

AN ACT concerning education.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The School Code is amended by changing Sections 1D-1, 14-7.02, 14-8.01, 14-13.01, 18-4.3, and 29-5 and adding Section 14-7.02b as follows:

(105 ILCS 5/1D-1)

Sec. 1D-1. Block grant funding.

(a) For fiscal year 1996 and each fiscal year thereafter, the State Board of Education shall award to a school district having a population exceeding 500,000 inhabitants a general education block grant and an educational services block grant, determined as provided in this Section, in lieu of distributing to the district separate State funding for the programs described in subsections (b) and (c). The provisions of this Section, however, do not apply to any federal funds that the district is entitled to receive. In accordance with Section 2-3.32, all block grants are subject to an audit. Therefore, block grant receipts and block grant expenditures shall be recorded to the appropriate fund code for the designated block grant.

(b) The general education block grant shall include the following programs: REI Initiative, Summer Bridges, Preschool At Risk, K-6 Comprehensive Arts, School Improvement Support, Urban Education, Scientific Literacy, Substance Abuse Prevention, Second Language Planning, Staff Development, Outcomes and Assessment, K-6 Reading Improvement, 7-12 Continued Reading Improvement, Truants' Optional Education, Hispanic Programs, Agriculture Education, Parental Education, Prevention Initiative, Report Cards, and Criminal Background Investigations. Notwithstanding any other provision of law, all amounts paid under the general education block grant from

State appropriations to a school district in a city having a population exceeding 500,000 inhabitants shall be appropriated and expended by the board of that district for any of the programs included in the block grant or any of the board's lawful purposes.

(c) The educational services block grant shall include the following programs: Bilingual, Regular and Vocational Transportation, State Lunch and Free Breakfast Program, Special Education (Personnel, ~~Extraordinary~~, Transportation, Orphanage, Private Tuition), funding for children requiring special education services, Summer School, Educational Service Centers, and Administrator's Academy. This subsection (c) does not relieve the district of its obligation to provide the services required under a program that is included within the educational services block grant. It is the intention of the General Assembly in enacting the provisions of this subsection (c) to relieve the district of the administrative burdens that impede efficiency and accompany single-program funding. The General Assembly encourages the board to pursue mandate waivers pursuant to Section 2-3.25g.

The funding program included in the educational services block grant for funding for children requiring special education services in each fiscal year shall be treated in that fiscal year as a payment to the school district in respect of services provided or costs incurred in the prior fiscal year, calculated in each case as provided in this Section. Nothing in this Section shall change the nature of payments for any program that, apart from this Section, would be or, prior to adoption or amendment of this Section, was on the basis of a payment in a fiscal year in respect of services provided or costs incurred in the prior fiscal year, calculated in each case as provided in this Section.

(d) For fiscal year 1996 and each fiscal year thereafter, the amount of the district's block grants shall be determined as follows: (i) with respect to each program that is included within each block grant, the district shall receive an amount

equal to the same percentage of the current fiscal year appropriation made for that program as the percentage of the appropriation received by the district from the 1995 fiscal year appropriation made for that program, and (ii) the total amount that is due the district under the block grant shall be the aggregate of the amounts that the district is entitled to receive for the fiscal year with respect to each program that is included within the block grant that the State Board of Education shall award the district under this Section for that fiscal year. In the case of the Summer Bridges program, the amount of the district's block grant shall be equal to 44% of the amount of the current fiscal year appropriation made for that program.

(e) The district is not required to file any application or other claim in order to receive the block grants to which it is entitled under this Section. The State Board of Education shall make payments to the district of amounts due under the district's block grants on a schedule determined by the State Board of Education.

(f) A school district to which this Section applies shall report to the State Board of Education on its use of the block grants in such form and detail as the State Board of Education may specify.

(g) This paragraph provides for the treatment of block grants under Article 1C for purposes of calculating the amount of block grants for a district under this Section. Those block grants under Article 1C are, for this purpose, treated as included in the amount of appropriation for the various programs set forth in paragraph (b) above. The appropriation in each current fiscal year for each block grant under Article 1C shall be treated for these purposes as appropriations for the individual program included in that block grant. The proportion of each block grant so allocated to each such program included in it shall be the proportion which the appropriation for that program was of all appropriations for such purposes now in that block grant, in fiscal 1995.

Payments to the school district under this Section with respect to each program for which payments to school districts generally, as of the date of this amendatory Act of the 92nd General Assembly, are on a reimbursement basis shall continue to be made to the district on a reimbursement basis, pursuant to the provisions of this Code governing those programs.

