



DEPARTMENT OF DEFENSE
EDUCATION ACTIVITY
4040 NORTH FAIRFAX DRIVE
ARLINGTON, VIRGINIA 22203-1635

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FISCAL DIVISION

DoDEA ADMINISTRATIVE
INSTRUCTION 7200.1

ADMINISTRATIVE INSTRUCTION

SUBJECT: NON-DOD TUITION PROGRAM

- References:
- (a) DS Administrative Instruction 7200.1 "Non-DoD Tuition Program", May 25, 1988, hereby canceled
 - (b) The Defense Dependents Education Act of 1978, Public Law 95-561
 - (c) DoD Directive 1342.13, "Eligibility Requirements for Education of Minor Dependents in Overseas Areas," July 1982, with changes 1-2
 - (d) DoD 7000.14R Volume 13, "Department of Defense Financial Management Regulation (Nonappropriated Funds Policy and Procedures)", August 1994
 - (e) DoD Instruction 7230.7, "User Charges", January 29, 1985, with changes 1-2
 - (f) DSM 7200.9 "DoDDS Accounting Manual," October 1990

A. PURPOSE

The purpose of this instruction is to reissue policies governing computation and publication of tuition rates for non-DoD sponsored students (space-available, tuition paying) enrolled in grades kindergarten through 12, dormitory fees and Panama Canal College.

B. CANCELLATION

Reference (a) is hereby canceled.

C. APPLICABILITY

This instruction applies to all activities of the Department of Defense Dependents Schools (DoDDS).

D. POLICY

1. It is the policy of the Department of Defense (DoD) to allow the enrollment of non-DoD sponsored minor dependents in DoD dependents' schools, provided that space is available and that the applicable tuition is paid in advance, exclusive of tuition amounts centrally billed to organization accounts for reimbursement. Reference (c) established eligibility requirements and priorities for the applicable federal or non-federal connected enrollments.

2. Annual tuition rates for federal and non-federal connected students will be published by the Chief, Fiscal Division on or before May 31, for the ensuing school year. Semester tuition rates will equal one-half of the annual rate. Grading period rates will be one-half of the semester rate. Published tuition rates will not be adjusted during the school year.

3. It is the policy of DoDDS to collect tuition in advance and in full for each semester. However, at the discretion of the District Superintendent, a sponsor may be allowed to pay tuition on a grading period basis. 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 Service Center, Finance Branch, ATTN: Tuition Collections. A fractional payment of a grading period is not authorized. Payments must be received in full and in advance of the grading period. The only exception to the advance payment policy is for tuition amounts which are centrally billed. This option does not change the provisions for refunds due to early withdrawal or due to late enrollments. Tuition refunds and discounts for both advance collections and centrally billed accounts are based on grading period tuition rates only.

a. A grading period for the purpose of this instruction is considered to be any one of the four periods established by the school and covered by student report cards. A grading period is divided into 3-week intervals, only for the purpose of determining late enrollment tuition discounts.

b. Late enrollments. Tuition discounts for late enrollments are authorized for a grading period on a prorated 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:

Then, Tuition Payment is:

1st week through 3rd week	(\$ example only)	\$2,250.00
4th week through 6th week	(\$ example only)	\$1,500.00
7th through end of Grading Period	(\$ example only)	\$ 750.00

c. Early withdrawal. Refunds of advance tuition payment are authorized only on the basis of a full grading period.

4. It is the policy of DoDDS, under the conditions described in paragraph 3, to refund and/or discount only the unearned U. S. Treasury's share of tuition collected but not yet transferred to the Miscellaneous Receipt Account of the U.S. Treasury. Refund of the earned U.S. Treasury's share of tuition collected and transferred to the U.S. Treasury Miscellaneous Receipt Account is not authorized. Reference (f) provides detailed procedures for the transfer of tuition amounts collected and earned. (See paragraph A.4.b. and B.2. of enclosure 1 for the U.S. Treasury's share of tuition).

5. Tuition payments can only be accepted in the form of a money order, check (U.S. currency only) or credit card in accordance with an approved credit card program, made payable to the Treasurer of the United States or to the local accounting and finance office.

E. TUITION DISPOSITION

Tuition cost includes direct cost and indirect DoD overhead costs for personnel service, unfunded benefits provided for by reference (d) and DoD user charges provided for by reference (e). Tuition is established in accordance with the tuition computation methodology provided for in enclosure (1). The direct cost portion of the tuition is deposited to a prescribed DoDDS appropriation account, while the indirect portion of the tuition is deposited to the Miscellaneous Receipts Account to the U.S. Treasury. Reference (f) provides detailed procedures for tuition collections, deposits and report.

F. BASIS FOR TUITION RATES

The tuition rate computations are based on the DoDDS total operation and maintenance (O&M) budget proposal for the fiscal year corresponding to the ensuing school year, and actual full-time equivalent student enrollments for the current school year. Resulting tuition rates will be charged on a graduated (sliding scale) basis from 95% to 105% depending on the grade level.

