



# Department of Defense Education Activity ADMINISTRATIVE INSTRUCTION

NUMBER 7200.1  
Date SEP - 4 2009

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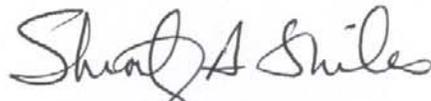
RESOURCE MANAGEMENT DIVISION

SUBJECT: DoDEA Tuition Program

References: See Enclosure 1

1. PURPOSE. This Administrative Instruction replaces Department of Defense Education Activity (DoDEA) Administrative Instruction 7200.1 (Reference (a)), to update policies governing computation and publication of tuition rates for non-Department of Defense (DoD) sponsored students (space-available, tuition paying) enrolled in grades pre-school through 12, to include Preschool for Children with Disabilities (PSCD) and the Sure Start Program.
2. APPLICABILITY. This Administrative Instruction applies to the Office of the Director, DoDEA; the Director, Domestic Dependent Elementary and Secondary Schools (DDESS), and Department of Defense Dependents Schools, Cuba (DDESS/DoDDS-Cuba); the Director, Department of Defense Dependents Schools, Europe (DoDDS-E); the Director, Department of Defense Dependents Schools, Pacific (DoDDS-P), and Domestic Dependent Elementary and Secondary Schools, Guam (DoDDS-P/DDESS-Guam) (hereafter collectively referred to as "DoDEA Area Directors"); and all DoDEA District Superintendents, School Principals, Teachers, and Support Staff.
3. POLICY. It is DoDEA policy, pursuant to the requirements of section 923(b) of title 20 (Reference (b)), and section 2164 of title 10 (Reference (c)), DoDEA Regulation 1342.12 (reference (d)), and the procedures of this Administrative Instruction, to collect payment of tuition for a child who is authorized to enroll on a space available basis upon advance payment of tuition, except as otherwise authorized herein. The DoD authorizes the enrollment of non-DoD sponsored minor dependents in DoDEA schools located outside the continental United States, provided that space is available and that the applicable tuition is paid in advance, exclusive of tuition amounts centrally billed to other Federal organization accounts for reimbursement. Centrally-billed accounts must have a reimbursable funding document (or comparable instrument) in place prior to the start of the school year to ensure the timely billing of accounts. All tuition for DDESS schools must be paid through centrally-billed accounts. DoDEA Regulation 1342.13 (Reference (d)) establishes eligibility requirements and priorities for the applicable federal or non-federal connected enrollments.
4. RESPONSIBILITIES. See Enclosure 2

5. EFFECTIVE DATE. This Administrative Instruction is effective immediately.

A handwritten signature in cursive script that reads "Shirley A. Miles".

Dr. Shirley A. Miles  
Director

Enclosures

1. References
2. Responsibilities
3. Tuition Rates
4. Tuition Payments

ENCLOSURE 1

REFERENCES

- (a) DoDEA Administrative Instruction 7200.1, "Non-DoD Tuition Program," September 21, 1995 (hereby canceled)
- (b) Section 923(b) of title 20, United States Code
- (c) Section 2164 of title 10, United States Code
- (d) DoDEA Regulation 1342.13, "Eligibility Requirements for Education of Elementary and Secondary School-age Dependents in Overseas Areas," September 20, 2006
- (e) DS Manual 7200.9, "Department of Defense Dependents Schools Accounting Manual," October 1990
- (f) DoD 7000.14-R, Volume 11A, "Reimbursable Operations, Policy and Procedures," December 2008
- (g) Office of the Under Secretary of Defense (Comptroller) Web site, "Department of Defense Reimbursable Rates," [www.dod.mil/comptroller/rates/](http://www.dod.mil/comptroller/rates/)

ENCLOSURE 2

RESPONSIBILITIES

1. The DoDEA Chief, Resource Management Division (Chief, RMD, DoDEA). The Chief, RMD, DoDEA, under the authority, direction, and control of the Associate Director for Financial and Business Operations, DoDEA, shall:

- a. Calculate the tuition rate in accordance with this Administrative Instruction.
- b. Ensure that unfunded and indirect cost amounts are appropriately calculated by tuition classification, and the required tuition rate is accurately computed.
- c. Publish the required tuition rate on or before May 31 of each year for the ensuing school year.
- d. Maintain this Administrative Instruction and ensure that it complies with all public law and DoD references and is in accordance with the Government Accountability Office, Office of Management and Budget, and U. S. Treasury procedures.

