

EDUCATION STUDENT ACCOUNTS PROGRAM PARENTAL AGREEMENT 2024-25

The Education Student Accounts for Children with Disabilities Program (the “Program”) was established by the 2021 North Carolina General Assembly to provide scholarships to certain students attending eligible nonpublic schools. The Program is administered by the State Education Assistance Authority (“Authority”) pursuant to Article 41 of Subchapter 10 of Chapter 115C of the North Carolina General Statutes, as may be amended from time to time. Program funds awarded as part of the Program will be made available through a parent’s Education Student Account. All terms capitalized herein are specifically defined in the [Rules Governing the North Carolina Education Student Account for Children with Disabilities Program](#) (the “Rules”) which are publicly available on the Authority’s website at:

<https://www.ncseaa.edu/wp-content/uploads/sites/1171/2022/01/ESA-Plus-Program-Rules-FINAL.pdf>. The Rules are incorporated herein by reference.

Proper execution of this Parental Agreement (“Agreement”) by the parent (“Parent”) of the student who was awarded scholarship funds (“Scholarship Funds”) is a prerequisite to a student’s participation in the Program. The Parent signing this Agreement must be the Parent who submitted the Application and will be the account holder for the Education Student Account. The Parent must sign and return this Agreement to the Authority each year by the deadline set by the Authority prior to receiving Scholarship funds. Failure to submit this Agreement to the Authority by the deadline set by the Authority shall result in forfeiture of Scholarship Funds. Scholarship Funds are contingent each year upon appropriations made available to the Authority by the General Assembly.

The undersigned Parent agrees to the following terms and conditions:

1. **Compliance with Program Requirements.** The Parent will comply with all relevant Program statutes and Program Rules, as well as instructions and requests concerning the Program as may be issued by the Authority, including administrative forms, administrative memoranda, interpretive guidance, or any other procedures established by the Authority. The reference to or recitation of any portion of an applicable statute or rule in this Agreement does not limit the Parent’s obligation to comply with other applicable statutes and rules.
2. **Enrollment in an Eligible School.**
 - a. The Parent warrants that his or her student is not enrolled Full-time in the public school within the Local Education Agency (LEA) to which they are assigned.
 - b. The Parent warrants that his or her student is enrolled in one of the following:
 - i. Full-time or Part-time in a nonpublic school that has been registered to operate in the State by the Division of Non-Public Education;

- ii. Full-time or Part-time in a Home School; or
 - iii. Full-time or Part-time in an out-of-district public school for which the payment of tuition is required.
3. **LEA Release.** The Parent warrants that he or she will release the LEA, in which the student is eligible to attend public school, of all obligations to educate the eligible student while the eligible student is receiving Scholarship funds, unless the student is enrolled part-time in a public school and part-time in a nonpublic school. If the student is enrolled full-time at a nonpublic school registered with DNPE or Home School, in order to participate in the Program and fulfill the parent's responsibilities set forth in G.S. § 115C-595(a)(2), the Parent must complete the Release of Local Education Agency For the Period of Time the ESA+ Recipient Receives ESA+ Scholarship Funds form.
4. **Enrollment change.** A Parent who enrolls his or her student full-time into a North Carolina public school to which the student is assigned, during the year that the student is receiving Scholarship Funds under the Program, shall return all funds to the Authority that were in the Education Student Account as of the date of enrollment in the North Carolina public school to which the student is assigned and the Parent shall request a release from the Authority of his or her obligations under the Parental Agreement.
5. **Parent Responsibility to Use a Minimum Amount of ESA+ Funds.** The Parent agrees to use at least one thousand dollars (\$1000.00) per year per student to provide an education to the eligible student in, at a minimum, the subjects of English language arts, mathematics, social studies, and science.
6. **Allowable Expenses.** The Parent agrees to use the Scholarship Funds only for Qualifying Educational Expenses, which are limited to the following items: (1) tuition and/or fees for an Eligible School; (2) textbooks required by the eligible nonpublic school; (3) tutoring and teaching services provided by an individual or facility that meets the requirements set by the Authority; (4) payment for purchase of curricula; (5) fees for nationally standardized norm-referenced achievement tests, advanced placement tests, or nationally recognized college entrance exams; (6) fees charged to the account holder for the management of the Education Student Account; (7) fees for services provided by a public school and approved by the Authority, including individual classes and extracurricular programs; (8) premiums charged to the account holder for any insurance or surety bonds required by the Authority; (9) educational therapies provided by a practitioner who holds a license that meets the requirements set by the Authority; (10) educational technology defined by the Authority; and (11) student transportation, pursuant to a contract with an entity that regularly provides student transportation, to and from (i) a provider of education or related services or (ii) an education activity.
7. **Prohibited Expenses.** The Parent agrees not to use Scholarship Funds for the following specified items: (1) computer hardware or other technological devices not defined by the Authority as approved educational technology; (2) consumable

educational supplies, including paper, pen or markers; (3) tuition and fees at an institution of higher education or a private postsecondary institution; and (4) tuition and fees for a home school student.