(h) Notwithstanding any other provision of law, any school district receiving a block grant under this Section may classify all or a portion of the funds that it receives in a particular fiscal year from any block grant authorized under this Code or from general State aid pursuant to Section 18-8.05 of this Code (other than supplemental general State aid) as funds received in connection with any funding program for which it is entitled to receive funds from the State in that fiscal year (including, without limitation, any funding program referred to in subsection (c) of this Section), regardless of the source or timing of the receipt. The district may not classify more funds as funds received in connection with the funding program than the district is entitled to receive in that fiscal year for that program. Any classification by a district must be made by a resolution of its board of education. The resolution must identify the amount of any block grant or general State aid to be classified under this subsection (h) and must specify the funding program to which the funds are to be treated as received in connection therewith. This resolution is controlling as to the classification of funds referenced therein. A certified copy of the resolution must be sent to the State Superintendent of Education. The resolution shall still take effect even though a copy of the resolution has not been sent to the State Superintendent of Education in a timely manner. No classification under this subsection (h) by a district shall affect the total amount or timing of money the district is entitled to receive under this Code. No classification under this subsection (h) by a district shall in any way relieve the district from or affect any requirements that otherwise would

apply with respect to the block grant as provided in this Section, including any accounting of funds by source, reporting expenditures by original source and purpose, reporting requirements, or requirements of provision of services.

(Source: P.A. 92-568, eff. 6-26-02; 92-651, eff. 7-11-02; 93-21, eff. 7-1-03; 93-53, eff. 7-1-03; revised 9-11-03.)

(105 ILCS 5/14-7.02) (from Ch. 122, par. 14-7.02)

Sec. 14-7.02. Children attending private schools, public out-of-state schools, public school residential facilities or private special education facilities. The General Assembly recognizes that non-public schools or special education facilities provide an important service in the educational system in Illinois.

If because of his or her disability the special education program of a district is unable to meet the needs of a child and the child attends a non-public school or special education facility, a public out-of-state school or a special education facility owned and operated by a county government unit that provides special educational services required by the child and is in compliance with the appropriate rules and regulations of the State Superintendent of Education, the school district in which the child is a resident shall pay the actual cost of tuition for special education and related services provided during the regular school term and during the summer school term if the child's educational needs so require, excluding room, board and transportation costs charged the child by that non-public school or special education facility, public out-of-state school or county special education facility, or \$4,500 per year, whichever is less, and shall provide him any necessary transportation. "Nonpublic special education facility" shall include a residential facility, within or without the State of Illinois, which provides special education and related services to meet the needs of the child by utilizing private schools or public schools, whether located on the site or off the site of the residential facility.

The State Board of Education shall promulgate rules and regulations for determining when placement in a private special education facility is appropriate. Such rules and regulations shall take into account the various types of services needed by a child and the availability of such services to the particular child in the public school. In developing these rules and regulations the State Board of Education shall consult with the Advisory Council on Education of Children with Disabilities and hold public hearings to secure recommendations from parents, school personnel, and others concerned about this matter.

The State Board of Education shall also promulgate rules and regulations for transportation to and from a residential school. Transportation to and from home to a residential school more than once each school term shall be subject to prior approval by the State Superintendent in accordance with the rules and regulations of the State Board.

A school district making tuition payments pursuant to this Section is eligible for reimbursement from the State for the amount of such payments actually made in excess of the district per capita tuition charge for students not receiving special education services. Such reimbursement shall be approved in accordance with Section 14-12.01 and each district shall file its claims, computed in accordance with rules prescribed by the State Board of Education, on forms prescribed by the State Superintendent of Education. Data used as a basis of reimbursement claims shall be for the preceding regular school term and summer school term. Each school district shall transmit its claims to the State Board of Education on or before August 15. The State Board of Education, before approving any such claims, shall determine their accuracy and whether they are based upon services and facilities provided under approved programs. Upon approval the State Board shall cause vouchers to be prepared showing the amount due for payment of reimbursement claims to school districts, for transmittal to the State Comptroller on the 30th day of September, December, and March, respectively, and the final

voucher, no later than June 20. If the money appropriated by the General Assembly for such purpose for any year is insufficient, it shall be apportioned on the basis of the claims approved.

No child shall be placed in a special education program pursuant to this Section if the tuition cost for special education and related services increases more than 10 percent over the tuition cost for the previous school year or exceeds \$4,500 per year unless such costs have been approved by the Illinois Purchased Care Review Board. The Illinois Purchased Care Review Board shall consist of the following persons, or their designees: the Directors of Children and Family Services, Public Health, Public Aid, and the Governor's Office of Management and Budget ~~Bureau of the Budget~~; the Secretary of Human Services; the State Superintendent of Education; and such other persons as the Governor may designate. The Review Board shall establish rules and regulations for its determination of allowable costs and payments made by local school districts for special education, room and board, and other related services provided by non-public schools or special education facilities and shall establish uniform standards and criteria which it shall follow.