2. DoDEA Area Directors, District Superintendents, and School Principals. The DoDEA Area Directors, District Superintendents, and School Principals shall:

- a. Ensure that all tuition-paying and non-tuition-paying students are properly identified and classified.
- b. Ensure that student registrations include an appropriate tuition rate levy for those students classified as tuition-paying.
- c. Ensure that tuition is paid in advance, in accordance with this Administrative Instruction and DS Manual 7200.9 (Reference (e))

## ENCLOSURE 3

### TUITION RATES

1. PUBLISHED ANNUAL RATES. Annual tuition rates for federally and non-federally connected students, to include full time, part time, and extra-curricular participation, will be published by the Chief, RMD, DoDEA, on or before May 31, for the ensuing school year. Semester tuition rates will equal one-half of the annual rates. A grading period for the purpose of this Administrative Instruction is considered to be one of the four periods established by the school and covered by student report cards. Grading period rates will be one-half of the semester rate. Published tuition rates will not be adjusted during the school year.

2. BASIS FOR TUITION RATES. The tuition rate computations are based on the total Operation and Maintenance (O&M) budget proposal for the fiscal year corresponding to the ensuing school year divided by the number of actual full-time equivalent student enrollments for the current school year. The quotient establishes an average cost of enrollment which, with adjustments described below, determines the various tuition rates. Resulting tuition rates will be charged on a graduated (sliding scale) basis from 50% to 105% depending on the grade level of the enrolled child. Separate tuition rates are calculated for DoDDS and DDESS. Tuition rates are adjusted to ensure the rates are divisible by 12.

3. TUITION DISPOSITION. Tuition is established in accordance with the tuition computation methodology provided below. The direct cost portion of the tuition is deposited to a prescribed DoDDS or DDESS appropriation account, while the indirect cost portion of the tuition is deposited to the Miscellaneous Receipts Account of the U. S. Treasury. Reference (e) provides detailed procedures for the transfer of tuition amounts collected and earned.

#### 4. TUITION COMPUTATION – GENERAL.

a. Direct Cost Elements. The direct cost elements necessary for tuition computations are captured from the activities O&M budget submitted to Congress. Direct cost elements equal the total gross O&M budget submission minus projected tuition receipts. The direct cost elements are identified in the O&M Budget as:

(1) Total Civilian Personnel Compensation. This is the amount budgeted for payroll costs associated with U.S. Direct Hire employees; and Direct and Indirect Foreign National employees. Payroll costs include basic compensation, variable costs (Object Class 11\*\*), and benefits (Object Class 12\*\*).

(2) Total All Other Operation and Maintenance. Other budgeted items not identified in 4.a.(1) are included in this element of the Budget. These include all travel and transportation, communication, rents, utilities, printing, service contracts, supplies, and equipment. Non-DoDDS program costs are excluded.

(3) DoDEA Headquarters (HQ). The cost of DoDEA HQ (including Consolidated School Support) is allocated to DoDDS and DDESS for tuition calculation purposes based upon

their respective student enrollment (excluding non-DoDDS and DDESS special arrangements students).

(1) Equipment Usage Fee. A fixed rate of 4 percent is applied to all equipment costs (O&M and Procurement Appropriations) for the preceding 5 year period to cover depreciation and interest on investments of DoD-owned fixed assets.

(2) Unfunded Payroll Benefits. In addition to the indirect cost elements required in the federally-connected rate computation (equipment usage fee), the non-federally-connected rate computation requires an additional indirect cost element. The additional indirect cost element is required by DoD 7000.14-R (Reference (f)) for billings to private organizations, companies, and individuals (outside the U. S. government). The unfunded benefit rate is applied to the total cost of civilian personnel salaries (basic pay only). A percentage of basic compensation costs associated with U.S. Direct Hire employees, and Direct and Indirect Foreign National employees is assessed. The Office of the Under Secretary of Defense (Comptroller) Web site (Reference (g)), establishes the fringe benefit rate.

c. Student Enrollment. The actual full-time equivalent (FTE) student enrollment is based on the total student population, as of September 30, of the current school year for grades identified and reported.

d. Enrollment Adjustments. Student enrollments for the above categories must be net of non-DoD students and tuition-paying students since gross costs are adjusted accordingly. Non-DoD and tuition-paying students should be noted as a memorandum entry.

e. Semester Tuition Rates. The methodology used to determine the semester tuition rate is obtained by dividing the applicable FTE student enrollment into the sum total of the adjusted direct and indirect costs. Semester tuition rates equal one-half of the quotient. The half-day kindergarten semester tuition rate is one-half of the full-day kindergarten (FDK) and grades 1-6 semester rate.

