

MONTANA OFFICE OF PUBLIC INSTRUCTION TUITION HANDBOOK

Table of Contents

Definitions 4

Student Attendance in Montana Schools 4

 Determining the Residency of a Student 5

Out of District Attendance – FP-14 Student Attendance Agreements 5

Student Attendance Scenarios 6

 Mandatory 6

 Discretionary..... 6

 Causes for Denial 6

Tuition Policy 7

Tuition Payment Cycle 7

 Example of tuition cycle: 8

Tuition Rates..... 8

 Special Education Option Rates 9

 • Option A:..... 9

 • Option B:..... 9

 • Option C:..... 9

 • Programs Exceeding Average District Cost:..... 9

Tuition Forms – FP14.1, FP14.2, and FP14A 9

 • FP14.1 9

 • FP14.210

 • FP14A.....10

FP 14 – Out of District Attendance Agreement Flow10

Transportation11

Day Treatment Programs11

 Approved day treatment programs12

 ANB Calculation- not included in ANB12

 FP-15 Tuition Reimbursement – for state portion of ANB not received.....12

 Accounting Guidance – Day Treatment Facility.....12

 Special Case: Out of District Attendance and Day Treatment13

In District Special Education Permissive Levy Calculator13

 Calculation Options.....13



Maintenance of Effort.....14

Accounting Guidance – PRC Codes14

County or Reginal Detention Facility Payments14

 Accounting Guidance – County or Reginal Detention Facility14

Students Attending School Out of State15

FP-15 Tuition Reimbursement.....15

 Accounting Guidance - FP15.....15



Definitions

Discretionary Attendance – attendance outside the district of residence at the request of the child’s parent or guardian.

District of Attendance – the district in which the student is enrolling outside the resident school district. Sometimes know at District of Choice. The attendance may only be denied in accordance with [20-5-320, MCA](#).

District of Residence – the district the student would attend based on the location of the custodial parents’ primary residence.

Foster Care – care in a private residence licensed by the Department of Public Health and Human Services, including youth foster homes and kinship foster homes.

State Licensed Group Home – a youth group home licensed by the Department of Public Health and Human Services.

Tuition Per ANB Amount – the applicable per-ANB maximum rate plus the sum the per-ANB amounts of the instructional block grant and the related services block grant.

Student Attendance in Montana Schools

Students who meet the age, residency and enrollment requirements of a district are required to be admitted to a school within the district. However, parents, guardians, a state agency, the courts, or the resident school district, may feel that a student is better served in a non-resident school. Students enrolled in non-resident schools must have a tuition agreement in place prior to attendance. The non-resident district must charge tuition.

There is one group of students exempt from the requirements of tuition law. Students who meet the definition of homeless, as defined in the Stewart B. McKinney Homeless Assistance Act, are required to be admitted to a district, regardless of residence. An out of district attendance agreement may not be required, nor may tuition be charged, for these students.

Facilities will still be reimbursed by the OPI but districts are not legally obligated to pay as a student meeting the definition will not be able to be assigned a district.

More information can be found on our website on the [Education for Homeless Children and Youth Program - McKinney-Vento webpage](#).



Determining the Residency of a Student

The residency of an unmarried minor is determined by the residency of the student's parents. If the parents do not share the same residence (they are unmarried, divorced or one parent is away from the residence), the student's residence is that of the parent with primary legal custody. If the parental rights of the parents have been terminated, the residency of the student is determined by the address of the court that made the decision to terminate parental rights.

If the student is married, regardless of age, or 18 or older at the time of enrollment, the student's address is their legal residence. If the student is under 18 at the time of enrollment, but turns 18 during the school year, the student's residence remains that of the parent or court for the remainder of the school year (or the period of enrollment, whichever is shorter).

To determine the district of residence, use the [ArcGIS Map](#) to search the residence of the student and view the district which they fall into.

A student's District of Residence is determined according to [1-1-215, MCA](#).

Out of District Attendance – FP-14 Student Attendance Agreements

A parent or guardian of a student may choose to enroll a student outside of their resident district or in another state or province adjacent to the county of the child's residence. That enrollment is subject to approval by the District of Attendance. The District of Attendance directs the parent or guardian to complete an out of district attendance agreement in accordance with district policy.

