

Massachusetts Department of Elementary and Secondary Education

Calculation and Disbursement of Commonwealth Charter School Tuition

(Revised: November 2007)

The following is an example of how the Department of Elementary and Secondary Education calculates and disburses charter tuition payments for a fictitious Commonwealth charter school over the course of a state fiscal year, which runs from July 1 to the following June 30.

	Charter School Enrollment	Tuition Rate	Total Annual Tuition	Quarterly Payment
Qtr. 1 Jul Aug Sep	<p>The ABC Charter School, located in Athens, Massachusetts, reported a projected enrollment of 110 students for the school year on its Pre-Enrollment Report filed with the Department of Elementary and Secondary Education in the previous spring. Fifty of these students reside in the Athens Public School District. The remaining 60 students reside in the Olympia School District.</p>	<p>In the previous spring, the Department's Office of School Finance calculates projected charter tuition rates for ABC Charter School for students coming from Athens (\$8,000) and Olympia (\$10,000). Updates to the projected rates are made over the summer, if applicable.</p>	<p>These tuition rates are multiplied by the number of students from each district as reported on the Pre-Enrollment Report to calculate a projected annual tuition amount for ABC Charter School of \$1,000,000 (\$8,000×50 students for Athens and \$10,000×60 for Olympia).</p>	<p>On September 30, the ABC Charter Schools receives its first quarterly payment, equal to one quarter of the projected annual tuition payment (\$1,000,000 ÷ 4 = \$250,000).</p> <p><i>* Charter tuition is not assessed against sending district Chapter 70 aid in Quarter 1.</i></p>
Qtr. 2 Oct Nov Dec	<p>During this quarter, the ABC Charter School submits a detailed enrollment report via the <i>Student Information Management System (SIMS)</i> to the Department indicating that 90 students, 40 from the Athens School District and 50 from the Olympia School District, are enrolled in the school as of October 1.</p> <p><i>* When Q2 tuition data is posted, via the DOE secure portal, sending districts can access preliminary student rosters for students attending charter schools from their district containing names, birthdates, grade levels, towns of residence and individual tuition charges.</i></p>	<p>By December, using information from SIMS as well as data collected from sending school districts via the <i>End of Year Pupil and Financial Report (EOYR)</i>, the Department calculates preliminary tuition rates for ABC Charter School students coming from Athens and Olympia. Athens turns out to be higher than projected, at \$8,250; Olympia's rate is lower than projected, at \$9,800.</p>	<p>Using these new rates and the charter school's October enrollment, the Department informs the ABC Charter School and its sending districts of the revised preliminary annual tuition amount of \$820,000 (\$8,250×40 students for Athens and \$9,800×50 students for Olympia.)</p>	<p>On December 31, the ABC Charter School receives its second quarterly payment, equal to the revised preliminary annual tuition payment minus what was paid in the first quarter, divided by three. Therefore, the second quarter payment for the ABC Charter School equals \$190,000 (\$820,000-\$250,000=\$570,000; \$570,000 ÷ 3 = \$190,000). The school has now received a total of \$440,000.</p>
Qtr. 3 Jan Feb Mar	<p>Corrections to October SIMS data are incorporated into the Q3 payment.</p>	<p>If applicable, the Department updates these preliminary tuition rates based on amendments to the EOYR submitted by sending districts.</p>	<p>If applicable, the Department updates the preliminary annual tuition amount for ABC Charter School based on amendments to the EOYR submitted by sending districts.</p>	<p>On March 31, the ABC Charter School receives its third quarterly payment, equal to the preliminary (revised, if applicable) annual tuition payment minus what was paid in the first two quarters, divided by two. Therefore, the third quarter payment for the ABC Charter School equals \$190,000 (\$820,000-\$440,000= \$380,000; \$380,000 ÷ 2 = \$190,000). The school has now received a total of \$630,000.</p>
Qtr. 4 Apr May Jun	<p>In March, the ABC Charter School submits an updated enrollment report (<i>February 15 Charter School Claim Form</i>) that reflects changes in enrollment. ABC Charter School reports an enrollment of 89 students, 40 from the Athens and 49 from Olympia. The Department uses this data to calculate full time equivalency (FTE) enrollment by dividing the number of days a student was enrolled in the school by the total number of school days. At the ABC Charter School, one student residing in Olympia left after attending school for 90 days. The ABC Charter School has a 180-day school year; therefore that student is counted as 0.5 FTE (90 ÷ 180 = 0.5). All the other students are enrolled for the full school year. Hence, the final FTE for the ABC Charter School is 88.5 (40 FTE from Athens and 48.5 FTE from Olympia).</p>	<p>The final tuition rate remains \$8,250 for the Athens School District because their data as submitted in their EOYR remained unchanged. Olympia's rate rises to \$9,900 because of an amendment to its EOYR data.</p> <p><i>← * When Q4 tuition data is posted, via the DOE secure portal, sending districts can access final student rosters for students attending charter schools from their district containing names, birthdates, grade levels, addresses, towns of residence, prior schools, and individual tuition charges (inclusive of transportation).</i></p>	<p>Given the slight decrease in ABC Charter School's enrollment and changes to the tuition rates, the payment to the ABC Charter School is adjusted once again. Therefore, the final annual tuition payment is \$810,150 (\$8,250×40 students from Athens and \$9,900×48.5 students from Olympia).</p>	<p>On June 30, the ABC Charter School receives its fourth and final quarterly payment of \$180,150 (\$810,150 - \$630,000). The school has now received a total of \$810,150 for the fiscal year.</p> <p><i>* Barring error, no adjustments are made to final Q4 tuition calculations or the enrollment data provided in the February 15 Claim Form or unless requested by the sending district or the charter school based on new admissions or withdrawals after February 15.</i></p>

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