Agenda Topic: Proposed Amendments - Part 120 (Pupil Transportation Reimbursement)

Materials: Recommended Amendments

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Purpose of Agenda Item
To secure the Board’s adoption of these amendments.

Expected Outcome of Agenda Item
A motion for adoption of these amendments.

Background Information
This set of amendments is technical in nature. Its chief purposes are to clarify some current practices, modernize others, and eliminate some provisions that are obsolete. Many of the changes result from the staff’s experience in administering the current rules. Some examples of the types of changes included in this packet are given below.

In Subpart A (School Reimbursement):

- The depreciation threshold is being raised from $500 to $2,500 to acknowledge present-day costs, and additional specificity is provided regarding the manner in which vehicles and/or equipment held for less than one year must be depreciated. (Section 120.60)

- Transportation expenses for field trips are made eligible for reimbursement, reflecting the Legal Department’s interpretation of the statute. (Section 120.30)

- Rules for the reimbursement of expenses connected with installation of 28-inch seat backs are repealed because these rules dealt with retrofitting that is no longer permitted. Under Section 12-807.1 of the Vehicle Code, school buses now cannot be sold without 28-inch seatbacks that have been installed by the manufacturer. (Section 120.130)

- Specifications for calculating indirect cost are being deleted because all districts use the allowable five percent limit. (Section 120.80)
• The rules on reimbursement of costs associated with computerized bus scheduling or computer software are amplified. (Section 120.120)

In Subpart B (Custodian Reimbursement for Pupil Transportation):

• Changes are made in procedures relevant to residents of the City of Chicago, because the State Board acts as the regional superintendent in that instance. (Section 120.210)

• An existing rule on audit and enforcement is being revised because these audits are no longer conducted on an annual basis. The amended rule will continue to afford the agency the oversight authority needed for accountability with respect to claims for custodial reimbursement. (Section 120.260)

These amendments were developed in consultation with the Pupil Transportation Advisory Council, which includes regional and district superintendents as well as representatives of the PTA, the Illinois School Transportation Association and the Illinois Association for Pupil Transportation, the Illinois Association of School Business Officials, school bus contractors, the Secretary of State, the Illinois State Police, the Department of Transportation, and the Chicago Public Schools. They are intended to give all affected parties clear direction regarding the expenditures that are eligible for reimbursement under the various applicable portions of the statute.

**Analysis and Implications for Policy, Budget, Legislative Action, and Communications**

**Policy Implications:** None. These rules were presented for the Board’s initial review in September of this year and subsequently published in the Illinois Register to elicit public comment. None was received, and the version presented for adoption is identical to that previously reviewed by the Board.

**Budget Implications:** This rulemaking has no budgetary effect on the agency due to the fairly minor scope of the individual changes. The clarification and specificity it provides should prove beneficial to the other affected entities, in that they will all have available to them in writing the material they need in order to understand how to claim the reimbursement for which they are eligible.

**Legislative Action:** None needed.

**Communications:** Please see “Next Steps” below.

**Superintendent’s Recommendation**

Adopt the proposed amendments to Part 120.
Next Steps

With the Board's adoption of these amendments, staff will submit the required notice materials to the Joint Committee on Administrative Rules to initiate JCAR's review. When that review is complete, staff will submit the rules to the Administrative Code Division for publication in the Illinois Register and filing with the Secretary of State. The amended rules will then be distributed to the affected entities as appropriate.