



# Arkansas Education Freedom Account (EFA) Family Handbook

**Arkansas Department of Education – Division of Elementary and Secondary Education**

OFFICE OF SCHOOL CHOICE AND PARENT EMPOWERMENT

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# Introduction

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## Welcome to the Arkansas Education Freedom Account (EFA) Program Handbook.

This guide is designed for families and educational providers participating in or considering participation in the EFA program. It provides an overview of program requirements, key dates, how to apply, and how to responsibly use your child's EFA funds. Whether you're exploring educational options for the first time or transitioning from another school choice program, this handbook will help you navigate the process clearly and confidently. It also offers guidance for private schools and educational service providers who support Arkansas families through this initiative.

Thank you for your support and partnership in ensuring that Arkansas families have choice in their children's education. Together, we are empowering parents and expanding opportunities for students across the state.

Sincerely,

**Darryl Smith**

Education Freedom Account Program Director

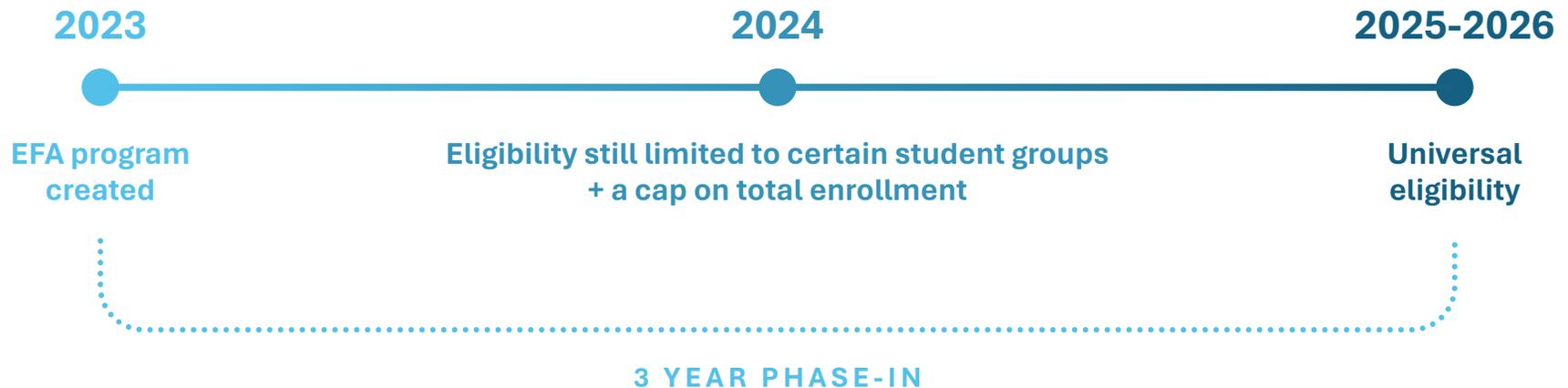
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ARKANSAS DEPARTMENT OF EDUCATION

# Overview of the EFA Program

The **Arkansas Education Freedom Account (EFA) Program** provides eligible families with public funding to support their child's education outside the traditional public school system. These funds – roughly 90% of the state's per-student funding (approximately \$6,800 per student in 2025–26) – can pay for private school tuition, tutoring, required educational materials, and more. EFA funds are administered by the Arkansas Department of Education (ADE) through a secure digital platform called ClassWallet, which allows families to access and spend funds efficiently and transparently.

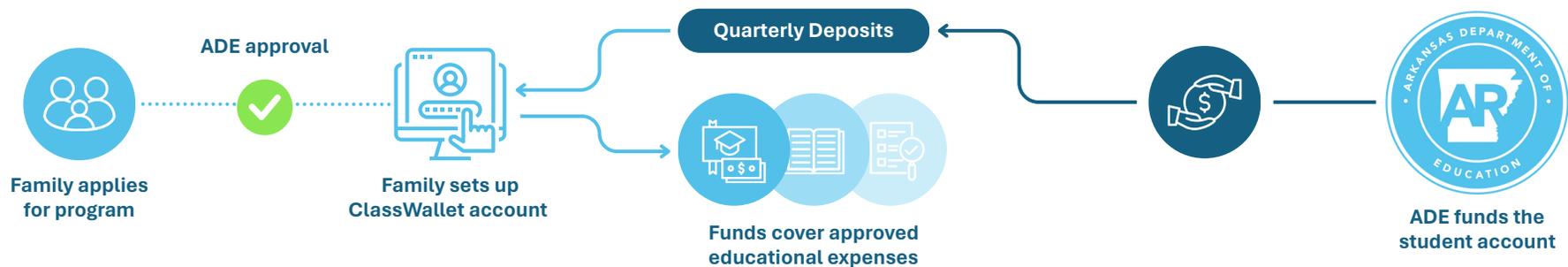
The EFA program was created as part of the Arkansas LEARNS Act in 2023 to expand school choice options for families and ensure that every child can access an educational setting that best meets their needs. The program is being phased in over three years. In the first two years (2023–24 and 2024–25), eligibility was limited to certain student groups and total enrollment was capped. By the 2025–2026 school year, the program becomes universal for all K–12 students in Arkansas (meaning any student in grades K–12 may apply, regardless of background or income).



# How the EFA Works

Families apply for the program and, if approved, an account is established for their student. ADE deposits funds into the account each quarter (four times a year) to pay participating schools or vendors for approved educational expenses. Every purchase is reviewed to ensure it meets program guidelines. Unused funds roll over from quarter to quarter within a school year. Beginning in 2025–2026, unused funds may also roll over to the next school year (up to a limit set by ADE), instead of being returned to the state at year’s end. This structure gives parents flexibility to plan for expenses throughout the year. However, no cash withdrawals are allowed – all spending must be for approved educational purposes through the program’s payment system (via ClassWallet).

The Arkansas Department of Education oversees the program, while the Office of School Choice and Parent Empowerment within ADE manages day-to-day operations. ADE may partner with third-party program managers (such as ClassWallet) to facilitate payments, but ADE retains oversight to ensure compliance with the EFA law and program rules. The State Board of Education handles any appeals related to program administration (for example, if a family appeals a decision made by the EFA program).



# Our Commitment to Families

The mission of the EFA program is to empower parents to choose the best educational experience for their children, one student at a time. We believe that equitable access, transparent accountability, and informed decision-making are essential to successful school choice. Whether you’re exploring new options or refining an existing plan, we’re committed to supporting your family’s unique journey and ensuring that every child in Arkansas has the opportunity to thrive.

# Understanding Your Education Options: Private School or Homeschool/Microschool

Under Arkansas law, families can use EFA funds to customize their child's education through either an established private school program or a more flexible homeschool/microschool model. While both paths can lead to excellent outcomes, they differ in daily structure, costs, and parental involvement. This section outlines each option and provides step-by-step guides and comparisons for what you'll do on each path.

## Path 1: Enrolling in a Private School

Private schooling involves enrolling your child in an approved non-public institution that provides a complete academic curriculum (often with extracurricular activities and on-site student services).

- **Legal Status:** Your child is legally considered a private school student (not a homeschooler) once enrolled in a participating private school.
- **Accountability & Instruction:** The private school handles daily instruction, administers required annual tests, and manages compliance tasks (like attendance reporting) for your child.
- **Use of EFA Funds:** You can pay the school's tuition and required fees directly from your EFA account through ClassWallet. Parents are responsible for any fees that are ineligible for EFA funds. If the school's tuition exceeds the annual EFA amount, you must cover the remaining balance out-of-pocket.

## Path 2: Hybrid or Home-Based Education (Homeschooling & Microschools)

For those seeking greater flexibility, the homeschool or microschool route allows parents to design and oversee their child's education. This can include teaching at home independently, joining a small tuition-based microschool or co-op, or a combination of approaches (for example, homeschooling in core subjects but attending a learning pod or tutor group for certain subjects).

- **Legal Status:** In Arkansas, unless your microschool is an accredited private school, students educated at home or in parent-led microschools are legally considered homeschoolers. You must file an official Notice of Intent to Homeschool with your local school district each year, as required by state law. (This notifies the state that your child is schooling outside the public system and ensures you are complying with Arkansas's homeschool law.)
- **Parental Responsibility:** As a homeschooling parent, you take on the primary responsibility for selecting curriculum, arranging instruction (whether you teach



## Steps & Practical Considerations – Private School Path

### 1. SELECT A PARTICIPATING SCHOOL

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**What to Do:** Identify a private school that fits your child’s needs and values. Confirm that the school participates in the EFA program (check ADE’s published [list](#) of participating schools or ask the school directly).