The trustees of a district may enter into a tuition agreement with another district for the provision of educational programs not offered by the resident district, including Kindergarten or a grade 7-8 program, or for a student needing services not available through the resident district. The tuition agreement is initiated by the district of residence.

A student may be placed into a state-licensed group home by a parent or guardian or placed into foster care or a state-licensed group home by the state or a court. Foster care includes placement into a kinship home, youth shelter care facility, transitional living program, or youth assessment center. A group home must be licensed by the Department of Public Health and Human Services. Facilities licensed by the Department of Labor and Industry are not considered group homes for tuition purposes. The person making the placement is responsible for completing an out of district attendance agreement with the appropriate school official.



Student Attendance Scenarios

Mandatory

- The student resides closer to an out of district school, more than 3 miles from the resident school, and the resident district does not provide transportation.
- The student resides in a location where, because of geographic conditions, it is impractical to attend school in the resident district as determined by the county transportation committee using the following criteria:
 - a bus trip in excess of 1 hour for an elementary child.
 - greater than 40 miles on a dirt road or 60 miles total one way from the child's home to school.
 - the existence of a geographic barrier, such as a river or mountain, that poses a safety hazard for travel between home and school.
- The student is a member of a family required to send a high school student to another district, and the family lives more than 3 miles from the resident district elementary school.
- The student is a member of a family required to send an elementary student to school in one unified district and to high school in a different unified district, and the family lives more than 3 miles from the resident district high school.
- The student is under the protective care of a state agency or has been adjudicated to be a youth in need of intervention or a delinquent youth.
- The student is required to attend school outside of the district of residence as the result of placement in foster care or a group home licensed by the state.

Discretionary

- A parent or guardian wishes to enroll a student in a district or state adjacent to the county of the student's residence.
- Agreement between districts to provide educational offerings not provided by the resident district, such as Kindergarten or 7-8 programs.
- Any other agreement between districts to provide regular or special education services to students.

Causes for Denial

The trustees of the district of attendance shall approve the application unless the trustees find that the impact of approval of the application will negatively impact the quality of education for resident pupils by grade level, by school, or in the district as a whole, in one or more of the following ways:

The approval would result in exceeding limits of:

- Building construction standards pursuant to Title 50, chapter 60.
- Capacity and ingress and egress elements, either by individual room or by school building, of any fire code authorized by Title 50, chapter 3.
- Evacuation elements of the district's adopted school safety plan.
- The approval would impede meeting goals, standards, or objectives of quality that the trustees have previously adopted in a plan for continuous educational improvement required under rules adopted by the board of public education.



- The approval would risk jeopardizing the educational quality within the district because the nonresident child who is applying was:
 - Truant in the last school district attended.
 - Expelled by another school district at any time; or
 - Suspended in another school district in any of the 3 school fiscal years preceding the school fiscal year for which attendance is requested. This section does not apply to a student who is eligible for special education or related services.
- The trustees of a district that receives more applications than the district can accommodate.

[20-5-320, MCA](#) and [20-5-321\(4\), MCA](#).

Tuition Policy

The trustees of a school district may approve or disapprove an out of district attendance agreement consistent with Montana law and the policy adopted by the local board of trustees for out of district attendance agreements. Every district, regardless of whether or not they have students in attendance situations, should have a tuition policy.

The Office of Public Instruction does not have sample policies available to districts. Trustees should contact the Montana School Board Association or their own district counsel for advice in drafting and adopting a tuition policy.

A district may create their own forms for tuition, in addition to the FP-14, which is required to be completed for every tuition student.

Tuition Payment Cycle

Tuition rates are based on the number of days the student is enrolled in the district. If the student does not attend a full year, the tuition is prorated. The total tuition charge is calculated by dividing the number of days the student is enrolled (not attended) by the number of scheduled pupil instruction days in the District of Choice for the year of attendance.

The appropriate tuition amounts to be paid between the two districts is calculated after the current year general fund budget has been adopted. The rates will be published on the OPI website at [Tuition and Attendance](#).

