# Tuition for Nonresident Students of Albemarle County Employees

This study and report on nonresident tuition has been conducted at the request of the School Board to analyze a benefit or cost (it depends on the perspective) for nonresident employees of Albemarle County schools. Our School Board has long recognized that there are extenuating circumstances that impact a parent's residence in relationship to his or her child's school attendance. As a result, the Board offers nonresidents with exceptional circumstances the opportunity to apply for enrollment in the division for tuition depending on these circumstances, one of which is employment with the County and County Schools.

## Policy

In accordance with ACPS School Board Policy, JEC, Part III, the Albemarle County School Board may accept children of persons employed on a full-time basis by the Albemarle County School Division, CATEC, or Local Government (defined as persons employed exclusively by Albemarle County Local Government in approved budgeted full-time positions that are part of the regular County work force) who reside outside Albemarle County on a half-tuition basis, depending on space availability, provided such students meet admission requirements and require educational services that can be provided by the staff of the Albemarle County School Board in its existing facilities and utilizing its existing programs and services.

Eligibility for consideration does not signify acceptance of the admission application of a student. Each application for admission will be considered on an individual basis and is valid for one academic year only. The request must be resubmitted and approved annually. Approval depends on enrollment capacity, county growth patterns, class openings, and/or services available.

Admissions cannot and will not be guaranteed at a specific school from year to year. The School Division will assign a child to a school based entirely on a space availability, but will try to assign the child based on school preference.

## Procedure for Admission

The following procedure shall be followed for application and review of applications for admission of nonresident students.

The eligible student's parent or guardian shall apply for admission on behalf of his/her child by completing the school division application. The application form shall contain information and agreements including, but not limited to:

1. the current legal residence of the child and the school division in which he/she is currently enrolled;

2. the basis for requesting admission;

3. the school or schools of interest;

4. the agreement that the student becomes subject to all policies, regulations and guidelines of the school division, including the Albemarle County Student Code of Conduct; and

5. any additional requirements listed in the administrative procedures.

Applications for nonresident students will be considered in order received, i.e. first come first served. Applications of those students who meet Albemarle standards will be approved to the extent that class openings and/or services are available. Applications are to be made between March 1 and May 1 of the preceding school year. The school division Superintendent or his/her Designee will act upon the application. Any student accepted on a tuition basis will not be enrolled in the Albemarle County Public Schools before the receipt and approval of school records from the student's previous school.

## Tuition

Tuition for elementary (K-5) and secondary (6-12) school students will be based on local cost and shall be set by the division Superintendent or his/her Designee for each academic year. The tuition for the first child will be half of the local cost and the tuition for each additional child will be one-fourth of the local cost. The current local cost for each child for 2011-12 is $8,767. A non-refundable fee of $50.00 must accompany the application. No application will be considered without the accompanying fee. Tuition will be based upon semester attendance and may be paid in monthly installments using payroll deduction or monthly checks. Tuition may also be paid in full at the beginning of the year or half paid at the beginning of each semester.

## Current Enrollment of Nonresident County Employee Students

- 15 students at full tuition (1/2 of the local cost) x $4,383.50 = $65,752.50
- 2 students who are second and third children x $2,191.75 = $4,383.50

It is estimated by our Finance Department that for each new student we bring in through this benefit, we are receiving approximately *$1,000 in additional state funding.

Currently without accounting for Federal dollars (they make up only 2.27% of our total revenue) ACPS is expending $149,039.00 in local dollars for these students and receiving $87,135.50 in tuition and state funding for a funding deficit of $61,904.

## Benefits Research

With regard to internal benefits research, we found that 78% of our employees are in favor of or ambivalent toward providing a benefit to other employees for which they are not eligible, as long as it does not impact them. In recent market benefits research, we found that of the 26 localities represented in our competitive employment market, 23 offer enrollment in the school division for nonresident employee families. Thirteen offer this enrollment free of tuition. The results of the research are summarized in the table accompanying this report: “2011 Non-resident Employee Tuition Policy for the Competitive Market.” Along with the policy status for each locality, we have included the local composite index and tax rate.

## Survey Research

To study the impact of changes to our current policy, Human Resources, DART, and the Finance Department developed a survey for County and School Employees. The survey was sent out to all staff via a link in a direct e-mail during a window lasting from September 2 through September 9, 2011. Results included here represent the employees with school-aged children who responded.

Responses from Resident Employees with Children

We included the following two items so the Board could estimate the impact on resident employees of reducing or eliminating tuition for nonresident employees. Would employees currently residing in the County move outside the County if the policy changed?