**Key Details:** Visit or tour the school and meet with administrators. Ask about the school’s accreditation, curriculum, class sizes, extracurricular offerings, and support services. Verify that the school is set up to receive EFA payments via ClassWallet (most participating schools will advertise this or understand when you inquire).

### 2. APPLY & ENROLL IN THE SCHOOL

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**What to Do:** Complete the private school’s admissions process, which may include submitting an application form, prior school records, placement testing, an interview, or other requirements specific to that school.

**Key Details:** Keep an eye on the private school’s application deadlines – many have enrollment windows or fill up early. Gather any necessary documents the school requires (e.g. transcripts, immunization records). Essentially, treat this like a standard private school enrollment process.

yourself or coordinate tutors/classes), and ensuring your child meets the EFA program requirements such as annual testing. In effect, you become the “principal” for your child’s education.

- **Use of EFA Funds:** EFA funds can be applied toward approved curricula and textbooks, online programs, tutoring services, enrichment classes, specialized therapies, or even microschool tuition (if the microschool charges a fee and is an approved EFA provider). You have flexibility to assemble the educational services and materials your student needs and use the EFA to pay for those approved expenses.



## Steps & Practical Considerations – Homeschool/Microschool Path

### 1. FILE A NOTICE OF INTENT TO HOMESCHOOL

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**What to Do:** Submit the Arkansas homeschool Notice of Intent form to your local school district before you start homeschooling (and annually thereafter, typically by August 15 or the date specified by ADE). This can often be done [online](#) or via mail to the district.

**Key Details:** This form officially documents that you are homeschooling your child. It must be filed each year before the school year begins (or within a set number of days if you start mid-year). Filing the notice is a legal requirement to avoid truancy issues, since your child won’t be enrolled in a public school. The Notice of Intent confirms your child’s status as a homeschool student.

### 3. APPLY FOR AND ACCEPT YOUR EFA AWARD

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**What to Do:** Separately from the school application, you must apply to the state for an EFA (see the Application Process section of this handbook). Once your child's EFA application is approved by ADE, you'll receive an award notification. Follow the instructions to set up your ClassWallet account.

**Key Details:** Tuition will be the first expense paid from your EFA funds. Ensure you accept the EFA award and have your ClassWallet account ready before the school's tuition payment due date. The school may have a specific deadline for the first payment – coordinate with the school's billing office to make sure your EFA funds are applied on time.

### 4. ANNUAL TESTING

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**What to Do:** Ensure your child participates in the required annual assessment. Private schools will handle this testing requirement for their students.

**Key Details:** Participating private schools are required to administer a standardized test each year (either the state's assessment or a nationally norm-referenced test) to satisfy the EFA program's testing requirement. The school reports the scores to ADE for its EFA students. Confirm with the school which test they use and when it's administered, so you know the requirement is met. (It's wise to request a copy of your child's scores for your own records, even though the school will report them.)

### 2. DESIGN YOUR CHILD'S EDUCATIONAL PROGRAM

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**What to Do:** Choose the curriculum or mix of resources that best fit your student's learning style and needs. Decide how you will cover the core subjects and any electives.

**Key Details:** You might use a full curriculum package or select different materials for each subject. Many families research and purchase curriculum from various publishers or utilize online education programs. You can also look into local microschools, homeschool co-ops, or learning pods where groups of homeschoolers learn together. These can provide classes, social opportunities, or even full-time instruction for a fee. *(If you plan to use a paid microschool, tutor, or program, ensure they are or become approved EFA providers so you can pay them with your funds.)*

### 3. BUDGET AND PLAN EFA SPENDING

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**What to Do:** Use ClassWallet (the EFA online platform) to pay for your chosen curriculum and services. Essentially, allocate your student's EFA funds to the different components of your homeschool plan: curriculum purchases, online course fees, tutor payments, therapy sessions, etc.

**Key Details:** Check the ClassWallet Marketplace for vendors that sell the curricula or educational materials you need. Many major curriculum providers and educational retailers are in the system. Verify that any vendors you plan to use are approved for the EFA program. If you find a great vendor who isn't approved yet, you can invite them to apply to join (ADE can help approve new providers). Plan out your expenses for the year to make sure you stay within your annual EFA budget. Families enrolled in microschools should prioritize tuition over other eligible expenses.

## 5. SPECIAL EDUCATION NEEDS (IF APPLICABLE)

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**What to Do:** If your child has a disability or had an Individualized Education Plan (IEP) in public school, discuss with the private school what supports or accommodations they can provide.

**Key Details:** Rights and services can differ between public and private schools. Private schools are not required to implement an IEP in the same way a public school would, though many will make reasonable accommodations. Note that by using an EFA and leaving the public system, your child will no longer automatically receive special education services from the public school district. If your child requires therapies or services that the private school cannot provide directly, you can use any remaining EFA funds (after tuition) to pay for private therapy or specialized services outside of school. In this way, you can supplement your child's education with needed services from approved providers.

## 4. ANNUAL TESTING

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**What to Do:** Ensure your child completes a required norm-referenced or state assessment each year, as mandated by the EFA program (details on testing options are in the Annual Testing Requirement section).

**Key Details:** As a homeschool-based participant, you will need to arrange this testing yourself. You can administer a test at home (some standardized tests can be taken online with remote proctoring) or sign up for a testing session through a local group or service. Keep track of testing windows and submit the results to ADE by the required date.

## 5. SPECIAL EDUCATION NEEDS (IF APPLICABLE)

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**What to Do:** If your child has special needs or disabilities, incorporate any necessary therapies or specialized instruction into your plan, using EFA funds to cover those services.

**Key Details:** Homeschoolers do not receive special education services from public schools while on an EFA. In other words, if your child had an IEP in public school, those services (such as speech therapy, occupational therapy, etc.) will not be provided by the public school once you homeschool under the EFA program. You will need to obtain any needed therapies privately. The good news is you can hire licensed therapists or specialized educators and pay them with EFA funds, as long as they become approved providers. This allows you to customize support for your child's needs using your EFA budget.

## WHY CHOOSE THIS PATH?

### Key advantages of the private school option include:

**Convenience:** A single institution manages your child's curriculum, daily schedule, and compliance with state requirements, which can simplify things for parents.

**Structured Environment:** Private schools offer a set schedule, defined coursework, extracurricular activities, and a ready-made school community. Many families value this established structure and social environment.

**School-Managed Testing:** The school typically handles all required testing and reporting for your EFA student, relieving parents of that responsibility.

### Key advantages of the homeschool/microschool option include:

**Flexibility & Customization:** You can shape the schedule, pace, and curriculum exactly to your child's strengths, interests, and needs. This path allows for highly personalized learning and the ability to adjust as you go.

**Resource Allocation:** Because you're not paying a full private school tuition, you can direct EFA funds across a variety of resources. For example, you might purchase a mix of textbooks and online classes, pay for tutoring in a challenging subject, and enroll in a part-time microschool or enrichment program. You have control over how to spend the funds to best benefit your child.

**Personalized Support:** This approach can be ideal for students who need a different learning environment or specialized attention – whether they have special needs, are advanced learners, or simply thrive with a creative/custom approach. You can ensure your child gets one-on-one focus and a tailored educational experience.

## Which Path is Right for You?

Every family is different. Some prefer the structure and community of a private school, while others prefer the flexibility and control of homeschooling or microschooling. Consider your child's learning style, your family's schedule, the level of direct involvement you can provide, and financial factors (e.g. private school costs beyond the EFA amount) when choosing. Remember, either path is supported by the EFA program, and you aren't locked into one forever – you can change paths if needed (see the FAQ for how to handle mid-year or year-to-year changes).

# Key Program Dates (2025–2026 School Year)

Each year, the EFA program follows a timeline for applications, approvals, and funding distribution. Below are the key dates and milestones for the 2025–2026 school year, which generally repeat on an annual cycle. Marking these dates on your calendar will help ensure you don't miss any important deadlines.

## ARKANSAS EFA PROGRAM – KEY DATES & ACTIONS (2025–2026)

Milestone	Approx. Date	What to Do	Notes/Why It Matters
<b>Application Window Opens</b>	March 3, 2025	Submit your EFA application (new applicants and renewals) and upload required documents.	Early submission guarantees your application will be reviewed in the first round. Getting an early start also gives you more time to explore schools or set up homeschool plans.
<b>Priority Application Windows</b>	March – August 2025 (multiple windows)	Note: Applications are grouped into multi-week “windows” rather than first-come, first-served. Window A (late March) is the first and highest-priority period.	The earlier you apply, the sooner you’ll receive a decision. Submitting in Window A or B is highly recommended to ensure everything is in place before the school year. Within each window, applications are also prioritized based on categories established in law.
<b>Final Application Deadline</b>	August 15, 2025	Submit any remaining applications by the last summer window for full-year funding.	Applications received after this final window might be waitlisted or, if approved, result in a mid-year start (meaning your student’s account would only be funded for part of the year). Apply by this deadline to receive a full year of funding.

