

Office of Facility Schools Tuition Cost Rate System



History

State law has required school districts to pay tuition-related costs to facility schools since 1983. [H.B. \(House Bill\) 08-1204](#) From 1983 to 2019, facility schools itemized certain costs and expenses associated with special education services and submitted them to the Colorado Department of Education (CDE) for approval through a manual process. Once established, tuition rates required approval from the Colorado State Board of Education (SBE), and facility schools used the SBE-approved rates to bill school districts for services. With the exception of transitioning to electronic submission of tuition cost data beginning in 2020, this reporting process remained largely unchanged for more than 40 years.

In 2023, the Colorado Legislature enacted S.B. 23-219, directing CDE's Office of Facility Schools to convene stakeholders and a workgroup "to analyze and recommend changes to the methods used for calculating tuition costs for approved facility schools." The workgroup convened in July 2023 to review the existing process and develop recommendations. CDE presented these recommendations to the State Board of Education in early 2024, and the Board subsequently amended the ECEA rules to implement the changes. The new system was implemented during the 2024-25 school year.

The following information summarizes the updated system for calculating facility school tuition costs.

Overview of the New System and Its Development

The workgroup and stakeholders reviewed the strengths and limitations of the previous tuition cost process and recommended a new tiered system. Under this approach, CDE established categories of facility schools and assigned a tuition cost rate to each category based on student needs and the educational programming provided. Rates are derived from actual special education costs, including staff salaries, benefits, and related expenses such as professional development, assessments, and specialized equipment. Additional education costs, individualized add-on costs, and day treatment fees (as defined below) are not included in the tuition rate.

Tuition cost rates are effective from August 1 through July 31. CDE has established three categories of facility schools, each with a corresponding rate based on prior tuition cost data. The ECEA rules continue to require facility schools to submit annual actual-cost data to inform rate-setting, and the CDE may adjust rates as appropriate.

Newly approved facility schools are assigned a temporary or provisional tuition category for their first year. During this period, CDE monitors programming to ensure alignment with the assigned category and confirms the final designation after the first year.

New Terminology

Tuition Cost Rate: The tuition cost rate covers the additional costs of providing special education services in a facility school beyond those provided in general education. It includes salaries and benefits for instructional and support staff, as well as expenses for equipment, supplies, purchased services, professional development (including travel), transportation, and other related costs (e.g., student outings and admission fees).

Additional Education Costs: These are expenses not included in the tuition cost rate but necessary for general school operations. Examples include administrative and business services, facility-related costs (e.g., occupancy and maintenance), janitorial services, and non-instructional equipment and supplies. The ECEA rules refer to these as “indirect costs.” CDE annually determines the percentage of a facility school’s baseline funding allocated to these costs, capped at 15 percent of the assigned tuition cost rate.

Individualized Add-on Costs: These are additional special education supports and services based on individual student needs. Costs are negotiated and agreed upon between the facility school and the school district.

Day Treatment Fee: Treatment program costs are not included in the tuition cost rate and are determined on an individual student basis between the facility school and the placing school district.

Tiered Tuition Cost Rate System

The tuition cost system includes three categories, ranging from Category 1 (students with the lowest level of need) to Category 3 (students with the most intensive needs). Most facility schools are assigned to a single category; however, some may qualify for multiple categories if they offer distinct levels of programming. As categories increase, staffing levels and resource needs increase to support more intensive student needs.

Tuition Cost Rate Category 1

Category 1 facility schools serve students whose primary needs relate to serious emotional disabilities, as well as behavioral and mental health challenges. These students may have experienced trauma and may present with offense-specific behaviors, substance use issues, or criminogenic factors. Programming may include mental health services such as individual, group, and family therapy.

Some students may require individualized add-on services, such as speech-language therapy, occupational therapy, or dedicated adult support. These services are determined by the students' IEP and are not included in the tuition cost rate

The following facility schools are listed in Tuition Cost Rate Category 1 with a tuition cost rate of **\$151.00/day**.

- Bansbach Academy - Denver Children's Home
- Community Reach Center
- Hilltop Balanced Rock Community School
- J. Wilkins Opportunity School - Griffith Center
- Joan Farley Academy - Third Way Center
- Joan Farley Academy Lowry - Third Way Center
- Mount Saint Vincent
- North Greeley Academy - Alternative Homes for Youth
- Phoenix Academy - Southern Peaks (day treatment)
- Rocky Mountain Leadership School
- Shiloh House-Family Resource Pavilion
- Shiloh House-Littleton Campus
- Shiloh House-Longmont Campus
- Skyline Academy
- Tennyson Center for Children