- Employees with school-aged children who reside inside Albemarle County responding to the survey.

| Role | Number | % |
|---|---|---|
| Administrative | 36 | 13 |
| Certified | 167 | 59 |
| Classified | 47 | 16 |
| Locale Govt. | 35 | 12 |
| Total | 285 | 100 |

- If the tuition fee for students who live outside the County, but attend an Albemarle County School were reduced or eliminated, would that have an impact on where you choose to live?

| Answer | Number | % |
|---|---|---|
| No, tuition for schools is not a deciding factor | 153 | 54 |
| Not sure | 57 | 20 |
| Yes, I might consider moving outside Albemarle County | 75 | 26 |
| Total | 285 | 100 |

Responses from Nonresident Employees with Children

We expend without replacement approximately ***$8,800 (round figure) for each regular education child we bring in from outside the County. We spend this amount from local dollars that are not replaced by local revenue. We gain approximately *$1,000 per child from the state for each student we add to our average daily membership.

As result, for each regular education child we allow to attend we both gain *$1,000 from the state and lose ***$8,800 from local funds for a net loss of $7,800 from what we can spend across all the students in the school system.

- 171 nonresident employees with school-aged children responded.
- The “average” employee residing outside the county taking the survey has 1.75 children. The range was from 1 to 4.

Assuming that the original 17 families that are currently receiving this benefit are part of the survey, the impact of reducing or eliminating the fee is estimated by responses to the survey below. This is one way to look at the scenario and project the impact of a policy change in terms of current fees.

The table below creates an estimate of the financial impact for the County in reducing or eliminating the ½ tuition fee charged to nonresident employee families.

| Amount you would pay | Number of Families Indicating Willingness to Pay | Estimated Number of Children at average of 1.75 | Fee amount collected at highest amount in range of "Amount you would pay" | What we would receive from the state based on an estimate of *$1,000 per additional child. | Total Revenue | Estimated Expenditure based on cost of ***$8,800 per child. | Net loss in funding across all students in the county. |
|---|---|---|---|---|---|---|---|
| $0 | 151 | 264.25 | $0 | $264,500.00 | $264,500.00 | $2,325,400.00 | $2,060,900.00 |
| $1 - $500 | 100 | 175 | $87,500 | $175,000.00 | $262,500.00 | $1,540,000.00 | $1,277,500.00 |
| $501 - $1000 | 66 | 115.5 | $115,500 | $115,500.00 | $231,000.00 | $1,016,400.00 | $785,400.00 |
| $1001 - $1500 | 32 | 56 | $84,000 | $56,000.00 | $140,000.00 | $492,800.00 | $352,800.00 |
| $1501 - $2000 | 14 | 24.5 | $49,000 | $24,500.00 | $73,500.00 | $215,600.00 | $142,100.00 |
| $2001 - $2500 | 7 | 12.25 | $30,625 | $7,000.00 | $37,625.00 | $107,800.00 | $70,175.00 |
| $2501 or more **($3,000) | 5 | 8.75 | $15,000 | $5,000.00 | $20,000.00 | $44,000.00 | $24,000.00 |

*Based on projections from the Finance Office.

**Used for calculation since the dollar amount on the survey didn't have a final amount.

***This estimate applies only to regular education children and not to children with special needs, such as an IEP.

Another way to estimate of the financial impact for the County in reducing or eliminating the ½ tuition fee charged to nonresident employee families is to use marginal cost analysis.

| Amount you would pay | Number of Families Indicating Willingness to Pay | Estimated Number of Children at average of 1.75 | Fee amount collected at highest amount in range of "Amount you would pay" | What we would receive from the state based on an estimate of *$1,000 per additional child. | Total Revenue | ***Teacher FTE expended with the assumption of one teacher added per 15 students. | ***Admin & Support Expenditure (transportation not a factor) with the assumption of $15,000 per 40 students. | ****Marginal Net Cost |
|---|---|---|---|---|---|---|---|---|
| $0 | 151 | 264.25 | $0 | $264,500.00 | $264,500.00 | $1,105,000.00 | $90,000.00 | **$930,500 (cost)** |
| $1 - $500 | 100 | 175 | $87,500 | $175,000.00 | $262,500.00 | $715,000.000 | $60,000.00 | **$512,500 (cost)** |
| $501 - $1000 | 66 | 115.5 | $115,500 | $115,500.00 | $231,000.00 | $455,000.00 | $30,000.00 | **$254,000 (cost)** |
| $1001 - $1500 | 32 | 56 | $84,000 | $56,000.00 | $140,000.00 | $195,000.00 | $15,000.00 | **$70,000 (cost)** |
| $1501 - $2000 | 14 | 24.5 | $49,000 | $24,500.00 | $73,500.00 | $65,000.00 | $0 | **$8,500 (revenue)** |
| $2001 - $2500 | 7 | 12.25 | $30,625 | $7,000.00 | $37,625.00 | $0 | $0 | **$37,625 (revenue)** |
| $2501 or more **($3,000) | 5 | 8.75 | $15,000 | $5,000.00 | $20,000.00 | $0 | $0 | **$20,000 (revenue)** |

*Based on projections from the Finance Office.

