounts have a small increase from year to year. When the SDPE application opens in February, it posts the current year's income limits until the new chart is issued. When determining the student's income eligibility, SDPE uses the income limits for the new school year.

SDPE recognizes that incomes can change within the 3-year eligibility time period. A family may submit a new TADS application either because they know their income situation has changed or at the time the family has a new student entering the program. This information is collected by SDPE. The student's award is adjusted to reflect the change in income status. However, we do not reset the date of when the student needs to reapply.

The language placed in the student account to enable an auditor's understanding of any change in the scholarship award is as follows: *We honor the income level that originally qualified the student, or we use the lower-income level of a subsequent application submitted before the time to reapply.*

Transferring Students

The South Dakota Partners in Education scholarships can be transferred to another participating private school at any time throughout the academic year.

To transfer the scholarship, the current participating private school must first withdraw the student by notifying the SDPE administrator. Once the withdraw has been reported, the new school will need to complete an SDPE Student Verification Form for the newly enrolled student. If you have questions about how to do this, please contact the SDPE Administrator.

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

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

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

Scholarship Recipient Obligations

Student Attendance

Students must abide by the attendance policy of the participating private school in which they are enrolled. Failure to do so may result in a loss of scholarship. Should extenuating circumstances exist that cause a student to be absent for an excessive number of days, please contact South Dakota Partners in Education for additional guidance.

Discipline

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

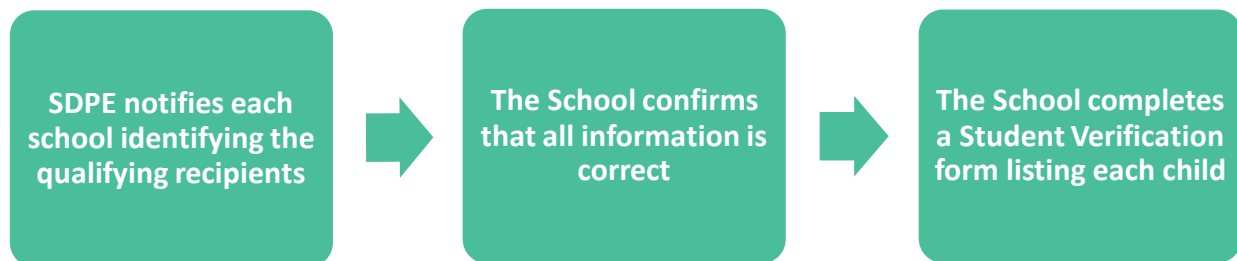
If a student, over the course of his/her academic career as a South Dakota Partners in Education scholarship recipient, is expelled from a participating private school(s) three (3) times, he/she will lose the scholarship permanently with no option to renew.

The school must notify SDPE.

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

Student Verification Required

SDPE will contact each school individually announcing those applicants that, after preliminary review, meet the requirements to receive a scholarship. SDPE is reliant upon each school to review and authorize the student information, verifying that the information is correct. SDPE issues Conditional Notifications as early as possible. However, no scholarship checks are drafted until the contributions



have been deposited. This ensures that, when SDPE contacts the school about a scholarship award, the funds are available. Prior to checks being issued, the school must complete and submit the School Verification Report. Student verification is a necessary part of the SDPE audit to the State.

Verification Forms

Schools fill out Student Verification for every qualifying student.

1. **New students** need confirmation showing that they meet all the requirements for the scholarship. This information is a necessary accountability requirement and becomes part of SDPE's required annual reporting.
2. **Returning students** are those students who have received an SDPE scholarship in the previous year. They have met the necessary requirements and are eligible for three (3) consecutive years. The school needs to confirm that the student is enrolled and attending.
3. **A High School student** who reapplies when they enter high school qualifies and remains eligible until they graduate. An "HS" will be added to the Category Code (example: F21-HS).
4. **Reapplying students** are returning students who are starting their 4th year in the scholarship program. A new application is required to establish that the student is still income-eligible. The family will remain income-eligible if their income is at or below 200% of a Reduced Lunch Income Level. SDPE is responsible for screening the income eligibility and will notify the school if the student continues to qualify. The school needs to confirm that the student is enrolled and attending.
5. **Foster Children Qualify.** The 2022 amendment to the law governing this scholarship program [SDCL 13-65-1(3)(b)] lists "Is in foster care" as an eligible student regardless of the household income.