The Review Board shall establish uniform definitions and criteria for accounting separately by special education, room and board and other related services costs. The Board shall also establish guidelines for the coordination of services and financial assistance provided by all State agencies to assure that no otherwise qualified disabled child receiving services under Article 14 shall be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity provided by any State agency.

The Review Board shall review the costs for special education and related services provided by non-public schools or special education facilities and shall approve or disapprove such facilities in accordance with the rules and regulations established by it with respect to allowable costs.

The State Board of Education shall provide administrative and staff support for the Review Board as deemed reasonable by the State Superintendent of Education. This support shall not include travel expenses or other compensation for any Review Board member other than the State Superintendent of Education.

The Review Board shall seek the advice of the Advisory Council on Education of Children with Disabilities on the rules and regulations to be promulgated by it relative to providing special education services.

If a child has been placed in a program in which the actual per pupil costs of tuition for special education and related services based on program enrollment, excluding room, board and transportation costs, exceed \$4,500 and such costs have been approved by the Review Board, the district shall pay such total costs which exceed \$4,500. A district making such tuition payments in excess of \$4,500 pursuant to this Section shall be responsible for an amount in excess of \$4,500 equal to the district per capita tuition charge and shall be eligible for reimbursement from the State for the amount of such payments actually made in excess of the districts per capita tuition charge for students not receiving special education services.

If a child has been placed in an approved individual program and the tuition costs including room and board costs have been approved by the Review Board, then such room and board costs shall be paid by the appropriate State agency subject to the provisions of Section 14-8.01 of this Act. Room and board costs not provided by a State agency other than the State Board of Education shall be provided by the State Board of Education on a current basis. In no event, however, shall the State's liability for funding of these tuition costs begin until after the legal obligations of third party payors have been subtracted from such costs. If the money appropriated by the General Assembly for such purpose for any year is insufficient, it shall be apportioned on the basis of the claims approved. Each district shall submit estimated claims to the State Superintendent of Education. Upon approval of such

claims, the State Superintendent of Education shall direct the State Comptroller to make payments on a monthly basis. The frequency for submitting estimated claims and the method of determining payment shall be prescribed in rules and regulations adopted by the State Board of Education. Such current state reimbursement shall be reduced by an amount equal to the proceeds which the child or child's parents are eligible to receive under any public or private insurance or assistance program. Nothing in this Section shall be construed as relieving an insurer or similar third party from an otherwise valid obligation to provide or to pay for services provided to a disabled child.

If it otherwise qualifies, a school district is eligible for the transportation reimbursement under Section 14-13.01 and for the reimbursement of tuition payments under this Section whether the non-public school or special education facility, public out-of-state school or county special education facility, attended by a child who resides in that district and requires special educational services, is within or outside of the State of Illinois. However, a district is not eligible to claim transportation reimbursement under this Section unless the district certifies to the State Superintendent of Education that the district is unable to provide special educational services required by the child for the current school year.

Nothing in this Section authorizes the reimbursement of a school district for the amount paid for tuition of a child attending a non-public school or special education facility, public out-of-state school or county special education facility unless the school district certifies to the State Superintendent of Education that the special education program of that district is unable to meet the needs of that child because of his disability and the State Superintendent of Education finds that the school district is in substantial compliance with Section 14-4.01.

Any educational or related services provided, pursuant to

this Section in a non-public school or special education facility or a special education facility owned and operated by a county government unit shall be at no cost to the parent or guardian of the child. However, current law and practices relative to contributions by parents or guardians for costs other than educational or related services are not affected by this amendatory Act of 1978.

Reimbursement for children attending public school residential facilities shall be made in accordance with the provisions of this Section.

Notwithstanding any other provision of law, any school district receiving a payment under this Section or under Section 14-7.02b ~~14-7.02a~~, 14-13.01, or 29-5 of this Code may classify all or a portion of the funds that it receives in a particular fiscal year or from general State aid pursuant to Section 18-8.05 of this Code as funds received in connection with any funding program for which it is entitled to receive funds from the State in that fiscal year (including, without limitation, any funding program referenced in this Section), regardless of the source or timing of the receipt. The district may not classify more funds as funds received in connection with the funding program than the district is entitled to receive in that fiscal year for that program. Any classification by a district must be made by a resolution of its board of education. The resolution must identify the amount of any payments or general State aid to be classified under this paragraph and must specify the funding program to which the funds are to be treated as received in connection therewith. This resolution is controlling as to the classification of funds referenced therein. A certified copy of the resolution must be sent to the State Superintendent of Education. The resolution shall still take effect even though a copy of the resolution has not been sent to the State Superintendent of Education in a timely manner. No classification under this paragraph by a district shall affect the total amount or timing of money the district is entitled to

receive under this Code. No classification under this paragraph by a district shall in any way relieve the district from or affect any requirements that otherwise would apply with respect to that funding program, including any accounting of funds by source, reporting expenditures by original source and purpose, reporting requirements, or requirements of providing services. (Source: P.A. 91-764, eff. 6-9-00; 92-568, eff. 6-26-02; revised 8-23-03.)

