SCHOLARSHIPS FOR EDUCATION CHOICE

Participating School Information

Scholarships for Education Choice is a program of Sagamore, Inc.; a certified scholarship granting organization (SGO). Since 2011, we have awarded scholarships totaling more than $88 million and benefitting over 31,000 students through participating schools in Indiana. SEC will be implementing the Federal Tax Credit Program beginning January 1, 2027.

Sagamore is an Indianapolis-based nonprofit, nonpartisan, public policy research organization. It is our mission to research, analyze and respond to difficult issues, to serve as a meeting place for disparate groups, and to offer wise counsel for a world in progress.

PHONE **317.472.7824**
EMAIL **scholarships@sagamoreinstitute.org**
WEB **scholarshipsforeducationchoice.com**

What Does it Mean to be a Participating School?

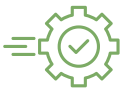
A Scholarship Granting Organization (SGO) is a 501(c)(3) charitable organization authorized to operate the Federal Tax Credit Program. The awards are funded with money donated by individuals. As an incentive for donating, donors receive a federal tax credit equal to 100% of the amount donated, with an annual maximum of $1,700 per individual. Students receiving scholarships and the schools they attend must meet the eligibility criteria outlined in the legislation (details on the following page). To cover the operational expenses for administering the program, an SGO is allowed to debit up to 10% of each donation.

Participating schools fulfill two primary responsibilities in concert with Scholarships for Education Choice (SEC): fundraising and scholarship administration. Participating schools facilitate fundraising by raising awareness of the tax incentive opportunity to individuals that believe in the mission and quality of education being offered by the school in that community.

Benefits of Partnering with SEC

Control & Flexibility: Participating Schools are able to set the scholarship amount awarded to eligible students based upon their school financial assistance policy. SEC offers flexibility regarding the timing of disbursements and administrative demands of the school.

Assistance & Credibility: In addition to providing fundraising collateral (which can be co- branded with the school), SEC will participate in fundraising initiatives for the school, and our education team can offer accreditation preparation, fundraising training, etc.



Efficiency: SEC optimizes online opportunities to provide an efficient award process for their eligible students and school office.

Access to Key Data: All-in-one school portal access to real-time dashboards, donation information, student applications, and reporting tools — all in one secure, easy-to-use platform.

Zero-Cost Participation: Administrative fees are taken from donations, not from schools. You can participate without adding strain to your budget.

Federal School Scholarships Tax Credit Program

Student Applicant Elegibility

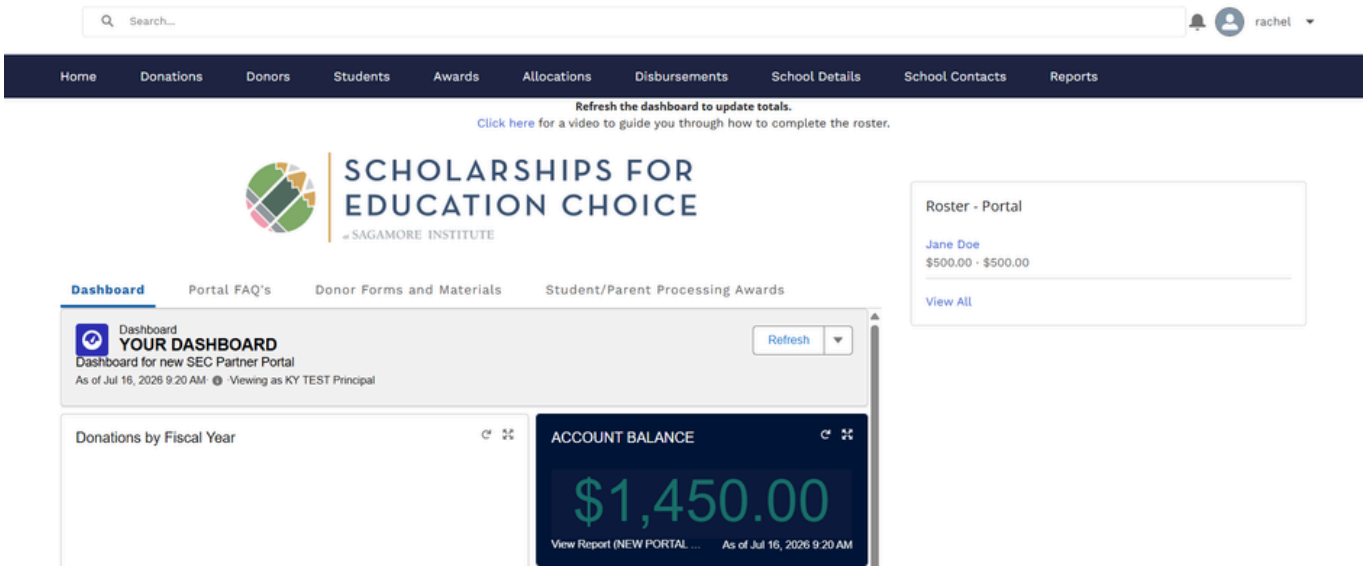
A student must be:

- Eligible to enroll in a public elementary or secondary school
- Is a member of a household with an income which, for the calendar year prior to the date of the application for a scholarship, is **not greater than 300 percent of the area median gross income (determined by county & adjusted by family size)**
- Any student that has received a Federal Tax Credit Scholarship before (only applicable after the 2027) must be prioritized first, then siblings of those who have received a scholarship before should be prioritized next

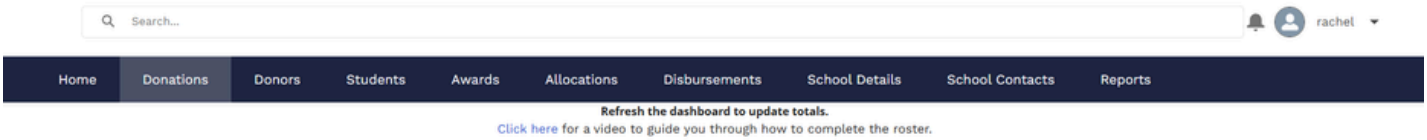
Portal Access

One of the benefits of partnering with SEC is access to our scholarship portal. This portal grants you access to real time reporting on things such as donations, donors, allocations, disbursements, students, and awards. This portal is how a school can enter scholarship amounts, provide student information, and request a disbursement of funds. When signing up with SEC, we will schedule a call with school administrators to walk them through the portal and there are videos linked throughout that explain how to use its different functions. Below are some screenshots of what the portal looks like.

Dashboard



Donations



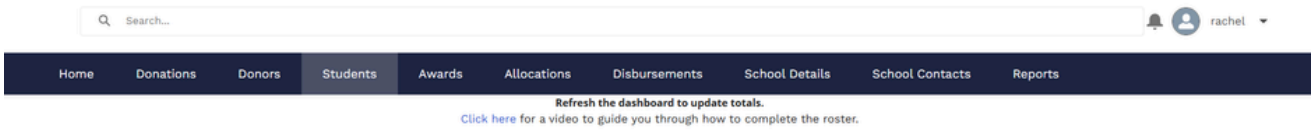
Opportunities
Scholarship Donation Portal View

8 items • Sorted by Opportunity Name • Filtered by All opportunities - Opportunity Record Type, Stage • Updated a few seconds ago

Search this list...

