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REFERRED TO COMMITTEE ON EDUCATION, MARCH 19, 1975

AN ACT

1 Amending Title 24 (Education) of the Pennsylvania Consolidated
2 Statutes, adding provisions relating to education in public
3 and nonpublic schools and making repeals.

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11 § 5158. Right to sick leave.

12 § 5159. Transfer of accumulated sick leave.

13 § 5160. Regulations governing sick leave.

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15 § 5162. Leave to serve as exchange teacher.

16 § 5163. Leave for maternity purposes.

17 § 5164. Leave without pay.

18 § 5165. Retirement.

19 Subchapter E. Commissioned Personnel

20 § 5171. Election of commissioned personnel.

21 § 5172. Term of office and compensation.

22 § 5173. Oath of office.

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24 § 5175. Superintendent of new combined districts.

25 § 5176. Commissioning of personnel.

26 § 5177. Acting superintendents following vacancies.

27 § 5178. Removal for cause.

28 § 5179. Duties of superintendent.

29 § 5180. Duties of assistant superintendent.

30 Subchapter F. Principals

1 § 5191. Duties of principals.

2 PART III. HIGHER EDUCATION (Reserved)

3 PART IV. RETIREMENT FOR STATE EMPLOYEES (Reserved)

4 PART V. MISCELLANEOUS PROVISIONS (Reserved)

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Title 24, act of November 25, 1970 (P.L.707,
8 No.230), known as the Pennsylvania Consolidated Statutes, is
9 amended by adding a title analysis and parts to read:

10 TITLE 24

11 EDUCATION

12 Parts

13 I. Preliminary Provisions

14 II. Basic Education

15 III. Higher Education (Reserved)

16 IV. Retirement for State Employees (Reserved)

17 V. Miscellaneous Provisions (Reserved)

18 PART I

19 PRELIMINARY PROVISIONS

20 Subpart

21 A. General Provisions

22 B. Commonwealth Agencies

23 C. Nonpublic and Private Schools

24 SUBPART A

25 GENERAL PROVISIONS

26 Chapter

27 1. General Provisions

28 CHAPTER 1

29 GENERAL PROVISIONS

30 Sec.

1 101. Short title of title.

2 102. Definitions.

3 103. Saving clauses.

4 104. Rule-making procedure.

5 105. Access to information and public records.

6 106. Public agency open meeting laws.

7 107. Prohibition of certain tests and qualifications.

8 § 101. Short title of title.

9 This title shall be known and may be cited as the "Education
10 Code."

11 § 102. Definitions.

12 Subject to additional definitions contained in subsequent
13 provisions of this title which are applicable to specific
14 provisions of this title, the following words and phrases when
15 used in this title shall have, unless the context clearly
16 indicates otherwise, the meanings given to them in this section:

17 "Auxiliary personnel." Persons employed by a governing board
18 in positions for which commissions or certificates are not
19 required.

20 "Board of school directors." Includes boards of public
21 education.

22 "Department." The Department of Education of the
23 Commonwealth.

24 "Fiscal year." The period of time from July 1 to the
25 following June 30 or, if fixed by the governing board by a two-
26 thirds vote and approved by the department, the period of time
27 from January 1 to December 31.

28 "Governing board." The board of school directors,
29 intermediate unit board of directors and area vocational-
30 technical school board of directors.

1 "Nonpublic school." Any school, other than a public school
2 within this Commonwealth, which satisfies the requirements of
3 section 3702(c) (relating to mandated and required programs of
4 study) and Title VI of the Federal Civil Rights Act of 1964 (42
5 U.S.C.A. § 2000d et seq.).

6 "Policy." A general statement of purpose, intent or
7 direction by the State board or a governing board.

8 "Professional employee." Any person other than a
9 commissioned employee who holds a professional certificate
10 issued by the department as provided in Chapter 51 (relating to
11 personnel) and is employed by a governing board in a position
12 requiring a certificate.

13 "Public school." Any school or program operated by a school
14 entity.

15 "Quorum." A majority of the legally qualified membership of
16 a governing board.

17 "Regulation" or "rule." A properly issued statement of
18 general applicability and future effect promulgated under
19 statutory authority designed to:

- 20 (1) implement or interpret law or prescribe policy; or
21 (2) describe the organization or operating procedure of
22 the issuing authority.

23 "School director." A duly elected or appointed member of a
24 governing board.

25 "School entity." A school district, intermediate unit or
26 area vocational-technical school.

