

1 AN ACT concerning education.

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

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

7 (105 ILCS 5/1D-1)

8 Sec. 1D-1. Block grant funding.

9 (a) For fiscal year 1996 and each fiscal year thereafter,  
10 the State Board of Education shall award to a school district  
11 having a population exceeding 500,000 inhabitants a general  
12 education block grant and an educational services block grant,  
13 determined as provided in this Section, in lieu of distributing  
14 to the district separate State funding for the programs  
15 described in subsections (b) and (c). The provisions of this  
16 Section, however, do not apply to any federal funds that the  
17 district is entitled to receive. In accordance with Section  
18 2-3.32, all block grants are subject to an audit. Therefore,  
19 block grant receipts and block grant expenditures shall be  
20 recorded to the appropriate fund code for the designated block  
21 grant.

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

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

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

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

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

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

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

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

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

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

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

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

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

7 (105 ILCS 5/14-7.02) (from Ch. 122, par. 14-7.02)

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

14 If because of his or her disability the special education  
15 program of a district is unable to meet the needs of a child  
16 and the child attends a non-public school or special education  
17 facility, a public out-of-state school or a special education  
18 facility owned and operated by a county government unit that  
19 provides special educational services required by the child and  
20 is in compliance with the appropriate rules and regulations of  
21 the State Superintendent of Education, the school district in  
22 which the child is a resident shall pay the actual cost of  
23 tuition for special education and related services provided  
24 during the regular school term and during the summer school  
25 term if the child's educational needs so require, excluding  
26 room, board and transportation costs charged the child by that  
27 non-public school or special education facility, public  
28 out-of-state school or county special education facility, or  
29 \$4,500 per year, whichever is less, and shall provide him any  
30 necessary transportation. "Nonpublic special education  
31 facility" shall include a residential facility, within or  
32 without the State of Illinois, which provides special education  
33 and related services to meet the needs of the child by  
34 utilizing private schools or public schools, whether located on  
35 the site or off the site of the residential facility.

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

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

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

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

5 No child shall be placed in a special education program  
6 pursuant to this Section if the tuition cost for special  
7 education and related services increases more than 10 percent  
8 over the tuition cost for the previous school year or exceeds  
9 \$4,500 per year unless such costs have been approved by the  
10 Illinois Purchased Care Review Board. The Illinois Purchased  
11 Care Review Board shall consist of the following persons, or  
12 their designees: the Directors of Children and Family Services,  
13 Public Health, Public Aid, and the Governor's Office of  
14 Management and Budget ~~Bureau of the Budget~~; the Secretary of  
15 Human Services; the State Superintendent of Education; and such  
16 other persons as the Governor may designate. The Review Board  
17 shall establish rules and regulations for its determination of  
18 allowable costs and payments made by local school districts for  
19 special education, room and board, and other related services  
20 provided by non-public schools or special education facilities  
21 and shall establish uniform standards and criteria which it  
22 shall follow.

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

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

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

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

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

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



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

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

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

36 Any educational or related services provided, pursuant to

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

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

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

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

9 (105 ILCS 5/14-7.02b new)

10 Sec. 14-7.02b. Funding for children requiring special  
11 education services. Payments to school districts for children  
12 requiring special education services documented in their  
13 individualized education program regardless of the program  
14 from which these services are received, excluding children  
15 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall  
16 be made in accordance with this Section. Funds received under  
17 this Section may be used only for the provision of special  
18 educational facilities and services as defined in Section  
19 14-1.08 of this Code.

20 The appropriation for fiscal year 2005 and thereafter shall  
21 be based upon the IDEA child count of all students in the  
22 State, excluding students claimed under Sections 14-7.02 and  
23 14-7.03 of this Code, on December 1 of the fiscal year 2 years  
24 preceding, multiplied by 17.5% of the general State aid  
25 foundation level of support established for that fiscal year  
26 under Section 18-8.05 of this Code.

27 Beginning with fiscal year 2005 and through fiscal year  
28 2007, individual school districts shall not receive payments  
29 under this Section totaling less than they received under the  
30 funding authorized under Section 14-7.02a of this Code during  
31 fiscal year 2004, pursuant to the provisions of Section  
32 14-7.02a as they were in effect before the effective date of  
33 this amendatory Act of the 93rd General Assembly. This base  
34 level funding shall be computed first.

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

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

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

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

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

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

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

13 (105 ILCS 5/14-8.01) (from Ch. 122, par. 14-8.01)

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

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

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

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

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

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

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

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

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

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

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

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

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

9           (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

10          Sec. 14-13.01. Reimbursement payable by State; Amounts.  
11 Reimbursement for furnishing special educational facilities in  
12 a recognized school to the type of children defined in Section  
13 14-1.02 shall be paid to the school districts in accordance  
14 with Section 14-12.01 for each school year ending June 30 by  
15 the State Comptroller out of any money in the treasury  
16 appropriated for such purposes on the presentation of vouchers  
17 by the State Board of Education.