Sample Verification Form

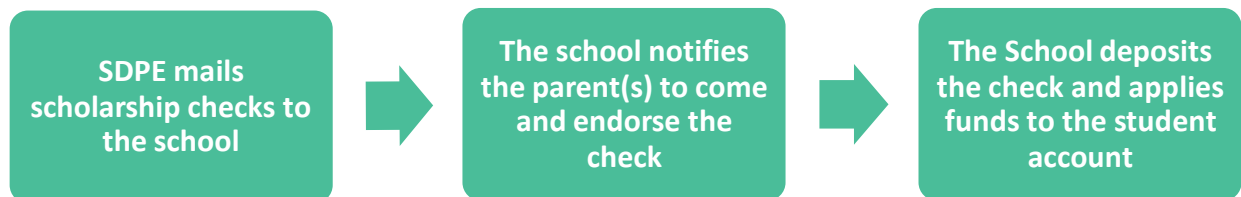
Student Name	Gr	Category Code	Award Amount	Enrolled & Lives in SD	Attended SD Public School the previous semester	Name the Public School they transferred from:	This student is in Foster Care	New to K-12 school in SD
Returning Student	5	F23 Renewed	\$1,500.00	Select	-----	-----	Select	-----
New Student	5	F21	\$1,000.00	Select	Select		Select	Select

Scholarship Distribution

Scholarship payments are mailed to the school’s physical address which is reported on the annual School Participation Agreement. If the checks need to be sent to a different address, please notify the SDPE Administrator.

The school will receive one scholarship check per verified student. As in previous years, SDPE still advises schools to apply half of the scholarship amount to the first semester and half to the second semester through the school’s internal bookkeeping. Parents and schools must abide by the South Dakota Partners in Education Check Cashing Policy.

The check distribution process consists of only one check per year. School personnel who are responsible for the scholarship checks are asked to complete a Scholarship Check Confirmation form which is included in the packet with the checks. Two signatures are required. This provides SDPE with documentation that you received the scholarship checks.



Scholarship Payments

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

If the parent is unable to come to the school to endorse the scholarship check, the parent may assign a relative or friend to sign for them as the Limited Power of Attorney. The parent must fill out the Limited Power of Attorney form. The participating private school or any entity related to it may not be assigned as a Limited Power of Attorney (LPOA) for any purpose related to a South Dakota Partners in Education scholarship. However, South Dakota Partners in Education may accept a properly executed Limited Power of Attorney for the purposes of signing scholarship checks. The LPOA document must be sent to South Dakota Partners in Education. (A copy of the LPOA form is located on pages 20-21 of this manual.)

Depositing Scholarship Checks

It is the school's obligation to deposit signed checks within a reasonable amount of time. If there is a delay in getting a parent to come to school to sign a check, please do not delay on depositing any other signed scholarship checks. Every effort should be made to deposit all issued scholarship checks within a four (4) week timeframe. SDPE is prepared to stop payment on checks that are not deposited in a timely fashion.

Financial Obligation

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

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

Contacting SDPE

The South Dakota Partners in Education web site sdpartnersinedu.org is designed to give information to:

- **Families** interested in knowing more about the scholarship program and how to apply.
- Anyone interested in **Parent Choice** issues and solutions for South Dakota.
- **Insurance companies** interested in learning more about the program and how they can contribute.
- **Schools** needing updated information.

School documents have been included in this manual. See below.

Questions can be directed to the SDPE Administrator:

Call: (605) 679-0112 Email: sdpartnersinedu@gmail.com

Questions can be directed to the SDPE Executive Director:

Call: (480) 223-3605 Email: robertsatter2@gmail.com

For your convenience, SDPE emails forms and related documents to the school. The forms in this manual may be printed, filled out by hand, and scanned in order to submit. Fillable forms will be emailed to you directly. If needed, forms can be requested by contacting us by phone or email.

