

To: Dr. Charles Johns
Board of Education

From: Dr. R.J. Gravel

Date: Monday, April 27, 2020

Re: Student User Fee Refunds for the 2019-20 School Year

Recommendation

It is recommended that the Board of Education authorize the administration to issue refunds in the amount of 30% of the purchase price, to students that paid the parking or transportation user fees during the 2019-20 school year.

Background

On Monday, March 18, 2019, the Board of Education took action to approve the schedule of student fees for the 2019-20 school year. As discussed earlier this spring, each fee is reviewed annually to ensure that the amount charged reflects actual expenses incurred by the school district. A copy of the historical memo of fees for this school year is attached.

Over the past several weeks the school district has received inquiries about the possibility of refunds for the following two user fees:

- Parking Fee;
- Transportation Fee.

In general, the concept is that because student(s) are not able to utilize services they paid for, they could be eligible for a partial refund. These two fees are contrasted from other fees because they are for services provided by the district to students. No other entities or costs are involved in these services. Additionally, the refunds would be coming from the proceeds of these fees, not general revenues. In reviewing potential refund models, we have found that it is most common for the amount of a refund to be based on the actual number of days for which students are not able to use a service due to the school closure. Given that 70% of the school year was completed prior to March 16, 2020, a refund of 30% of the total fee would be appropriate. A summary of the potential refunds is presented in Table 1.

Table 1
Recommended Student Fee Refund Scenario

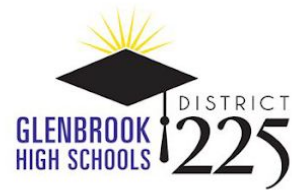
	Quantity Sold	Revenue Received*	30% Refund
Parking Fee	1,368	\$410,400	\$123,120
Transportation Fee - Full Pay	561	\$448,800	\$134,640
Transportation Fee - Reduced Pay	69	\$27,600	\$8,280

* Unaudited

The Finance Committee met Thursday, April 9, 2020, and discussed the issuing refunds as presented in Table 1. At that time the committee was supportive of issuing refunds, as the student paid for a service for which they are unable to utilize. The committee agreed to defer further discussion until the length of the school closure was finalized, at which time this topic would be presented to the full Board of Education for consideration. As a result of Governor Pritzker's recent announcement to close schools for the remainder of the 2019-20 school year, we would like to return to the discussion of issuing refunds with the full Board on Monday evening.

From a financial standpoint, due to the school closure, there are transportation funds budgeted that will not be spent this school year (e.g., academic, activity, and athletic field trips from March through June). Additionally, there are funds available in our operations and maintenance budgets that will not be spent this school year (e.g., small building projects, parking lot maintenance, and supervision). Any refunds would be charged against those two operating funds and would ultimately result in a decrease in the revenue that was received from fees this school year. However, we are confident that the overall operating funds will remain balanced should these refunds be processed.

It is important to note that the school district has established guidelines and operational procedures for refunds. A copy of these guidelines has been attached. In general, should a student be eligible for a refund, any proceeds would be first applied to outstanding fees that are owed to the District. Any remaining amount from a refund will be paid to the student's parent(s)/guardian(s) in the form of a check, sent via US Mail. Should the Board of Education approve refunding a portion of these fees, families eligible for a refund check would receive those the week of May 11th.



HISTORICAL MEMO

To: Dr. Mike Riggle
Board of Education

From: Dr. R.J. Gravel

Date: Monday, March 18, 2019

Re: Student Fees for the 2019-20 School Year

Recommendation

It is recommended that the Board of Education approve student fees for the 2019-20 school year as presented.

Background

In accordance with Board Policy 4040, the Board of Education is presented each year with a list of recommended student fees for approval. Several of the fees presented in this document will be reviewed in detail by the Board of Education and/or the Finance Committee separately, and are simply summarized here. These fees, **indicated with a yellow cell**, include the Chromebook and transportation fee.

General Fees

All students attending Glenbrook High Schools, or receiving educational services through the school district are assessed two general fees: Chromebook fee, registration fee.

	Historical				Proposed
	2015-16	2016-17	2017-18	2018-19	2019-20
Chromebook Fee	\$110.00 4 Years	\$110.00 4 Years	\$100.00 4 Years	\$100.00 3 Years*	\$100.00 3 Years*
Registration Fee				\$25.50	\$25.50
Materials Fee	\$15.00	\$15.00	\$15.00		
Towel Fee	\$10.50	\$10.50	\$10.50		
<i>Total per Student</i>	\$135.50	\$135.50	\$125.50	\$125.50	\$125.50

* Due to lower purchase costs for the Chromebook starting with the 2018-19 school year, the fee will only be assessed for (3) years as opposed to (4) years. This will apply to the Classes of 2022 and 2023.

Student Fees for the 2019-20 School Year
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User Fees

Additional user fees are assessed to students and families upon request. These fees are deposited into District revenue accounts and used for the purpose designated. The majority of our user fees are calculated based on the total amount of estimated expenses for the upcoming school year.

Please note that the transportation fee proposed represents an increase that corresponds to a 3% increase in service costs for next fiscal year from our provider, and adjustments to our current bus pass rate structure. This amount was discussed and recommended by the Finance Committee on February 6, 2019.

