



DoDEA ADMINISTRATIVE INSTRUCTION 7200.01

DoDEA TUITION PROGRAM

Originating Division:	Resource Management Division
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Approved by:	Thomas M. Brady, Director
<i>Change 1 Approved By:</i>	<i>Michael Godfrey, Chief of Operations, Plans, Legislation and Policy</i>

Purpose: This Issuance establishes and assigns responsibilities and updates policies governing computation and publication of tuition rates for non-Department of Defense (DoD) sponsored tuition paying students enrolled in grades pre-school through 12, to include Preschool for Children with Disabilities (PSCD).

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SECTION 1: GENERAL ISSUANCE INFORMATION

1.1. APPLICABILITY. This Issuance applies to the Office of the Director, DoDEA; the Principal Deputy Director and Associate Director for Academics, DoDEA; the Associate Director for Financial and Business Operations, DoDEA; the Chief of Staff, DoDEA; the Director for Student Excellence, DoDEA Americas/Associate Director for Performance and Accountability (formerly the Director, Domestic Dependent Elementary and Secondary Schools, and Department of Defense Dependents Schools, Cuba (DDESS/DoDDS-Cuba)); the Director for Student Excellence, DoDEA Europe (formerly the Director, Department of Defense Dependents Schools, Europe (DoDDS-E)); the Director for Student Excellence, DoDEA Pacific (formerly the Director, Department of Defense Dependents Schools, Pacific and Domestic Dependent Elementary and Secondary Schools, Guam (DoDDS-P/DDESS-Guam)); and all other DoDEA region, district, community, and school leaders and support staff.

1.2. POLICY. It is DoDEA policy that pursuant to the requirements of Section 923(b) of Title 20, Sections 2164 and 4362 of Title 10, DoDEA Regulation 1342.13, and the procedures of this Issuance, DoDEA will collect payment of tuition for a child not otherwise authorized to attend a DoD school on a tuition-free basis. The DoD authorizes the enrollment of non-DoD sponsored tuition-paying minor dependents in DoDEA schools provided that the applicable Individual Billing Letter (IBL), Central Billing Letter (CBL) or federal agency Certificate of Eligibility Letter (CEL) is received by the school registrar from the student sponsor prior to the dependent starting school. DoDEA Regulation 1342.13 establishes eligibility requirements and priorities for the applicable federally and non-federally connected enrollments.

1.3. INFORMATION COLLECTION. This Issuance may result in the collection of information due to its policy and procedures. Any collection of information must follow all applicable Federal, DoD, and DoDEA regulations, policies, and guidance.

SECTION 2: RESPONSIBILITIES

2.1. DODEA DIRECTOR. The DoDEA Director:

- a. Ensures that the Tuition Program is in compliance with this Issuance.
- b. Provides policy, standards, guidance, technical assistance, and resources to operate the Tuition Program.
- c. Directs and ensures regular program monitoring and policy review to maintain the integrity and effectiveness of the Tuition Program.

2.2. DODEA ASSOCIATE DIRECTOR FOR FINANCIAL AND BUSINESS OPERATIONS. The DoDEA Associate Director for Financial and Business Operations (ADF&BO) under the direction and control of the DoDEA Director will:

- a. Provide guidance in accordance with this Issuance.
- b. Provide episodic training to align the Tuition Program with DoDEA policy and guidance.

2.3. DODEA CHIEF RESOURCE MANAGEMENT DIVISION. The DoDEA Chief, Resource Management Division (RMD) under the authority, direction, and control of the Associate Director for Finance and Business Operations, DoDEA:

- a. Calculates the tuition rate in accordance with this Issuance.
- b. Ensures that unfunded and indirect cost amounts are appropriately calculated by tuition classification, and that the required tuition rate is accurately computed.
- c. Publishes the required tuition rate on or before May 31 of each year for the ensuing school year (SY).
- d. Maintains this Issuance and ensures that it complies with all Public Laws and DoD references and is in accordance with the General Accounting Office, Office of Management and Budget, and U.S. Treasury procedures.

2.4. DODEA DISTRICT SUPERINTENDENTS, COMMUNITY SUPERINTENDENTS, AND SCHOOL PRINCIPALS. The DoDEA District Superintendents, Community Superintendents, and School Principals ensure:

- a. All tuition-paying and non-tuition-paying students are properly identified and classified.
- b. Student registrations include an appropriate tuition rate levy for those students classified as tuition-paying.

c. The school registrar receives the applicable IBL, CBL, or CEL from tuition-paying student sponsors in accordance with the timeline per published Tuition Rate Memorandum prior to the dependent starting school.