List of SDPE Forms and Policies:

- [Page 18](#) - Sample Form – Annual Participation Agreement
- [Page 19](#) - Qualifying Income Scale
- [Pages 20-21](#) - Limited Power of Attorney
- [Page 22](#) - Sample Form – Conditional Notification of Returning Students
- [Pages 23-24](#) - Sample Form – Verification Report
- [Page 25](#) - Sample Form – Scholarship check Confirmation
- [Page 26](#) - Policy / Procedure – Scholarship Check Distribution
- [Page 27](#) - Policy / Procedure – Scholarship Check Cashing
- [Page 28](#) - Policy – Scholarship Priority Award
- [Page 28](#) - Policy - Conditional Scholarship Award Notification
- [Page 29](#) - Policy – High School Application Renewal

2026-2027 Annual Participation Agreement



--

School Name

--

School Address (checks will be sent to this address)

After reviewing the school manual, please check off each item below. This document must be signed by two (2) people who represent the school. We suggest the school's primary administrator, the designated SDPE Coordinator, a school office employee, superintendent/pastor, or a board member.

- I certify that this school is accredited by the South Dakota Department of Education.
- I certify that I have read the School Manual, understand, and will comply with the policies and procedures for administering the South Dakota Partners in Education Tax Credit Scholarship for students enrolled in my school that are eligible and using the funds.
- I understand that failure to abide by SD Partners in Education policies and procedures will result in loss of payment or loss of eligibility as a participating school in the South Dakota Partners in Education Tax Credit Scholarship program.
- South Dakota law (per the enactment of Codified Law 13-65) states that, beginning July 1, 2025, a school electing to accept scholarships from a Scholarship Granting Organization (SGO) may only enter into a participation agreement with one SGO each school year. By signing this Annual School Participation Agreement, you are affirming you exclusive partnership with South Dakota Partners in Education (SDPE) as the sole SGO for your school. This commitment prohibits the signing of any participation agreement with other South Dakota SGOs. Your dedication to this exclusivity ensures a focused and impactful collaboration with SDPE in advancing educational opportunities for your students.

--	--	--

Primary Administrator (print)

Primary Administrator (signature)

Date

--	--

Primary Administrator's email address

Phone #

--	--

Second School Contact (print)

Second Contact (signature)

Date

--	--

Second School Contact's email address

Phone #

**PO Box 886, Sioux Falls, SD 57101
(605) 679-0112**

www.sdpartnersinedu.org
Empower. Engage. Enrich.

Please ensure that this Participation Agreement is duly signed and returned no later than **November 15, 2025**.

Please sign and email this form to sdpartnersinedu@gmail.com.

Revised 1/30/2025

Qualifying Income Scale



2024-2025 Qualifying Income Scale

We honor the income level that originally qualified the student, or we use the lower income level of a subsequent application submitted before the time to reapply.

A qualifying income cannot be more than what is listed below.

Household Size	Free Lunch Income Level	Reduced Lunch Income Level	150% Of Reduced Lunch Income Level	200% Reapplying Students Only
2	\$26,527	\$37,814	\$56,721	\$75,628
3	\$33,566	\$47,767	\$71,650	\$95,534
4	\$40,560	\$57,720	\$86,580	\$115,440
5	\$47,554	\$67,673	\$101,510	\$135,346
6	\$54,548	\$77,626	\$116,439	\$155,252
7	\$61,542	\$87,579	\$131,368	\$175,158
8	\$68,536	\$97,532	\$146,298	\$195,064
For each additional family member, add	\$6,994	\$9,953	\$14,930	\$19,906

INCOME ELIGIBILITY LIMITS

The Richard B. Russell National School Lunch Act, 42 U.S.C. 1751, et seq.
Effective from July 1, 2024 to June 30, 2025

Eligibility Cycles:

To enable SDPE to track the year a student must reapply, we label each student with the year they qualified. The Category Code designations also recognize that the law allows students that qualify in high school to be eligible until they graduate from high school. Those qualifying in 9th grade are then eligible without reapplying. If a student's 3-year eligibility overlaps with them entering 9th grade, the family may choose to reapply at 9th grade and receive the high school rate or stay at the same rate and wait until the initial eligibility runs out.