	Historical				Proposed
	2015-16	2016-17	2017-18	2018-19	2019-20
Driver Education Behind the Wheel	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00
Instrument Rental	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00
Parking Fee	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00
Transportation Fee (Regular) Individual Rate	\$700.00	\$700.00	\$750.00	\$775.00	\$800.00
Transportation Fee (Regular) Sibling Rate	\$350.00	\$350.00	\$375.00	\$387.50	\$400.00
Transportation Fee (Late - 20%) Individual Rate	\$830.00	\$830.00	\$900.00	\$930.00	
Transportation Fee (Late - 20%) Sibling Rate	\$415.00	\$415.00	\$450.00	\$465.00	

* The Transportation Fee will be reviewed separately by the Board of Education during the February 25, 2019 meeting.

Student Fees for the 2019-20 School Year
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Preschool Tuition

Historically pre-school tuition fees have been calculated at a rate of \$160.00 per day of enrollment in the program. Fees are assessed twice a year for each child. Children enrolled in Glenbrook's program benefit from a 2-hour laboratory preschool experience supervised by a full-time instructional assistant, with the assistance and support of students enrolled in child development courses.

	Historical				Proposed
	2014-15	2015-16	2017-18	2018-19	2019-20
Preschool Tuition (5 Days / Week) Per Semester - GBN	\$800.00	\$800.00	\$800.00	\$800.00	\$800.00
Preschool Tuition (4 Days / Week) Per Semester - GBS	\$640.00	\$640.00	\$640.00	\$640.00	\$640.00
Preschool Tuition (3 Days / Week) Per Semester- GBS	\$480.00	\$480.00	\$480.00	\$480.00	\$480.00

Financial Fees

The Board of Education has historically approved two financial fees to be charged on an as-needed basis.

Credit Card Convenience Fee

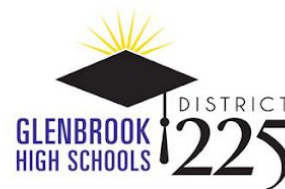
The credit card convenience fee is assessed to all credit card transactions that are processed in-person or online. Beginning with the 2017-18 school year, the Board of Education determined that any credit card processing expenses would be passed-on to consumers choosing to use a credit card. This transition was communicated to parents prior to the start of the school year, and has resulted in a significant cost savings to the District. As a result of not incurring credit card processing expenses, we have been able to keep student fees as low as possible for our families.

Non-Sufficient Funds (NSF) Check Fee

The non-sufficient funds (NSF) check fee is assessed to a student account in the event that a check provided has been returned back our bank due to insufficient funds. Only the amount that is charged by the bank will be passed on to a student.

	Historical				Proposed
	2014-15	2015-16	2017-18	2018-19	2019-20
Credit Card Convenience Fee Online Transactions	\$2.50	\$2.65	\$2.65 per \$100.00 Increment	\$2.65 per \$100.00 Increment	\$2.65 per \$100.00 Increment
Credit Card Surcharge Fee In-Person Transactions *			3.2% + \$0.20	3.2% + \$0.20	3.2% + \$0.20
NSF Check Fee	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00

* Due to bank agreements with MasterCard and Visa, credit card processing expenses passed-on to consumers for in-person transactions must be calculated on a percentage basis, as opposed to a flat-fee.



Guidelines for Student Fee Refunds and Prorations

Revised: June 2018

Board Policy 4040 permits fees to be charged to students including field trips, special resource materials, use of equipment, for the purchase of usable items which become the property of the student (commonly referred to as course fees). In addition to the referenced policy, the Board of Education takes action each year to approve the following fees:

- Driver Education Course Fee
- Parking Fee
- Registration Fee
- Credit Card Convenience Fee and Surcharge
- Pre-School Monthly Tuition Fee
- Student Transportation Fee (Bus Pass)
- NSF Check Fee

In the course of normal school business, there are situations that warrant a refund of one or more student fees. To provide guidance regarding how refunds are processed, these guidelines have been developed.

Outstanding Student Financial Account Balance

Should a student be eligible for a refund, any proceeds would be first applied to outstanding fees that are owed to the District. Any remaining amount from a refund will be paid to the student's parent(s)/guardian(s) in the form of a check, sent via US Mail with 2-3 weeks from the date the request is received.

Refund of Parking Fee

Parking permits for the upcoming school year may be returned for a full refund before the first day of school. If a parking permit is returned on the first day of school, or after, the amount refunded will be prorated on a quarterly basis. The following refund schedule applies:

Date Permit Returned	Amount of Refund
Before the 1st Day of School	100% - \$300
On or before October 31st	75% - \$225
On or before January 31st	50% - \$150
On or before March 31st	25% - \$75
After March 31st	0% - \$0

Refund Due to Course Drop/Change

If a student changes course levels, any fee paid for the original course will be refunded and applied to the new course fee. If a student drops a course, the fee will be refunded in full up until October 1st (for 1st Semester courses) and March 1st (for 2nd Semester courses).

Refund Due to Financial Aid Eligibility