The District of Residence is required to pay the tuition amount in accordance with [20-5-323, MCA](#). Half of the tuition must be paid by December 31st in the year following attendance and the remainder by June 15th of the school fiscal year following the year of attendance. Tuition payments are paid after the submission deadline is completed in MAEFAIRS, all tuition claims must be submitted no later than June 30th following the year of attendance.



Example of tuition cycle:

- March 2024 to July 2024 open enrollment for the parent/guardian to request attendance of student in an out of district school. Each district should have this open enrollment period clearly defined in the district policy.
- July 2024 to June 30, 2025 District of Attendance begins entering all accepted out of district FP14s into the tuition application in MAEFAIRS.
- June 30, 2025 - Last Day to enter FP14 to the tuition application in MAEFAIRS.
- By July 15, 2025 – District of Attendance must send an invoice to the District of Residence for the total tuition amount.
- July 15, 2025 to August 15, 2025 - Districts of Residences now have the amount needed to pay the tuition obligation for their students attending schools out of district. This total amount can be levied using the tuition permissive levy and used to pay tuition obligations. Districts may also use the district's general fund or any other legally available fund in the discretion of the trustees to pay tuition costs. Any costs associated with transportation can be paid from the transportation fund, general fund, or any other legally available fund in the discretion of the trustees.
- By December 31, 2025 – District of Residence sends the first half of the tuition owed to the District of Attendance.
- By June 15, 2026 – District of Residence sends the second half of the tuition owed to the District of Attendance.

Tuition Rates

Montana law states all school districts must charge tuition for out-of-district students. Tuition is required to be paid by all districts for approved attendance agreements under [20-5-320, MCA](#).

Tuition rates are calculated based on the formula provided in [20-5-323, MCA](#). The District of Residence shall pay the District of Attendance the lower of the percentage of either school district's adopted general fund budget, not to exceed 35.3%. For example, if the District of Residence is 35.3% and District of Attendance is 15.5%, the District of Residence will pay 15.5% of the tuition per-ANB amount for the year of attendance.

Special tuition rates may be added to the regular tuition rate, above, if the child has a disability or is a student without a disability who requires a special program with costs that exceed the average district cost.



Special Education Option Rates

There are 4 different calculations for special tuition rates:

- **Option A:** The Option A tuition rate is based upon the hours of services required per week in a student's Individualized Education Program (IEP). A minimum of 15 hours per week is required for this calculation. The special rate is determined by dividing the number of hours per week required in the IEP by 30, then multiplying the result by the regular tuition rate $((x \text{ hours per week} / 30 \text{ hours}) \times (\text{regular tuition}))$.
- **Option B:** The Option B tuition rate is based upon the services provided to a student with an IEP. The costs are for special education and related services unique to the student (including one-on-one staff, specialized equipment and supplies), excluding the cost of removal of architectural barriers, costs of ordinary special education services, including teacher salaries and benefits, and costs of equipment and supplies commonly used in special education programs.
- **Option C:** The Option C tuition rate is applied to specific school district programs providing services for students with incidence disabilities, including programs allow out of district enrollment specifically for the program. The rate is determined by calculating the total cost of the program and dividing by the average number of students expected to participate in the program for the following year. The application of this rate requires the prior approval of the OPI.
- **Programs Exceeding Average District Cost:** The Programs Exceeding Average District Cost rate is for students without disabilities that have higher educational costs than the average cost for other students in the district. The maximum tuition rate paid under this option may not exceed \$2,500.

The total cost of a student's program under Option B and Option C rates are reduced by 120% of the maximum tuition per-ANB amount. Option A, B and C rates are paid in addition to the regular rate for a student's year of attendance. To apply for the extra costs, use the FP14A form and attach it to the out of district agreement (FP14.1 or FP14.2).

Tuition Forms – FP14.1, FP14.2, and FP14A

- **FP14.1** – use this out-of-district tuition form for all discretionary and mandatory tuition students. For discretionary attendance with no extenuating circumstances, the parent/guardian requests the form from the district of attendance. It is filled out by the parent/guardian and returned to the clerk of the district. The clerk of the district is responsible for routing the form to the correct entities. The first step for the approval process is for the district of attendance board hold a board meeting to approve or disapprove all out of district attendance agreements. If the attendance agreement is approved, it is sent to the district of residence for signature. The district clerks sends an approved and signed copy of the FP14.1 to the county superintendent of the district of resident and district of attendance, and the Office of Public Instruction. If the attendance agreement is not approved it is sent to the parent/guardian with the cause for denial. The parent may appeal the decision to the County Superintendent for the district of attendance. The approved FP14.1 is then entered into the MAEFAIRS tuition application.