	Opportunity Name	Donor Name	Amount	Close Date	Stage	Opportunity Record Type
1	KY TEST SCHOOL Donor 06202026	KY TEST DONOR	$550.00	7/16/2026	Closed Won	Federal Scholarship Donation
2	KY TEST SCHOOL Donor 07102026	KY TEST DONOR	$450.00	7/10/2026	Closed Won	Federal Scholarship Donation
3	KY TEST SCHOOL Donor 07152026	KY TEST DONOR	$500.00	7/15/2026	Closed Won	Federal Scholarship Donation
4	KY Test School Donor 08272026	KY TEST DONOR	$200.00	8/29/2026	Closed Won	Federal Scholarship Donation
5	KY Test School Smith 08062026	Jane Smith	$850.00	9/25/2026	Closed Won	Federal Scholarship Donation
6	KY Test School Smith 08212026	John Smith	$700.00	8/22/2026	Closed Won	Federal Scholarship Donation
7	KY Test School Smith 09012026	Jane Smith	$850.00	9/25/2026	Closed Won	Federal Scholarship Donation
8	KY Test School Smith 09152026	John Smith	$1,000.00	9/25/2026	Closed Won	Federal Scholarship Donation

Students



Contacts
Scholarship Students Portal View

1 item • Sorted by Name • Filtered by All contacts - Contact Record Type • Updated a few seconds ago

Search this list...

	Name	Last Name	Birthdate	Total Processed Awards all ye...	Created Date
1	Jane Doe	Doe	8/21/2013	$500.00	7/15/2026 9:41 AM

Donation Guidelines

Any individual with federal tax liability is eligible to receive a tax credit equal to 100% of the donated amount, with an annual donation limit of $1,700. Married couples who file jointly can each donate and claim both credits on their joint tax filing. The credit may be applied toward the donor's federal tax liability in the year the donation is received. A donor CAN carryover unused tax credits for up to five subsequent years. Unused tax credits CANNOT be carried back or refunded.

A donor CANNOT restrict the donation to fund the scholarship award for a specific student, but the donor may specify that the donation be used to fund scholarships at one of our participating schools.

Upon receipt of a donation, SEC will secure a unique donor number from the IRS. This number will be included in the letter of receipt sent to the donor. The number will be used by the donor when filing their federal taxes. Letters of receipt are mailed to the donor within 7-10 business days of receiving the donation at the SGO. Receipt letters will be emailed to all donors who have given online. A paper version is sent to all who have given via a check. End of year statements with instructions for claiming the credits will be mailed or emailed in mid-January by SEC.

Donor Materials SEC Provides to Schools

- **School specific donation embed-** donation embed that can be added to your school's website
- **Landing page on SEC's website**- webpage hosted on SEC's website specific to your school with your school's donation embed and info about the program
- **Donor Form** – a simple form with the school name included
- **Tri-Fold Donor Brochure** – a brochure that explains the benefits of giving and the ways to give. There is a small tear off donor form included.
- **Online Landing Page** – SEC will create a school specific online giving page that is branded with a school logo
- **Fundraising Toolkit** – a short guide and collateral materials for schools utilizing this program
- **Communications Toolkit** – a short guide with sample communications
- **Fundraising Guidebook** – How to Successfully Raise Funds for the Federal School Scholarship Tax Credit
- **School specific Explainer Video** - we will customize a short explainer video with the school logo and school contact information
- **Donor reports** – monthly and weekly depending on donation activity
- **Portal** – online access to donor and student information in real time

How donated funds become scholarships for students.

DONATED FUNDS

School
School reaches out to donors to raise awareness of SGO giving opportunity through SEC

Donor
Donors make contributions to the school's designated SGO fund at Scholarships for Education Choice (SEC)

SEC
SEC secures tax credit, sends receipt letter to donor, places funds in designated account, and notifies school of available balance.

STUDENT SCHOLARSHIPS

School
Application for eligible student household is completed (by the parent or with parental consent by the school).

School
School collects financial information to verify income (directly or via third-party) and submits to SEC

SEC
SEC provides roster of applicants to school or school access via Portal.

