

Emergency Rule
LSA Document #14-340(E)

DIGEST

Temporarily amends and adds noncode provisions to [512 IAC 4-1](#) to explain and implement the Choice Scholarship Program as contained in [IC 20-51-4](#). Statutory authority: [IC 20-51-4-7](#). *NOTE: The original emergency document, LSA Document #13-401(E), posted at [20130821-IR-512130401ERA](#), effective August 19, 2013, expired August 19, 2014. Effective August 19, 2014.*

SECTION 1. (a) This SECTION supersedes [512 IAC 4-1-1](#).

(b) The definitions in this SECTION apply throughout this document.

(c) "Choice scholarship" means the award to an eligible student as determined by [IC 20-51-4](#) for payment of educational services provided by an eligible school.

(d) "Choice scholarship program" refers to the scholarship program created by [IC 20-51-4](#).

(e) "Department" means the department of education established by [IC 20-19-3-1](#).

(f) "Eligible choice scholarship student" means an individual who meets the requirements of [IC 20-51-1-4.3](#) and this document.

(g) "Eligible school" means a school that meets the requirements of [IC 20-51-1-4.7](#) and this document.

(h) "Sibling" means one (1) of two (2) or more individuals having one (1) or both parents, guardians, or custodians in common. The term does not require a consanguineous (blood) relationship between the individuals.

(i) For purposes of [IC 20-51-1-4.3](#), an applicant is enrolled in a public school corporation for at least two (2) semesters immediately preceding the first semester for which the applicant receives a choice scholarship if attendance in the school corporation is established by one (1) of the following:

(1) An official transcript from the school.

(2) Attendance entry by the school in the department's official attendance report.

(j) For purposes of subsection (i), "school corporation" means the following:

(1) Any local public school corporation established under Indiana law.

(2) A charter school established under [IC 20-24](#).

SECTION 2. (a) This SECTION supersedes [512 IAC 4-1-2](#).

(b) The department shall establish and publish the application forms and procedures for designation as an eligible school.

(c) To become an eligible school, the school must do the following:

(1) Satisfy all of the requirements of [IC 20-51-1-4.7](#).

(2) Submit a completed application in accordance with the procedures established by the department.

(d) An application will not be considered complete until all of the requirements of [IC 20-51-1-4.7](#) have been verified by the department.

(e) The department shall publish and regularly update a list of eligible schools.

(f) An eligible school shall maintain records for verification of student eligibility under [IC 20-51-1-4.3](#) for the time period established and published by the department.

(g) An eligible school, within timelines established and published by the department, must achieve a

cumulative student enrollment size of thirty (30) students in assessed grades under [IC 20-32-5](#) for determination of category designation under [IC 20-31-8-3](#).

(h) The department shall establish and publish procedures regarding the maintenance of eligibility status.

(i) The department may take action up to and including suspension or termination, or both, of the school's eligibility if the department determines the school failed to comply with any of the following:

- (1) [IC 20-51-1-4.7](#).
- (2) [IC 20-51-4-1](#).
- (3) [IC 20-51-4-3](#).
- (4) This document.
- (5) Any assurances made as part of the application.
- (6) An obligation to repay any amount due as determined under SECTION 7(d) of this document.
- (7) Maintenance of records as required under subsection (f).

(j) Prior to suspending or terminating a school's eligibility, the department shall provide written notice to the eligible school. The written notice shall include the following:

- (1) The nature of the noncompliance.
- (2) The corrective action the eligible school must take.
- (3) The deadline for the corrective action to be implemented.
- (4) The consequences for failing to take the corrective action by the established deadline.

(k) If the eligible school fails to remedy the noncompliance within the timeline provided by the department, the department shall notify the eligible school in writing of the suspension or termination of the school's eligibility and the process for appealing the decision.

(l) The eligible school may appeal the department's action under subsection (i) in accordance with procedures established by the department.

(m) The department shall establish and publish appeal procedures.

SECTION 3. (a) This SECTION supersedes [512 IAC 4-1-3](#).