If the tuition agreement is for mandatory attendance per [20-5-321, MCA](#), it is sent to the district of residence for acknowledgement/approval. When the signed form is returned to the district of attendance the district clerk sends a copy the to the county superintendent of the district of resident and district of attendance, and the Office of Public Instruction.



- [FP14.2](#) – is to be used if the student is placed in a group home or foster care by a state agency or court. The form is not signed by the parent or guardian but by the representative of the state agency or court.
- [FP14A](#) – in some circumstances a student that is placed into a district may have additional needs that require additional funding. Use this form to detail the costs of providing an education that are above the average cost of education. This form is then attached to the FP14.1 or FP14.2 to allow the district of residence to include these costs in the permissive tuition levy.

FP 14 – Out of District Attendance Agreement Flow

Every student attending school outside their resident district must have a signed FP-14 Student Attendance Agreement on file with the District of Attendance. The agreement should be completed before the student's first day of attendance. The agreement must be approved and signed by the chair of the district's board of trustees. The District of Choice must then send a copy of the approved agreement to the student's resident district.

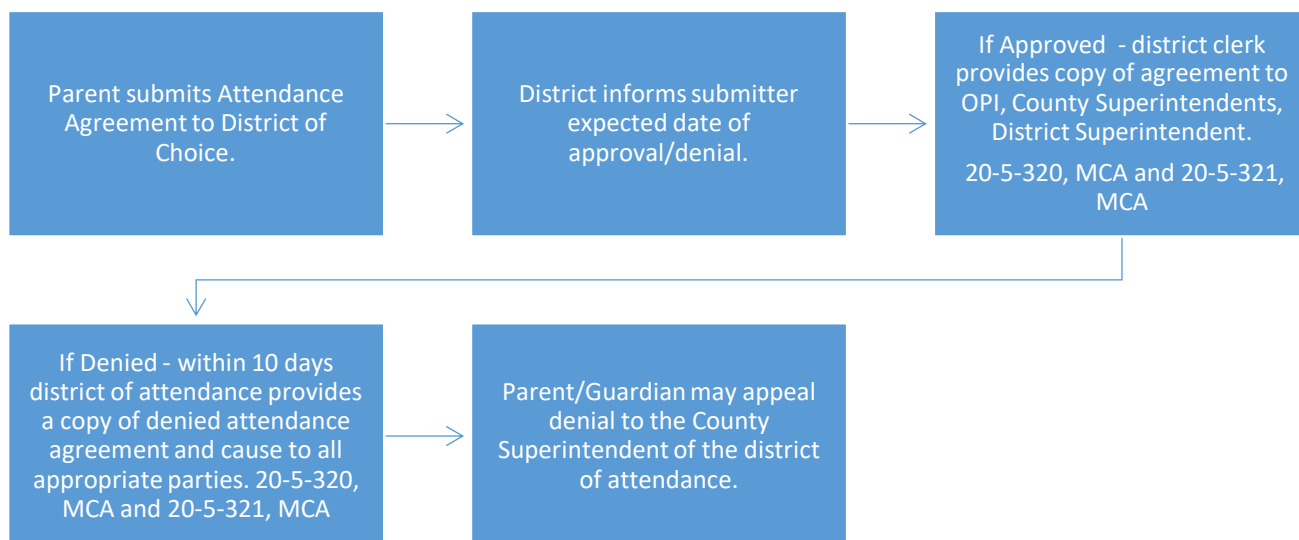
The District of Residence should acknowledge the agreement and return a copy to the District of Choice.

Students with disabilities or in programs with above average costs may also have an FP-14A Special Tuition Rates form completed. An extra tuition payment may be calculated for students who meet the requirements. However, parents may not be charged additional tuition for students with disabilities, only another district or the state.

Parent submits Attendance Agreement to District of Choice.