SECTION 3: TUITION RATES

3.1. 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 DoDEA Chief, RMD on or before May 31, for the ensuing SY. Semester tuition rates will equal one-half of the annual rates. A grading period for the purpose of this Issuance is considered to be one of the 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 SY.

3.2. 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 SY, and actual Full-Time Equivalent (FTE) student enrollments for the current SY. Resulting tuition rates will be charged on a graduated (sliding scale) basis from ninety-five (95) percent to one hundred and five (105) percent depending on the grade level. Separate tuition rates will be calculated for DoDEA Europe/Pacific schools and DoDEA Americas schools. Tuition rates will be adjusted to ensure the rates are divisible by four (4).

3.3. TUITION DISPOSITION. Tuition is established in accordance with the tuition computation methodology provided below. A portion of the tuition collection is deposited to the Miscellaneous Receipts Account of the U.S. Treasury and the remaining tuition collection portion is deposited into a prescribed DoDEA *reimbursable* appropriation account. ~~The defined U.S. Treasury Share portion of federally connected tuition receipts is 0.669 percent and the Treasury Share portion of non-federally connected receipts is 3.76 percent. The remaining portion of the student tuition collection is deposited to the prescribed DoDEA reimbursable appropriation account.~~

3.4. TUITION COMPUTATION - GENERAL.a. Direct Cost Elements. The direct cost elements necessary for tuition computations are included in the Activity's O&M budget submitted to the U.S. Congress. Direct cost elements equal the total gross O&M budget minus projected tuition receipts. Separate calculations are performed and rates are produced for DoDEA Europe/Pacific schools and DoDEA Americas schools. The direct cost elements are:

(1) Total Civilian Personnel Compensation. 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 Section 3.4.a.(1) of this Issuance are included in this element. These include all travel and transportation, communication, rents, utilities, printing, service contracts, supplies, and equipment. Non DoD School Program (NDSP) costs are excluded.

(3) DoDEA Headquarters (HQ). The cost of DoDEA HQ (including Consolidated School Support) is allocated to DoDEA Europe/Pacific schools and DoDEA Americas schools

based upon student enrollment (excluding NDSP and DoDEA Americas special arrangements students).

b. Indirect Cost Elements.(1) Equipment Usage Fee. A fixed rate of percent is applied to all equipment costs (O&M and Procurement Appropriations) for the preceding five-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 Volume 11a of DoD 7000.14-R 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) website establishes the benefit rates as applied above.

c. Student Enrollment. The actual FTE student enrollment is based on the total student population, on or about September 30th of the current SY for grades identified and reported. Student enrollment information is captured and recorded via ASPEN Student Information System.

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.

f. Unique Extraordinary Costs. Unique extraordinary costs such as services to provide required Free Appropriate Public Education (FAPE) that are over the excess cost threshold must be recouped from the respective sponsor (individual sponsor, company sponsor, or agency sponsor) as part of the tuition.

3.5. TUITION COMPUTATION OF FEDERALLY-CONNECTED (CALCULATIONS).

a. Average Direct Cost Per Student. Total direct costs divided by total student enrollment (less NDSP and tuition-paying students). DoDEA HQ costs (including Consolidated School Support) are pro-rated to DoDEA Europe/Pacific schools and DoDEA Americas schools based on their adjusted enrollment.

b. Equipment Usage Cost Per Student. Calculated as indicated in Section 3.4.b.(1) of this Issuance, divided by total student enrollment (less non DoD and tuition-paying students).

c. Grades 7-8 Tuition. Add the results of Sections 3.5.a. and 3.5.b of this Issuance.

d. Full Day Kindergarten and Grades 1-6 Tuition. 95 percent of grades 7-8 tuition.

e. Preschool. 50 percent of Full Day Kindergarten (FDK) and grades 1-6 tuition.

f. Preschool for Children with Disabilities Tuition. Full-time rates for PSCD are calculated by taking the FDK rate times the number of hours full-time PSCD divided by number of full-time kindergarten hours. 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. Grades 9-12 Tuition. 105 percent of grades 7-8 tuition.

h. U.S. Treasury Tuition Share. The U.S. Treasury's share ~~of the federally-connected tuition rate is 0.669 percent of the tuition rate~~ *takes into consideration the pension and health care benefits of total salaries and multiplies it by a percentage set forth by OSD Comptroller each fiscal year.* The U.S. Treasury's share of tuition collected is deposited in the Miscellaneous Receipts Account of the U.S. Treasury.

i. DoDEA Tuition Share. The DoDEA share of the federally-connected tuition rate is calculated by subtracting the U.S. 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 reimbursable account.

j. Adjust Rates. Tuition rates will be adjusted to ensure all rates are divisible by four (4).