Tuition Cost Rate Category 2

Category 2 facility schools serve students with one or more disabilities, including serious emotional disability, autism spectrum disorder, intellectual disability, and other behavioral or mental health needs. Many students have a history of trauma. Some students are instructed using the Colorado Academic Standards, while others work toward Extended Evidence Outcomes. Fewer than 80 percent of students require dedicated adult support. Programming

may include individual, group, and family therapy; Applied Behavior Analysis (ABA); independent living and transition skills; mental health services; and a lower student-to-staff ratio than Category 1 programs. Some students may require individualized add-on services, such as speech-language therapy, occupational therapy, or dedicated adult support. These services are determined by the students' IEP and are not included in the tuition cost rate

The following facility schools are listed in tuition cost rate Category 2 with a tuition cost rate of **\$220.00/day.**

- Austin Center for Exceptional Students (Exceptional Program)
- Bansbach Academy LIFE - Denver Children's Home
- Phoenix Academy - Southern Peaks (Residential)
- PRN for Families
- Rite of Passage Morrison Home (ROP)
- Shiloh Family Resource Pavilion (ASD classroom)
- TACT Englewood
- TACT Carbondale
- Tennyson Center for Children (ASPEN)

Tuition Cost Rate Category 3

Category 3 facility schools serve students with intensive needs, including intellectual and developmental disabilities, autism spectrum disorders, and other disabilities requiring support in functional communication and behavior. Many students have a history of trauma

These programs provide highly intensive services, reflected in low staff-to-student ratios, with 80–100 percent of students requiring dedicated adult support. Most students work toward Extended Evidence Outcomes. Programming may include therapy services, augmentative and alternative communication (AAC), Applied Behavior Analysis (ABA), independent living and transition skills, and mental health services.

Speech-language and occupational therapy are included in the tuition cost rate for this category. Additional individualized add-on services—such as dedicated adult support, art therapy, music therapy, or equine therapy—are determined through the student's IEP, included in the student's contract, and are not part of the tuition cost rate. For students whose IEPs do not require speech-language or occupational therapy, the associated portion of the daily rate may be adjusted accordingly.

The following facility schools are listed in tuition cost rate Category 3 with a tuition cost rate of **\$314.00/day.**

- Austin Center for Exceptional Students (Rising Stars)
- Elevation Ability Services
- Handprints Academy
- Havern Autism Program
- Joshua Early Childhood Center
- Joshua School Boulder

- Joshua School Englewood
- Laradon
- Learning Zone – Real Life Colorado
- Monarch Academy
- Natural Supports
- Roundup Fellowship School
- Serenity Education
- Spectra Centers, Inc.
- Willow Academy

Annual Review of Rate Increase

Tuition cost rate increases are based on CDE's analysis of the Consumer Price Index (CPI) and projected state budgets for the upcoming fiscal year. The CPI is typically established in January. In April, CDE's Chief Financial Officer uses the CPI and budget projections to determine proposed rate adjustments. Final decisions are made in May following passage of the state's long bill. The State Board of Education then annually reviews and formally approves tuition cost rates in June or July.

Tuition Cost Rate Review Process

Tuition cost rates are reviewed annually and may be adjusted based on the Consumer Price Index (CPI). Final rates are approved by the State Board of Education.

Categorization Process

Facility schools may apply to the Office of Facility Schools for reconsideration of their tuition cost category. Determinations are based on the Tuition Cost Category Rubric. Significant program changes may initiate a review and potential recategorization.

New Facility School Process

Newly approved facility schools are assigned a temporary or provisional tuition category for their first year. During this period, CDE monitors programming to ensure alignment with the assigned category and confirms the final designation after the first year.

Contact

For further information, please contact:
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720-557-0618

Tuition Cost Category Rubric

Criteria	Category 1	Category 2	Category 3
Students	Some students have an IEP	Most students have an IEP	All students have an IEP
Focus of program	The primary challenges of students are emotional, behavioral, mental health, or medical	Many students may have more than one disability, including autism spectrum disorders and/or cognitive impairments	Most of the students have more than one disability, including autism spectrum disorders and/or cognitive impairments, and/or use AAC devices
Special Services	Speech/OT are provided by contracted therapists or school district personnel	Speech/OT may be provided by contracted therapists or school district personnel or may be provided by agency	Speech/OT are provided by agency-paid therapists or agency-paid contracted therapists
Dedicated adult support	Very few students require dedicated adult support	Less than 80% of students required dedicated adult support	80-100% of students require dedicated adult support
Student to classroom staff ratio	Student to classroom staff ratios are equal or greater than 8 students to 1 adult	Student to classroom staff ratios are 6 students to 1 adult.	Student to classroom staff ratios are typically less than 6 students to one adult.
Day treatment/residential only (does not include specialized day schools)	The program offers individual and family therapy, affective education, and trauma-informed care	The program may offer individual, group therapy, and affective education trauma-informed care	The program offers a therapeutic milieu, affective education, and trauma-informed care
Standards/Instructional Support	All students utilize the Colorado academic standards. All students in grades 3-11 take the Colorado Measures of Academic Success (CMAS), PSAT, and SAT	Students utilize either the CO State Standards or the Extended Evidence Outcomes. In grades 3-11, take the Colorado Measures of Academic Success, PSAT and SAT or the Colorado Alternate Assessment (CoALT)	The majority of students utilize the Extended Evidence Outcomes; most students take the Colorado Alternative State Assessment (CoALT)