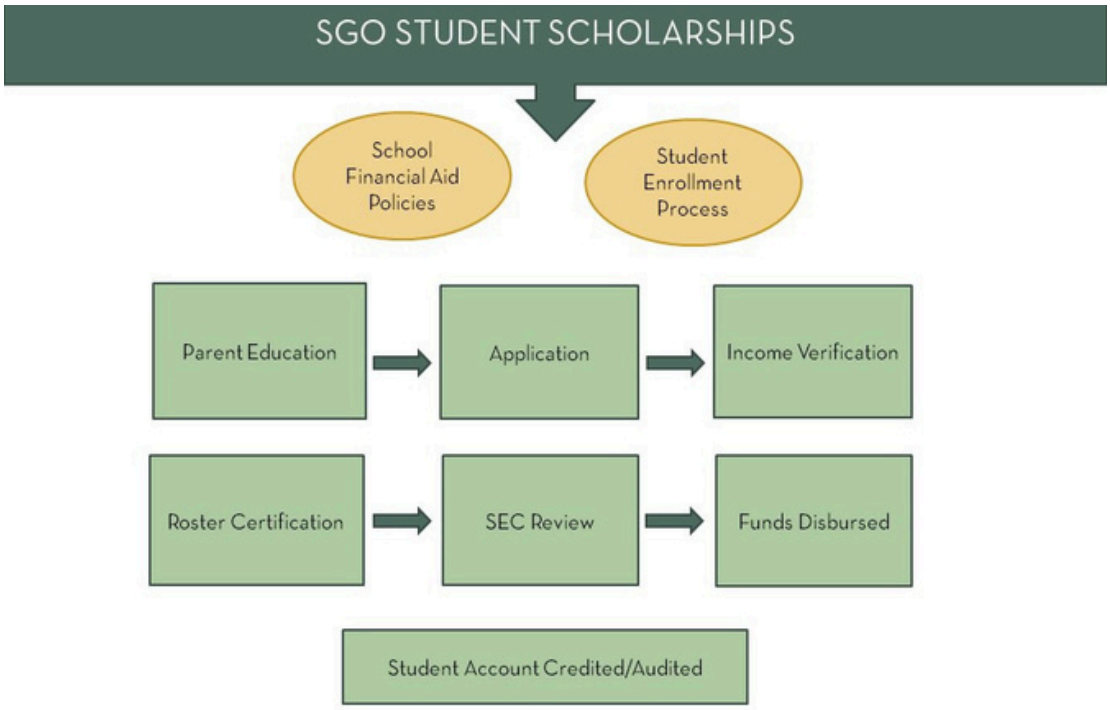
School
School certifies the roster and completes the school information needed (including the award amount for each student).

SEC
SEC verifies eligibility and sends school a check or an ACH for scholarship awards, along with letter and roster.

School
School credits student accounts and notifies households of scholarship award.

The School's Role in Processing Student Scholarships

Below is an outline of the basic steps for awarding scholarships. We have training tools available, a brochure to provide to interested families, and we will coach schools through the process.



Each partner school receives a custom online student application form if they are requesting parents apply. If not, an application can be submitted by the school through our portal with parental permission, by a school official (principal or office staff person). *It is important that ALL families who may qualify are given the opportunity to apply.* Real-time access to all student applications as well as donor information is available online through the school portal. For schools with a high volume of students to award, we can utilize a spreadsheet to mass upload application information upon request.

The next step is for the school to gather the documentation to verify that the household income and family size meet the eligibility criteria outlined in the legislation. Sometimes this income verification is done through a third-party that the school already uses (like FACTS), and other times the school gathers and submits copies of the most recent tax return from the applicant families. If the school uses a third-party they can grant us "viewing" permission, to ensure eligibility. We also have an Assurance Form that can be used if tax returns are not available or if there has been a change in family size or income that is not reflected on the tax return. Income documentation can be uploaded to the Student Award in the portal or you can scan or fax the income documentation to SEC.

After the application has been submitted and the income has been verified, the school approves or denies each application and indicates a scholarship amount forto make these decisions based on their financial assistance policy and the amount of funding available in their account, so the size of the award may be different for each school or student. each approved student (we call this step the school certification).