<p><b>Award Notifications</b></p>	<p>Rolling, late March – August 2025</p>	<p>Watch for an email or portal update with your award status within 3 weeks after the window you applied in closes.</p>	<p>Each batch of applications is reviewed right after the window closes. For example, if you applied by the end of Window A (say, March 23), you can expect to hear back by early-to-mid April. Those who apply in later windows will receive decisions in the summer. Check your email and application portal regularly for updates.</p>
<p><b>Enrollment Verification</b></p>	<p>Deadline provided in award notice (est. Aug 2025)</p>	<p>If approved, students are required to link to a private school or homeschool in the ClassWallet platform to verify enrollment.</p>	<p>Private schools will verify that all students linked to their school are enrolled, and ADE will verify that all students linked to homeschool have submitted an NOI form prior to funding student accounts. Failing to link to a school by the deadline can delay your student’s funding and forfeit their place in the program.</p>
<p><b>Quarterly Funding Disbursements</b></p>	<p>Q1: August 2025 Q2: October 2025 Q3: February 2026 Q4: April 2026</p>	<p>Funds are deposited into your ClassWallet account each quarter. Parents must accept the ClassWallet affidavit before funds are visible and available in their dashboard. Use the funds to pay for expenses as needed for that quarter.</p>	<p>Splitting the funding into four quarterly deposits helps manage the budget throughout the year (for example, instead of \$6,856 all at once, \$1,716 is available each quarter). If your child withdraws from the program mid-year, subsequent quarterly payments will not be added (since the student would no longer be eligible).</p>

*(Dates are subject to slight change each year. Always refer to ADE communications for the exact deadlines and schedule.)*

# Eligibility Requirements

To qualify for the Arkansas EFA program, all of the following basic criteria must be met:

- **Age & Grade:** The student must be eligible to enroll in grades K–12 in an Arkansas public school. In practice, this means the child is at least five (5) years old by the legal cutoff date for kindergarten entry and has not yet completed high school. (Students who have graduated high school or reached age 21 are not eligible.)
- **Residency:** The student must reside in Arkansas, and a parent or legal guardian must also be a legal resident of Arkansas.

By the 2025–2026 school year, any student who meets these conditions is eligible to apply for the EFA program. The program is not limited by income, school zone, or other eligibility categories. In the initial phase-in years, there were additional restrictions and priority groups (for example, in 2023–24 and 2024–25, priority was given to certain student categories, and not all students could apply). Now that the EFA is expanded to universal eligibility, any Arkansas family can participate as long as they follow program rules.

**Important:** Even if your child meets the basic eligibility criteria above, you must still apply and be approved to receive an Education Freedom Account. Approval is not automatic. Families must reapply each year to continue in the program (see Application & Enrollment Process below). Also note that failing to comply with program requirements (for instance, intentional misuse of funds or failure to fulfill the testing requirement) can result in loss of eligibility, even mid-year.

If the number of applicants ever exceeds available program funding, priority categories (established by law) will determine which students are approved first. These priority groups were relevant during the initial rollout when caps existed. For 2025–26, however, ADE anticipates being able to fund all eligible applicants (no enrollment cap is expected in the universal phase). The priority system remains in place only as a contingency. During 2023–25, the priority order was as follows:

- 1. Returning EFA Students** – Students already in the program who are reapplying for the next year (continuing participants were given first priority to maintain continuity).
- 2. Students with Special Needs or Unique Circumstances** – This includes students with disabilities (those with an IEP or who qualify for special education services), students in foster care or who are homeless, and students who participated in the prior Succeed Scholarship program.
- 3. Students Who Attended Low-Performing Schools** – Students who attended a public school rated “D” or “F” (low-performing school) or a public school district under Level 5 intensive support during the previous school year.

**4. Military, Law Enforcement, and First Responder Families** – Students whose parent or legal guardian is active-duty military, a military veteran, a member of the reserves, a law enforcement officer, or a first responder (e.g., firefighter, EMT). Arkansas chose to recognize these families’ service by prioritizing them in the early years of the program.

**5. Incoming Kindergarten Students** – Students enrolling in kindergarten for the first time. Early education is crucial, and the program wanted to ensure new kindergarteners had access during the phase-in.

**6. All Other New Applicants** – Finally, any other eligible student who didn’t fall into categories above. By 2025, this category essentially includes any student in Arkansas who wants to participate but does not have a special priority status. (In a capped scenario, these students would be awarded accounts after all priority groups in their application window, space permitting.)

*If there were more applicants than available slots in a capped year, during the application window in which the number of applicants exceeds the program’s enrollment cap, ADE would approve students in the priority order outlined above until the cap is reached. Any remaining eligible applicants would be placed on a waitlist. For the 2025–26 year and beyond, with universal eligibility, a cap is not expected – all eligible applicants should receive an award as long as they apply on time.*

## Application & Enrollment Process

Whether you’re new to the program or renewing for another year, all families must submit an application to participate in the EFA for each school year. The application and enrollment process is designed to be user-friendly and is completed online. This section walks you through how to get started, how applications are reviewed, and what to expect after applying.

### How to Get Started with Your EFA Application

1.

**Access the Online Portal:** Go to the EFA application portal at [arkansasefa.com](http://arkansasefa.com). You can also find the portal link on ADE’s Office of School Choice website, [dese.link/efa](http://dese.link/efa). Bookmark it for easy access.

2.

**Create a FACTS Account:** The Arkansas EFA program uses the FACTS online system for applications. If you are a first-time FACTS user, you will need to create a login and set up a family profile in FACTS (this will require a valid email address). If you previously used the FACTS Grant and Aid system, you likely already have an account — simply log in with your existing credentials. Use an email address that you check frequently, as the application portal and EFA staff will send important updates to that email.

3.

**Complete the Online Application:** Fill in the required information about your family and student(s) in the portal. The application will guide you step-by-step. You can submit one application that includes multiple children (each eligible student will have their own section, but they'll be under your family account). The form will ask for basic demographic information, current school information, and which type of educational setting you plan to use (private school, microschool, or homeschool). You'll also answer some eligibility questions (for instance, confirming Arkansas residency).

4.

**Upload Required Documents:** As part of the online application, you will need to upload proof-of-eligibility documents. These documents verify your child's age/identity and your Arkansas residency (and in prior years, sometimes other eligibility factors like military status or disability documentation, if applicable). The online system will have specific upload fields for each required document. Common required documents include:

**a. Proof of Student Age** (e.g., birth certificate, passport, immunization record, state ID)

**b. Proof of Arkansas Residency** (e.g., a recent utility bill, lease agreement, or Arkansas driver's license with your address)

*(In the 2025-26 school year, returning families will not need to provide proof of Arkansas residency, and returning students will not need to provide proof of age.)*

5.

**Submit the Application:** Once all information is entered and documents uploaded, submit the application. You should receive an email confirmation that it was received. Note the application window you submitted in (see Key Dates above).

6.

**Wait for Processing:** Your application will be reviewed for eligibility and completeness. Processing can take up to 10 business days under normal volume. During peak times (e.g., early spring when many applications arrive), it may take longer due to high demand. You can log into the portal at any time to check your application status. Be sure to monitor your email for any requests for additional information or documentation to verify eligibility.

7.

**Notification of Outcome:** You will receive notification by email once a decision is made on your application. If approved, you will get a notification by email (and in the portal) indicating that your student is eligible for an Education Freedom Account. If for some reason your application is denied, you will receive a notice explaining why. Common reasons for denial would be not meeting the eligibility criteria or a disqualifying factor (for example, residency couldn't be verified, or the student is too young/old). If your application was denied and you believe it was an error, you may contact the EFA program office or consider the appeal process (outlined later in this handbook).

8.

**Set Up ClassWallet & Enrollment Verification:** Students with an approved application will receive an invitation to set up their ClassWallet account. During the account set up, families will need to link each student with an approved private school or homeschool. Private schools will verify that all students linked to their school are enrolled, and ADE will verify that all students linked to homeschool have submitted an NOI form prior to funding student accounts. ADE will then prepare to deposit the funds according to the schedule (quarterly disbursements).