8. Parental Responsibilities Relating to Proper Use of Scholarship Funds.

- a. The Parent agrees to use the Scholarship Funds deposited in his or her Education Student Account only for Qualifying Educational Expenses for the student who was awarded the Program funds.
- b. A Parent acknowledges his or her understanding that use of Scholarship Funds for items that do not constitute Qualifying Educational Expenses may result in the forfeiture of the Scholarship.
- c. A Parent acknowledges his or her understanding that providing tutoring, teaching services or educational therapy to his or her own student or to any student in the same Home School as his or her student is not a Qualifying Educational Expense and Scholarship Funds are strictly prohibited from being used for this purpose.
- d. The Parent acknowledges his or her understanding that scholarship awards belong exclusively to the Parent and the Parent's student and that only a parent is permitted to complete the parental endorsement of Scholarship Funds for disbursement to the school.
- e. A Parent agrees not to give his or her Education Student Account number or MyPortal account information, including passwords, directly to a nonpublic school or a service provider or allow his or her Education Student Account or My Portal account information to be copied by a nonpublic school or service provider. Rather, a Parent must personally authorize each transaction from his or her Education Student Account and MyPortal account, including but not limited to endorsing Scholarship Funds over to the school.
- f. A Parent agrees to submit the required documentation/receipt of any item or service purchased with Scholarship Funds when requested by the Authority and acknowledges that failure to provide documentation requested by the Authority within the time allotted by the authority may result in forfeiture of Scholarship Funds.
- g. A Parent agrees that if the Authority determines that Scholarship Funds were used for an item or service other than a Qualifying Educational Expense, the Parent must return to the Authority the Scholarship Funds used for that item or service within the deadline set by the Authority.
- h. A Parent warrants that he or she will not accept a refund or rebate of any Scholarship Funds from a nonpublic school, a provider of services, or from any other entity. If a refund of Scholarship Funds is warranted the Parent agrees to notify the Authority immediately.

9. **Student Testing Requirement.** A Parent agrees to allow his or her child to be tested at the child's school by the nationally standardized test administered by the child's school as required by the Program.
10. **Access to Records.** The Parent agrees to provide the Authority access to all records related to the use of Scholarship Funds and his or her Education Student Account.
11. **Non-Compliance with Program Rules.**
 - a. If the Authority determines that a Parent is noncompliant with Program requirements, the Parent understands and agrees that his or her student may become ineligible to participate in the Program and any other Programs administered by the Authority and may be required to forfeit remaining Scholarship Funds.
 - b. If the Authority determines that scholarship funds have been misspent in violation of Program requirements and/or for an item other than a Qualifying Educational Expense, the Authority shall notify the Parent, and the Parent shall repay the misspent amount in the manner and by the deadline set by the Authority.
12. **Assignment.** This Agreement is not assignable.
13. **Termination of Agreement.** This Agreement shall be effective when executed and shall remain in effect until June 30, 2025, unless the Agreement is terminated upon written notice of the occurrence of the following: (a) notice from the Parent that he or she has enrolled his or her student full-time in a North Carolina public school to which the student is assigned or a Department of Defense School; (b) notice from the Parent that it intends to terminate its participation in the Program and return any and all unused scholarship funds; (c) notice from the Authority of its intent to terminate the Parent's eligibility to participate in the Program; or (d) any action of the General Assembly which, in the opinion of the Authority, requires the termination of this Agreement.

The undersigned represents and warrants that he or she is the Parent who completed the student's application and is (1) the eligible student's biological, adoptive, or foster parent; (2) the eligible student's legal guardian or legal custodian, but not the State if the child is a ward of the State; (3) an individual acting in the place of a biological or adoptive parent, including a grandparent, stepparent, or other relative, and with whom the student lives; (4) an individual who is legally responsible for the student's welfare; or (5) a surrogate if one is appointed under G.S. § 115C-109.2.

Do not sign or submit this copy of the Agreement, which is provided for parents to review in advance of being asked to sign the Agreement electronically.