## 5. TUITION COMPUTATION OF FEDERALLY-CONNECTED.

a. Calculate Average Direct Cost Per Student. Total direct costs divided by total student enrollment (less non-DoD and tuition-paying students). DoDEA HQ costs (including Consolidated School Support) are prorated to DoDDS and DDESS based on their adjusted enrollment.

b. Calculate equipment usage cost per student. Calculated as indicated in 4.b.(1) divided by total student enrollment (less non-DoD and tuition paying students).

c. Calculate Grades 7-8 Tuition. Add the results of 5.a. and 5.b.

d. Calculate Sure Start, FDK and Grades 1-6 Tuition. 95% of grades 7-8 tuition.

e. Calculate Half-Day Kindergarten and Preschool. 50% of FDK and grades 1-6 tuition.

f. Calculate Preschool for Children with Disabilities Tuitions. Full time rates for PSCD are calculated by taking the FDK rate times (number of hours full-time PSCD divided by number of full-time hours kindergarten). For students who do not attend full time, the full time rate will be adjusted based on the number of hours the tuition paying student is attending the program.

g. Calculate Grades 9-12 Tuition. 105% of grades 7-8 tuition.

h. The U. S. Treasury's share of the federally-connected tuition rate is the indirect cost portion of the tuition rate (asset use charge) divided by the tuition- free student enrollment. The U. S. Treasury's share of tuition collected is deposited in the Miscellaneous Receipts Account of the U. S. Treasury in accordance with Reference (e).

i. The DoDEA share of the federally-connected tuition rate is calculated by subtracting the Treasury share portion. One half of the yearly rate equals the semester rate. The DoDEA share of the tuition collected is deposited in a prescribed account in accordance with Reference (e).

j. Tuition rates will be adjusted to ensure all rates are divisible by 12.

#### 6. TUITION COMPUTATION OF NON-FEDERALLY CONNECTED.

a. Calculate Average Direct Cost Per Student. Total direct costs divided by total student enrollment (less non-DoD and tuition paying students). DoDEA HQ costs (including Consolidated School Support) are pro-rated to DoDDS and DDESS based on their adjusted enrollment.

b. Calculate Equipment Usage Cost Per Student. Calculated as indicated in 4.b.(1) divided by total student enrollment (less non-DoD and tuition paying students).

c. Calculate Unfunded Benefits. The unfunded benefits cost of basic pay is calculated as indicated in 4.b.(2) divided by total student enrollment (less non-DoD and tuition paying students).

d. Calculate Grades 7-8 Tuition. Add the results of 6.a., 6.b., and 6.c.

e. Calculate Sure Start, FDK and Grades 1-6 Tuition. 95% of grades 7-8 tuition.

f. Calculate Half-Day Kindergarten and Preschool. 50% of FDK and grades 1-6 tuition.

g. Calculate Preschool for Children with Disabilities Tuition. Full time rates for PSCD are calculated by taking the FDK rate times (number of hours full-time PSCD divided by number of full-time hours Kindergarten). For students who do not attend full time, the full time rate will be adjusted based on the number of hours the tuition paying student is attending the program.

h. Calculate Grades 9-12 Tuition. 105% of grades 7-8 tuition. i. The U. S. Treasury's share of the non-federally connected tuition rate is the indirect cost portion of the tuition rate (asset use

charge plus the unfunded payroll benefits charge) divided by the tuition free student enrollment. The U. S. Treasury's share of tuition collected is deposited in the Miscellaneous Receipts Account of the U. S. Treasury in accordance with Reference (e).

j. The DoDEA share of the non-federally connected tuition rate is calculated by subtracting the treasury share portion. One half of the yearly rate equals the semester rate. The DoDEA share of the tuition collected is deposited in a prescribed account in accordance with Reference (e).

k. Tuition rates will be adjusted to ensure all rates are divisible by 12.

