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

**Materials:** Recommended Amendments

**Staff Contact:** Marcia Sailsbury

**Purpose of Agenda Item**

To present the proposed amendments for the Board's initial review and secure authorization to distribute them for public comment.

**Expected Outcome of Agenda Item**

A motion authorizing the staff to publish the proposed amendments in the *Illinois Register* to elicit public comment.

**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- Rules for the reimbursement of expenses connected with installation of 28-inch seat backs are repealed because these rules dealt with retrofitting that is no longer permitted.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.

Budget Implications: This rulemaking has no budgetary effect on the agency. 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

Direct the dissemination of the proposed amendments to Part 120 for public comment.
Next Steps

With the Board's authorization, staff will submit the proposed amendments to the Administrative Code Division for publication in the Illinois Register to elicit public comment. The rules will be distributed to the members of the Pupil Transportation Advisory Council mentioned above, and school districts and the other reimbursable entities will be advised of the public comment period through the transportation portion of the agency’s web page.