**Renewal for Current Participants:** If your child is already participating in the EFA program and you want to continue next year, you must still reapply (renew) for the new school year. During the designated application period, log into the EFA application portal and begin the application as you would for a new student. The questions for new and returning students will be different, so be sure to indicate this student was previously funded. Verify or update any details that have changed (address, contact info, etc.). Usually, you will not need to re-submit core documents like birth certificate or prior proof of residency – those stay on file. ADE will notify you if anything additional is needed for renewal. Submit the renewal application by the deadline.

*Tip: Don't wait until the last minute, even for renewals. Applying late could result in loss of your spot for the next year.*

During renewal, you may also be asked a few questions or a short survey about your experience in the program and plans for next year. This information helps ADE with program improvement and forecasting but does not affect your eligibility; it's just for planning and feedback.

## Annual Testing Requirement

All students participating in the EFA program are required by state law to take an annual assessment to measure academic progress in key subjects. This is a critical accountability measure to ensure the program is helping students learn effectively, no matter what educational setting they are in. In short, every EFA student must take a standardized test each year and report the results.

## What Tests Are Required?

Arkansas EFA students must annually take a standardized achievement test in the areas of mathematics and reading (and other core subjects as applicable for their grade level). There are two main options to satisfy this requirement:

### Option 1

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Take the **state's grade-level assessment**, the same tests given to Arkansas public school students. (For example, Arkansas currently uses the ATLAS for grades K–10. Kindergarten through 2nd grade now have a screener assessment appropriate for those ages, and high school may include college readiness exams like the ACT in 11th grade.) EFA students can arrange to take the state assessments at a local public school or another approved location, coordinated through ADE.

### Option 2

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Take a nationally norm-referenced test that is approved by ADE for this purpose. Norm-referenced tests compare your child's performance to a national sample of students. Examples include the Iowa Test of Basic Skills (ITBS), Stanford Achievement Test (Stanford-10), TerraNova, MAP Growth (NWEA), the California Achievement Test (CAT), or college entrance exams like the ACT/SAT for high school students. ADE will provide a list of approved norm-referenced assessments that meet the requirement. You may choose one of those tests to administer to your child.

For most families, the testing process will work as follows:

- **If your child is enrolled in a participating private school:** The private school will take care of this requirement. Most private schools already administer a standardized test each year (either the state test or a national norm-referenced test) as part of their program. Confirm with your school which test they use for EFA students and that they will send the scores to ADE on your behalf. In summary, if your child is in private school, you likely won't have to arrange anything extra — just check that the school is handling it.
- **If your child is homeschooling (including microschool):** You will need to arrange for your student to take a test each year. Many homeschool curriculum programs include testing, or you can sign up for testing through organizations that serve homeschoolers. You'll choose an approved test, schedule a time for your child to take it (some can be taken at home online with an external proctor; others might be taken on paper with a local examiner), and then submit the results to ADE.

ADE does not endorse one specific test over another – you can choose any from the approved list that fits your needs. Just ensure it measures at least math and literacy and is on the ADE-approved list.



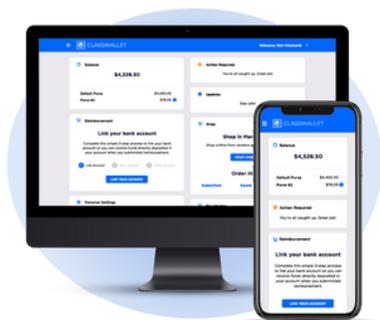
## RESOURCES FOR HOMESCHOOL TESTING:

*(These are examples of resources that provide testing services or support for homeschoolers. They are not endorsements by ADE – always ensure the test you choose is on the approved list or check with the EFA office if unsure.)*

- **NWEA Family Toolkit** – Guidance and resources for administering MAP Growth assessments at home.
- **Iowa Assessments (University of Minnesota)** – Offers access to the Iowa Test of Basic Skills for home educators.
- **Stanford 10 Online (Seton Testing Services)** – Provides the Stanford-10 test in an online format for homeschool families.
- **BJU Press Homeschool Testing** – Facilitates Iowa or Stanford testing with flexible scheduling and support.
- **Abeka Testing** – Standardized testing options (including Iowa and Stanford) through a well-known homeschool curriculum provider.

**Reporting Results:** Whichever test is used, the results need to be provided to ADE (usually by the testing provider or school). Private schools will report scores for their students. Homeschooling parents will submit test score reports to the EFA program by following submission instructions sent to them in the spring. ADE requires that these results be submitted by the deadline (generally June 30 each year).

Failure to participate in annual testing or to submit results jeopardizes continued eligibility in the program, as it is a legal requirement of EFA participation.



## ClassWallet: Your Online EFA Account Portal

ClassWallet is the official online platform used by ADE to distribute and track EFA funds. When you join the program, an account on ClassWallet is created for your student. Think of ClassWallet as an online bank account with specialized controls to ensure funds are spent only on approved educational expenses.

## KEY FEATURES OF CLASSWALLET INCLUDE:

- **Secure Login:** You will receive login credentials when your student is approved. Each account holder (parent/guardian) will have their own login to manage their student's funds.
- **Marketplace of Approved Vendors:** You can access a marketplace of approved vendors where EFA funds can be spent. This includes school supply vendors, tutoring centers, online retailers for textbooks, curriculum providers, etc.
- **Tuition Payment Interface:** An online interface to pay tuition or fees directly to participating private schools or microschools.
- **Direct Pay:** You can pay approved educational service providers and vendors directly through the platform—no upfront out-of-pocket costs or reimbursement required. This streamlined method ensures funds are used securely and efficiently.
- **Transaction History:** Tools for tracking your account balance and viewing transaction history, so you can see how much you've spent and how much remains.
- **Controlled Spending:** No cash withdrawals or unapproved purchases – all spending is done through the system to ensure compliance. The platform prevents many types of misuse by design (for example, you cannot send money to an unapproved vendor). For approved reimbursements, funds will be sent to a user's bank account to reimburse money spent out-of-pocket on eligible educational expenses.

If a desired vendor or school is not yet listed in ClassWallet, you can request that they be added. (They will need to apply and be approved by ADE as an EFA service provider.) The system is continually updated with new providers as the program grows, so you can help expand the options by referring quality providers to ADE's EFA office.

**Funds rollover:** Funds that you don't use immediately will remain in your ClassWallet account for later use in the same school year. Beginning with the 2024–25 school year, any unused funds at the end of the year can carry over to the next year (up to any limit that ADE may set). In earlier years of the program, leftover funds were returned to the state each year. The policy has changed to allow families to save some funds for future educational expenses. This means you don't have to rush to spend everything by June – you can budget for larger expenses or future needs. Rollover limits are determined by EFA program rules. Always plan your spending wisely to maximize the benefit for your student.

**Logging In:** When you are notified of approval, you'll receive information on activating your ClassWallet account (usually via email). This will involve setting a password. The ClassWallet site is user-friendly and mobile-accessible, so you can check your balance or make purchases from a computer or even a smartphone.

**ClassWallet Training:** ADE often offers a webinar or training materials for new EFA participants to learn how to use ClassWallet. Watch for an email about training in late summer (as noted in Key Dates). The training will show you how to navigate the system, find vendors, and make purchases. If you cannot attend a live session, recorded videos or a user guide may be available on the ADE website.

**Reminder:** Any intentional misuse of funds may result in suspension or removal from the program. The ClassWallet system is designed to prevent most types of misuse (for example, you can only spend at approved vendors), but ultimately you are responsible for using the funds according to the rules. The next section outlines what expenses are allowed and not allowed.

## Making Purchases and Payments with EFA Funds

All payments using EFA funds are made electronically through ClassWallet. There are typically four ways to use your funds:

**1 Tuition Payments to Participating Schools:** If your child is enrolled in a participating private school (or certain microschools that function like schools), the school will be set up in ClassWallet to receive payments. You will be required to link to your student's school in ClassWallet before any funds will be deposited in your student's account. Once you are linked, the school will be able to send you a payment request through the ClassWallet platform for tuition and fees. Once you accept the payment request, the payment will be sent directly to the school's account. Typically, you'll do this each quarter when new funds are available (unless other arrangements are made with the school). The school can see the payment on their end. Make sure you also follow any procedures the school itself requires for billing (some schools still issue invoices or need you to confirm enrollment in the ClassWallet system).

**2 Marketplace:** Some educational expenses can be purchased directly through an online shopping area called the Marketplace in the ClassWallet portal.

- When you open the Marketplace, you'll see a list of stores arranged in alphabetical order.
- Click on a store to browse the items they offer. You can shop for technology, curriculum, educational supplies, and even services.

When you're ready, you can check out and pay using your EFA funds.

