



State of New Jersey

DEPARTMENT OF EDUCATION

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December 29, 2016

TO: Chief School Administrators
School Business Administrators/Board Secretaries
Directors, Private Schools for Students with Disabilities
Business Managers/Bookkeepers, Private Schools for Students with Disabilities

FROM: Michael Mindlin, Director
Fiscal Policy and Planning
Office of School Finance

SUBJECT: 2017-18 Tentative Per Diem Tuition Rates (Exhibit A) and 2015-16 Independent Auditor Certified Tuition Rates and Adjustments for Approved Private Schools for Students with Disabilities (Exhibit B)

State regulations (*N.J.A.C.* 6A:23A-18.2(i)) require the Commissioner to issue notification of the maximum tentative tuition rate for each approved private school for students with disabilities. This memo serves as official notification of the 2017-18 Tentative Per Diem Tuition Rates (Exhibit A, below) and the Independent Auditor's Certified Tuition Rates (Exhibit B, below) for the approved private schools for students with disabilities. This memo also provides school districts with information needed to budget for out-of-district tuition. The 2017-18 full day Tentative Per Diem Tuition Rates and 2015-16 Independent Auditor Certified Tuition Rates and Adjustments for private schools for students with disabilities are available on the New Jersey Department of Education's (NJDOE) [School Finance webpage](#).

Tentative Per Diem Rates for 2017-18 – Exhibit A

Exhibit A reflects the maximum Tentative Per Diem Tuition Rate (column 1) each approved private school for students with disabilities (APSSD) is approved to charge in the 2017-18 school year. These rates are the maximum rates an APSSD may tentatively charge local school districts, unless a higher Tentative Per Diem Tuition Rate is approved by the NJDOE based on the process on the following page. For your information, also included is the 2015-16 enrolled days in the APSSD's calendar (column 2) and the 2017-18 projected school year tentative tuition rates (column 3) based on the amounts in columns 2 and 3.

An APSSD must charge the same amount to all local school districts. *It is important that the local school district contact the APSSD to determine the Tentative Per Diem Tuition Rate the APSSD will be charging for the 2017-18 school year and the number of enrolled days the APSSD anticipates in the 2017-18 school year.* It is possible that the number of enrolled days reflected in

column 2 for the 2015-16 school year may change in the 2017-18 school year, which would increase or decrease the total school year tentative tuition rate charged. A written contractual agreement between the APSSD and local school district must establish the Tentative Per Diem Tuition Rate and the number of enrolled days in the school year for each pupil.

Application for a Higher Tuition Rate

If the Tentative Per Diem Tuition Rate places an undue financial hardship on the APSSD, a higher Tentative Per Diem Tuition Rate may be approved by the NJDOE through a request submitted no later than February 10, 2017 pursuant to *N.J.A.C. 6A:23A-18.2(j)*. An APSSD interested in requesting a higher per diem tuition rate should contact Elise Sadler Williams at (609) 777-4483 concerning the application procedure. This information will also be available on the NJDOE's website for APSSDs.

Application for a Rate by Type

N.J.A.C. 6A:23A-18.1 et seq. allows APSSDs to charge separate tuition rates by class type, if the required accounting records are maintained. Any APSSD interested in charging separate tuition rates by class type should contact Elise Sadler-Williams a (609) 777-4483 concerning the application procedure. Applications must be received by the NJDOE no later than February 10, 2017. Due to the timing of the school districts budgeting process and the need to obtain timely changes in tuition rates for APSSD, applications received by the NJDOE after February 10, 2017 will not be accepted.

Additional Rate for Extraordinary Services and Guidance Regarding Related Services

An additional tuition rate (separate from the rate contained in this memorandum) may be approved by the sending districts for a particular pupil who required extraordinary services. Once the sending district agrees to pay for a pupil's extraordinary services, the sending district board of education shall notify the Commissioner within 30 days of such agreement. The notification shall include the pupil's initials, the name of the private school, the type of extraordinary service(s) and the cost of the extraordinary service(s).

Please refer to the NJDOE's May 3, 2016 [Revised Frequently Asked Questions](#) Regarding the Provision of Related Services for Students Placed by Local Education Agencies in NJ Approved Private Schools for Students with Disabilities.

2015-16 Independent Auditor Certified Tuition Rates and Adjustments – Exhibit B

The Independent Auditor's Certified Tuition Rates and Adjustments for 2015-16 are contained on Exhibit B. Exhibit B, by column, contains the following information:

- 1) Schools that are charging additional tuition for extraordinary services are identified by an "A,"
- 2) Total Enrolled Days in the school year,
- 3) Certified Per Diem Tuition Rate Charged,
- 4) Certified School Year Tuition Rate Charged,
- 5) Tentative Per Diem Tuition Rate Charged,
- 6) Tentative School Year Tuition Rate Charged,
- 7) Final Per Diem (Over)/Under Charges, and
- 8) Final School Year (Over)/Under Charges.

In accordance with *N.J.A.C. 6A:23A-18.2(m)*, a district board of education must pay the APSSD the difference between the tentative tuition rate and certified tuition rate during the second school year following the year for which the actual cost per student is certified. *Therefore, local school districts must adequately budget the Final Per Diem (Over)/Under Charges (column 7), the Final School Year Under Charges (column 8) and undercharges for extraordinary services (column 1) in its 2017-18 budgets since these funds are due to the private schools in the 2017-18 school year.*

The recommended method to properly budget the undercharges is to multiply the total average daily enrollment (ADE) of the local school district's students enrolled in the private school, times the school year undercharge in column 8. However, if the local school district is not aware of the ADE, multiply the total number enrolled days of the local school district's students enrolled in the private school, times the per diem undercharge in column 7. In accordance with *N.J.A.C. 6A:23A-18.2(l)*, the APSSD must pay the district board of education for such differences (overcharges) related to the June 30, 2016 year-end no later than June 30th of the school year in which the audit is received (June 30, 2017). Public school districts are reminded, that for accounting purposes, refunds on prior year expenditures are considered miscellaneous income and recorded in Refund of Prior Year's Expenditures (A/C 10-1980).

The purpose of posting the Independent Auditor's certified tuition rates is to facilitate and expedite the dissemination of tuition adjustments and to eliminate the delay of payments and credits of these adjustments. Based on the information in Exhibit B column 8, an APSSD must refund or credit (overcharges) to a school district board of education no later than June 30, 2017. Similarly, if Exhibit B column 8 reflects an undercharge, a school district board of education must remit additional amounts due bas upon the Certified Per Diem Tuition Rate charged per student to the APSSD on a mutually agreed upon date during the second school year following the June 30, 2016 year-end (2017-18).

Questions concerning this memorandum should be referred to Elise Sadler-Williams at (609) 777-4483, elise.sadler-williams@doe.state.nj.us.

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