

School Application Addendum

In an attempt to streamline the Scholarship opportunities for our schools, Faith Builders offers a variety of services to accommodate and expedite the process. Faith Builders has **four** different options, which allows your school to tailor our services to accommodate your financial landscape. Mark the desired **option boxes** on the School Application form for each of the four options.

Option 1-A or B *(Note the School Application and check the desired option.)*

- Under **option 1-A**, Faith Builders will direct all available money into scholarship tuition awards.
- Under **option 1-B**, Faith Builders will direct some funds to be used for any discretionary purpose of the school. The amount of discretionary funds available will be indicated on the Contribution Notice (this amount is based on all available funds being used in the current school year).

Option 2-A or B *(Note the School Application and check the desired option.)*

- Under **option 2-A**, Faith Builders provides a Standard scholarship service for the school. See page 2 for a detailed explanation of our Standard scholarship service.
- Under **option 2-B**, the school chooses to do their own paperwork. See page 2 and following for description of responsibilities of the school if they do their own paperwork.

Option 3-A or B *(Note the School Application and check the desired option.)*

- Under **option 3-A**, Faith Builders will plan to funnel the funds received from donors prior to November 1 toward tuition assistance in the current school year. This method assumes that the Family Application process happens between September 1 and November 1 and provides tuition assistance for the current school year. This option gets the available monies to the school more quickly but does not allow families to know how much tuition assistance is available prior to the beginning of the school year. Under this option, the school receives a full cash distribution in November or December and the family is notified between November 15 and December 15 of the amount of tuition assistance for the current school year.
- Under **option 3-B**, Faith Builders will plan to funnel the funds received from donors prior to July 1 toward tuition assistance in the upcoming school year. This method assumes that the Family Application process happens between May 1 and July 15, prior to the beginning of the school year. This option enables families to know the amount of tuition assistance available before school begins and to plan financially for school tuition expenses. Under this option, the school receives a full cash distribution in August. Families are notified between August 1 and 15 of the amount of tuition assistance for the upcoming school year. This is important if families are basing their decision to enroll on the amount of tuition assistance offered at your school.

Option 4-A or B *(Note the School Application and check the desired option.)*

- Under **option 4-A**, a school can choose to set its own Annual Household Income cap lower than the limits set by the State to keep scholarship funds available to lower income families. For example: A school could choose an income cap of \$70,000 plus \$10,000 for each dependent.
- Under **option 4-B**, a school can choose the highest allowable Annual Household Income established by the Commonwealth of PA to be eligible for a scholarship. The amount of annual household income (including income from all dependents living in the household and any child support) must not exceed \$96,676 plus \$17,017 for each dependent. (These limits are adjusted annually for inflation; stated limits were in effect for the 2020-2021 school year, new limits are not announced until the fall of the year.)

Option 2-A (Detailed Explanation)

If Faith Builders Scholarship Services provides the **Standard** scholarship service, we will:

1. Provide the school with a master family application form.
2. Receive applications directly from the family to eliminate a recollection process by the school. Family application may be received from April 1-November 1.
3. Evaluate each family application and income statement for compliance with state standards.
4. Calculate an amount of scholarship awarded to each family by using an objective computerized formula. The amount awarded is computer generated, based on four parameters (Annual Household Income, tuition, number of dependents in the family, and total amount of money available to the school). OSTC funds will be applied based on school district and prior receipt of funds.
5. Customize scholarship awards for families. This process is started by Faith Builders sending the school an Award Review form listing all the families that qualify for scholarship assistance and the amount awarded to each family based on the four parameters listed above. The school administration may change these figures and award a specific amount of money to be given to specific families. The school returns the customized Award Review form to Faith Builders and we lock in the specific customized amounts and recalculate the rest of the families' awarded amounts. The amount specified may not be more than the total cost of tuition and fees minus any other aid awarded to the family for the school year.
6. Send scholarship award payment directly to the school after signed award review is received.
7. Send a Family Award Notice to each family that details the amount of scholarship funds awarded and includes gratitude postcards for the families to use in thanking donors.
8. Under **Option 2-A**, the school's four (five for OSTC) responsibilities are:
 - a. Return the School Application to Faith Builders no later than August 1.
 - b. Copy and distribute the Family Applications.
 - c. Send Faith Builders a Withdrawal form if a student quits or transfers to another school.
 - d. Notify Faith Builders of the total scholarship aid awarded to each family during the year from other scholarship sources.
 - e. Schools participating in Opportunity Scholarships (OSTC) need to provide Faith Builders with a list of qualifying students attending their school.
9. Cost of **Option 2-A**: \$13.00 per applying family (Note the School Application and check the desired option.)

Option 2-B (Detailed Explanation)

If the school provides **its own** scholarship paperwork, Faith Builders Scholarship Services will:

1. Send the school a school application form and a family application form (Our family application form does not need to be used if you are doing your own paperwork. We accept any family application form that includes the pertinent information.)
2. Send scholarship award payment directly to the school, after all paperwork is received.
3. Send gratitude postcards for the administration to give to each awarded family.

If the school provides **its own** scholarship paperwork, **the school will:**

1. Follow the guidelines established by the State of Pennsylvania, including but not limited to:
 - a. The total amount awarded as tuition assistance must equal at least 82% of the total contributed by all businesses to FBSS on behalf of the school.
 - b. No family's award from FBSS may exceed that family's total tuition and fees minus their total financial aid awarded during the year from other scholarship sources.
 - c. No family receiving an award may have income in excess of \$96,676, plus \$17,017 for each dependent child. (Family income includes parents' income and all income earned by dependents claimed on the parents' Federal form 1040.)
 - d. All awards must be determined on a need-based criteria; no academic achievement awards.
2. Use an objective formula that awards money on need-based criteria that takes into account family income, family size, tuition rate and the total amount of money available to the school.

3. Distribute the business postcards that we supply to the families receiving scholarship awards in a timely fashion. These postcards represent the businesses that are helping your school with scholarship money. We ask that parents express thanks on the postcards and return the postcards directly to the donor.
4. Send an information packet to Faith Builders Scholarship Services prior to any payments being made. This packet will include:
 - a. A spreadsheet listing:(A template can be found on our website <http://www.fbep.org/ministries/fbscholarship/schools>)
 - i. The name and grade of each student receiving the award.
 - ii. The Pennsylvania County of residence for each participating family.
 - iii. The total tuition and fees owed to the school for each family requesting assistance from Faith Builders.
 - iv. The total scholarship aid awarded to each family during the year from other scholarship sources.
 - v. The total scholarship awarded to each family during the year from Faith Builders.
 - b. A copy of each family's application.
 - c. A copy of first page of the previous year's 1040 (Federal Tax Return) for each family being awarded scholarship assistance.
 - d. For schools using FACTS or similar services you may include the number of people in the household and the family income total on the spreadsheet instead of sending copies of the family applications and 1040's.
5. Deadline for receiving scholarship money from Faith Builders Scholarship Fund is April 1.
6. Cost of option 2-C: \$0.00. There is no charge, if you do your own paperwork and supply us with all the required info. (Note the School Application and check the desired option.)

Note to all Schools:

Families who have at least one child with a learning disability are allowed by state law to multiply the state income limits by the support level factor of 1.5. Learning disability includes any child who has an Independent Educational Plan (IEP) or is given remedial help outside of the classroom. For families to access this increased income level, the school needs to notify Faith Builders Scholarship Services of the learning disability.