(105 ILCS 5/14-7.02b new)

Sec. 14-7.02b. Funding for children requiring special education services. Payments to school districts for children requiring special education services documented in their individualized education program regardless of the program from which these services are received, excluding children claimed under Sections 14-7.02 and 14-7.03 of this Code, shall be made in accordance with this Section. Funds received under this Section may be used only for the provision of special educational facilities and services as defined in Section 14-1.08 of this Code.

The appropriation for fiscal year 2005 and thereafter shall be based upon the IDEA child count of all students in the State, excluding students claimed under Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the fiscal year 2 years preceding, multiplied by 17.5% of the general State aid foundation level of support established for that fiscal year under Section 18-8.05 of this Code.

Beginning with fiscal year 2005 and through fiscal year 2007, individual school districts shall not receive payments under this Section totaling less than they received under the funding authorized under Section 14-7.02a of this Code during fiscal year 2004, pursuant to the provisions of Section 14-7.02a as they were in effect before the effective date of this amendatory Act of the 93rd General Assembly. This base level funding shall be computed first.

An amount equal to 85% of the funds remaining in the

appropriation, after subtracting any base level funding for that fiscal year, shall be allocated to school districts based upon the district's average daily attendance reported for purposes of Section 18-8.05 of this Code for the preceding school year. Fifteen percent of the funds remaining in the appropriation, after subtracting any base level funding for that fiscal year, shall be allocated to school districts based upon the district's low income eligible pupil count used in the calculation of general State aid under Section 18-8.05 of this Code for the same fiscal year. One hundred percent of the funds computed and allocated to districts under this Section shall be distributed and paid to school districts.

For individual students with disabilities whose program costs exceed 4 times the district's per capita tuition rate as calculated under Section 10-20.12a of this Code, the costs in excess of 4 times the district's per capita tuition rate shall be paid by the State Board of Education from unexpended IDEA discretionary funds originally designated for room and board reimbursement pursuant to Section 14-8.01 of this Code. The amount of tuition for these children shall be determined by the actual cost of maintaining classes for these children, using the per capita cost formula set forth in Section 14-7.01 of this Code, with the program and cost being pre-approved by the State Superintendent of Education. Reimbursement for individual students with disabilities whose program costs exceed 4 times the district's per capita tuition rate shall be claimed beginning with costs encumbered for the 2004-2005 school year and thereafter.

The State Board of Education shall prepare vouchers equal to one-fourth the amount allocated to districts, for transmittal to the State Comptroller on the 30th day of September, December, and March, respectively, and the final voucher, no later than June 20. The Comptroller shall make payments pursuant to this Section to school districts as soon as possible after receipt of vouchers. If the money appropriated from the General Assembly for such purposes for

any year is insufficient, it shall be apportioned on the basis of the payments due to school districts.

Nothing in this Section shall be construed to decrease or increase the percentage of all special education funds that are allocated annually under Article 1D of this Code or to alter the requirement that a school district provide special education services.

Nothing in this amendatory Act of the 93rd General Assembly shall eliminate any reimbursement obligation owed as of the effective date of this amendatory Act of the 93rd General Assembly to a school district with in excess of 500,000 inhabitants.

(105 ILCS 5/14-8.01) (from Ch. 122, par. 14-8.01)

Sec. 14-8.01. Supervision of special education buildings and facilities. All special educational facilities, building programs, housing, and all educational programs for the types of disabled children defined in Section 14-1.02 shall be under the supervision of and subject to the approval of the State Board of Education.

All special education facilities, building programs, and housing shall comply with the building code authorized by Section 2-3.12.

All educational programs for children with disabilities as defined in Section 14-1.02 administered by any State agency shall be under the general supervision of the State Board of Education. Such supervision shall be limited to insuring that such educational programs meet standards jointly developed and agreed to by both the State Board of Education and the operating State agency, including standards for educational personnel.

Any State agency providing special educational programs for children with disabilities as defined in Section 14-1.02 shall promulgate rules and regulations, in consultation with the State Board of Education and pursuant to the Illinois Administrative Procedure Act as now or hereafter amended, to

insure that all such programs comply with this Section and Section 14-8.02.