**Important:** Just because a product is available in the Marketplace does not mean it is automatically eligible for EFA funds. Please review the expense eligibility guidelines below before making a purchase.

3

**Direct Pay:** There are currently more than 1,000 vendors participating in Direct Pay through the Arkansas EFA Program. Direct Pay allows you to pay vendors directly from your student’s EFA funds.

**How it works:**

1. First, you will need to contact the vendor outside of ClassWallet to request products or services.
2. The vendor will then send you an invoice that includes:
  - The vendor’s name
  - A clear name or description of each item (for services, include the dates or time period)
  - Itemized prices and the total cost
  - The name of the EFA student
  - Tip: Some vendors will also accept a screenshot of an online shopping cart (including shipping and taxes) from their online store. Check with the vendor first to make sure this is acceptable.
3. After you receive the invoice (or approved cart screenshot), log in to ClassWallet and go to the Direct Pay section.
4. Select the vendor you wish to pay and upload the invoice or screenshot.

Once the Direct Pay request is approved, payment will be sent directly from your student’s EFA funds to the vendor.

4

**Reimbursement:** While other payment methods such as Marketplace and Direct Pay are designed to help the program run more smoothly and reduce the need for parents to pay out of pocket, we understand there may be times when the only option is to make a purchase yourself and request reimbursement. In these situations, you can buy any eligible product or service and then upload the receipt in the Reimbursement section of the ClassWallet portal. Please be sure the receipt includes the vendor’s name and contact information, a clear name or description of each item (including dates or time period for services), itemized prices and the total cost, and the date of purchase. We appreciate your patience and understanding as we work to review each request carefully.

## Eligible & Ineligible Expenses

EFA funds may **only** be used for qualifying educational expenses. This section provides a summary of allowed vs. disallowed uses of EFA funds. A more detailed breakdown with specific examples is provided in Appendix A at the end of this handbook. When in doubt about an expense, always refer to the official guidance or ask ADE before spending.

**General Rule of Thumb:** EFA funds are for educational purposes – specifically, for items and services that directly support the student’s K–12 education. If an expense clearly supports your child’s learning, it’s likely allowed. If it’s more of a general household, recreational, or non-educational expense, it’s not allowed. Always use the mindset: “Would I purchase this with designated education funds?” If unsure, get guidance from ADE.



## Common Allowed Expenses (examples):

- **Private School Tuition and Fees:** Tuition at a participating K–12 private school, as well as mandatory fees charged by the school (e.g., enrollment fees, lab fees).
- **Homeschool Curricula and Textbooks:** Curriculum packages, textbooks, workbooks, online course subscriptions, and other instructional materials required for core subjects.
- **Educational Software and Apps:** Licensed learning programs, online educational subscriptions, e-books or audiobooks needed for courses.
- **Tutoring or Academic Classes:** Tutoring services or academic enrichment classes from an approved tutor or learning center (e.g., a math tutoring program, a writing workshop, a coding class).
- **Therapy Services for Special Needs:** Services like speech therapy, occupational therapy, behavioral therapy, or other specialized educational services by licensed providers, for a student with special needs.
- **Standardized Test Fees:** Costs for standardized tests, AP exams, ACT/SAT exams, CLEP tests, certification testing, or other educational assessments.
- **Required School Uniforms:** Uniforms or specific attire required by a private school's dress code (including P.E. uniforms if mandated by the school).



## Common Not Allowed Expenses (examples):

- **Optional School Activity Fees:** Costs for extracurricular activities that are optional and not part of core education, such as school sports team fees, club dues, or other voluntary activity fees. (Mandatory fees from the school are covered, but optional activities are the family's responsibility.)
- **Entertainment Content:** Video game software or consoles, non-educational apps or subscriptions, streaming service subscriptions, or any similar entertainment expenses are not allowed. Even if some entertainment content has educational value, these items are broadly disallowed to prevent misuse.
- **Medical or Health-Related Costs:** Doctor or dental visits, medical equipment or supplies, therapy that is medical rather than educational in nature, health insurance premiums, or medications are not covered by EFA funds. (Those are healthcare expenses, not education expenses.)
- **Late Fees, Penalties, or Donations:** EFA funds cannot be used to pay late fees, penalties, or charges for missed appointments or classes. Families are responsible for these costs if they occur. Additionally, funds may not be used to make charitable donations or contributions of any kind.



- **Dual Enrollment Courses:** Fees for college courses taken during high school for dual credit (concurrent enrollment). (Note: By law, if the student takes a concurrent course at their resident public school district, the district shouldn't charge extra unless they charge their own public students as well.)
- **Technology for Education:** Computers, laptops, or tablets for the student's educational use. Basic educational peripherals if needed (e.g., a printer, router, headphones).
- **Transportation Services:** Transportation (through a transportation service or one's own vehicle) to and from a participating school or educational provider, not to exceed the state's approved mileage reimbursement rate.
- **Academic Competition Fees:** Entry fees for academic competitions related to the student's studies (e.g., science fair fees, robotics competition fees), if part of the student's educational plan.
- **General School Supplies:** Everyday school supplies like pencils, paper, notebooks, crayons, scissors, markers, backpacks.
- **Co-curricular Courses:** Academic or skill-based learning experiences that complement or extend a student's core education. Examples include fine arts (such as music, dance, or theater), STEM programs (like robotics, coding, or advanced math), world language courses beyond core requirements, career and technical education (such as business, culinary arts, or digital design), and other academic enrichment activities like creative writing or public speaking.



- **Post-High School Expenses:** Any tuition or fees for college, university, or trade school after a student has graduated high school (or aged out of EFA eligibility) cannot be paid with EFA funds. For example, you cannot use remaining EFA money for college tuition once your student finishes 12th grade. (Dual enrollment during high school is allowed, as noted above, but not after high school completion.)
- **Non-Uniform Clothing:** Regular clothing, shoes, or accessories that are not part of a required uniform are not covered. (EFA will cover specific uniforms required by a school, but not general wardrobe items.)
- **Entertainment Electronics:** Items such as televisions, gaming consoles, smartphones, smartwatches, or high-end audio equipment are not considered essential for K–12 education and are not allowed. Even if one could argue they have some educational use, they are disallowed to prevent misuse of funds.
- **Internet Service or Utilities:** While you can purchase equipment like a router if needed for online schooling, the monthly cost of home internet service or phone data plans is not covered (those are considered household utilities). EFA won't pay your Wi-Fi or phone bill.
- **Recreational Travel & Lodging:** The program will not cover costs for lodging, meals, or out-of-state travel for family trips, even if they have an educational component (e.g., a trip to Washington D.C. or study-abroad program). Daily transportation in the context of schooling (like a paid shuttle to a school) can be covered as noted, but long-distance travel expenses cannot.



- **Extra-curricular Activities:** Supervised, structured non-academic activities that support a student's personal, physical, social, or civic development. These activities take place outside the formal academic curriculum, but they can enrich a student's educational experience by building character, promoting physical fitness, and fostering teamwork or leadership skills. EFA funds may be used for costs such as membership fees, uniforms, equipment, and participation expenses; however, all extra-curricular, PE, and field trip expenses count toward the Extracurricular/PE/Field Trip category, which is capped at 25% of your student's total annual EFA funds.
- **Musical Instruments & Sports Equipment:** You may use EFA funds to purchase or rent specialized equipment needed for educational instruction or to participate in co-curricular or extra-curricular activities. This includes items such as musical instruments, sports gear, art supplies, or other similar items. Please note that any items related to PE or extra-curricular activities will count toward the Extracurricular/PE/Field Trip category, which is capped at 25% of your student's total annual EFA funds.
- **Membership Dues:** Memberships to places such as zoos, museums, gyms, or clubs can be paid for with EFA funds. Please note that these costs are part of the Extracurricular/PE/Field Trip category, which is limited to 25% of your student's total funds each year.



- **Full-Time Public School Enrollment:** If a student enrolls full-time in a public school (including public charter school), they cannot use an EFA at the same time. In such a case, no EFA funds would be used because the student would exit the program. (This is included here for completeness: essentially, EFA funds cannot be used to pay anything at a public school because public education is already tuition-free and public school students are not eligible for EFAs.)

#### Note

This list is intended for easy reference and is not exhaustive. If an item or service is not listed here, apply the general guidelines above or contact EFA program administrators for clarification before buying. ADE can quickly tell you if a planned expense is allowable.

Finally, remember that EFA funds are public money dedicated to your student's education. Do not attempt to use the account for personal or non-educational expenses. Misusing funds harms the integrity of the program and could result in removal from the program and other consequences. Always err on the side of caution: if you aren't sure an expense is allowed, ask ADE first.