18          The reimbursement shall be limited to funds expended for  
19 construction and maintenance of special education facilities  
20 designed and utilized to house instructional programs,  
21 diagnostic services, other special education services for  
22 children with disabilities and reimbursement as provided in  
23 Section 14-13.01. There shall be no reimbursement for  
24 construction and maintenance of any administrative facility  
25 separated from special education facilities designed and  
26 utilized to house instructional programs, diagnostic services  
27 and other special education services for children with  
28 disabilities.

29          (a) For children who have not been identified as eligible  
30 for special education and for eligible children with physical  
31 disabilities, including all eligible children whose placement  
32 has been determined under Section 14-8.02 in hospital or home  
33 instruction, 1/2 of the teacher's salary but not more than  
34 \$1,000 annually per child or \$8,000 per teacher for the  
35 1985-1986 school year and thereafter, whichever is less.



1 Children to be included in any reimbursement under this  
2 paragraph must regularly receive a minimum of one hour of  
3 instruction each school day, or in lieu thereof of a minimum of  
4 5 hours of instruction in each school week in order to qualify  
5 for full reimbursement under this Section. If the attending  
6 physician for such a child has certified that the child should  
7 not receive as many as 5 hours of instruction in a school week,  
8 however, reimbursement under this paragraph on account of that  
9 child shall be computed proportionate to the actual hours of  
10 instruction per week for that child divided by 5.

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

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

23 (d) For one full time qualified director of the special  
24 education program of each school district which maintains a  
25 fully approved program of special education the annual sum of  
26 \$8,000 for the 1985-1986 school year and thereafter. Districts  
27 participating in a joint agreement special education program  
28 shall not receive such reimbursement if reimbursement is made  
29 for a director of the joint agreement program.

30 (e) For each school psychologist as defined in Section  
31 14-1.09 the annual sum of \$8,000 for the 1985-1986 school year  
32 and thereafter.

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

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

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

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

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

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

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

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

19 Sec. 18-4.3. Summer school grants. Grants shall be  
20 determined for pupil attendance in summer schools conducted  
21 under Sections 10-22.33A and 34-18 and approved under Section  
22 2-3.25 in the following manner.

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

1 18-8.05; and (d) by multiplying by 1.25.

2 The amount of the grant for a summer school program  
3 approved by the State Superintendent of Education for children  
4 with disabilities, as defined in Sections 14-1.02 through  
5 14-1.07, shall be determined in the manner contained above  
6 except that average daily membership shall be utilized in lieu  
7 of average daily attendance.

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

25 However, notwithstanding the foregoing provisions, for  
26 each fiscal year the money appropriated by the General Assembly  
27 for the purposes of this Section shall only be used for grants  
28 for approved summer school programs for those children with  
29 disabilities served pursuant to Section ~~Sections~~ 14-7.02 or  
30 14-7.02b ~~and 14-7.02a~~ of this ~~the School~~ Code.

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

32 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

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

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

18 The State will pay the cost of transporting eligible pupils  
19 less the assessed valuation in a dual school district  
20 maintaining secondary grades 9 to 12 inclusive times a  
21 qualifying rate of .05%; in elementary school districts  
22 maintaining grades K to 8 times a qualifying rate of .06%; in  
23 unit districts maintaining grades K to 12 times a qualifying  
24 rate of .07%. To be eligible to receive reimbursement in excess  
25 of 4/5 of the cost to transport eligible pupils, a school  
26 district shall have a Transportation Fund tax rate of at least  
27 .12%. If a school district does not have a .12% Transportation  
28 Fund tax rate, the amount of its claim in excess of 4/5 of the  
29 cost of transporting pupils shall be reduced by the sum arrived  
30 at by subtracting the Transportation Fund tax rate from .12%  
31 and multiplying that amount by the districts equalized or  
32 assessed valuation, provided, that in no case shall said  
33 reduction result in reimbursement of less than 4/5 of the cost  
34 to transport eligible pupils.

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

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

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

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

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

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

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

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

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

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

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

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

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



1 voucher, no later than June 15.

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

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

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

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

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

13 Any school district with a population of not more than  
14 500,000 must deposit all funds received under this Article into  
15 the transportation fund and use those funds for the provision  
16 of transportation services.

17 (Source: P.A. 92-568, eff. 6-26-02; 93-166, eff. 7-10-03;  
18 93-663, eff. 2-17-04.)

19 (105 ILCS 5/14-7.02a rep.)

20 Section 10. The School Code is amended by repealing Section  
21 14-7.02a.

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