No otherwise qualified disabled child receiving special education and related services under Article 14 shall solely by reason of his or her disability be excluded from the participation in or be denied the benefits of or be subjected to discrimination under any program or activity provided by a State agency.

State agencies providing special education and related services, including room and board, either directly or through grants or purchases of services shall continue to provide these services according to current law and practice. Room and board costs not provided by a State agency other than the State Board of Education shall be provided by the State Board of Education to the extent of available funds. An amount equal to one-half of the State education agency's share of IDEA PART B federal monies, or so much thereof as may actually be needed, shall annually be appropriated to pay for the additional costs of providing for room and board for those children placed pursuant to Section 14-7.02 of this Code Act and, after all such room and board costs are paid, for similar expenditures for children served pursuant to Section 14-7.02 or 14-7.02b ~~14-7.02a~~ of this Code. Any such excess room and board funds must first be directed to those school districts with students costing in excess of 4 times the district's per capita tuition charge and then to Act, based in community based programs that serve as alternatives to residential placements.

Beginning with Fiscal Year 1997 and continuing through Fiscal Year 2000, 100% of the former Chapter I, Section 89-313 federal funds shall be allocated by the State Board of Education in the same manner as IDEA, PART B "flow through" funding to local school districts, joint agreements, and special education cooperatives for the maintenance of instructional and related support services to students with disabilities. However, beginning with Fiscal Year 1998, the total IDEA Part B discretionary funds available to the State

Board of Education shall not exceed the maximum permissible under federal law or 20% of the total federal funds available to the State, whichever is less. In no case shall the aggregate IDEA Part B discretionary funds received by the State Board of Education exceed the amount of IDEA Part B discretionary funds available to the State Board of Education for Fiscal Year 1997, excluding any carryover funds from prior fiscal years, increased by 3% for Fiscal Year 1998 and increased by an additional 3% for each fiscal year thereafter. After all room and board payments and similar expenditures are made by the State Board of Education as required by this Section, the State Board of Education may use the remaining funds for administration and for providing discretionary activities. However, the State Board of Education may use no more than 25% of its available IDEA Part B discretionary funds for administrative services.

Special education and related services included in the child's individualized educational program which are not provided by another State agency shall be included in the special education and related services provided by the State Board of Education and the local school district.

The State Board of Education with the advice of the Advisory Council shall prescribe the standards and make the necessary rules and regulations for special education programs administered by local school boards, including but not limited to establishment of classes, training requirements of teachers and other professional personnel, eligibility and admission of pupils, the curriculum, class size limitation, building programs, housing, transportation, special equipment and instructional supplies, and the applications for claims for reimbursement. The State Board of Education shall promulgate rules and regulations for annual evaluations of the effectiveness of all special education programs and annual evaluation by the local school district of the individualized educational program for each child for whom it provides special education services.

A school district is responsible for the provision of educational services for all school age children residing within its boundaries excluding any student placed under the provisions of Section 14-7.02 or any disabled student whose parent or guardian lives outside of the State of Illinois as described in Section 14-1.11.

(Source: P.A. 89-397, eff. 8-20-95; 89-622, eff. 8-9-96; 90-547, eff. 12-1-97.)

(105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

Sec. 14-13.01. Reimbursement payable by State; Amounts. Reimbursement for furnishing special educational facilities in a recognized school to the type of children defined in Section 14-1.02 shall be paid to the school districts in accordance with Section 14-12.01 for each school year ending June 30 by the State Comptroller out of any money in the treasury appropriated for such purposes on the presentation of vouchers by the State Board of Education.

The reimbursement shall be limited to funds expended for construction and maintenance of special education facilities designed and utilized to house instructional programs, diagnostic services, other special education services for children with disabilities and reimbursement as provided in Section 14-13.01. There shall be no reimbursement for construction and maintenance of any administrative facility separated from special education facilities designed and utilized to house instructional programs, diagnostic services and other special education services for children with disabilities.

(a) For children who have not been identified as eligible for special education and for eligible children with physical disabilities, including all eligible children whose placement has been determined under Section 14-8.02 in hospital or home instruction, 1/2 of the teacher's salary but not more than \$1,000 annually per child or \$8,000 per teacher for the 1985-1986 school year and thereafter, whichever is less.

Children to be included in any reimbursement under this paragraph must regularly receive a minimum of one hour of instruction each school day, or in lieu thereof of a minimum of 5 hours of instruction in each school week in order to qualify for full reimbursement under this Section. If the attending physician for such a child has certified that the child should not receive as many as 5 hours of instruction in a school week, however, reimbursement under this paragraph on account of that child shall be computed proportionate to the actual hours of instruction per week for that child divided by 5.