# Program Compliance & Continued Eligibility

Participating in the EFA program is both an opportunity and a responsibility. ADE works to make the process simple for families, but there are important rules to follow to remain in good standing. This section outlines what you need to do to stay compliant and what could cause an account to be suspended or closed.

## KEY RESPONSIBILITIES OF ACCOUNT HOLDERS (PARENTS/GUARDIANS):

- **Use funds only for approved purposes.** Use the EFA funds strictly for qualifying educational expenditures (as defined by program rules and detailed in this handbook). Do not attempt to use the account for personal or non-educational expenses. The funds are public money designated for your child’s education only, and every purchase is subject to review.
- **Meet the academic requirements.** Ensure your child takes the required annual test and that the results are submitted to ADE. This testing is not optional – it’s mandated by state law for program accountability. Also, ensure your child is participating in an education program full-time (either attending the chosen private school or completing the planned homeschool curriculum). In other words, the student should be engaged in schooling equivalent to a full school schedule.
- **Reapply on time each year.** If you want to continue in the program the following year, you must submit your renewal application during the renewal window. Don’t let your participation lapse. (If you skip a year and later want to rejoin, you’d have to apply as a new applicant, which could risk being waitlisted if a cap were ever reinstated.)
- **Maintain Arkansas residency.** You must remain a resident of Arkansas to remain eligible. If you (the account holder) or your student move out of Arkansas, the student becomes ineligible for the program. The funds are only for Arkansas residents. You cannot continue to use an EFA if the family no longer resides in the state. Please keep ADE updated of any change of address, especially if moving out of state.
- **Do not simultaneously enroll full-time in a public school.** A student cannot be a full-time public or public charter school student and also receive EFA funds. If you decide to return your child to public school, you must notify ADE and exit the EFA program (you can’t “double dip”). Part-time public school participation is allowed (see the FAQ section for details on participating in specific classes or activities while homeschooling), but full-time enrollment in any public school disqualifies a student from EFA for that year.
- **Follow the EFA Agreement.** When you accept EFA funds, you sign an agreement to abide by program rules. Be sure to read it and understand your obligations (many of which are explained in this handbook). By following the rules, you help keep the program strong and available for everyone.

- **Notify ADE of any changes:** If your student’s situation changes in a way that affects eligibility, you must inform the EFA program within 5 days. For instance, if you move out of Arkansas, if you decide to enroll your child full-time in public school, or if your child graduates high school early, let ADE know immediately. In such cases, the account will be closed since the student is no longer eligible, and any unused funds will revert to the state. Using EFA funds after a student becomes ineligible is a serious violation of program rules.

## REASONS AN EFA ACCOUNT MAY BE CLOSED OR REVOKED:

An EFA account may be suspended or closed by ADE if any of the following occur:

- The student enrolls full-time in a public school (including a public charter school).
- The student ceases to reside in Arkansas (for example, the family moves out-of-state).
- An incoming Kindergarten student awarded an EFA does not actually enroll in kindergarten that year (for example, if the child ends up staying in preschool an extra year instead – in that case, the family would need to reapply when the child does start kindergarten).
- The student graduates high school or otherwise completes their K–12 education, or the student finishes the school year during which they turn 21 years old.
- The account is inactive for two consecutive school years (meaning no funds are used for two years in a row, indicating non-participation).
- The account holder violates program rules in other ways, such as using funds on ineligible purchases, failing to submit required documentation (like testing results or renewal forms), or not complying with the terms of the EFA agreement that was signed.

If any of the above occurs, the student’s EFA may be suspended or closed by ADE. In most cases (other than immediate disqualifiers like moving out-of-state or enrolling in public school), you will receive a warning or notice to correct the issue first. For example, if ADE finds that a purchase was ineligible, they might notify you and require that you repay those funds or return the item. Repeated or serious violations (like intentional misuse or fraud) can result in permanent removal from the program and potential legal consequences.



### COMPLIANCE TIPS FOR PARENTS:

- **Keep records and receipts for all your EFA purchases and payments.** The ClassWallet system logs all transactions, but it’s wise to save copies of any invoices, receipts from providers, etc. This will help if there is ever a question about a particular charge or audit of your account.
- **Use the EFA account exclusively for your child’s education expenses.** Don’t commingle personal funds with EFA funds. Avoid situations where you pay with personal money expecting reimbursement. Whenever possible, pay directly through ClassWallet for approved expenses.

- **When in doubt, ask first.** If you aren't sure whether something is allowed, contact the EFA program staff for clarification before you spend the money. It's much easier to get guidance ahead of time than to fix a mistake later. ADE staff are there to help – there's no penalty for asking questions.
- **Stay on top of deadlines.** Mark your calendar for key dates like application windows, renewal deadlines, and testing dates. Set reminders for yourself. A missed deadline (like forgetting to renew or to submit a test result) could cause a lapse in funding or compliance issues. ADE will send communications, but it helps to have your own reminders as well.
- **Monitor your email and the EFA portal.** Important notices about your account, policy updates, or requests for information will be sent via email or posted in your application portal. Check these regularly. If your contact information changes, update ADE so you don't miss anything. Be sure to add any addresses from ADE or ClassWallet to your email account's safe senders list to make sure that important communication does not end up in your spam folder.
- **Ask for help if needed.** If you're struggling to use the ClassWallet system, to find providers, or to meet a requirement, reach out to ADE's Office of School Choice (EFA program team). They can assist or connect you with resources. Many issues can be resolved with a bit of guidance or support.

**Compliance Note:** If your child will no longer participate or becomes ineligible for the EFA program, you must notify ADE immediately (emailing [ade.efa@ade.arkansas.gov](mailto:ade.efa@ade.arkansas.gov) is a good method). Do not attempt to spend EFA funds once your child is no longer eligible. This ensures the account can be closed properly and keeps you in good standing for the future.

## Program Integrity: Noncompliance, Misuse, and Fraud Reporting

ADE takes program integrity seriously. The vast majority of families use their EFA properly and will never run into issues. However, to protect the program, ADE has monitoring systems and audit processes in place. Unintentional mistakes are usually corrected with guidance, but deliberate misuse or fraud can lead to removal from the program or even legal action.

### How ADE Evaluates Expenses: The Ordinary & Necessary Framework

When reviewing EFA expenses, ADE utilizes an evaluation method known as the Ordinary & Necessary Framework. This detailed evaluation

method ensures expenses clearly align with educational purposes and the objectives of the EFA program. ADE assesses each purchase by applying the following criteria:



### Ordinary:

- The expense should be commonly accepted within a typical K–12 educational environment.
- It should align closely with recognized educational practices or resources.
- It should be reasonable and typical in terms of cost and frequency.



### Necessary:

- The expense must be reasonably essential for meeting a specific educational objective.
- It must be helpful and supportive to your child’s educational progress or success.
- The cost should be justified by educational value and typical to similar options.

ADE uses these criteria to maintain fairness and ensure program integrity. If a purchase meets both the ordinary and necessary criteria, it is likely to be approved. If there is uncertainty, ADE may request additional documentation or clarification to justify the educational relevance of the expense.

## Continuum of Enforcement

ADE recognizes that not all issues are the same and exercises discretion when addressing noncompliance or misspending. ADE follows a continuum of enforcement based on the severity and nature of the issue:

**Improper Payments:** These occur when there are minor errors or misunderstandings about what constitutes an eligible expense. Typically, these cases are resolved through education and guidance, helping parents avoid similar mistakes in the future.

**Misspending:** These involve more significant misuse of funds or repeated improper payments. In these cases, ADE may require repayment or take corrective actions, such as additional oversight or temporary suspension of EFA privileges.

**Fraud:** Deliberate, intentional misuse of funds with deceptive intent. Fraud is taken very seriously and can result in removal from the program, legal action, and potential prosecution.

## How ADE safeguards the program:



**Audits:** ADE may conduct random audits of EFA accounts and request documentation for certain purchases. ClassWallet records are reviewed regularly for unusual or potentially unallowable transactions



**Fraud Reporting System:** ADE has a confidential tip line: **501-682-4368** and email [EFA.financialintegrity@ade.arkansas.gov](mailto:EFA.financialintegrity@ade.arkansas.gov) for reporting suspected fraud or misuse. (Families or providers can report concerns anonymously without fear of retaliation.)



**Fraud Monitoring:** Deliberate, intentional misuse of funds with deceptive intent. Fraud is taken very seriously and can result in removal from the program, legal action, and potential prosecution.



