

**SB0863**



**94TH GENERAL ASSEMBLY**

**State of Illinois**

**2005 and 2006**

**SB0863**

Introduced 2/18/2005, by Sen. Kimberly A. Lightford - Emil Jones, Jr.

**SYNOPSIS AS INTRODUCED:**

105 ILCS 5/17-1

from Ch. 122, par. 17-1

Amends the School Code. Makes a technical change in a Section concerning the annual budgets of school districts other than the Chicago school district.

LRB094 04495 NHT 34524 b

**A BILL FOR**

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 Section  
5 17-1 as follows:

6 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

7 Sec. 17-1. Annual Budget. ~~The~~ The board of education of  
8 each school district under 500,000 inhabitants shall, within or  
9 before the first quarter of each fiscal year, adopt an annual  
10 budget which it deems necessary to defray all necessary  
11 expenses and liabilities of the district, and in such annual  
12 budget shall specify the objects and purposes of each item and  
13 amount needed for each object or purpose.

14 The budget shall be entered upon a School District Budget  
15 form prepared and provided by the State Board of Education and  
16 therein shall contain a statement of the cash on hand at the  
17 beginning of the fiscal year, an estimate of the cash expected  
18 to be received during such fiscal year from all sources, an  
19 estimate of the expenditures contemplated for such fiscal year,  
20 and a statement of the estimated cash expected to be on hand at  
21 the end of such year. The estimate of taxes to be received may  
22 be based upon the amount of actual cash receipts that may  
23 reasonably be expected by the district during such fiscal year,  
24 estimated from the experience of the district in prior years  
25 and with due regard for other circumstances that may  
26 substantially affect such receipts. Nothing in this Section  
27 shall be construed as requiring any district to change or  
28 preventing any district from changing from a cash basis of  
29 financing to a surplus or deficit basis of financing; or as  
30 requiring any district to change or preventing any district  
31 from changing its system of accounting.

32 The board of education of each district shall fix a fiscal

1 year therefor. If the beginning of the fiscal year of a  
2 district is subsequent to the time that the tax levy due to be  
3 made in such fiscal year shall be made, then such annual budget  
4 shall be adopted prior to the time such tax levy shall be made.  
5 The failure by a board of education of any district to adopt an  
6 annual budget, or to comply in any respect with the provisions  
7 of this Section, shall not affect the validity of any tax levy  
8 of the district otherwise in conformity with the law. With  
9 respect to taxes levied either before, on, or after the  
10 effective date of this amendatory Act of the 91st General  
11 Assembly, (i) a tax levy is made for the fiscal year in which  
12 the levy is due to be made regardless of which fiscal year the  
13 proceeds of the levy are expended or are intended to be  
14 expended, and (ii) except as otherwise provided by law, a board  
15 of education's adoption of an annual budget in conformity with  
16 this Section is not a prerequisite to the adoption of a valid  
17 tax levy and is not a limit on the amount of the levy.

18 Such budget shall be prepared in tentative form by some  
19 person or persons designated by the board, and in such  
20 tentative form shall be made conveniently available to public  
21 inspection for at least 30 days prior to final action thereon.  
22 At least 1 public hearing shall be held as to such budget prior  
23 to final action thereon. Notice of availability for public  
24 inspection and of such public hearing shall be given by  
25 publication in a newspaper published in such district, at least  
26 30 days prior to the time of such hearing. If there is no  
27 newspaper published in such district, notice of such public  
28 hearing shall be given by posting notices thereof in 5 of the  
29 most public places in such district. It shall be the duty of  
30 the secretary of such board to make such tentative budget  
31 available to public inspection, and to arrange for such public  
32 hearing. The board may from time to time make transfers between  
33 the various items in any fund not exceeding in the aggregate  
34 10% of the total of such fund as set forth in the budget. The  
35 board may from time to time amend such budget by the same  
36 procedure as is herein provided for its original adoption.

1           Beginning July 1, 1976, the board of education, or regional  
2 superintendent, or governing board responsible for the  
3 administration of a joint agreement shall, by September 1 of  
4 each fiscal year thereafter, adopt an annual budget for the  
5 joint agreement in the same manner and subject to the same  
6 requirements as are provided in this Section.

7           The State Board of Education shall exercise powers and  
8 duties relating to budgets as provided in Section 2--3.27 of  
9 this Act.

10          By fiscal year 1982 all school districts shall use the  
11 Program Budget Accounting System.

12          In the case of a school district receiving emergency State  
13 financial assistance under Article 1B, the school board shall  
14 also be subject to the requirements established under Article  
15 1B with respect to the annual budget.

16          (Source: P.A. 91-75, eff. 7-9-99.)