(b) For children described in Section 14-1.02, 4/5 of the cost of transportation for each such child, whom the State Superintendent of Education determined in advance requires special transportation service in order to take advantage of special educational facilities. Transportation costs shall be determined in the same fashion as provided in Section 29-5. For purposes of this subsection (b), the dates for processing claims specified in Section 29-5 shall apply.

(c) For each professional worker excluding those included in subparagraphs (a), (d), (e), and (f) of this Section, the annual sum of \$8,000 for the 1985-1986 school year and thereafter.

(d) For one full time qualified director of the special education program of each school district which maintains a fully approved program of special education the annual sum of \$8,000 for the 1985-1986 school year and thereafter. Districts participating in a joint agreement special education program shall not receive such reimbursement if reimbursement is made for a director of the joint agreement program.

(e) For each school psychologist as defined in Section 14-1.09 the annual sum of \$8,000 for the 1985-1986 school year and thereafter.

(f) For each qualified teacher working in a fully approved program for children of preschool age who are deaf or hard-of-hearing the annual sum of \$8,000 for the 1985-1986 school year and thereafter.

(g) For readers, working with blind or partially seeing children 1/2 of their salary but not more than \$400 annually per child. Readers may be employed to assist such children and shall not be required to be certified but prior to employment shall meet standards set up by the State Board of Education.

(h) For necessary non-certified employees working in any class or program for children defined in this Article, 1/2 of the salary paid or \$2,800 annually per employee, whichever is less.

The State Board of Education shall set standards and prescribe rules for determining the allocation of reimbursement under this section on less than a full time basis and for less than a school year.

When any school district eligible for reimbursement under this Section operates a school or program approved by the State Superintendent of Education for a number of days in excess of the adopted school calendar but not to exceed 235 school days, such reimbursement shall be increased by 1/185 of the amount or rate paid hereunder for each day such school is operated in excess of 185 days per calendar year.

Notwithstanding any other provision of law, any school district receiving a payment under this Section or under Section 14-7.02, 14-7.02b ~~14-7.02a~~, or 29-5 of this Code may classify all or a portion of the funds that it receives in a particular fiscal year or from general State aid pursuant to Section 18-8.05 of this Code as funds received in connection with any funding program for which it is entitled to receive funds from the State in that fiscal year (including, without limitation, any funding program referenced in this Section), regardless of the source or timing of the receipt. The district may not classify more funds as funds received in connection with the funding program than the district is entitled to receive in that fiscal year for that program. Any classification by a district must be made by a resolution of its board of education. The resolution must identify the amount of any payments or general State aid to be classified under

this paragraph and must specify the funding program to which the funds are to be treated as received in connection therewith. This resolution is controlling as to the classification of funds referenced therein. A certified copy of the resolution must be sent to the State Superintendent of Education. The resolution shall still take effect even though a copy of the resolution has not been sent to the State Superintendent of Education in a timely manner. No classification under this paragraph by a district shall affect the total amount or timing of money the district is entitled to receive under this Code. No classification under this paragraph by a district shall in any way relieve the district from or affect any requirements that otherwise would apply with respect to that funding program, including any accounting of funds by source, reporting expenditures by original source and purpose, reporting requirements, or requirements of providing services. (Source: P.A. 92-568, eff. 6-26-02.)

(105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

Sec. 18-4.3. Summer school grants. Grants shall be determined for pupil attendance in summer schools conducted under Sections 10-22.33A and 34-18 and approved under Section 2-3.25 in the following manner.

The amount of grant for each accredited summer school attendance pupil shall be obtained by dividing the total amount of apportionments determined under Section 18-8.05 by the actual number of pupils in average daily attendance used for such apportionments. The number of credited summer school attendance pupils shall be determined (a) by counting clock hours of class instruction by pupils enrolled in grades 1 through 12 in approved courses conducted at least 60 clock hours in summer sessions; (b) by dividing such total of clock hours of class instruction by 4 to produce days of credited pupil attendance; (c) by dividing such days of credited pupil attendance by the actual number of days in the regular term as used in computation in the general apportionment in Section

18-8.05; and (d) by multiplying by 1.25.

The amount of the grant for a summer school program approved by the State Superintendent of Education for children with disabilities, as defined in Sections 14-1.02 through 14-1.07, shall be determined in the manner contained above except that average daily membership shall be utilized in lieu of average daily attendance.

In the case of an apportionment based on summer school attendance or membership pupils, the claim therefor shall be presented as a separate claim for the particular school year in which such summer school session ends. On or before November 1 of each year the superintendent of each eligible school district shall certify to the State Superintendent of Education the claim of the district for the summer session just ended. Failure on the part of the school board to so certify shall constitute a forfeiture of its right to such payment. The State Superintendent of Education shall transmit to the Comptroller no later than December 15th of each year vouchers for payment of amounts due school districts for summer school. The State Superintendent of Education shall direct the Comptroller to draw his warrants for payments thereof by the 30th day of December. If the money appropriated by the General Assembly for such purpose for any year is insufficient, it shall be apportioned on the basis of claims approved.