### WHAT SHOULD YOU DO AS A PARENT? *(Best practices to avoid any compliance issues:)*

- **Use the provided system (ClassWallet) first.** By keeping purchases within the approved platform, you greatly reduce the risk of misuse. Buying things out-of-pocket using reimbursement increases your chances of audit.
- **Retain documentation.** As mentioned, keep copies of what you buy (receipts, order confirmations, etc.). It is rare that you'll need to show them, but if ADE ever asks for proof that an expense was for your child's education, having a receipt or product description ready is very helpful.
- **Communicate proactively.** If you realize you made a mistake – for example, you accidentally purchased something that might not be allowed – notify the program staff. They will work with you on a remedy (perhaps having you return the item or reimburse the account). Being honest and proactive goes a long way. Trying to hide an error is worse than the error itself.
- **Never try to “game” the system.** It might be tempting to find loopholes, but don't. For instance, do not buy an allowed item with EFA funds and then resell it for cash, or use an item purchased with EFA funds primarily for a sibling who is not in the program. Funds must benefit the participating student's education. Stretching or abusing the intent violates trust.

⊗ **EXAMPLES OF MISUSE TO AVOID:** *(These are prohibited and could be flagged as fraud)*

- **Gift cards or cash equivalents:** Attempting to purchase gift cards, prepaid credit cards, or other cash equivalents with EFA funds (ClassWallet generally won't allow this anyway). Any attempt to convert EFA money into cash for personal use is fraud.
- **Using EFA-funded items for others:** For example, buying uniform items with EFA funds for siblings who are not EFA participants. If an item is purchased with EFA funds, it should be primarily for the EFA student's educational use. (It's understood that siblings might share technology items, curriculum, or other expenses, but items should not be purchased directly for non-participants with EFA money.)
- **Provider kickbacks or rebates:** If a provider ever offers you an incentive like, "Use your EFA funds with us and we'll give you a cash rebate or a store gift card," refuse and report it. No provider should be giving you cash or non-educational rewards in exchange for using your funds with them – that's a red flag for fraudulent activity.
- **Falsifying information:** Never falsify documents or information to gain eligibility or priority (e.g., misrepresenting your address or your child's status). Do not alter receipts or fabricate invoices to justify expenses. Providing false information or documentation is illegal and will result in removal and potential legal action.

Remember, ADE's goal is not to "catch" families doing something wrong – it's to prevent misuse in the first place. Honest mistakes will be handled fairly (usually with a chance to correct them), but intentional fraud will not be tolerated. These rules ultimately exist to protect you and the program. By adhering to them, you help ensure the EFA program can continue year after year with public confidence.

If you ever have concerns or spot something questionable (for example, you suspect a provider is charging the program for services they didn't deliver, or you hear of someone misusing funds), please speak up and inform ADE. Your vigilance helps maintain the integrity of the EFA program. All reports of suspected fraud are taken seriously and can be made confidentially.



### Protect Your Program

- **Spend Responsibly:** Use EFA funds only for expenses that are clearly educational. Follow ADE's "Ordinary & Necessary" guidelines, and use ClassWallet first.
- **Be Honest & Proactive:** Report mistakes or questionable purchases to ADE right away – intentional misuse or fraud can result in removal or legal action.
- **Help Safeguard the Program:** Stay alert for potential misuse and report concerns confidentially to ADE to help maintain program integrity.

# If You Need to Appeal a Decision

We strive to make all decisions in the EFA program – whether about eligibility, funding amounts, or allowable expenses – as transparent and fair as possible. However, if you strongly disagree with a decision made by the program, you have the right to appeal through a formal process. This section explains who can appeal, how to do it, and what to expect.

**WHO CAN APPEAL?** You (as a parent/account holder) may consider filing an appeal if you encounter situations such as:



**Eligibility Determination Issues:** Your application was denied or your child was not categorized in a priority group you believe they qualify for. For example, if you indicated your child was in foster care (a priority category) but were told they don't qualify, or if your application was rejected for a reason you believe is incorrect (like a residency dispute), you can appeal that determination.



**Removal from the Program:** You received a notice that your child is being removed from the EFA program (account terminated) due to alleged noncompliance or misuse, and you believe the decision is wrong or there were extenuating circumstances.



**Expense Disputes:** You believe an expense should have been approved as eligible but it was denied. Questions regarding eligible and ineligible expenses can be referred to the EFA program for clarification, but these situations are not eligible for the formal appeal process outlined below. Final decision on expense eligibility lies with EFA program staff.

*Note: Education service providers and private schools can also appeal decisions that affect them – such as being denied participation or being removed from the approved provider list. Those appeals follow a similar process, but as a parent you'll mainly be concerned with appeals regarding your student or account.*

**Before Filing an Appeal:** Not every issue requires a formal appeal. If you have a minor concern or something seems like a clerical error, often you can resolve it by contacting the EFA office directly. The formal appeal process is typically for significant issues where you've already sought clarification and still believe the outcome is incorrect.

## How to File an Appeal:

1.

**Obtain the Official Appeal Form:** Download the EFA Program appeal form from the Arkansas Department of Education website (or request it from the EFA office). This form will prompt you for information about the decision you are appealing and the reasons you believe it should be reconsidered. Only the official form is accepted for appeals. (If you have trouble finding it, contact the EFA office and they will provide it to you.)

2.

**Submit the Form Within 30 Calendar Days of the Decision:** You have 30 days from the date of the decision or action you are appealing (e.g., the date on your denial letter or removal notice) to submit your appeal form. Late appeals may not be considered, so do not delay. Follow the instructions on the form for submission (usually mailing or emailing it to a specified address or email).

3.

**Include Supporting Documentation:** Along with the appeal form, include any supporting documents that help make your case. For example, if you are appealing an eligibility denial due to residency, provide additional proof of residency. If you are appealing dismissal due to fraud, you might include relevant emails or documentation showing legitimate use of funds. Make your case clearly and provide evidence if possible.

4.

**ADE Review and Hearing:** Once your appeal is received, it will be reviewed. In some cases, the issue might be resolved upon initial review (e.g., ADE might realize a mistake and correct it without further process). If not resolved immediately, your appeal will typically be scheduled for a hearing. The Arkansas State Board of Education (or a designated appeals committee) handles EFA appeals. You will be notified of the hearing date, time, and format. Some appeals hearings may be conducted in writing or by phone/virtual meeting, while others might allow in-person presentations.

5.

**During the Appeal:** You (and possibly an ADE representative) will have the opportunity to present information. Ensure you clearly explain why you believe the decision was wrong and reference any laws or program rules if relevant. Remain factual and respectful; the goal is to demonstrate that your case has merit based on the program's guidelines.

6.

**Decision on Appeal:** After the hearing or review, a decision will be made on whether to uphold the original decision or to grant relief (e.g., approve the application, reinstate the account, etc.). The State Board (or designated hearing officer) will issue a written decision. This decision will be communicated to you, typically in writing. The appeal decision is generally final.

We hope you never need to go through the appeal process, but it is there to ensure fairness and due process. If you do need it, knowing the steps and timelines will help you navigate it effectively.

# Frequently Asked Questions (FAQ)



## Q1: Do I have to pay any fees to apply for or use the EFA?

**A:** No – there is no application fee or participation fee for the EFA program. Applying through the online portal is completely free. If your child is approved, the full awarded amount goes toward your child’s education expenses. The state covers the administrative costs of running the program separately, so you will never be charged a program fee that deducts from your student’s account. *(In other words, if your child’s EFA amount is \$7,000, all \$7,000 is available for approved expenses.)* Keep in mind, however, that if you choose an education option that costs more than the EFA covers (for example, a private school with higher tuition than the EFA amount), you are responsible for paying the difference out-of-pocket. That additional cost is not a program fee – it’s simply the portion of education expenses not covered by the EFA funds.

## Q2: Is the EFA money considered taxable income for me or my child?

**A:** No. EFA funds are not personal income. Think of it like a scholarship or grant administered by the state for your child’s education – it is not income to your family. You will not receive a 1099 form for it, and you do not report it on your personal taxes. Additionally, using EFA funds should not affect other need-based assistance your family might receive (such as SNAP, Medicaid, etc.), because those programs count actual income and the EFA is not income. *(If you have a unique situation or are unsure, consult a tax professional, but the program is designed so that families do not incur tax liability from participation.)*

## Q3: Can my child attend a public school part-time, or participate in public school sports or activities, while on an EFA?