We expect each school to make these decisions based on their financial assistance policy and the amount of funding available in their account, so the size of the award may be different for each school or student. Some schools will award each qualified applicant the same scholarship amount; other schools will award different amounts for the applicants, to a maximum of the total amount of tuition. Based on current guidance around the legislation, returning scholarship recipients are to be prioritized first, then their siblings. We also require the tuition amount and the initials of the school official approving the award. These pieces of information can be added in the Award tab or the Student Award record in the portal.

When all the student information is complete, income has been verified and school certification is finished, then we can disburse funds up to the amount available in the school's account. Our disbursement timeline is very flexible between August 1st and May 1 of each school year (as long as students have been in attendance since at least April 1). Depending on the school's needs, we can disburse once for the year, once each semester, or multiple times during the school year. ACH transfers are made out to the school and include a roster with the name and amount for each awarded student. Note that each student's tuition account must be credited with the specific amount of the scholarship unless the scholarship is part of a larger financial aid package.

Communication to the parents about the award comes from the school. We also ask the schools to maintain records of the scholarship awards for five years.

Taxable Year and Program Administration

SEC will administer the Federal Scholarship Tax Credit Program as an approved Scholarship Granting Organization (SGO) in accordance with applicable federal law and regulations.

For purposes of the Federal Scholarship Tax Credit Program, SEC's taxable year will run from July 1 through June 30. SEC's Federal Scholarship Tax Credit Program will therefore be administered and reported on a July 1–June 30 taxable-year basis.

The SGO's taxable year is distinct from the school year and from the calendar year used by donors for their individual or business tax reporting. A donor's eligibility for a federal tax credit is determined under applicable federal tax law and is not changed by SEC's July 1–June 30 taxable year.

SEC will maintain the books, records, accounts, and reports necessary to separately identify Federal Scholarship Tax Credit Program income and expenditures for each taxable year and to demonstrate compliance with applicable federal spending requirements.

School Fund Balances and Scholarship Awarding Responsibilities

SEC monitors scholarship awards and disbursements for each participating school to ensure that available scholarship funds are being used to support eligible students promptly. SEC may establish disbursement deadlines and may require a participating school to demonstrate that it is making reasonable progress toward awarding its available funds. Due to the requirement, set by federal regulations, that an SGO spend 90% of its income by the end of the following taxable year, *all donations received must be awarded to students by the end of the next tax year*. Any money left over at the end of the following year can be recouped by the SGO to be disbursed elsewhere. Schools can refer to the dashboard in the online portal to track how much of their balance remains at any given time.

Amounts shown as available in the school balance represent funds that SEC is administering for potential scholarship awards. A scholarship award, allocation, or designation of funds to a student does not constitute an expenditure for purposes of SEC's federal spending requirements unless and until the funds are actually paid in accordance with applicable federal requirements.

SEC's federal spending compliance is determined based on the applicable federal rules and SEC's qualifying income and eligible scholarship expenditures, rather than solely on the balance or activity of any individual school's designated fund. Nevertheless, each participating school is responsible for cooperating with SEC to ensure that available funds are awarded and used appropriately.

If SEC determines that a school is not making reasonable progress toward awarding available funds, SEC may require a corrective action plan, establish deadlines for additional awards, restrict future allocations or disbursements, suspend the school's participation, or take other appropriate action under the Participation Agreement.

If a school fails to award available funds within the timeframes established by SEC, or otherwise fails to comply with program requirements, SEC may withdraw the funds from the school's available balance and reassign or otherwise administer those funds for eligible scholarship purposes, to the extent permitted by applicable law, donor restrictions, and program requirements. Unawarded funds will not automatically be returned to donors. SEC will determine the appropriate disposition of such funds in accordance with applicable law and its obligations as the Scholarship Granting Organization.