(b) The department shall establish and publish the forms and procedures for a student to apply for a choice scholarship.

(c) To become an eligible choice scholarship student, the applicant must do the following:

- (1) Satisfy all of the requirements of [IC 20-51-1-4.3](#).
- (2) Submit a completed application in accordance with the procedures established by the department.

(d) An application will not be considered complete until all of the requirements of [IC 20-51-1-4.3](#) have been verified by the department.

SECTION 4. (a) Choice scholarships will be granted in the order of completed applications received until the date set forth under [IC 20-51-4-7](#).

(b) A choice scholarship application must be complete and contain all required information for an eligibility determination to be made. The department will determine a choice scholarship applicant's eligibility based on the order in which completed applications are received in the department's offices.

(c) The department will determine the amount of an eligible choice scholarship in accordance with [IC 20-51-4-4](#), subject to the following restrictions:

- (1) An eligible school may not include the costs of special education and related services.
- (2) Tuition and fees may only include the costs a student would otherwise be obligated to pay to the eligible school absent a choice scholarship award.
- (3) Eligible schools that include textbook fees as part of its tuition and fees policy may not file a claim for textbook reimbursement under [IC 20-33-5-9](#) for eligible choice students.
- (4) Eligible schools must first apply all tuition and fee discounts that the student, or a similarly situated noneligible student, would have otherwise received absent a choice scholarship.

(d) The department will notify the eligible choice scholarship student and the applicable eligible school that the student is:

- (1) eligible and the amount of the eligible student's choice scholarship; or
- (2) ineligible and the reason for ineligibility.

(e) A choice scholarship is valid for the school year for which it is awarded. Continued eligibility will be based on continued compliance with SECTION 3(c) of this document.

SECTION 5. (a) This SECTION supersedes [512 IAC 4-1-4](#).

(b) The department will distribute the choice scholarship funds in two (2) disbursements during the fiscal year, once each semester or at equivalent intervals.

(c) Prior to distribution of the choice scholarship, the eligible choice scholarship student (or the parent of the eligible student) and the eligible school providing educational services to the eligible choice student must endorse the distribution on the department's form and in accordance with the process established by the department.

SECTION 6. In determining the choice scholarship amount the eligible school will receive under [IC 20-51-4-4\(1\)](#) and [IC 20-51-4-4\(2\)](#) (ADM and APC), the eligible choice scholarship student must be enrolled at the eligible school on the count days fixed by the state board for ADM and APC counts.

SECTION 7. (a) This SECTION supersedes [512 IAC 4-1-5](#).

(b) An eligible school shall notify the department, in accordance with the department's notification procedures, of an eligible student's withdrawal or expulsion from the eligible school no later than five (5) business days after the withdrawal or expulsion.

(c) If an eligible student is withdrawn or expelled from the eligible school, the amount of the choice scholarship will be reduced and prorated based on the period of time the eligible student was enrolled in the eligible school.

(d) If an eligible student is withdrawn or expelled after the choice scholarship distribution is made, the eligible school may be required to refund to the department a portion of the choice scholarship amount.

(e) The department shall notify the eligible school of any amount to be remitted to the department as the result of withdrawal or expulsion. If the eligible school disagrees with the department's determination of the amount to be remitted, the eligible school may request a review of the determination in accordance with established procedures.

(f) A choice scholarship is not transferrable during the school year.

(g) Once an eligible choice scholarship student withdraws or is expelled from an eligible school, as outlined in subsection (b), that student forfeits the remainder of the student's choice scholarship award for the year in which the student withdrew or was expelled, even if the student reenrolls in the original eligible choice school.

(h) A student who is no longer eligible under subsection (g) may reapply for a choice scholarship in a subsequent year.

SECTION 8. This document expires at the earlier of the following:

- (1) The date a permanent rule adopted under [IC 4-22-2](#) supersedes or repeals this document.
- (2) One (1) year after the date the emergency rule is adopted.

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An [html](#) version of this document.