**A:** In many cases, yes. Arkansas law allows homeschooled students (which includes students using an EFA in a homeschool setting) to participate in certain public school classes and extracurricular activities, under specific conditions. This means your child can take a



class at the local public school (for example, maybe a chemistry lab or a foreign language class that's hard to do at home) or join a public school extracurricular activity or sports team, if the public school district permits it. You'll need to coordinate with your local school district – some schools welcome homeschoolers in classes or activities, others may have limited spots or additional requirements. The key is that your child remains legally a homeschooler (not enrolled full-time, just participating in an activity), so they stay EFA-eligible.

**One important rule:** Your child cannot be enrolled full-time in a public school and also receive an EFA; it's one or the other. But part-time involvement (often called “dual enrollment” for classes or “homeschooled student participation” for activities) is allowed by Arkansas law.

If your child does participate in a public school class or activity, make sure you've filed the required Notice of Intent to Homeschool (so the district knows your child is homeschooling) and inform the public school that your child is not enrolled full-time. Clarify any logistical details: for example, if your child joins the public school's band or sports team, find out about practice schedules, transportation, and any required forms or physical exams. If the public school or activity has any fees (say, a lab fee for a class, or a sports participation fee), those can be paid with EFA funds as long as they are required for that educational activity – such fees are considered eligible educational expenses. Always communicate openly with the public school about your child's status to avoid confusion.

*Note: Participating in a public school class might carry some additional requirements. For instance, the school might require your child to take the same tests as their enrolled students for that class. That's fine – it can even cover your EFA testing requirement if it's a standardized test in the required subjects. Just ensure you still meet the EFA's annual testing rule (often the public school's test will satisfy it, but if not, you'd arrange a separate test). When in doubt, ask the EFA staff how to coordinate dual participation.*

#### Q4: What if we want to change our education path in the middle of the year?

**A:** The EFA program is designed to be flexible. If you need to make a change mid-year, you generally can. For example, maybe you started the year homeschooling with EFA funds, and then in October you decide your child would do better in a private school. As long as that private school is participating in the EFA program, you can enroll your child there and start using the EFA funds for that school's tuition moving forward. You should inform the EFA office of the change so they can update their records (and ensure the private school is set up to receive payments for your child). Similarly, if you begin the year in a private school and later decide to switch to homeschooling, you



could withdraw from the private school, submit a Notice of Intent (NOI) to homeschool, and then use the funds for curriculum and other approved services instead. The key is that the student must remain eligible (don't enroll full-time in public school mid-year, for example) and you must use the funds only on approved expenses for the new setting.

Some tips for a smooth transition:

- Coordinate timing so that you don't double-pay. For instance, if you paid a private school's semester tuition with EFA funds and then withdraw mid-semester, the school might owe a prorated refund – that refund should go back into your EFA account (since it was state money) or to the state, rather than to you personally. Then those funds can be reallocated to your new expenses. Communicate with both the school and ADE in such a scenario to handle funds appropriately.
- If you're switching providers (say, changing tutors or therapy providers), you can simply stop using the old provider and start with the new one (once the new provider is approved in ClassWallet). The remaining balance in your account stays available for the new services.
- Be sure to update any required paperwork. If you move to homeschooling, file the Notice of Intent to Homeschool (if not already on file). If you move from homeschool to a private school, let your resident public school district know that your child is now enrolled in a private school (so they update enrollment records accordingly and know the child is no longer homeschooling under the NOI).

In short, you have the freedom to adjust your education plan mid-year if needed – just keep everyone (ADE and schools) in the loop and ensure compliance steps are followed. The EFA team can guide you through any mid-year changes; families have successfully made such switches. The program is meant to accommodate students' changing needs.

#### **Q5: If we use the EFA for a while but later decide to go back to public school, can we do that?**

**A:** Absolutely. Participation in the EFA program is voluntary and does not lock you in. You can return your child to your local public school at any time. Public schools in Arkansas must accept resident students, so your child always has the right to enroll in their zoned public school. If you decide to go back to public school, you would simply withdraw from the EFA program. This means notifying the EFA office that you are exiting the program and then enrolling your child in the public school.

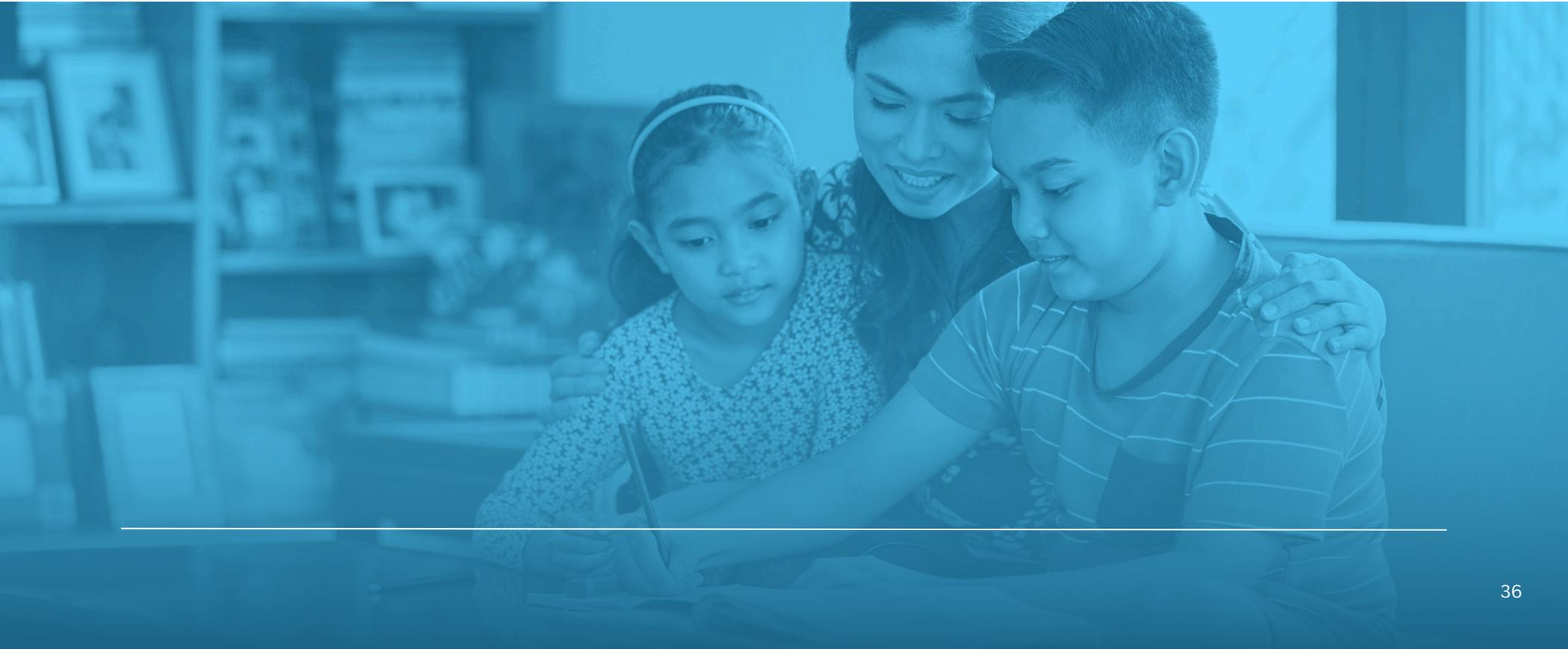
Once your child is enrolled full-time in a public school, your EFA account will be closed and any unused funds will revert to the state's educational fund (since those funds were allocated for your child's education and will no longer be used by them in the EFA program).

There's no penalty or punishment for choosing to return to public school – the program exists to give you options, and you can choose the option that's best for your child at any time.



**Keep in mind:** once you're back in public school, you will not have EFA funds available for private expenses, because your child's education will be fully covered by the public school system. If in a future year you decide to once again pursue private schooling or homeschooling and want an EFA, you would need to reapply as a new applicant for the program at that time. Since the program is now universal, re-qualifying should be straightforward as long as you meet the basic requirements at that time (residency, school-age child, etc.). Of course, be mindful of application windows and any potential waitlist if you leave and then return in a later year.

Families' needs and decisions can change, and the program is built to accommodate that. We want you to make the best educational choice for your child, even if that choice changes over time. If you transition back to public school, we wish you and your student success there. And remember, you're always welcome to apply again for an EFA in the future if your situation changes once more.



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# We are here to support you on your family's educational journey.



We hope this handbook has provided clear guidance and helpful tips as you navigate the Arkansas Education Freedom Account program. If you have any further questions, please reach out to the EFA team at ADE. We are here to support you on your family's educational journey.

**If you have any further questions, please reach out to the EFA team at ADE.**

## CONTACT THE EFA PROGRAM:

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Be sure to visit <http://dese.link/efa> for resources, updates, and news.



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