However, notwithstanding the foregoing provisions, for each fiscal year the money appropriated by the General Assembly for the purposes of this Section shall only be used for grants for approved summer school programs for those children with disabilities served pursuant to Section ~~Sections~~ 14-7.02 or 14-7.02b ~~and 14-7.02a~~ of this ~~the School~~ Code.

(Source: P.A. 90-548, eff. 1-1-98; 91-764, eff. 6-9-00.)

(105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

Sec. 29-5. Reimbursement by State for transportation. Any school district, maintaining a school, transporting resident pupils to another school district's vocational program,

offered through a joint agreement approved by the State Board of Education, as provided in Section 10-22.22 or transporting its resident pupils to a school which meets the standards for recognition as established by the State Board of Education which provides transportation meeting the standards of safety, comfort, convenience, efficiency and operation prescribed by the State Board of Education for resident pupils in kindergarten or any of grades 1 through 12 who: (a) reside at least 1 1/2 miles as measured by the customary route of travel, from the school attended; or (b) reside in areas where conditions are such that walking constitutes a hazard to the safety of the child when determined under Section 29-3; and (c) are transported to the school attended from pick-up points at the beginning of the school day and back again at the close of the school day or transported to and from their assigned attendance centers during the school day, shall be reimbursed by the State as hereinafter provided in this Section.

The State will pay the cost of transporting eligible pupils less the assessed valuation in a dual school district maintaining secondary grades 9 to 12 inclusive times a qualifying rate of .05%; in elementary school districts maintaining grades K to 8 times a qualifying rate of .06%; in unit districts maintaining grades K to 12 times a qualifying rate of .07%. To be eligible to receive reimbursement in excess of 4/5 of the cost to transport eligible pupils, a school district shall have a Transportation Fund tax rate of at least .12%. If a school district does not have a .12% Transportation Fund tax rate, the amount of its claim in excess of 4/5 of the cost of transporting pupils shall be reduced by the sum arrived at by subtracting the Transportation Fund tax rate from .12% and multiplying that amount by the districts equalized or assessed valuation, provided, that in no case shall said reduction result in reimbursement of less than 4/5 of the cost to transport eligible pupils.

The minimum amount to be received by a district is \$16 times the number of eligible pupils transported.

Any such district transporting resident pupils during the school day to an area vocational school or another school district's vocational program more than 1 1/2 miles from the school attended, as provided in Sections 10-22.20a and 10-22.22, shall be reimbursed by the State for 4/5 of the cost of transporting eligible pupils.

School day means that period of time which the pupil is required to be in attendance for instructional purposes.

If a pupil is at a location within the school district other than his residence for child care purposes at the time for transportation to school, that location may be considered for purposes of determining the 1 1/2 miles from the school attended.

Claims for reimbursement that include children who attend any school other than a public school shall show the number of such children transported.

Claims for reimbursement under this Section shall not be paid for the transportation of pupils for whom transportation costs are claimed for payment under other Sections of this Act.

The allowable direct cost of transporting pupils for regular, vocational, and special education pupil transportation shall be limited to the sum of the cost of physical examinations required for employment as a school bus driver; the salaries of full or part-time drivers and school bus maintenance personnel; employee benefits excluding Illinois municipal retirement payments, social security payments, unemployment insurance payments and workers' compensation insurance premiums; expenditures to independent carriers who operate school buses; payments to other school districts for pupil transportation services; pre-approved contractual expenditures for computerized bus scheduling; the cost of gasoline, oil, tires, and other supplies necessary for the operation of school buses; the cost of converting buses' gasoline engines to more fuel efficient engines or to engines which use alternative energy sources; the cost of travel to meetings and workshops conducted by the regional

superintendent or the State Superintendent of Education pursuant to the standards established by the Secretary of State under Section 6-106 of the Illinois Vehicle Code to improve the driving skills of school bus drivers; the cost of maintenance of school buses including parts and materials used; expenditures for leasing transportation vehicles, except interest and service charges; the cost of insurance and licenses for transportation vehicles; expenditures for the rental of transportation equipment; plus a depreciation allowance of 20% for 5 years for school buses and vehicles approved for transporting pupils to and from school and a depreciation allowance of 10% for 10 years for other transportation equipment so used. Each school year, if a school district has made expenditures to the Regional Transportation Authority or any of its service boards, a mass transit district, or an urban transportation district under an intergovernmental agreement with the district to provide for the transportation of pupils and if the public transit carrier received direct payment for services or passes from a school district within its service area during the 2000-2001 school year, then the allowable direct cost of transporting pupils for regular, vocational, and special education pupil transportation shall also include the expenditures that the district has made to the public transit carrier. In addition to the above allowable costs school districts shall also claim all transportation supervisory salary costs, including Illinois municipal retirement payments, and all transportation related building and building maintenance costs without limitation.