SEC-Provided Materials and Resources for Schools and Families

- **Tri-Fold Household Brochure**: Explains the tax credit scholarship including how a family can be eligible, what steps need to be taken and what to expect after the award is made.
- **Household Guide**: Similar to the brochure but focused more on FAQ's
- **Online Application Form**: Each school has a link to an online application form that households complete. An email is sent to a school official when an application is completed; the application also enters the SEC database and is accessible to the school via the portal or by requesting a roster from SEC.
- **SEC Presence at School-hosted Events**: We can help explain the program and the eligibility requirements (if planned in advance & schedules allow)
- **Student Award Reports**: Brequest or available on the portal
- **Process Manual**: Detailed guidance on the award process
- **Portal**: Online access to student award information in real time
- **Eligibility Checker**
- **Explainer Video for Parents**

Timeline for Typical School Year

July

***First day of the new fiscal year*

Final reports are sent from SEC to the school official to verify donation records and scholarship awards for the prior fiscal year.

August

Email notifications will be sent from SEC to the school officials to begin the roster process for the new school year. Disbursements may be made for the new school year on or after August 1.

September

Rosters are verified and disbursements sent to schools.

Oct. - Dec.

Schools gear up for end of year giving campaigns.

February

2nd semester rosters are verified, and remaining awards are disbursed.

March

SEC updates household application forms with updated income requirements and applications accepted for next school year.

April - May

Applications and disbursements for current year awards due by 5/1. Students must have been attending since April 1 of the current year.

June

June 30 – Last day of the fiscal year and last day students are verified, and remaining awards are disbursed.

Weekly and Monthly Reporting from SEC

Weekly Reports: SEC will send schools donation reports if the school has had donation activity during the week.

Monthly Reports: SEC will send all schools a month end report that itemizes donations for the month and reports on the total amount of disbursements for the school year to date and the balance in the school account.

Steps to Becoming a Participating School

1.

Review the following Participation Agreement (Appendix 1).
Contact us with any questions.

2.

Submit a signed copy of the Participation Agreement to SEC and complete information regarding your school for our database: https://sagamore.tfaforms.net/5229828

3.

SEC will return an executed copy of the agreement with the director's signature to the school.

SCHOLARSHIPS FOR EDUCATION CHOICE

Scholarships for Education Choice
PO Box 301076
Indianapolis, IN 46230
laurel@sagamoreinstitute.org
(317) 472-2052

Appendix 1 - Participation Agreement

The purpose of this agreement is to establish a formal understanding between Scholarships for Education Choice (SEC) and its partner schools. Scholarships for Education Choice is a program of Sagamore, Inc., a certified Scholarship Granting Organization (SGO) in the state of Indiana.

ASSURANCES OF SCHOLARSHIPS FOR EDUCATION CHOICE (SEC):

1. **Authority - SEC will operate and administer the Federal Scholarship Tax Credit Program as an approved SGO within the guidelines set forth by the Department of Treasury. The program will operate on a fiscal year of July 1 to June 30.**
    a. **Donations– SEC will allocate donated funds in a manner that respects the intent of the donor.**
2. **SEC WILL allow donors to direct their gift to a participating school; donors will NOT be permitted to direct their gift to a particular student or family. Upon receipt of a donation accompanied by a completed donor form, SEC will secure the unique donor number from the Internal Revenue Service. This number will be included on a receipt letter mailed or e-mailed to the donor within 7-10 business days.**
3. **Fund Management – SEC will keep an account for all funds designated for scholarships, and will track fund balances designated for participating schools. FSTC donated funds are maintained in a separate bank account. Fund balances may carry over to subsequent fiscal years.**
4. **SEC will provide timely reports and dashboards to ensure schools can track their balances and will notify schools if they need to disburse funds to ensure compliance with federal requirements. All account balances will be carried forward but funds must be utilized for student awards by the end of the next taxable year (see p. 9 for further explanation).**
5. **Administrative Fees – Per the legislation, SEC may debit each donation up to 10% to cover program administrative costs and offers the following discounts.**
    i. **7.5% fee assessed on the first $500,000 of donations received in the fiscal year**
    ii. **5% fee assessed on subsequent donations after a school has exceeded $500,000 in any one fiscal year.**
6. **SEC is committed to keeping costs reasonable and will manage the fees in a manner that is in the best interest of the SGO, the school, the donors and the recipients.**
7. **On-line Donations - Unless the school asks to be excluded, the school will be eligible to receive on-line donations using SEC's vendor. SEC covers any transaction and processing fees.**
8. **Collateral Material – SEC will provide collateral material as necessary to assist with fundraising and program promotion. SEC will assist with co-branding material, and we reserve the right of final approval on all school-produced material to ensure compliance with state guidelines.**
9. **Application and Disbursement – SEC will maintain a scholarship origination and disbursement process that offers the school, the applicant household, and SEC the most efficient means of awarding funds. The official application roster will include enrollment information for each student (including the student's name and address, the name and address of the parents if different, the student's date of birth, the student's grade level), school certification, household financial information (including the family income and the number of people in the household), award amounts, and reasons for any denied applications. Students who have received a scholarship the prior year must be prioritized first, then their siblings. Disbursements may be made to the school for approved applications when funds are available between August 1 and May 1 (as long as the student has been in attendance as of April 1) of each academic year.**
10. **Scholarship Amounts – SEC allows the school to establish the scholarship amounts, based on the school's board-approved financial aid policies. The maximum amount will be the tuition/fees for the school year and SGO awards cannot total more than Tuition.**

