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**TECHNICAL ASSISTANCE HANDOUT: CALCULATING  
ADMINISTRATIVE COSTS FOR ENROLLMENT AGREEMENTS**

In accordance with M.G.L. c. 255, § 13K, administrative costs cannot exceed fifty dollars or five percent of the contract price, whichever is less.

This means:

- If tuition for a program is greater than \$1,000, the maximum a school may charge for administrative costs is \$50.
- If tuition for a program is less than \$1,000, the maximum a school may charge for administrative costs is 5 percent (5%) of tuition. Please see the chart below for examples.

Tuition		Maximum Administrative Cost
\$ 12,560.00	=	\$ 50.00
\$ 10,275.00	=	\$ 50.00
\$ 7,550.00	=	\$ 50.00
\$ 4,358.00	=	\$ 50.00
\$ 1,000.00	=	\$ 50.00
\$ 950.00	=	\$ 47.50
\$ 900.00	=	\$ 45.00
\$ 825.00	=	\$ 41.25
\$ 735.00	=	\$ 36.75
\$ 510.00	=	\$ 25.50
\$ 335.00	=	\$ 16.75
\$ 265.00	=	\$ 13.25
\$ 125.00	=	\$ 6.25

Refer to the samples at the end of the Annotated Sample Enrollment Agreement for recommendations on how to document the administrative cost(s) directly onto the enrollment agreement. If the administrative cost is not preprinted on the enrollment agreement, then the school must submit to the Division a Schedule of Administrative Fees with its Enrollment Agreement calculating the 5% administrative cost for each program and course for which tuition is under \$1,000. If schools do not preprint administrative costs on the enrollment agreement, school staff must enter the correct amount onto the agreement prior to its execution.