3 Gen students and F21 students must reapply for the 2024-2025 school year.

- **1 Gen** – A student who first qualified in the 2016-2017 school year
- **2 Gen** – A student who first qualified in the 2017-2018 school year
- **3 Gen** – A student who first qualified in the 2018-2019 school year
- **F19** – A student who first qualified in the 2019-2020 school year
- **F20** – A student who first qualified in the 2020-2021 school year
- **F21** – A student who first qualified in the 2021-2022 school year
- **F22** – A student who first qualified in the 2022-2023 school year
- **F23** – A student who first qualified in the 2023-2024 school year
- **F24** – A student who first qualifies in the 2024-2025 school year
- **High School** – A student who qualifies or reapplies in HS is eligible for the entirety of HS

Scale Revised 2/22/2024



Limited Power of Attorney

I, _____, whose address
 is _____, do hereby make, constitute, and
 appoint _____ whose address is _____
 _____, my true and lawful attorney-in fact for me and in my name, place, and
 stead, and on my behalf, and for my use and benefit:

1. For the limited purpose of endorsing check number _____ issued by South Dakota Partners in Education to me as payee, for payment to the following South Dakota school _____, for credit to my child’s tuition or other amounts owed such school for my child’s attendance, and which may be lawfully paid for by a Scholarship Granting Organization under SDCL Ch. 13-65.
2. I grant to my attorney-in-fact full power and authority to do, take, and perform each and every act and thing whatsoever required, proper, or necessary to be done, in the exercise of any of the limited rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, hereby ratifying and confirming all that the attorney-in-fact shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted.
3. This instrument is a limited power of attorney and shall be construed accordingly.
4. The rights, powers, and authority of my attorney-in-fact appointed herein shall commence from the date hereof and shall continue and be in full force and effect until the earliest to occur of the following: (i) my attorney-in-fact has completed his limited rights and powers granted hereunder; and (ii) this power of attorney is revoked by me or terminated by operation of law.
5. This instrument may be executed in one or more duplicate originals, and my original signature upon a facsimile or other copy of this power of attorney shall qualify as an original. A copy of my and/or my notary public’s handwritten or electronic signature upon a copy of this power of attorney may also serve as an original.

Dated this _____ day of _____, 20_____

 Name

NOTARY ACKNOWLEDGEMENT (optional)



STATE OF _____)

COUNTY OF _____)

On this _ day of _____, 20____,
appeared _____, known to me or satisfactorily proved to be the person
whose name is subscribed to the within instrument and acknowledged that he/she executed the same for
the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

(SEAL)

Notary Public – State of _____
My commission expires: _____

Conditional Notification of Returning Students

This form is emailed to the school in the Spring to help schools when they determine local financial aid.



Data as of March xx, 2025

Returning Student Conditional Notification School Name

Example Report

Returning Students

	Name	Grade	Category	2024-25 Award	Status	Note:
1	Student Name	5	F19	\$1,700.00	150%	Must Reapply
2	Student Name	1	F22	\$2,800.00	Free	Must Reapply
3	Student Name	8	1 Gen	\$2,300.00	Reduced	Must Reapply
4	Student Name	10	F21 - HS	\$2,200.00	150%	
5	Student Name	11	F20 - HS	\$2,200.00	200%	
6	Student Name	9	F25-HS	\$2,800.00	Reduced	Reapply to get HS Rate
7	Student Name	12	F19 - HS	\$3,300.00	Free	

Culminating Grade or Withdrew – Not Returning

Student Name	12	3 Gen - HS	High School	Graduating
--------------	----	------------	-------------	------------

If you see any inaccurate information, please let me know so I can update our records.

Sample Form - Verification Report



2025 - 2026
Verification Report
 School Name

Example Report

(We accept an electronic signature.)

Administrator or SDPE Coordinator

Signature: _____ **Date:** _____

2nd Signature: _____ **Date:** _____

The SDPE Board requests a 2nd signature. Please have an administrator or designated person sign this form.

