

Student Opportunity Scholarship Accounts: Schools



Student Opportunity Scholarship (SOS) accounts would aid thousands of Michigan K-12 students with access to new learning opportunities. The plan would give participating families control of flexible education spending accounts to personalize their children's learning. As a result, many Michigan students would gain newfound access to existing schools, courses, tutoring and testing services, curriculum companies and other providers.

Which Students Can Receive SOS Accounts, and How Much?

Most K-12 students in Michigan would be eligible to apply for tax-credit scholarship funding. Students qualify by meeting one of three indicators of need: 1) Family income is below 200% of eligibility for federal lunch subsidies, or about \$98,000 for a family of four (see chart); 2) The student has a disability that entitles them to an individualized education plan; or 3) The student is a child in the foster care system.

There are different scholarship caps, depending on the student's family income and educational setting. At the lowest income levels, those who want access to a private school or other nonpublic option could receive up to 90% of the state's per-pupil foundation allowance (\$8,700 this school year): \$7,830. The equivalent cap for families with the highest eligible incomes is \$4,694. Public school students can get supplemental accounts worth \$500 (\$1,100 for special needs).

Household Size Annual Income

Household Size	Annual Income
2	\$64,454
3	\$81,252
4	\$98,050
5	\$114,848
6	\$131,646
7	\$148,444
8	\$165,242
9	\$182,040

How Does a School or Provider Become Eligible for Scholarship Funding?

The Student Opportunity Scholarship program is designed to operate primarily according to the principle of parental choice in the interest of student success. There is no centralized agency that approves or prohibits a particular provider from participating. Accountability is established through the family and scholarship-granting organization.

A prospective provider could seek approval from an organization to be eligible to receive account payments from families, either on its own or at the request of parents. The scholarship organization should provide an option that facilitates payments through a viable, cost-effective system. Existing vendors make this kind of system readily achievable.

What Restrictions Face a Participating School?

In the interest of transparency and fairness, schools and other providers may not charge different tuition or fees to families because they are using SOS account funds as payment. Otherwise, the Student Opportunity Scholarship law explicitly protects the autonomy and independence of providers from any added government incursion due to participation in the program. The only regulations the state may enact must be to ensure the accurate and timely reporting of how many students are served and how scholarship dollars are spent at the aggregate level. Any school or other provider that participates could not be forced "to alter its creed, practices, admissions policy, or curriculum."