**Agenda Topic:** Proposed Amendment - 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 amendment for adoption.

**Expected Outcome of Agenda Item**

The Board’s adoption of this amendment.

**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. 91-764 (effective June 9, 2000) amended Section 18-3 to provide that a district’s failure to certify its claim for a particular year by July 31 would constitute the forfeiture of that claim. Section 140.30 needs to be amended to convey this information.

This amendment was presented for the Board’s initial review at the April meeting and subsequently published in the Illinois Register to elicit public comment. None was received. Consequently no changes have been made in the language of the amendment as presented in April.
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: This rulemaking has no budgetary implications for the agency. The funds that would have gone to a district that forfeits will be returned to the General Revenue Fund. However, the program staff follows the submission of claims from eligible districts very closely and reminds those with claims outstanding at least twice as the deadline approaches. We expect very few if any eligible districts to forfeit these funds.

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 the proposed amendment to Part 140.

Next Steps

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