SDPE is awarding scholarships to returning **1 Gen, F19, and F22 students who have renewed their income eligibility** and the returning 2 Gen, 3 Gen, F20, F21, F23, F24 and High School recipients. We are also awarding scholarships to new applicants who are income-eligible and had their application to Good Form Rating by May 31st (**F25**).

Thank you for the feedback on the Summer Conditional Notification Update report. SDPE will continue to collect verification data for reporting purposes.

As the SDPE Coordinator, please review the list below and verify if each student meets the requirements of the law (SD Codified Law 13-65). **Checks cannot be sent until students are verified.** Please make corrections on the form if any information is inaccurate. Complete the form either by printing the report to fill out or by clicking in the appropriate boxes. Then sign and email the form to SDPE at sdpartnersinedu@gmail.com.

Please click on the appropriate boxes for each student.

Student Name	Gr	Category Code	Award Amount	Enrolled & Lives in SD	Attended SD Public School the previous semester	Name the Public School they transferred from:	This student is in Foster Care	New to K-12 school in SD
Returning Student	5	F22 Renewed	\$1,700.00	Select	-----	-----	Select	-----
New Student	5	F24	\$1,700.00	Select	Select	Name of Public School	Select	Select

- **1 Gen** – A student who first qualified in the 2016-2017 school year
- **2 Gen** – A student who first qualified in the 2017-2018 school year
- **3 Gen** – A student who first qualified in the 2018-2019 school year
- **F19** – A student who first qualified in the 2019-2020 school year
- **F20** – A student who first qualified in the 2020-2021 school year
- **F21** – A student who first qualified in the 2021-2022 school year
- **F22** – A student who first qualified in the 2022-2023 school year
- **F23** – A student who first qualified in the 2023-2024 school year

- **F24** – A student who first qualified in the 2024-2025 school year
- **F25** – A student who first qualified in the 2025-2026 school year
- **High School** – A student who qualifies or reapplies in HS is eligible for the entirety of HS

Scholarship Award Status

- **Free** – The household income qualifies a student to receive Free Lunch in the National Free & Reduced Lunch program.
- **Reduced** – The household income qualifies a student to receive Reduced Lunch in the National Free & Reduced Lunch program.
- **150%** - The household income qualifies a student at 150% of the reduced income guideline in the National Free & Reduced Lunch program.
- **200%** - Students are eligible for three (3) years. The law allows students to reapply and they may continue to receive an SDPE scholarship if the household income is within 200% of the reduced income.

Other Applications in TADS

Income Ineligible		
Student Name	7	Income Ineligible
Student Name	3	Income Ineligible
Student Name	9	Income Ineligible
Student Name	6	Income Ineligible
Student Name	K	Income Ineligible

Not Attending		
Student Name	9	Not Attending
Student Name	6	Not Attending
Student Name	2	Not Attending
Student Name	11	Not Attending
Student Name	9	Not Attending

Insufficient Form Rating			
In Audit	Student Name	11	Insufficient Form Rating
Poor	Student Name	K	Insufficient Form Rating
Fair	Student Name	4	Insufficient Form Rating

Waiting List				
Good	Student Name	10	Waiting List	7/26/2025
Good	Student Name	10	Waiting List	7/5/2025
Good	Student Name	6	Waiting List	8/19/2025

Sample Form - Check Confirmation Form



SOUTH DAKOTA
**Partners in
Education**

2025-2026

Scholarship Check Confirmation
School Name

Example Report

(We accept an electronic signature.)

Administrator or SDPE Coordinator Name

Signature: _____

Date:

Administrator or SDPE Coordinator Name

2nd Signature: _____

Date:

The SDPE Board requests a 2nd signature. Please have an administrator or designated person sign this form.

Enclosed you will find the SDPE Scholarship checks for your students for the 2024-2025 school year. We are including this Confirmation Form as a way for SDPE to have documentation that you received the checks for the qualifying recipients attending your school.

SDPE is awarding scholarships to returning **1 Gen, F19, and F22 students who have renewed their income eligibility** and the returning 2 Gen, 3 Gen, F20, F21, F23, F24 and High School recipients. We are also awarding scholarships to new applicants who are income-eligible and had their application to Good Form Rating by May 31st (**F25**).

