ILLINOIS STATE BOARD OF EDUCATION

April 17-18, 2002

Agenda Topic: Proposed Amendments - Part 140 (Calculation of Excess Cost Under Section 18-3 of the School Code)

Materials: Recommended Amendment

Staff Contact: Marcia Sailsbury

Purpose of Agenda Item

To present the proposed amendments for adoption.

Expected Outcome of Agenda Item

The Board’s adoption of the proposed amendments to Part 140.

Background Information

This set of rules deals with the reimbursement that is available to school districts that provide educational services to groups of students who reside in settings such as orphanages and detention centers. Section 18-3 of the School Code allows districts to claim reimbursement for these programs at 1.2 times the district’s per capita tuition charge. It also permits them to claim reimbursement for costs they incur that are in excess of that amount. The rules in Part 140 identify the information districts must submit to substantiate their claims and set forth the basis upon which reimbursement will be calculated.

P.A. 92-94, enacted during 2001, amended Section 18-3 to add the availability of reimbursement for expenditures related to the summer term. Part 140 needs to be amended to convey this information. The proposed amendments define the summer term and the period to be covered by each claim (July 1 through June 30).

These amendments were presented for the Board’s initial review in January and subsequently published in the Illinois Register to elicit public comment. One letter of comment was received. The respondent expressed appreciation for the amendments and noted that the additional funding will be very welcome. The amendments presented for adoption are identical to the version reviewed by the Board in January.
Analysis and Implications for Policy, Budget, Legislative Action, and Communications

Policy Implications: This rulemaking does not represent a true policy decision on the part of the Board, because the General Assembly has already enacted this provision. Therefore the amendment has no policy implications per se.

Budget Implications: The potential growth in total claims due to this legislation is estimated at $1.5 million, but our budget request for FY03 funding represents a reduction in the appropriation. However, the agency has consistently lapsed funds appropriated in this line item, so we expect this amount to be adequate.

Legislative Action: None needed.

Communications: The change in the law has already been communicated to school districts by the staff responsible for this program.

Superintendent’s Recommendation

Adopt these proposed amendments as presented.

Next Steps

Notice of the adopted rules will be submitted to the Joint Committee on Administrative Rules to trigger JCAR’s review. When that process is complete, the adopted rules will be filed with the Secretary of State and disseminated as appropriate.