3.6. TUITION COMPUTATION OF NON-FEDERALLY CONNECTED

(CALCULATIONS).a. Average Direct Cost Per Student. Total direct costs divided by total student enrollment (less NDSP and tuition-paying students). DoDEA HQ costs (including Consolidated School Support) are pro-rated to DoDEA Europe/Pacific schools and DoDEA Americas schools based on their adjusted enrollment.

b. Equipment Usage Cost Per Student. Calculated as indicated in ~~subparagraph~~ *Section* 3.4.a.(1) of this Issuance divided by total student enrollment (less NDSP and tuition-paying students).

c. Unfunded Benefits. The unfunded benefits cost of basic pay is calculated as indicated in ~~subparagraph~~ *Section* 3.4.b.(2) of this Issuance divided by total student enrollment (less NDSP and tuition-paying students).

d. Grades 7-8 Tuition. Add the results of Sections 3.6.a., 3.6.b., and 3.6.c. of this Issuance.

e. Full Day Kindergarten and Grades 1-6 Tuition. 95 percent of grades 7-8 tuition.

f. Preschool. 50 percent of FDK and grades 1-6 tuition.

g. Preschool for Children with Disabilities Tuition. Full-time rates for PSCD are calculated by taking the FDK rate times the number of hours full-time PSCD divided by number

of full-time kindergarten hours. 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. Grades 9-12 Tuition. 105 percent of grades 7-8 tuition.

i. U.S. Treasury Tuition Share. The U.S. Treasury's share ~~of the non-federally-connected tuition rate is 0.669 percent of the tuition rate.~~ takes into consideration the pension and health care benefits of total salaries and multiplies it by a percentage set forth by OSD Comptroller each fiscal year. The U.S. Treasury's share of tuition collected is deposited in the Miscellaneous Receipts Account of the U.S. Treasury.

j. DoDEA Tuition Share. The DoDEA share of the non-federally-connected tuition rate is calculated by subtracting the U.S. Treasury share portion. One half of the yearly rate equals the semester rate. The DoDEA share of the tuition collected is deposited in the prescribed reimbursable payments account.

k. Adjust Rates. Tuition rates will be adjusted to ensure all rates are divisible by 4.

3.7. TUITION CLASSIFICATION.

a. Tuition Classifications. Tuition classifications are defined for DoDEA schools in Europe, Pacific, and Cuba, and for schools in the Americas, Puerto Rico, and Guam. DoDEA Europe, DoDEA Pacific, and Cuba schools require a minimum of two tuition rates: One rate for those students who pay the federally-connected tuition rate and the other rate for those students who pay the non-federally connected tuition rate.

b. Federally and Non-Federally Connected Students. Federally and Non-Federally Connected students are identified in the DoDEA Regulation 1342.13.

c. Tuition Methodology. The tuition computation methodology described above for both the federally and non-federally connected tuition rates 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.

SECTION 4: TUITION PAYMENTS

4.1. TUITION COLLECTION.

a. Individual Paying Sponsors. Upon enrollment, self-paying sponsors must complete and sign an IBL confirming personal responsibility for the payment of tuition fees. The school registrar will request a tuition invoice from the DoDEA Resource Management Tuition Collection office and the sponsor will receive the invoice within *thirty (30)* calendar days of the enrollment date or in accordance with the invoice schedule published in the Tuition Rate Memorandum for that affected SY. Full payment will be due within thirty (30) calendar days of the tuition invoice date. If payment is not received within *thirty (30)* calendar days of the invoice date, the sponsor will be notified and the student subject to withdrawal from school. The school principal will notify the sponsor and may make recommendations to withdraw or retain the student to the District Superintendent on a case-by-case basis depending on the sponsor's situation. Based on the principal's recommendation individual payers may be allowed to pay tuition on a grading period or semester basis instead of on an annual basis at the discretion of the District Superintendent. The approval must be in writing and signed by the District Superintendent. A copy of the approval letter must be sent to the DoDEA HQ Fiscal Division, Attention: Tuition Collections. A fractional grading period payment is prohibited.

b. Company Paid Tuition. Sponsors whose tuition will be paid for by the company they work for must, at the time of enrollment, provide the school registrar with a CBL issued by the company that lists the student's name and indicates the company's responsibility for the tuition payment. The company will receive a tuition invoice from DoDEA for the annual tuition amount within *thirty (30)* calendar days of the enrollment date and full payment by the company will be due within 30 calendar days of the tuition invoice date. A fractional payment of the annual amount is prohibited. If payment is not received from the company within *thirty (30)* calendar days of the invoice date the sponsor will be notified and the student will be subject to withdrawal from school. The school principal will notify the sponsor and may make recommendations to withdraw or retain the student to the District Superintendent on a case-by-case basis depending on the sponsor's situation.