- District informs submitter of the expected date of approval/denial.
 - District approves/denies the agreements in accordance with [20-5-320, MCA](#) and [20-5-321, MCA](#).
 - If Approved - provide copy of agreement to OPI, the County Superintendents, and the District Superintendent.
 - If Denied - within 10 days district of attendance provides a copy of denied attendance agreement and cause to all appropriate parties.
 - ❖ Parent/Guardian may appeal denial to the Count Superintendent of the district of attendance.





Transportation

Transportation is discretionary. If a parent chooses to send their child to a district of choice, it is the parents' responsibility to provide transportation. If transportation is included in the attendance agreement, details must be outlined. Payment is determined as follows:

- A set dollar amount per mile.
- Over-schedule costs.
- Reimbursement under a TR-4 Individual Transportation Contract.

Tuition receipts are credited to the district's Transportation Fund (10). [20-5-323, MCA](#).

Day Treatment Programs

Students attending day treatment programs require special consideration. Several factors influence how these students are enrolled in the district, whether or not they are counted for ANB, and how their educational program is funded. Those factors include:

- The program the student is enrolled in.
- Whether or not the student has an IEP; and
- If the school is either providing the educational services or paying for them.



Approved day treatment programs

The following programs are considered private, non-sectarian day treatment programs for the purposes of tuition:

- AWARE, Anaconda (operated in conjunction with the school district).
- Intermountain, Helena and Kalispell.
- Youth Dynamics, Boulder and Bozeman (Bozeman is operated in conjunction with the school district).
- New Day, Billings.
- Yellowstone Boys and Girls Ranch, Billings (the elementary is public school, the high school is private therefore only high school qualifies).

ANB Calculation- not included in ANB

Students placed in private, non-sectarian day treatment programs cannot be included in a district's ANB calculation. If the district of attendance is paying for the student using the tuition fund, the student must have an enrollment in the district of attendance but needs to be marked EXCLUDE from ANB in Infinite campus for the Fall and Spring count dates. The student would possibly qualify for FP-15 Tuition Reimbursement, see the next section.

FP-15 Tuition Reimbursement – for state portion of ANB not received

Districts may apply for an FP-15 tuition reimbursement for resident students attending private, non-sectarian day treatment programs under an approved IEP in the previous school year. The request must be submitted no later than June 30th following the student's year of attendance. The request must include a copy of the tuition invoice from the day treatment program and a completed FP-15 Tuition Report. The payment to districts will be the lesser of:

- The state portion of the per-ANB entitlement for which the district would have been eligible if the student had been enrolled in the resident district in the prior year; or
- The district's actual payment of tuition or fees for the service for the student in the previous year.

Accounting Guidance – Day Treatment Facility

Tuition reimbursements paid under an FP-15 are deposited into the district tuition fund and must be used by the district to pay obligations for resident students attending public schools out of state and for resident students attending day treatment programs under an IEP at private, non-sectarian day treatment programs at district expense.

All students attending private, non-sectarian day treatment programs must be excluded from ANB. However, students who do not have an IEP are ineligible for a tuition reimbursement and the district may not use the tuition fund to pay the tuition charges. Regular education student programs are financed from the General Fund (01) or any other legally allowed fund.



Special Case: Out of District Attendance and Day Treatment

A student may be placed in a group home or foster home outside their district of residence. The district where the student is placed may decide that the student is best served in a private, non-sectarian day treatment program. In that instance, the District of Choice retains the enrollment, but does not collect ANB for the student. The District of Choice completes a Student Attendance Agreement and is eligible to receive state-paid tuition for the student. The resident district is responsible for the payment of the educational fees for the day treatment program, is eligible for an FP-15 Tuition reimbursement, and may use the Tuition Fund (13) to pay the cost (provided the student was placed pursuant to their IEP).

In District Special Education Permissive Levy Calculator

A provision added in the 2013 legislative session allows districts to use their tuition fund to pay the full costs of providing a free appropriate public education to any resident student with a disability. The amount of the levy is limited to the actual cost of service under the student's IEP, minus the following:

- a. The student's state special education payment.
- b. The student's federal special education payment.
- c. The student's per-ANB amount.
- d. The prorated portion of the district's basic entitlement; and
- e. The prorated portion of the district's general fund payments (the quality educator payment, the at-risk student payment, the Indian education for all payment, and the American Indian achievement gap payment).