Tuition Cost Breakdown:

This information must be included on the front page of the agreement between facility schools and school districts.

	Tuition Cost Breakdown	
Student Name:		Notes:
DOB:		
School District:		
Tuition Cost Category:		
Tuition Cost Rate:		
Additional Education Costs:		
Individualized Add-On Costs:		
Day Treatment Costs:		
Total Cost:		
The facility school will provide:		
<i>Service</i>	<i>Cost</i>	<i>Notes</i>
Speech Language Therapy		
Occupational Therapy		
BCBA		
Additional Adult Support		
Other _____		
Total for all facility provided services:		
The school district will provide:		
<i>Service</i>	<i>Cost</i>	<i>Notes</i>
Speech Language Therapy		
Occupational Therapy		
Transportation		
Translation Services		
Other _____		
Total for all district provided services:		

Sample Wording for Agreements between Facility Schools and School Districts

This contract is between **(School District of Jurisdiction)**, hereafter referred to as hereafter referred to as the District

AND

(Provider District/Facility) hereafter referred to as Provider to **(Student Name, DOB)** who resides at **(Address of student)** and attends school at **(Name and address of facility)**.

(School district of jurisdiction) is responsible under state and federal law for providing Special Education and related services to all identified children with disabilities who are residents of the District. Colorado Revised Statutes 22-20-107.5 (1981 cum. supp) defines residence to be within the district based on the residence of the child's parent/guardian. See the [Out of District Manual](#) (OOD Manual) regarding school district jurisdiction rules.

(Parent/Guardian Name and Address)

The District's local board of Education is empowered and charged to enter into agreements as needed with other public schools and/or other providers for the purpose of providing education services to children with disabilities.

The term of this contract is between **(admit date)** and **(end of the school year)**, and it is not to exceed the maximum number of school days approved by the Colorado Department of Education (CDE). Either party may terminate this contract with 30 days' notice upon mutual agreement or when the student is discharged from the program.

THE PROVIDER ASSURES AND PROVIDES:

- The District will be sent prior written request for IEP reviews, annual reviews, and meetings to determine ESY eligibility and transition services.
- Copies of current IEPs and reports/assessments will be sent to the District within 30 days of the IEP date.
- Billings for educational services will be sent to the District monthly based on enrollment and will include the Colorado Department of Education's approved base tuition rate.
- Final billing for contracts covering the regular school year will be mailed prior to **(date)**
- Any amendments to this agreement shall be in writing.
- A policy or policies of comprehensive general liability insurance acceptable to the District is/are in place at the provider's expense. Limits of liability are not less than **(\$150,000)** per person and **(\$600,000)** per occurrence. Proof of such insurance will be provided to the District upon request.
- The educational program meets the requirements of all applicable federal and state statutes and regulations.
- Policies and procedures are in place regarding procedural safeguards, confidentiality, non-discrimination, and due process, which are in accordance with all applicable federal and state statutes and regulations pertaining to the education of children with disabilities, anti-discrimination, and protection of family privacy rights.
- State and federal reporting information will be provided to the District on request.
- In the event the provider wishes to initiate a change in educational programming or placement, the provider will notify the appropriate agencies and the school district involved.

THE DISTRICT ASSURES AND PROVIDES

- Services will be paid within 30 days of invoice at the rates detailed above.
- **(Name, address, phone, email)** will serve as the District contact person, coordinate all payment processing or information requests regarding the child or this agreement, and assure compliance with all applicable federal and state regulations.
- The District will send copies of current IEPs and assessments to the provider within 30 days of receipt of the request.
- If the District places the students, the District shall provide transportation services or any services as determined by the IEP, including payment, scheduling, and providing proper supervision during the transportation of any student.

