TEXTBOOK RENTAL COLLECTION

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Overview

1. Textbook Adoption & Funding
2. Textbook Invoice Financial Summary
3. Recommendation
4. Textbook Collections
5. Overview & Purpose
Textbook Adoption & Funding

Annual Cycle

01
- Textbook Selected
- Set Course Schedule
- Board Approval: Adoption

02
- Establish Textbook Fee Schedule
- Board Approval: Fees

03
- Bill Textbook Fees
- Process Education Benefit Assistance Forms
- Submit to IDOE for Reimbursement
- Collect Textbook Fees

Textbook Adoption is the precursor to creating a self-sustaining funding source for textbook purchases.
Textbook Invoice Financial Summary

School Year 2019–20
(as of 02.05.2020 across all district schools)

<table>
<thead>
<tr>
<th>Textbook Rental Invoices</th>
<th>8,120</th>
</tr>
</thead>
<tbody>
<tr>
<td>Textbook Rental Fees Billed</td>
<td>$543,594</td>
</tr>
<tr>
<td>Textbook Rental Fees Collected</td>
<td>$108,723</td>
</tr>
<tr>
<td>Textbook Fees Unpaid</td>
<td>$434,870</td>
</tr>
</tbody>
</table>

Unpaid textbook fees will remain unpaid without an additional incentive for families to pay or complete an Educational Benefit Assistance Form.
Recommendation

Recommend

Receivables Management Partners (RMP) provides collection services for school corporations, the most comparable districts being Fort Wayne and 7 districts in Marion County.

Board Approval

Recommend the Board approve RMP to pursue Phase 1 and 2 collection efforts of unpaid textbook rental fees for SY 2019–20 and future school years*

Collections

• Phase 1
  • Three notices are sent to families to collect unpaid 2019–20 textbook rental fees (in 5-letter series, the initial two letters encourage Educational Benefit Assistance Form return effort)
  • Phase 2
    • Ability to pay research
    • Additional outreach in the form of letters and phone calls

*Phase 3 is not included in recommendation. Phase 3 includes pursuit of collections in small claims court. After initial engagement for SY 2019–20 Phase 1 and 2, IPS will evaluate and consider recommendation of Phase 3 to the Board.
Receivables Management Partners

School Corporation Client List Includes …

- Pike Township
- Lawrence Township
- Monroe County Schools
- Fort Wayne Community Schools
- Wayne Township
- Warren Township
- Decatur Township
- Perry Township
- Franklin Township
The estimated cost of implementing Phase 1 (3-letter series) = $40,600 (8,120 unpaid invoices at $5 each)

Phase 2 costs 30% of collected textbook fees

There is an option for IPS to attach a $10 “cost to collect” fee to each outstanding account; this is a standard practice which offsets the cost of collection

Anticipate net collections for SY 2019–20 of approximately $250,000–$300,000 after Phase 1 and 2
## Textbook Collections

### SY 2019–20 Timeline: 3-Letter Series

<table>
<thead>
<tr>
<th>When</th>
<th>What</th>
<th>Who</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>Approve RMP to pursue unpaid textbook fees utilizing Phase 1 and 2 collections process</td>
<td>Board of School Commissioners</td>
</tr>
<tr>
<td>March</td>
<td>IPS submits unpaid list to RMP</td>
<td>IPS and RMP</td>
</tr>
<tr>
<td>March</td>
<td>First letter mailed (3-letter series begins)</td>
<td>RMP</td>
</tr>
<tr>
<td>April</td>
<td>Second letter mailed</td>
<td>RMP</td>
</tr>
<tr>
<td>April/May</td>
<td>Third letter mailed</td>
<td>RMP</td>
</tr>
<tr>
<td>May</td>
<td>RMP provides list of uncollected fees to IPS for initiation of Phase 2</td>
<td>IPS and RMP</td>
</tr>
<tr>
<td>June</td>
<td>RMP conducts ability-to-pay research and additional outreach via letters and phone calls</td>
<td>RMP</td>
</tr>
</tbody>
</table>
# Future Timeline: 5-Letter Series

<table>
<thead>
<tr>
<th>When</th>
<th>What</th>
<th>Who</th>
</tr>
</thead>
<tbody>
<tr>
<td>September</td>
<td>RMP to aid IPS with notifications of Educational Benefit Assistance Forms* (1st and 2nd letters)</td>
<td>IPS and RMP</td>
</tr>
<tr>
<td>March</td>
<td>IPS submits unpaid list to RMP</td>
<td>IPS and RMP</td>
</tr>
<tr>
<td>March</td>
<td>Third letter mailed (3-letter series begins)</td>
<td>RMP</td>
</tr>
<tr>
<td>April</td>
<td>Fourth letter mailed</td>
<td>RMP</td>
</tr>
<tr>
<td>April/May</td>
<td>Fifth letter mailed</td>
<td>RMP</td>
</tr>
<tr>
<td>May</td>
<td>RMP provides list of uncollected fees to IPS for initiation of Phase 2</td>
<td>IPS and RMP</td>
</tr>
<tr>
<td>June</td>
<td>RMP conducts ability-to-pay research and additional outreach via letters and phone calls</td>
<td>RMP</td>
</tr>
</tbody>
</table>

*RMP 5-letter series process adds $2 per unpaid account to process reminders to families. Estimated additional cost = $16,000 per year.
IPS implemented a Community Eligibility Program for its school lunch program in SY 2014–15.

Without an effective textbook collection process, the Educational Benefit Assistance Form is not completed and the district’s state-reported “poverty” index (FRL%) decreases, potentially not fully representing the needs of the students served.

Source: IDOE Compass
As a result of the recommendation to engage with RMP, the district will be able to:

- Generate funds necessary to contribute to sustainable financing of future textbook adoptions.
- Optimize mail return by validating address inaccuracy and increasing Educational Benefit Assistance Form delivery.
- Improve the district-reported free and reduced lunch percentage while participating in a Community Eligibility Program.