THE JOSEPH SEARS SCHOOL
KENILWORTH SCHOOL DISTRICT NO. 38

To: Dr. Kelley M. Kalinich, Superintendent
From: Ms. Julia Jones, Director of Student Services
Date: November 12, 2014
RE: Director of Student Services Report for the November 17, 2014 Kenilworth School District No. 38 Board of Education Meeting

Northern Suburban Special Education District (NSSED) Cooperative Updates

NSSED currently is comprised of 18 Member Districts which includes:

- Northbrook School District 27
- Northbrook School District 28
- Sunset Ridge School District 29
- Northbrook/Glenview School District 30
- West Northfield School District 31
- Glenview School District 34
- Glencoe School District 35
- Winnetka School District 36
- Kenilworth School District 38
- Lake Bluff School District 65
- Lake Forest School District 67
- Bannockburn School District 106
- Deerfield Public School District 109
- North Shore School District 112
- Township High School District 113
- Lake Forest High School District 115
- New Trier High School District 203
- Glenbrook High School District 225

North Shore School District 112

In November 2013, District 112 submitted a letter of intent to withdraw from NSSED, which set in motion the 18-month process. At the present time, District 112 intends to rescind their letter and submit a new letter in order to restart the 18-month timeline. The District is currently auditing their programming and needs, and would also like more time to review proposed changes in the NSSED billing structure. At this time, our Board does not need to take any action to support or reject the potential District 112 withdrawal.

Deerfield Public School District 109

District 109 is currently reviewing their programming and has expressed an intent to withdraw from NSSED, but has yet to submit an official letter. Such a notification of intent would trigger the 18-month timeline referenced above.

NSSED Finance Committee Report (updates are taken directly from NSSED Board Briefs dated 10/8/2014)

In spring of 2014, some of the NSSED Member Districts expressed an interest in exploring the

possibility of a multi-tiered membership structure. The NSSED Governing Board charged the NSSED Administration and the Finance Committee to review the current membership costs and billing structure for programs and services. The Administration utilized the following principles in developing a new structure: 1) costs should be allocated in a manner that ensures high level quality programming and services available to students and 2) a cost allocation method should allow districts to benefit whether they use the programs extensively or not.

A model is being considered that includes the following changes: 1) IDEA funds returned to all districts at a higher than current rate and differentiated based on district size; 2) the general assessment fee (membership) increases slightly and these fees used to pay for executive administrative costs; 3) program tuition costs increase to offset decrease in IDEA funds (this change also reflects a shift of some current administrative costs associated with programs into tuition costs;) 4) clearly identify the specific expenditures that are offset by membership fees, retained IDEA dollars and tuitions.

The Governing Board provided positive feedback on the approach and indicated that the Finance Committee and the NSSED Administration should continue to communicate about the proposed model to Superintendents, Business Officials, Directors of Special Education and Member District Board Members at meetings scheduled on October 23, October 30 and November 3, 2014.

A NSSED Board meeting was held on November 12, 2014 and the Proposed Alternate Billing Structure was discussed. Please see attached Finance Committee Update dated October 8, 2014 and Board Briefs dated November 13, 2014 for a summary of the impact of the proposed changes on all NSSED member districts. A summary of the proposed changes for Kenilworth District 38 follows.

FY15 Revenue Using Current Billing Structure				
	$ 13.83			
Primary Program Tuition	Member Fees	IDEA Retained by NSSED	*Other Program Revenue	Total Programs & Membership
$33,949	$7,496	31% $30,228	$3,180	$74,853

This table takes the FY15 Primary Programs and Membership Revenue and groups them into columns by billing type.
*Other Program Revenue includes One-to-one Nurses and Aides, ESY Summer Program, and Vocational Programs offered at job sites

Changes to Current Billing Structure				
4.5%	$ 2.61			Net Change
Primary Program Tuition	Member Fees	Reduction to IDEA Retained by NSSED		Member Cost Incr./(Decr.)
$1,528	$1,415	-6% ($5,851)		($2,908)

This table was created for calculating the billing shifts that would result from modifications to the Membership Rate, Increases to Primary Program Tuition for Members as well as the NSSED Percentage of IDEA retained.