

PRIVATE SCHOOLS FOR STUDENTS WITH DISABILITIES

REQUEST FOR A HIGHER TENTATIVE  
PER DIEM TUITION RATE

DECEMBER 31, 2013 FINANCIAL REPORT

CURRENT SCHOOL YEAR

## **PRESCRIBED FINANCIAL REPORT**

The objective of the prescribed financial report is to provide the private school for students with disabilities with a mechanism to determine a per diem tuition rate on an annualized basis. The expenditures, revenues, and average daily enrollment are presented on a year-to-date basis to allow an annualized per diem tuition rate. This report will provide management the opportunity to compare the tentative per diem tuition rate actually charged during the school year to a year-to-date (YTD) per diem tuition rate reflected in the financial records. This report is based on a July to June school year and must reflect the year-to-date expenditures, revenues and enrolled days for the year-to-date time period.

### **INSTRUCTIONS**

1. The following schedules comprise the “Financial Report” as prescribed by the New Jersey State Department of Education per N.J.A.C. 6A:23A-18.4(a)11. These schedules include the following:
  - A) Expenditure Report.
  - B) Enrollment Computation - Computation of YTD ADE.
  - C) Statement of Revenues and Expenditures.
  - D) Per Pupil Cost Computations – Profit/Non-Profit.
  
2. Acceptance of the “Financial Report” shall be documented in the minutes of the Board of Directors’ meetings. The “Financial Report” shall be prepared and submitted, at a minimum, on a quarterly basis to the private school’s governing body and must be submitted, at a minimum, for the following quarter ending dates: 1) September 30; 2) December 31; 3) March 31; and 4) June 30. The report should be completed no later than 30 days after the reporting period ending date.
  
3. Pages 1 through 6, “Expenditure Report.”
  - A) Enter the name of the school on the line at the top of page 1.
  - B) Enter in column D, lines 1 through 203, all the expenditures incurred during the year-to-date reporting period by the line accounts indicated. The term expenditures include total charges incurred, whether paid or unpaid, less refunds (Expenditure = Cash Disbursements plus obligations/accounts payable minus refunds). Enter only those expenditures, which are in compliance with N.J.A.C. 6A:23A-18.1 et seq.

4. Page 7, “Enrollment Computation”

A) A “public school placement” is a pupil whose tuition is paid by a New Jersey school district or a New Jersey state agency. A “private placement” is a pupil whose tuition is paid by a source other than a New Jersey school district or New Jersey state agency such as but not limited to the following: a parent, guardian, an out-of-state school district, an out-of-state agency or funded by the private school the pupil is attending.

B) Private schools without private placements. For the purpose of this statement, the Year-to-Date ADE is calculated by adding the total year-to-date enrolled days for all students as reflected in the school registers and divided by the number of possible enrolled days for one pupil (July through June school year; includes the ten month and extended school years). Enrolled days are the total days both present and absent from the time a student is enrolled for services until the student is terminated by the private school or withdrawn by the sending district (see State contract for billing and enrollment procedures upon termination or withdrawal). No amount should appear in column B.

1. Enter in column A, lines 1-19, per school register the total number of possible enrolled days for all pupils in that register for the year-to-date period.
2. Total the number of enrolled days inserted in column A, lines 1-19 and insert the result on line 20 (Total Enrolled Days) and in the Computation of YTD ADE on line 1, columns A and C.
3. Insert on line 2, columns A and C the number of enrolled days for one pupil in the July through June school year and divide line 1 by line 2, columns A and C and enter the result on line 3, columns A and C. Round to the nearest four decimal places.
4. Line 4 is not part of this calculation if the school does not have private placements.

C) Private schools with private placements. For the purpose of this statement, the Year-to-Date ADE is calculated by adding the total year-to-date enrolled days for all students as reflected in the school registers and dividing by the number of possible enrolled days for one pupil (includes the ten month and extended school years). Enrolled days are the total days both present and absent from the time a student is enrolled for services until the student is terminated by the private school or withdrawn by the sending district (see State contract for billing and enrollment procedures upon termination or withdrawal).

1. Enter on lines 1-19, by school register the total number of possible enrolled days for public school placements in column A and private placements in column B for the year-to-date period.
2. Total the number of enrolled days inserted in columns A and B, lines 1-19 and insert the results on line 20, columns A and B and on line 1, (Total Enrolled Days) columns A and B in the Computation of the YTD ADE. Add line 1, columns A and B and insert the result on line 1, column C.
3. Insert on line 2, columns A, B and C, the possible number of enrolled days in the July through June calendar year (i.e. 180, 210) for one pupil and divide line 1, columns A, B and C by line 2, columns A, B and C. Enter the results on line 3, columns A, B and C. Round to the nearest four decimal places.

4. Divide line 3, columns A and B by line 3, column C and insert the results as a percentage (2 decimal places) on line 4, columns A and B. The public school placement percentage from line 4, column A and private placement percentage column B are used to allocate costs on the Statement of Revenue and Expenditures. Please refer to item 5B for additional instructions.
5. **IMPORTANT:** A pupil enrolled in a preschool program (ten hours per week of pupil instruction), a half-day program or enrolled in a full day program on a shared time basis shall not have a maximum average daily enrollment in excess of 0.5 for the entire school year. A pupil enrolled in one of these programs shall be considered as a half-day enrollment for each day of the week.