Please have all checks deposited before your school’s Christmas Break. If this is not possible, please let Katie Mellor know.

Please sign and date this form and either scan and email the form to sdpartnersinedu@gmail.com or mail the form to **South Dakota Partners in Education, PO Box 886, Sioux Falls, SD 57101.**

PO Box 886, Sioux Falls, SD 57101	www.sdpartnersinedu.org
(605) 679-0112	Empower. Engage. Enrich.



Scholarship Check Distribution Policy / Procedure

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

PROCEDURE: Scholarship Verification

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

Scholarship Check Distribution

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

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

- If, when completing the verification report, an indication is made that a student is no longer attending the school, and the school has notified SDPE, an adjustment will be made in the scholarship payment to reflect the exact number of days the student attended that school. The scholarship check included in the packet will reflect the adjustment.
- In the event a South Dakota Partners in Education scholarship check must be returned, it should be mailed back to SDPE.

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

Policy Enacted 7/1/2016



Scholarship Check Cashing Policy / Procedure

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

PROCEDURE: **Scholarship Check Endorsement – Parent**

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

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

Scholarship Check Endorsement – School

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

- The scholarship check must be endorsed using a stamp with the following information or the information is handwritten by a school official:
FOR DEPOSIT ONLY, Name of School, Name of Bank / Account #
- Once received, the school is responsible for the security of the scholarship checks. The parent should be notified that scholarship check(s) requiring their signature are at the school. The school should make every effort to provide a time and place at the school for the parent to sign the scholarship check(s).
- Checks are not to be sent to the parent(s) off campus for any reason. The check(s) must be always in the school's possession.

Policy Enacted 7/1/2016

Scholarship Priority Award Policy



SOUTH DAKOTA Partners in Education Policy

Scholarship Priority Award Policy

The number of scholarships and scholarship amounts are contingent on the contributions made to the program. If contributions reach the tax credit limit, SDPE commits to supporting the qualifying returning students with scholarships at or near the previous year's award. After that, SDPE will determine the amount of aggregate funds and individual scholarships that will be available for qualifying new student applicants with due consideration given to our state law requirements and fulfilling the mission of SDPE.

A "qualifying new scholarship applicant" is a student who meets the requirements of the law, did not receive an SDPE scholarship in the previous year, and has the online application at a GOOD form rating by May 31st.

If it is determined by SDPE that the amount of funds available for scholarships to qualifying new scholarship applicants is insufficient, SDPE will award scholarships to such applicants on a first come – first served basis determined by when the required income documents have been received bringing the application to a GOOD form rating status.

Conditional Scholarship Award Notification

Schools will receive a Conditional Scholarship Award Notification list in the Spring with the goal of assisting schools as they determine local financial aid packages for their families. Families will receive a Conditional Scholarship Award Notification for each child in such family that has applied for a SDPE scholarship prior to the start-date of school from either the school or SDPE.

The information contained in these Notifications will be subject to the following conditions:

- Adequate funding as anticipated by SDPE is available.
- The student is either a returning, re-applying, student entering high school, student in Foster Care, or new scholarship applicant.
- The student has met the eligibility requirements of the SD Codified Law 13-65 Partners in Education Tax Credit Program and the policies of SDPE (South Dakota Partners in Education Scholarship Granting Organization) as verified by the school and/or TADS.

Those requirements include:

- The student lives in South Dakota.
- The student is income eligible for this program.
- The student is enrolled at a participating private school in South Dakota.
- Or the student is in foster care.

Policy Enacted 4/8/2021
Updated 4/26/2022

High School Application Renewal



High School Application Renewal Policy

A Student Entering High School is a student who should reapply when they enter 9th grade even if their three-year eligibility has not expired. Students applying as a high school student are eligible for two scholarship benefits: 1) The High school awards are higher scholarship amounts. 2) Students qualifying in high school remain eligible until they graduate. They do not need to reapply.

Should a student entering high school who has more time on their 3-year eligibility choose to not reapply, they will continue at the original scholarship amount until it expires, at which time they must reapply to continue in the program.

Policy Enacted 2/16/2022