



State of New Jersey  
DEPARTMENT OF EDUCATION  
PO Box 500  
TRENTON, NJ 08625-0500

CHRIS CHRISTIE  
Governor

KIM GUADAGNO  
Lt. Governor

DAVID C. HESPE  
Commissioner

December 22, 2015

TO: Chief School Administrators  
School Business Administrators/Board Secretaries

FROM: Kevin Dehmer, Executive Director  
Office of School Facilities and Finance

A handwritten signature in blue ink, appearing to read "K. Dehmer".

SUBJECT: 2016-2017 Tentative Per Diem Tuition Rates (Exhibit A) and 2014-2015 Independent Auditor Certified Tuition Rates and Adjustments for Private Schools for Students with Disabilities (Exhibit B)

The 2016-2017 full day tentative per diem tuition rates and 2014-2015 Independent Auditor certified tuition rates and adjustments for private schools for students with disabilities are available, in accordance with N.J.A.C. 6A:23A-18.2(i), at this link: <http://www.state.nj.us/education/finance/fp/psdratestoc.shtml>.

**Tentative Per Diem Rates for 2016-2017 – Exhibit A**

Exhibit A reflects the maximum tentative per diem tuition rate (column 1) each private school is approved to charge in the 2016-2017 school year. These rates are the maximum rates a private school may tentatively charge local school districts, unless a higher tentative per diem tuition rate is approved by the department based on the process on the following page. For your information, also included is the 2014-2015 enrolled days in the private school's calendar (column 2) and the 2016-2017 projected school year tentative tuition rates (column 3) based on the amounts in columns 2 and 3.

A private school must charge the same amount to all local school districts. It is very important that the local school district contact the private school to determine the tentative per diem tuition rate the private school will be charging for the 2016-2017 school year and the number of enrolled days the private school anticipates in the 2016-2017 school year. It is possible that the number of enrolled days reflected in column 2 for the 2014-2015 school year may change in the 2016-2017 school year, which would increase or decrease the total school year tentative tuition rate charged. A written contractual agreement between the private school 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 private school, a higher tentative per diem tuition rate may be approved by the Department of Education through a request submitted no later than February 5, 2016, pursuant to N.J.A.C. 6A:23A-18.2(j). Private schools 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 department's website for private schools for students with disabilities.

Application for a Rate by Type

N.J.A.C. 6A:23A-18.1 et seq. allows private schools to charge separate tuition rates by class type, if the required accounting records are maintained. Any private school 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 department no later than February 5, 2016. Due to the timing of the school districts budgeting process and the need to timely obtain changes in tuition rates for PSSD, applications received after February 6, 2015, will not be accepted.

Additional Rate for Extraordinary 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 requires 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 additional service(s).

**2014-2015 Independent Auditor Certified Tuition Rates and Adjustments – Exhibit B**

The Independent Auditor's certified tuition rates and adjustments for 2014-2015 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) the Total Enrolled Days in the school year, 3) the Certified Per Diem Tuition Rate Charged, 4) the Certified School Year Tuition Rate Charged, 5) the Tentative Per Diem Tuition Rate Charged, 6) the Tentative School Year Tuition Rate Charged, 7) the Final Per Diem (Over)/Under Charges, and 8) the 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 approved private school 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 2016-2017 budgets since these funds are due to the private schools in the 2016-2017 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

Page 3  
December 22, 2015

the per diem undercharge in column 7. In accordance with N.J.A.C. 6A:23A-18.2(l), the approved private school must pay the district board of education for such differences (overcharges) no later than June 30<sup>th</sup> of the school year in which the audit is received (June 30, 2016). 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 expedite the dissemination of tuition adjustments and to eliminate the delay of payments of these adjustments. Based on the information in Exhibit B, PSSD must refund or credit the (overcharges) in column 8 by June 30, 2016, and school districts must pay the PSSD the undercharges in column 8 on a mutually agreed upon date during the second school year (2016-2017) following the year for which the actual cost per student is certified.

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

**Attachments**

KD/MM/ESW/ac\ Tentative tuition rates\2016-2017 tuition rates\2016-2017 tuition memo.doc

c: Members, State Board of Education  
David C. Hespe, Commissioner  
Senior Staff  
Yut'se O. Thomas  
Peggy McDonald  
Michael Mindlin  
Lisa McCormick  
Elaine Lerner  
Elise Sadler-Williams  
Directors of Special Services  
Executive County Business Officials  
Executive Directors for Regional Achievement Centers  
Executive County Superintendents  
County Supervisors of Child Study  
Directors, Private Schools for Students with Disabilities  
Business Managers/Bookkeepers, Private Schools for Students with Disabilities  
Garden State Coalition of Schools  
NJ LEE Group