11. **Withdrawal/Transfer – The SGO scholarship is awarded to a particular student attending a particular school. The scholarship does not transfer with a student from one school to another. In the case of a mid-year withdrawal or transfer of a scholarship student, the school will calculate the unused portion (if any) of the scholarship award and work with SEC to either apply the unused portion to another eligible student or refund the money to SEC where it will be deposited back into the school's dedicated fund (no administrative fee will be assessed).**
12. **Audits – SEC will send an end of year report detailing donations and awards to schools in mid-July. The school is required to review that report, notify SEC of any discrepancies then sign and return the report affirming that the donations and awards are accurate and that tuition statements for the students have been adjusted accordingly. With that report SEC will request that the school send three randomly selected tuition statements for students to ensure that SGO awards have been deducted from tuition statements. SEC will hold any further disbursements until the school returns the signed end of year report along with the sample tuition statements. SEC may perform audits as it deems necessary to confirm enrollment and scholarship fund credits to tuition accounts and reserves the right to contact parents directly. Any audits will be coordinated in advance and will be performed in a manner that does not hinder the school's daily operations.**
13. **Termination of Agreement - If SEC and/or the school elect to cease their partnership under the terms of this agreement or the school closes, good faith negotiations will take place to ensure that any remaining designated funds are disbursed as quickly as possible to fund scholarships for eligible students at the school. If the school does not have enough eligible students to utilize remaining funds then the funds will be transferred to the SEC General fund.**
14. **Donor Solicitation – SEC agrees to not solicit donors on behalf of Sagamore, Inc. unless Sagamore, Inc. can demonstrate a relationship exists with the donor outside of the SEC Program or the donor initiates a relationship with Sagamore, Inc. beyond the SEC Program.**
15. **Confidentiality – SEC will preserve and respect the confidentiality of all information concerning income eligibility of a prospective student's parent/guardian, whether provided via FACTS or some other method. As required by statute, all SEC employees and board members submit to criminal background checks.**

ASSURANCES OF PARTICIPATING SCHOOLS:

1. **Intent – The school accepts the assurances on behalf of SEC above and agrees to operate their program in compliance with the legislation and rules governing the Federal Tax Credit Scholarship Program. The school agrees to maintain their eligibility according to the legislation by remaining accredited and offering a norm-referenced test. The school agrees to communicate and negotiate circumstances not covered in this agreement in a manner that protects the school, donors, recipients and SEC.**
2. **Donor Communication – Any promotion of the SGO program to donors must ensure that the donor is aware that any funds given through the SGO are restricted for student scholarships but cannot be designated for a particular student. We reserve the right to contact donors if donor intent is in question.**
3. **Scholarship Promotion – The school agrees to promote the scholarship program to ALL of the student households enrolled in the school and to provide the opportunity to apply to ALL that are eligible.**
4. **Accuracy of Information – The school agrees to provide accurate and verifiable information concerning the applicant and their household, as required for scholarship application processing. The school and SEC will work together to resolve any processing errors. Any resulting tuition balance remains the sole issue of the school and the recipient household. Errors deemed intentional could result in the dissolution of this agreement and the partnership.**
5. **The Participating School agrees to prioritize students who have received a scholarship previously and then their siblings when determining which students to award scholarships "**
6. **Financial Need Assessment – If the school uses a third-party service for the purpose of assessing household financial need (FACTS, etc.), the school's signature on this agreement authorizes SEC to have access to that information for families applying for tuition assistance. The purpose of this access is to determine income eligibility for the scholarship program. Schools that do not use a third-party service will collect and provide income information on each applicant to SEC.**

7. **Application of Funds – The school agrees to apply all awarded scholarship funds to the recipient's tuition account either as a separate line item or a part of their financial aid package for the school year of record on the application. The school will communicate with parents that they received a tax credit scholarship (SGO).**
8. **Financial Assistance Policy – The school agrees that they have or are working towards a board-approved financial assistance policy for determining the amount of each scholarship award that does not subjectively discriminate between student recipients and they will provide a copy of the policy to SEC. Questions or disputes from applicant families regarding award amounts will be directed to the school.**
9. **The Participating School acknowledges that SEC retains control over all funds administered through the Federal Scholarship Tax Credit Program. Any balance identified in SEC's records as available or designated for the Participating School does not constitute ownership of those funds by the Participating School or a guarantee that the entire balance will be disbursed to the school.**
10. **The Participating School agrees to make reasonable and timely efforts to identify eligible students, award available scholarships, submit required documentation, and cooperate with SEC's program administration and compliance requirements. SEC may establish award schedules, reporting deadlines, and corrective action requirements based on program needs and applicable federal requirements.**
11. **If the Participating School fails to make reasonable progress toward awarding available funds, fails to meet an established deadline, or fails to comply with program requirements, SEC may require corrective action, suspend or limit future allocations or disbursements, suspend or terminate the Participating School's participation, or take other appropriate action.**
12. **Upon suspension or termination, or when SEC otherwise determines that funds are unlikely to be awarded in a timely manner, SEC may withdraw unawarded funds from the balance associated with the Participating School and reassign or otherwise administer those funds for eligible scholarship purposes, subject to applicable law, donor restrictions, and SEC's federal compliance obligations. The Participating School has no right to require that such funds be returned to donors or remain available to the school.**
13. **Audit Cooperation – The school agrees to cooperate with any audit request by SEC in accordance with item 10 of the SEC Assurances. The school will maintain information on all students receiving scholarships for the amount of time specified in the legislation (currently 5 years). The school is required to review the end of year report, notify SEC of any discrepancies, then sign and return the report affirming that the donations and awards are accurate and that tuition statements for the students have been adjusted accordingly. The school agrees to send tuition statements to SEC for the students SEC has selected and understands that SEC will hold any further disbursement checks until the school returns the signed end of year report along with the sample tuition statements.**
14. **Conflict of Interest – The school agrees that if a staff or faculty member who approves/verifies awards has a child that is eligible for an award, then an alternate person will approve/verify that award. The initials of the person approving/verifying the award will be indicated on the official school roster.**

By their signatures, the individuals below affirm that they represent the parties indicated and agree to the assurances outlined within this agreement.

Participating School

School Name

Official's Name (Please Print)

Official's Title

Signature

Date

Scholarships for Education Choice

Official's Name

Official's Name (Please Print)

Official's Title

Signature

Date

To sign up for the FSTC with SEC please:

1. Sign and return this agreement to **Laurel@SagamoreInstitute.org**
2. Complete this online form to provide details on your school **https://sagamore.tfaforms.net/52298**