Declarations:

- Reevaluation meetings will be scheduled collaboratively by the District and the Provider.
- If a District representative cannot attend, he/she may request the IEP team meeting be rescheduled at a mutually agreeable time or delegate district representation to a member of the IEP team, and the District will abide by the decision.
- A draft copy of the IEP will be sent to the District for agreement.
- This agreement is not transferable, and the responsibilities of the school provider may not be reassigned without prior written consent of the District.
- In the event that the student's whereabouts are unknown for five (5) consecutive days, and the placement has been terminated, the provider will notify the District contact person, and this agreement will be temporarily suspended, including charges for tuition costs.

Agreement Regarding Dispute Resolution

In the event of any dispute or claim arising under or related to this agreement regarding the placement, manner of placement, or any costs accruing to either, the District and the Provider shall use their best efforts to settle such dispute or claim through good faith negotiations with each other. If the dispute or claim cannot be settled, the parties agree that the Commissioner of Education or the Commissioner's designee shall have the authority to review all such disputes and make a final written determination. The parties further agree that any such dispute shall not interfere with the provision of appropriate educational and educationally related services prior to the settlement of the dispute.

Authorized Signatures

School Provider

<u>Signature</u>	<u>Title</u>	<u>Date</u>
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District of Jurisdiction

<u>Signature</u>	<u>Title</u>	<u>Date</u>
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Tuition Cost Annual Financial Report

This is a screen shot of the cover page and instructions for the Tuition Cost Annual Financial Report. A fillable document will be sent via secure email in July and will be due on October 31 of each year.

Facility School Tuition Cost End-of-Year Report FY2025-2026 SPECIAL EDUCATION EXPENDITURES ONLY		
Agency Name:		
Name of Facility School:		
School Code:	#N/A	
End-of-Year submission:	Annual Financial Report (AFR)	Date of review (to be completed by CDE)
Date:		
Name of person completing this report		
Name:		
Phone No.:		
E-mail:		
Name of person to be contacted regarding report questions		
Name:		
Phone No.:		
E-mail:		
CDE Program Staff Contact:		
Name:	Lori Kochevar	
Email:	Kochevar_l@cde.state.co.us	
Phone:	720-557-0618	
Tuition cost rate category(s)		
Facility School is 100% special education		
Facility School % special education		
Report includes ALL facility school expenses		
PLEASE NOTE: This report is due no later than October 31 of each year.		

Cover page		
		Please enter the agency name, school name, school code, date, contact information, enter the tuition cost rate category (or categories); confirm yes or no that the facility school serves 100% special education students, if not 100% please enter the percent of special education students the facility school serves, confirm whether this report includes ALL facility school costs (special education, organization) or not. If your school is not 100% special education your report SHOULD NOT include all education costs. The expenditures reported in this report are special education only.
Expenses sheet		
		2 categories with associated expenses and codes, Instructional/Support and Administrative/Business/Operational - Chose from the drop-down menu for each and add descriptions and notes as needed - Be specific that the instructional/support expenses are for special education only - If your site serves 100% special education students please note that in the description column for clarity in amounts reported - you may also use the Narrative tab for additional information and explanation if necessary.
Summary sheet		
		Ensure all info from expenses sheet totals in the summary appropriately. Information entered in the Expenses tab will transfer to the summary tab - no data entry needed on this sheet.
Narrative sheet		
		Please provide any additional explanation necessary for expenses - especially those under the Administrative/Business/Operational category in relation to the #/% special education population and additional costs charged to school districts in contracts.
Accounting Codes Guidance		
0100	Salaries	Instructional and Administrative INSTRUCTIONAL - Amounts paid for personal services to both permanent and temporary school employees, including personnel substituting for those in permanent positions. Includes all Special Education Teachers, Speech-Language Pathologists, Para professionals, Library, School Nurse, OT, PT, School Psychologists, School Social Workers, Education Directors, Education Coordinators, BCBA's, IEP Coordinators, other school specific instructional/support staff. ADMINISTRATIVE - Amounts paid for personal services to both permanent and temporary facility employees. Includes K-12 Teachers not licensed in special education, personnel substitutes in these positions, school registrar, CEO, CFO, Office secretary, etc. ***Enter a pro-rated salary amounts for those staff shared across sites.
0200	Employee Benefits	Instructional and Administrative Amounts paid by the facility on behalf of employees; generally, these amounts are not included in the salary, but are in addition to that amount. Such payments are fringe benefit payments and, while not paid directly to employees, never-the-less, are part of the cost of personal services ***Enter a pro-rated benefit amounts for those staff shared across sites.
0300	Purchased Professional Services	Instructional Educational services which by their nature can be performed only by persons or firms with specialized skills and knowledge. While a product may or may not result from the transaction, the primary reason for the purchase is the service provided. Included are the services of teachers, OT/PT, BCBA, school psychologists, school social workers, school nurses, audiologists, and other positions with direct