TO: Illinois State Board of Education

FROM: Robert E. Schiller, Superintendent
Chris Koch, Director
Respicio Vazquez, General Counsel

Agenda Topic: Action Item: Rules for Initial Review -- Alternative Learning Opportunities Program (Part 240)

Materials: Proposed Amendments

Staff Contacts: Gail Lieberman
Evelyn Deimel

Purpose(s) of Agenda Item

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

Expected Outcome of Agenda Item

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

Background Information

The amendments contained in this set of rules clarify which entities are eligible to claim General State Aid (GSA) for students who are enrolled in Alternative Learning Opportunities Programs that school districts may establish under Article 13B of the School Code.

Section 13B-50.15 of the School Code provides that regional offices of education that operate approved Alternative Learning Opportunities Programs (ALOPs) on behalf of school districts “are entitled to receive general State aid at the foundation level of support” (emphasis added). The law, however, does not explicitly state whether these regional offices can submit a claim directly to the State Board of Education to receive GSA. For this reason, the rules adopted by the Board in July 2002 did not provide for regional offices to submit claims for GSA when they are operating ALOPs on behalf of school districts, but to receive GSA for those students enrolled in the program from the school district or districts that established the program.
As the implementation of the program begins (applications for program approval are due to the State Board by February 14, 2003), it came to the attention of staff that regional superintendents and the sponsor of the ALOP legislation had intended for regional offices of education to be allowed to submit claims for GSA directly, just as they do for other alternative programs that are authorized under the School Code.

These proposed amendments have been shared with a representative group of school district and regional superintendents, as well as the sponsor of the legislation. No comments were received in this external review process.

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

**Policy Implications:** ALOPs differ from some other alternative programs that are operated by regional offices of education in that the students who are "enrolled" in these programs retain their enrollment in their resident districts. ALOPs are intended to be programs that provide additional resources to improve student learning -- be those resources academic or support services -- rather than separate schools operated independently from the regular school program of the district. For this reason, the accountability for student achievement and compliance with all laws and rules that govern public schools remain with the school district that established the program and are not "transferred" to the entity with which the district may have contracted to operate the program.

Article 13B recognizes that while a school district may wish to establish an ALOP, it may not have the capacity to operate the program itself; therefore, the law allows for school districts to contract with a number of entities for this purpose. When the operator of the program is a regional office of education, it can receive GSA at what is known as the foundation level of support, an amount that may be greater than the GSA that the school district would have received for students who are not enrolled in the ALOPs. For this reason, it makes sense for the regional office to submit a claim directly to the State Board in order to receive the full foundation level rather relying on the school district(s) to make up the difference between the higher foundation level and the amount the district(s) would receive.

The proposed amendments provide that regional offices of education may directly submit GSA claims to the State Board, provided that there is a cooperative agreement between the regional office and school district(s) that are establishing the program. This provision to allow for submission of the claim by the regional office will not apply to other entities, such as intermediate service centers, community colleges, health and human services agencies, and other public and private, not-for-profit agencies, that may be under contract with a school district to operate an ALOP.

Since students may enter an ALOP in the middle of a school year, the proposed amendments further provide that GSA can be claimed only for the time period in which those students are enrolled in the program. A similar provision is proposed for school districts.

**Budget Implications:** None.
Legislative Implications: None needed.

Communications: Please see “Next Steps” below.

Pros and Cons of Various Actions

It is anticipated that these rules will be in effect by June when GSA claims are due. Having rules in place will avoid any challenges to regional offices’ submission of claims, should regional offices operate any of ALOPs approved by the State Board.

Superintendent’s Recommendation

Adopt the following motion:

The State Board of Education hereby authorizes solicitation of public comment on the proposed rulemaking for:

   Alternative Learning Opportunities Program (23 Illinois Administrative Code 240),

   including publication of the proposed amendments in the Illinois Register.

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. Additional means, such as the Superintendent’s Bulletin and the agency’s website, will be used to inform interested parties of the opportunity to comment on this rulemaking.