Special education allowable costs shall also include expenditures for the salaries of attendants or aides for that portion of the time they assist special education pupils while in transit and expenditures for parents and public carriers for transporting special education pupils when pre-approved by the State Superintendent of Education.

Indirect costs shall be included in the reimbursement claim for districts which own and operate their own school buses.

Such indirect costs shall include administrative costs, or any costs attributable to transporting pupils from their attendance centers to another school building for instructional purposes. No school district which owns and operates its own school buses may claim reimbursement for indirect costs which exceed 5% of the total allowable direct costs for pupil transportation.

The State Board of Education shall prescribe uniform regulations for determining the above standards and shall prescribe forms of cost accounting and standards of determining reasonable depreciation. Such depreciation shall include the cost of equipping school buses with the safety features required by law or by the rules, regulations and standards promulgated by the State Board of Education, and the Department of Transportation for the safety and construction of school buses provided, however, any equipment cost reimbursed by the Department of Transportation for equipping school buses with such safety equipment shall be deducted from the allowable cost in the computation of reimbursement under this Section in the same percentage as the cost of the equipment is depreciated.

On or before July 10, annually, the chief school administrator for the district shall certify to the regional superintendent of schools upon forms prescribed by the State Superintendent of Education the district's claim for reimbursement for the school year ended on June 30 next preceding. The regional superintendent of schools shall check all transportation claims to ascertain compliance with the prescribed standards and upon his approval shall certify not later than July 25 to the State Superintendent of Education the regional report of claims for reimbursements. The State Superintendent of Education shall check and approve the claims and prepare the vouchers showing the amounts due for district reimbursement claims. Beginning with the 1977 fiscal year, the State Superintendent of Education shall prepare and transmit the first 3 vouchers to the Comptroller on the 30th day of September, December and March, respectively, and the final

voucher, no later than June 15.

If the amount appropriated for transportation reimbursement is insufficient to fund total claims for any fiscal year, the State Board of Education shall reduce each school district's allowable costs and flat grant amount proportionately to make total adjusted claims equal the total amount appropriated.

For purposes of calculating claims for reimbursement under this Section for any school year beginning July 1, 1998, or thereafter, the equalized assessed valuation for a school district used to compute reimbursement shall be computed in the same manner as it is computed under paragraph (2) of subsection (G) of Section 18-8.05.

All reimbursements received from the State shall be deposited into the district's transportation fund or into the fund from which the allowable expenditures were made.

Notwithstanding any other provision of law, any school district receiving a payment under this Section or under Section 14-7.02, 14-7.02b ~~14-7.02a~~, or 14-13.01 of this Code may classify all or a portion of the funds that it receives in a particular fiscal year or from general State aid pursuant to Section 18-8.05 of this Code as funds received in connection with any funding program for which it is entitled to receive funds from the State in that fiscal year (including, without limitation, any funding program referenced in this Section), regardless of the source or timing of the receipt. The district may not classify more funds as funds received in connection with the funding program than the district is entitled to receive in that fiscal year for that program. Any classification by a district must be made by a resolution of its board of education. The resolution must identify the amount of any payments or general State aid to be classified under this paragraph and must specify the funding program to which the funds are to be treated as received in connection therewith. This resolution is controlling as to the classification of funds referenced therein. A certified copy of

the resolution must be sent to the State Superintendent of Education. The resolution shall still take effect even though a copy of the resolution has not been sent to the State Superintendent of Education in a timely manner. No classification under this paragraph by a district shall affect the total amount or timing of money the district is entitled to receive under this Code. No classification under this paragraph by a district shall in any way relieve the district from or affect any requirements that otherwise would apply with respect to that funding program, including any accounting of funds by source, reporting expenditures by original source and purpose, reporting requirements, or requirements of providing services.

Any school district with a population of not more than 500,000 must deposit all funds received under this Article into the transportation fund and use those funds for the provision of transportation services.

(Source: P.A. 92-568, eff. 6-26-02; 93-166, eff. 7-10-03; 93-663, eff. 2-17-04.)

(105 ILCS 5/14-7.02a rep.)

Section 10. The School Code is amended by repealing Section 14-7.02a.

Section 99. Effective date. This Act takes effect upon becoming law.