**Used for calculation since the dollar amount on the survey didn't have a final amount.

***These estimates are based on figures presented by Mr. Kolezar, the Board Chair as projections at the School Board Meeting, November 10, 20111.

****This estimate applies only to regular education children and not to children with special needs, such as an IEP.

To estimate the interest levels of nonresident county employees, we asked respondents to indicate which school they would ask to enroll their child.

| Please indicate at which schools you might enroll your child(ren). Only check schools your child(ren) would be able to attend in the 2012-13 school year. | | | |
|---|---|---|---|
| **Responses** | **Count** | **%** | **Percentage of total respondents** |
| Agnor-Hurt ES | 9 | 5.70% | |
| Baker-Butler ES | 16 | 10.13% | |
| Broadus Wood ES | 9 | 5.70% | |
| Brownsville ES | 11 | 6.96% | |
| Cale ES | 25 | 15.82% | |
| Crozet ES | 4 | 2.53% | |
| Greer ES | 15 | 9.49% | |
| Hollymead ES | 12 | 7.59% | |
| Meriwether Lewis ES | 5 | 3.16% | |
| Murray ES | 7 | 4.43% | |
| Red Hill ES | 4 | 2.53% | |
| Scottsville ES | 7 | 4.43% | |
| Stone-Robinson ES | 24 | 15.19% | |
| Stony Point ES | 9 | 5.70% | |
| Woodbrook ES | 4 | 2.53% | |
| Yancey ES | 1 | 0.63% | |
| Burley MS | 12 | 7.59% | |
| Henley MS | 8 | 5.06% | |
| Jouett MS | 12 | 7.59% | |
| Sutherland MS | 4 | 2.53% | |
| Walton MS | 7 | 4.43% | |
| Community Charter MS | 1 | 0.63% | |
| Albemarle HS | 16 | 10.13% | |
| Monticello HS | 21 | 13.29% | |
| Murray HS | 2 | 1.27% | |
| Western Albemarle High School | 13 | 8.23% | |
| **Total Responses** | **258** | | **20% 40% 60% 80% 100%** |
| Multiple answers per participant possible. Percentages added may exceed 100 since a participant may select more than one answer for this question. | | | |

## Focus Group Meeting Notes

On the survey, we asked participants to provide an e-mail address if they were interested in participating in a focus group to discuss this issue. Based on this information, we invited all who indicated willingness an opportunity to attend a focus group meeting at 4:30 PM on October 20, 2011, at the ARC.

Twenty-five staff representing teachers, classified staff, and employees from both the school system and local government attended. Lorna Gerome and Matt Haas attended. Matt presented the data from the survey included in this report, and then we opened the floor to comments and questions. A great deal of discussion took place. We recorded notes from the meeting as the following highlights emerged, and this is not a comprehensive or detailed list. These highlights represent the comments of the focus group of employees only.

1. Communication around this policy is an area for improvement. Whether this is looked upon as a benefit or an expense for employees, the policy should be communicated early in the hiring process as part of our orientation. We should make the policy, the application process, and procedures more transparent and public.

2. We found that the majority of staff in attendance at this meeting bought homes outside the county before their children were school-aged and were not considering or in many cases aware of the fact that they would have to pay tuition for their children to attend school where they work.

3. We should consider the impact of this policy on the accomplishment of Goal 3 of our strategic plan to recruit, retain and develop a diverse cadre of the highest quality teaching personnel, staff, and administrators. While we do not have hard data, the policy may impact recruitment and retention.

4. Teachers and school staff whose children attend school in other localities are adversely impacted by commuting, variation in staff development and work days, variations in school hours, parent-teacher conferences, etc. These variances can make them less effective and may end up bringing on an unintended consequence for more expenditure for substitute teachers.

5. As children of teachers, classified staff, and County employees, these students add a different kind of value to our student population, and they bring in perspectives from other places.

6. Consider a “sliding scale” based on the family income of those applying for this benefit and its associate cost.

7. Several in attendance registered their vexation in regard to the fact that they live within sight of the “County line.”

8. Custody decisions and property locations blur the line of who is a resident and who isn't. One parent acknowledged the group for being honest and not attempting to foil the system by lying about their addresses.

9. Consider making this and other benefits options in a "cafeteria plan." One participant pointed out that he does not use the County health insurance, so his County contribution should be applied to his tuition amount.

10. Consider aspects of the policy and associated procedures that can be enhancements and options within the application and approval process to make it less adversarial and more user friendly. When employees have some choices, a policy is more amenable.

11. Overall, the group presented a desire to work in Albemarle County and to provide the experience of Albemarle's education program for their children. Circumstances varied in how they influenced these employee's decisions about residence. As with all of our employees, the staff at this meeting want to feel valued by the County in which they work.

Again, we greatly appreciated the time and discussion provided by participants in this focus group. Survey data is very useful, but face to face conversations and insights are invaluable.