c. Federal Agency Paid Tuition. Sponsors employed by U.S. Federal Agencies will, upon enrollment, provide the school registrar with a CEL from the sponsor's Agency authorizing the dependent's education at DoDEA schools. DoDEA will coordinate with the Federal Agency to establish a reimbursable agreement for payment of the full annual tuition amount. Fractional annual tuition payments by Federal Agencies is prohibited.

d. Pro-Rated Tuition Calculations. Tuition discounts for late enrollments are authorized by grading period on a pro-rated basis only. A pro-rated grading period tuition is equal to the number of instructional days remaining in the grading period at the time of enrollment multiplied by the applicable tuition daily rate. DoDEA discounts only the non-Treasury Share portion of the tuition.

4.2. REFUNDS.

a. Grading Period Refund. Tuition refunds are authorized by the District Superintendent only on the basis of “full grading periods not attended.” Once a student has attended any portion of a grading period, a refund for the remaining portion of the grading period is not authorized. The District Superintendent is the final authority for approval of the refund.

b. Treasury Share Refund. DoDEA refunds only the non-U.S. Treasury Share portion of the tuition collected. Refund of the U.S. Treasury share portion of the tuition collected is not authorized.

4.3. PAYMENTS.

a. Payment Methods. Tuition payments from individual payers or companies can only be accepted in the form of a money order or check (U.S. currency only), from the PAY.GOV system, or via a bank wire transfer. Checks must be made payable to “Disbursing Office DSSN 8522, DoDEA Tuition”. Tuition payments from Federal Agencies to DoDEA Americas schools must be made via a Federal Government reimbursable account.

b. Cost Recovery. In accordance with Volume 11a of DoD 7000.14-R, a charge shall be imposed to recover the full cost to the Federal Government of rendering a service. Tuition costs include direct costs 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. Current unfunded benefit rates can be found at the Office of the Under Secretary of Defense (Comptroller) website. Unique extraordinary costs such as services to provide required FAPE that are over the excess cost threshold must be recouped from the respective sponsor (individual sponsor, company sponsor, or agency sponsor) as part of the tuition.

GLOSSARY

G.1. ACRONYMS.

ADF&BO	Associate Director for Finance & Business Operations
CBL	Central Billing Letter
CEL	Certificate of Eligibility Letter
FAPE	Free Appropriate Public Education
FDK	Full Day Kindergarten
FMR	Financial Management Regulation
FTE	Full-Time Equivalent
<i>HQ</i>	<i>Headquarters</i>
IBL	Individual Billing Letter
NDSP	Non DoD School Program
O&M	Operation and Maintenance
PSCD	Preschool for Children with Disabilities
RMD	Resource Management Division
SY	School Year

G.2. DEFINITIONS. Unless otherwise noted, these terms and their definitions are for the purpose of this Issuance.

direct cost elements. Direct costs used to compute tuition rates including the total amount of the gross O&M budget minus the amount of the projected tuition receipts.

indirect cost elements. Indirect costs used in the tuition rate computation process including equipment usage fees, unfunded payroll benefits, and U.S. Treasury Share charges.

tuition classification. Classification of tuition-paying students based on whether the student is considered federally connected or non-federally connected.

tuition computation. The process of determining the actual tuition rate for a given tuition-paying student including whether the student is federally or non-federally connected, the student's grade level, the number of classes enrolled for, the enrollment period, and whether there are unique extraordinary costs that are over the excess cost threshold.

tuition methodology. The process for establishing the various tuition rates for each fiscal year based on direct costs, indirect costs, grade level, federally or non-federally connected, the number of classes taken, and the school's geographic location (DoDEA Europe/Pacific or Americas).

U.S. Treasury Share. A small percentage of each tuition collection is deposited to the Miscellaneous Receipts Account of the U.S. Treasury. The remaining tuition collection portion is deposited into a prescribed DoDEA *reimbursable* appropriation account. The U.S. Treasury Share portion of each tuition collection is non-pro-ratable and non-refundable.

REFERENCES

- DoD 7000.14-R, Volume 11A, “Department of Defense Financial Management Regulation (DoD FMR): Reimbursable Operations Policy,” November 2014
- DoDEA Regulation 1342.13, “Eligibility Requirements for Education of Elementary and Secondary School-Age Dependents in Overseas Areas,” September 20, 2006
- Office of the Under Secretary of Defense (Comptroller), Department of Defense Reimbursable Rates,” <http://comptroller.defense.gov/Financial-Management/Reports/>
- United States Code, Title 10
- United States Code, Title 20, Section 923(b)