#### 7. TUITION CLASSIFICATION.

Tuition classifications are defined for DoDDS (Europe, Pacific, and Cuba) and DDESS (Puerto Rico and Guam). DoDDS requires a minimum of two tuition rates: one for those students who pay the federally-connected tuition rate and the other for those students who pay the non-federally connected tuition rate. Federally-connected students are defined as students whose sponsors are employed by a Federal Government agency other than the Department of Defense. Non-federally connected students are those whose sponsors are employed by private companies or other non-federal organizations. The tuition computation methodology described above for both the federally and non-federally connected tuition rate applies to the tuition computation methodology without any waivers or credits and includes the total adjusted cost of offices and schools in the system regardless of geographical location and the applicable student enrollment. DDESS enrolls only federally-connected students.

ENCLOSURE 4

TUITION PAYMENTS

1. TUITION COLLECTION. Tuition is collected in advance and in full for each semester with the exceptions noted in paragraphs a and b.

a. Self-paying sponsors may be allowed to pay tuition on a grading period basis instead of a semester basis at the discretion of the district superintendent. The approval must be in writing and signed by the district superintendent or designee. A copy of the approval letter must be sent to the Area Office, Fiscal Division, ATTN: Tuition Collections. A fractional payment of a grading period is not authorized. Payment must be received in full and in advance of the grading period.

b. Sponsors who are entitled to the federally-connected rate and whose organizations have requested organizational (central) billing, may be authorized delayed payment. Sponsors must present documentation from their sponsoring organization that authorizes DoDEA to centrally bill their sponsoring organization in accordance with pre-arranged central billing procedures. See Para. 3 above. However, in no case shall delayed payment be authorized beyond 30 calendar days after enrollment. If payment is not received from the sponsoring organization within the 30 day calendar period, the sponsor shall be notified and the student withdrawn from the school.

c. Tuition discounts for late enrollments are authorized for a grading period on a pro-rated basis only. To qualify for a discount of one-third of the tuition for a grading period, the late enrollment must occur after the third week of the grading period. The table below illustrates late enrollment tuition discount policy. The dollar amounts are examples only. Actual tuition rates must be used in place of the example dollar amounts shown below.

Annual Tuition Rate	(\$ example only)	\$9,000.00
Semester Tuition Rate	(\$ example only)	\$4,500.00
Grading Period Tuition Rate	(\$ example only)	\$2,250.00

Late Enrollment Occurs In:	Tuition Payment Is:
1 <sup>st</sup> week through 3 <sup>rd</sup> week	(\$ example only) \$2,250.00
4 <sup>th</sup> week through 6 <sup>th</sup> week	(\$ example only) \$1,500.00
7 <sup>th</sup> through end of Grading Period	(\$ example only) \$750.00

2. REFUNDS.

a. Tuition refunds are authorized only on the basis of "full grading periods not attended." Once a student has attended any portion of a grading period, adjustments of refunds will not be made to the tuition collected for that grading period.

b. DoDEA refunds and/or discounts only the U. S. Treasury's share of tuition not yet transferred to the Miscellaneous Receipt Account of the U. S. Treasury. Refund of the U. S.

Treasury's share of tuition transferred to the U. S. Treasury Miscellaneous Receipt Account is not authorized.

3. PAYMENTS.

a. Tuition payments for DoDDS schools can only be accepted in the form of a money order, or check (U. S. currency only), made payable to the Treasurer of the United States or to the local accounting and finance office. Tuition payments for DDESS schools must be made via a centrally-billed reimbursable account.

b. In accordance with DoD 7000.14-R (Reference (f)), a charge shall be imposed to recover the full cost to the Federal Government of rendering a service. Tuition cost includes direct cost and indirect DoD overhead costs for asset (equipment) user charges, and in the case of non-federally connected students, a charge is included for personnel service, unfunded benefits cost. Both of these indirect costs are provided for in Reference (f). Current unfunded benefit (or fringe benefit) rates can be found at the Office of the Under Secretary of Defense (Comptroller) (Reference (g)).