To assist districts in calculating the levy amount, the OPI has developed a spreadsheet. Districts enter their LE number and the total cost of the student's educational program. The spreadsheet prorates the payments and subtracts them from the total program cost.

Calculation Options

Districts have two options for calculating their tuition levy:

- Districts may levy in the year of enrollment, using the In-District Special Education Permissive Levy Calculator. Both the cost and the levy amount are estimated. Districts expend the calculated amount from the tuition fund and the remainder from the general fund (or any other allowed fund). At the end of the year, the district calculates the actual cost and re-calculates the levy amount. If the final levy amount is less than what was estimated, lower the total tuition levy by the difference in the next fiscal year. If the final levy amount is more than what was estimated, the district has the option to increase the levy in the next year for the difference.
- Districts may take an interfund loan to cover the costs estimated using the In-District Special Education Permissive Levy Calculator. Districts expend the calculated amount from the tuition fund and the remainder from the general fund (or any other allowed fund). At the end of the year, the district uses actual cost to generate a levy amount for the next fiscal year and pays back the interfund loan from the prior year.



The district may levy for both the prior year and the current year at the same time. However, districts should be aware of the overall impact the permissive levy will have on taxpayers. Districts may also opt to only levy a portion of the calculated levy amount if they so choose.

Maintenance of Effort

Expenditures with a 280 Program Code from the Tuition Fund (13) are included in the Maintenance of Effort calculation. **Districts should not use the permissive levy as a means to increase overall special education expenditures.** It is intended to help districts pay for the costs of high needs special education students without sending them outside their resident district for services.

Accounting Guidance – PRC Codes

Though not required, districts are encouraged to use a Project Reporter Code (PRC) for each student a levy is requested for in order to track expenditures from the tuition and general (or any other allowed) funds. Check with your auditor to find out what additional documentation they may require.

County or Regional Detention Facility Payments

A student who has been placed in a county or regional detention facility is not eligible for ANB, even if the district contracts with the facility for the provision of educational services. See [20-9-130, MCA](#) and [41-5-1807, MCA](#) for more Information. Youth detention facilities in Montana are:

- a. Missoula County Juvenile Detention Facility (Missoula)
- b. Flathead County Juvenile Detention Facility (Kalispell)
- c. Richland County Juvenile Detention Facility (Sidney)
- d. Cascade County Juvenile Detention Facility (Great Falls)
- e. Troy Juvenile Detention Facility
- f. Ted Lechner Youth Services Center (Billings)
- g. RYO Juvenile Facility (Great Falls)

Accounting Guidance – County or Regional Detention Facility

A youth detention facility may charge a student's resident district \$20 per day for each youth detained more than 9 consecutive days during a school year, [41-5-1807, MCA](#). The bill for educational services must be sent to the district no later than June 30th. The district must pay the bill no later than July 15th. Districts may use the tuition fund to pay youth detention bills.



Students Attending School Out of State

Students attending school out of state at district expense are eligible for a tuition reimbursement under the provisions of an FP-15. The amount of daily tuition for a child attending public school in another state may not be greater than the average annual cost for each student in the child's district of residence. This calculation is determined by totaling all of the expenditures for all of the district budgeted funds for the preceding school fiscal year and dividing that amount by the October enrollment in the preceding fiscal year.

FP-15 Tuition Reimbursement

Districts may apply for an FP-15 tuition reimbursement for resident students attending schools out of state, at district expense, in the previous school year. The request must be submitted no later than June 30th following the student's year of attendance. The request must include a copy of the tuition invoice from the out of state school and a completed FP-15 Tuition Report. The payment to districts will be the lesser of:

- The state portion of the per-ANB entitlement for which the district would have been eligible if the student had been enrolled in the resident district in the prior year; or
- The district's actual payment of tuition or fees for tuition in the previous year.

Accounting Guidance - FP15

Tuition reimbursements paid under an FP-15 are deposited into the district tuition fund and must be used by the district to pay obligations for resident students attending public schools out of state, for resident students attending day treatment programs under an IEP at private, non-sectarian day treatment programs at district expense.