5. Page 8, "Statement of Revenues and Expenditures."

A) Private schools without private placements

1. Enter in column C, lines 204, 206-209 all revenues accrued during the year-to-date period by category. The term revenues include total charges for services, whether received or receivable.
2. Total column C to determine the "Total Revenue" and insert the amount on line 210.
3. Enter in column C, lines 211 through 233, all expenditures for the year-to-date period by account series totals as reflected on pages 1 through 5.
4. Total column C to determine "Total Expenditures" and insert the results on line 234 and 236 "Total Net Expenditures". There is no entry on line 235 since there are no adjustments necessary as a result of private placements.
5. In column C, subtract the amount listed on line 236 "Total Net Expenditures" from the amount listed on the "Total Revenues", line 210 and enter the result on the line "Excess (Deficit) Revenues Over Expenditures". If the expenditures exceed revenues, the balance over expended must be bracketed to indicate a negative (deficit) balance.

B) Private schools with private placements

1. Enter in columns C through E, lines 204-209 all revenues accrued during the year-to-date period by category. The term revenues include total charges for services, whether received or receivable.
2. Total columns C through E to determine "Total Revenue" and insert the results on line 210.
3. Enter in columns C and E, lines 211 through 233, all expenditures for the year-to-date period by account series totals as reflected on pages 1 through 5.
4. Total columns C and E, "Total Expenditures" and insert the results on line 234.
5. The following directions are used to allocate costs between column C (Public school placements) and column D (Private placements) from column E (Total). Multiply line 234, column E (Total) by the private placement percentage on page 6, line 4, column B. Insert the result in column D, line 235 and insert the same amount as a negative number in column C, line 235. For instance, if line 234, column E was \$100,000 and the percentage on page 6, line 4, column B is 15%, then \$15,000 would be inserted into column D, line 235 and a negative (\$15,000) would be inserted into column C, line 235.

Add lines 234 and 235, columns C, D and E and insert the results on line 236, "Total Net Expenditures," by column. Subtract line 236 from the amounts listed on line 210, "Total Revenues" in columns C, D and E, and enter the results on the line "Excess (Deficit) Revenues Over Expenditures" by column. If the expenditures exceed revenues, the balance over expended must be bracketed to indicate a negative (deficit) balance.

A private school has the option of applying the private placement percentage on page 6, line 4, column B to each line separately (211 through 233). If a school chooses this option, line 235 will not be used and lines 234 and 236 will be the same.

6. Page 9, "Per Pupil Cost Computations" for a profit-making school.

- A) Enter on line 237, the Total Public School YTD Expenditures from page 8, line 236, column C. Multiply line 237 by line 238 (1.025) to determine the Total Public School YTD Expenditures and Surcharge and enter the amount on line 239.
- B) Enter on line 240, the Public School YTD ADE from page 7, line 3, column A. Divide line 239 by line 240 to determine the YTD Per Pupil Tuition Rate and enter the amount on line 241.
- C) Enter on line 242, the Enrolled Days for one pupil from page 7, line 2, column A. Divide line 241 by line 242 and enter the result on line 243. This amount is the YTD Per Diem Tuition Rate.
- D) Enter on line 244, the Tentative Per Diem Tuition Rate Charged which is the per diem rate the private school is charging the school districts for the school year.

7. Page 10, "Per Pupil Cost Computations" for a non-profit school.

- A) Enter on lines 245, 253 and 258, the Total Public School YTD Expenditures from page 8, line 236, column C.
- B) Multiply line 253 by line 254 to determine the Maximum Working Capital and enter the result on line 255.
- C) Enter on line 256, the prior year working capital balance from the previous year's June 30 audit report. Subtract line 256 from line 255 and enter the result on line 257, "Working Capital A." NOTE: Depending on the prior year working capital fund balance and the time period this report is prepared, the calculation of line 257, "Working Capital A" may result in a negative amount. A negative amount in "Working Capital A" will occur in the first three quarters of reporting (September, December, March) in a school with a prior year working capital fund balance close to the 15% maximum unless expenditures increase from the prior year. In these cases, the private school has the option of inserting a zero on line 246 "Add: Maximum Working Capital" in order to present an YTD Per Diem Tuition Rate based on the expenditures alone. However, the school's management must be aware that at year-end (June 30), if line 257 "Working Capital A" results in a negative amount, this amount must be deducted from the school's Total Public School

YTD expenditures to determine the YTD Per Diem Tuition Rate on this report and in the audited financial statements. See footnote (1).

- D) Multiply line 258 by line 259, Maximum Working Capital Percentage and insert the result on line 260, Working Capital B. Insert the lesser of lines 257 (Working Capital A) and 260 (Working Capital B) on lines 261 and 246. This may be a negative amount.
- E) Add line 245 and 246 and insert the result on line 247, Total Public School YTD Expenditures and Working Capital.
- F) Enter on line 248, the Public School YTD ADE from page 7, line 3, column A.
- G) Divide line 247 by line 248 and enter the result on line 249, the YTD Per Pupil Tuition Rate.
- H) Enter on line 250, the Enrolled Days for one pupil from page 7, line 2, column A.
- I) Divide line 249 by line 250 and enter the result on line 251. This amount is the YTD Per Diem Tuition Rate.
- J) Enter on line 252, the Tentative Per Diem Tuition Rate Charged which is the per diem rate the private school is charging the school districts for the school year.
- K) Please email pages 1 through 10 of the Financial Report to [doepssd@doe.state.nj.us](mailto:doepssd@doe.state.nj.us) and retain a copy for your files.