Indiana Department of Education
SUPPORTING STUDENT SUCCESS

MEMORANDUM

TO: School Superintendents, Treasurers, and Business Managers

FROM: Office of School Finance

DATE: December 4, 2009

SUBJECT: Transfer Tuition FAQ

The following questions were raised during recent seminars and webinars regarding transfer tuition. This memorandum addresses some of the most frequently asked questions regarding Form 515, Transfer Tuition Statement, and the statute governing transfer tuition in general.

1) Is the webinar information available to print out?

   Answer: The webinar information can be found on the DOE Office of School Finance website at www.doe.in.gov/finance

2) Has the new Form 515 (2009) been distributed to schools?

   Answer: Form 515 is prescribed by the State Board of Accounts and should be available at your local printers. The Department does not provide blank forms to school corporations.

3) Please explain kindergarten billing and if the full day kindergarten grant still applies.

   Answer: For purposes of the transfer tuition statement, full day kindergarten students are already counted as one-half in the ADM count. If a school receives a grant for full day kindergarten, you can add a line to page 3 of the Transfer Tuition to estimate the credit amount.

4) If a parent is working in one school district and wants to bring their child to that school corporation, must they pay transfer tuition?

   Answer: Yes, if the student is accepted for enrollment by the school district in which the parent works, the parent must pay transfer tuition.

5) What if foster students came to a school district after count day? They are special education students and were here before Dec. 1 date.

Answer: Foster students who are enrolled after count day do not receive the tuition support credit. If the student is there for the December 1 count, then they would receive the special education credit.

6) Does everyone get the county tax credits even if they are out of the county?

Answer: The county tax credits for FIT, CVET, excise, and property tax no longer apply to the school general fund beginning with the 2009-2010 estimates. With the removal of property taxes for the school general fund, any estimated billings for the 2009-2010 year will not include those pieces. That is one of the reasons why Form 515 was changed.

7) Does a bill to the transferee school corporation only include the regular education for the number of days?

Answer: Transfer tuition costs are not only limited to "regular" education but can include the cost of special education that exceed the regular and special education funding received for the student.

8) Do we use new form 515 for 2008-2009 billings?

Answer: Because there are still credits tied to 2007 pay 2008 property taxes, a school may have to use the old Form 515- Transfer Tuition Statement to calculate the transfer tuition for a student for the last half of calendar year 2008 and use the new Form 515, or exclude the credits for the first half of calendar year 2009 because property, excise, and other taxes are no longer applicable to the school general fund. If two separate statements are prepared for each half year, then the statements would be added together to determine the total amount due for the school year.

9) What about foreign exchange students here on an I20 Visa?

Answer: Foreign exchange students participating in a school corporation's foreign exchange program and living with a host family are not required to pay transfer tuition.

10) Can a school corporation estimate a monthly tuition fee and give the parent a refund if due?

Answer: Yes, a monthly tuition fee can be calculated using the Form 515- Transfer Tuition Statement. Regardless of the number of installments due, the Form 515- Transfer Tuition Statement must still be estimated and then reconciled for the year.

11) Is the kindergarten tuition support credit one-half since child is counted for one-half?

Answer: No, the kindergarten child is only counted as ½ for ADM purposes even though a full-day program may be in place. The costs associated with a full-day kindergarten program still exist.

12) Clarify the March 1 estimate tuition is for the upcoming year or current year

Answer: The March 1 date is when the school corporation estimates the transfer tuition payments that the school is required to pay for students transferring from the school

corporation and payments the school is entitled to receive for students transferring to the school corporation. The school sends this preliminary statement to the Department and any schools that owe transfer tuition to the school. This is for the school year ending in the current calendar year.

13) If a school corporation receives the Full Day Kindergarten Grant, shouldn't that credit be passed along to the parent in the 515 statement?

Answer: Yes, the credit should be passed along to the parent, if the child is enrolled in the full day kindergarten program. Since there is no line on Page 3 of Form 515 for this, we suggest adding a line titled "full day kindergarten grant" to insert the credit.

14) The full day kindergarten grant has been eliminated on page 3, so no credit given for those in full day kindergarten class?

Answer: See question 13.

15) We have a private residential facility in our district with 17 or 18 out of district students that we educate. Students were placed by parents due to severe disabilities. Only about 70% of the transfer tuition has been paid from other districts. What options do we have for collection of the transfer tuition? Legal or DOE?

Answer: If there is a conflict regarding who is the responsible party for payment of transfer tuition, it may be necessary to file an appeal with the State Board of Education.

16) If the parent does agree to a monthly fee, can we ask for those payments even if we do not know whether there will be a refund due or not?

Answer: A monthly fee should be based on the estimated transfer tuition calculated on Form 515- Transfer Tuition Statement. You should not charge a flat monthly fee unless it is based on the estimate derived from Form 515.

17) If our cost from Form 515 is less than Tuition Support (negative balance) and the student is included in the ADM count, then a Cash Transfer parent would owe nothing. Correct?

Answer: If the initial estimate on Form 515, Transfer Tuition Statement, shows that there is no estimated cost for transfer tuition, it is important to let parents know that a final calculation will be made when expenses are known, and the outcome could result in a payment being due.

18) We estimate the cash transfer tuition for the current year and calculate a final bill (Form 515) in July, is this ok?

Answer: Yes, but please remember the estimate must be based on a calculated Form 515- Transfer Tuition Statement.

19) When calculating the estimate for 2009-2010, am I using expenses from Jan-Dec of 09-10?

Answer: When calculating the 2009-2010 estimates, you will use the Form 9 for 2008-2009 and the September 18, 2009 ADM count for the school.

20) If parental rights are terminated on a foster child, who is responsible for transfer tuition?

Answer: No one pays transfer tuition.

21) Could a calculated Form 515-Transfer Tuition Statement for full day kindergarten and regular kindergarten be done and posted to the web site? This calculation is very confusing.

Answer: Yes, the Office of School Finance will try to post an example of each on the website in the future.

22) May we accept transfer requests after the April 1 date?

Answer: Yes, as long as the school board does not disagree with doing so.

23) One student is allowed to remain in our school district because the student attended each of the prior two years but the sibling is not in school yet. What do we do?

Answer: The only student that is eligible to attend the previous school corporation is the student who attended the prior two years at that school. The sibling is not grandfathered in under the other child and does not meet the requirement to attend in the other student's school district unless the parents are willing to pay cash tuition. In this case, the parent must provide for the student's transportation to school. A student for whom this applies may not enroll primarily for athletic reasons in a school in a school corporation in which the student does not have legal settlement.

Questions regarding this memorandum may be directed to the Office of School Finance by calling toll-free at 1-866-234-1414 or local at 317-232-0840.