G. RESPONSIBILITIES

1. The DoDDS fiscal chief will:
 - a. Calculate the tuition rate in accordance with this instruction.
 - b. Ensure that unfunded and indirect cost amounts are appropriately calculated by tuition classification and the required tuition rate is accurately computed.

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 instruction, and ensure that it complies with all Public Law and Department of Defense references and is in accordance with General Accounting Office (GAO), Office of Management and Budget (OMB) and U.S. Treasury procedures.

2. DoDDS district superintendents and school principals will:

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 are is in advance, in accordance with this instruction and reference (f).

H. EFFECTIVE DATE

This Instruction is effective upon receipt.


Lillian Gonzalez
Director

Enclosure:
Tuition Computation Methodology

Distribution: X

TUITION COMPUTATION METHODOLOGY

A. TUITION COMPUTATION - FEDERAL CONNECTED RATES

1. Direct Cost Elements

The direct cost elements necessary for tuition computations are included in the operation and maintenance budget submission. Direct cost elements equal the total gross DoDDS Operation and Maintenance budget submitted to Congress minus projected tuition receipts. The direct cost elements for DoDDS are:

a. Total direct hire U.S. personnel salaries - For computation of treasury fee; costs are limited to entitlements for base pay only. Chapter 26 of reference (d), Reimbursement Rates for Personnel Services, establishes the fringe benefit rate for billings which must be added to the cost.

b. Total all other operation and maintenance - Other budgeted items not identified in A.1.a. above, are included in this element. These include, but are not limited to, overseas allowance (cost of living, quarters, and post differentials) direct and indirect hire foreign nationals, all travel and transportation, recurring maintenance, supplies, utilities, etc.

2. Indirect Cost Elements

The indirect cost element; asset use charge, prescribed by reference (e) is computed as follows:

A fixed rate of 4 percent (4%) is applied to all non-dormitory 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.

3. Actual Full-Time Equivalent Student Enrollment (FTE)

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. Normally, the full-time equivalent enrollment is 50 percent of the reported kindergarten population total (due to half-day sessions) plus the total student population for grades 1 through 12. Separate student population identification will be reported for DoDDS operated dormitories and Panama Canal College.

The remainder plus adding back the dormitory students will be the basis for the worldwide rate. FTE 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.

4. Total Federally-Connected Tuition Rates

a. Semester rates - The methodology used to determine the semester tuition rate is obtained by dividing the applicable full-time equivalent student enrollment into the sum total of the adjusted direct and indirect costs identified in paragraph A.1. and A.2. above. Semester tuition rates equal one-half of the quotient. The kindergarten semester tuition rate is one-half of the grade 1-6 semester rate (due to half-day sessions).

b. 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 paying FTE 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 (f).

c. The DoDDS share of the federally-connected tuition rate is calculated by subtracting the treasury share from the tuition collected, i.e. , the direct cost portion less any credits. One half of the yearly rate equals the semester rate. The DoDDS share of the tuition collected is deposited in a prescribed account in accordance with reference (f).

B. TUITION COMPUTATION NON-FEDERAL CONNECTED

1. Direct Cost Elements

The direct cost elements necessary for nonfederally-connected tuition computations are the same amounts as those identified in paragraph A.1. for federally-connected tuition rates.

2. In addition to the indirect cost elements required in the federally-connected rate computation (asset use charge), the nonfederal-connected rate computation requires an additional indirect cost element. The additional indirect cost element is required by reference (d) for billings to private organizations, companies, and individuals (outside the U.S. government). The unfunded benefit rate is applied to the total cost of direct hire U.S. personnel salaries (basic pay only).

3. Actual Full-Time Equivalent Student Enrollment

The actual full-time equivalent student enrollment for nonfederal-connected tuition computation are the same as federally connected.

C. TUITION CLASSIFICATIONS

Tuition classifications are defined as: (a) Worldwide, (b) Panama Canal Commission (PCC) and Panama Canal College. Each of these tuition classifications, except for Panama Canal Commission, 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 nonfederally-connected tuition rate. The tuition computation methodology described above for both the federally and nonfederally-connected tuition rate, is applied to the tuition classification as follows:

1. Worldwide tuition classification applies the tuition computation methodology without any waivers or credits and includes the total adjusted cost for all DoDDS, offices and schools (excludes the Panama Canal College) in the DoDDS system regardless of geographical location and the applicable student enrollment. Dormitory students must pay tuition in addition to the dormitory fee.

2. The Panama Canal Commission (PCC) classification applies the tuition computation methodology for federally-connected worldwide tuition with a waiver of the asset user charge due to prior-ownership of the Panama schools by the PCC. FTE enrollments are the same as those developed for the worldwide tuition classification.

3. Panama Canal College tuition rates will be established by applying the tuition computation methodology to the total costs and FTE factors of the Panama Canal College.

D. GRADUATED TUITION RATES (Sliding Scale)

In order to better reflect actual costs for the grade level at which they occur, the tuition rate for each category of tuition described in paragraph C will be charged on a graduated basis as follows:

<u>GRADES</u>	<u>RATES</u>
Kindergarten and Preschool for Children with Disabilities	50% of rate for grades 1-6
1-6	95% of average cost
7-8	Average cost
9-12	105% of average cost