27 "School term" or "school year." The period of time during a
28 fiscal year out of which the school calendar requirements of
29 section 3721 (relating to establishment of school calendar) are
30 satisfied.

1 "Secretary." The Secretary of Education of the Commonwealth.

2 "Standard." A criterion which implements a statute or
3 regulation by setting forth the minimal level of performance
4 which shall be accepted as constituting compliance with that
5 statute or regulation.

6 "State board." The State Board of Education of the
7 Commonwealth.

8 § 103. Saving clauses.

9 (a) Continuation of existing laws.--The provisions of this
10 title, in so far as they are the same as those of existing laws,
11 are intended as a continuation of such laws and not as new
12 enactments. The repeal by the act enacting this title of any
13 statute or part thereof shall not revive any statute or part
14 thereof heretofore repealed or superseded. The provisions of
15 this title shall not affect title to, or ownership of, any
16 property, real or personal, vested prior to the effective date
17 of this title.

18 (b) Existing rights and liabilities.--The provisions of this
19 title shall not affect any act done, liability incurred or right
20 accrued or vested, or affect any suit or prosecution pending or
21 to be instituted to enforce any right or penalty or punish any
22 offense under the authority of statutes repealed by the act
23 enacting this title.

24 (c) Regulations.--All rules and regulations, not
25 inconsistent with this title, made pursuant to any statute
26 repealed by the act enacting this title shall continue with the
27 same force and effect for one year from the effective date of
28 this title as if such statute had not been repealed. The
29 department shall revise, recodify, publish and promulgate all
30 departmental standards within 12 months of the effective date of

1 this title so as to assure consistency with this title.

2 (d) Persons holding office.--Any person holding office under
3 any statute repealed by the act enacting this title shall
4 continue to hold such office under the statute in effect on the
5 date prior to the effective date of this title.

6 § 104. Rule-making procedure.

7 (a) Regulations.--The State Board of Education, the State
8 Board for Vocational Education and the State boards of private
9 schools shall promulgate and issue regulations where authorized
10 by law in accordance with the procedure provided in the act of
11 July 31, 1968 (P.L.769, No.240), known as the "Commonwealth
12 Documents Law."

13 (b) Standards.--Where the secretary or the comptroller of
14 the department are authorized by this title to promulgate
15 standards, the secretary or comptroller shall promulgate the
16 standards in accordance with the procedure provided by the act
17 of July 31, 1968 (P.L.769, No.240), known as the "Commonwealth
18 Documents Law."

19 (c) Governing boards.--A governing board shall adopt rules
20 or regulations where authorized by this title only after either:

21 (1) intention to adopt the rules or regulations has been
22 made public in accordance with the procedures provided by the
23 act of June 21, 1957 (P.L.392, No.213) and the act of July
24 19, 1974 (No.175), referred to as the Public Agency Open
25 Meeting Laws and the public has been afforded the opportunity
26 to comment on the proposed rules or regulations at an open
27 meeting; or

28 (2) the text of the proposed rules or regulations has
29 been published once in a newspaper of general circulation at
30 least 30 days prior to adoption and the public has been

afforded the opportunity to comment on the proposed rules or regulations in writing.

(d) By whom issued.--A rule or regulation may be promulgated only by the State Board of Education, the State Board for Vocational Education, a State board for private education or a governing board.

§ 105. Access to information and public records.

Rules, regulations, standards and all public records of the State board, the department, the State boards of private schools and any governing board of any school entity shall, at reasonable times, be open for the examination, inspection and reproduction by any citizen of this Commonwealth in accordance with the provisions of the act of June 21, 1957 (P.L.390, No.212), referred to as the Right-to-Know Law.

§ 106. Public agency open meeting laws.

The provisions of the act of June 21, 1957 (P.L.392, No.213) and the act of July 19, 1974 (No.175), referred to as the Public Agency Open Meeting Laws shall apply to all governing boards of all school entities and to the State board, the State Board for Vocational Education and the State boards for private schools.

§ 107. Prohibition of certain tests and qualifications.

No test or qualification based on religious, political or racial grounds shall be required of any director, officer, appointee, employee or any visitor in the public schools of this Commonwealth.

SUBPART B

COMMONWEALTH AGENCIES

Chapter

5. State Board of Education

7. Department of Education

1 CHAPTER 5

2 STATE BOARD OF EDUCATION

3 Sec.

4 501. Membership and operation of State board.

5 502. Membership and operation of councils of basic and higher
6 education.

7 503. Powers and duties of State board.

8 504. Powers and duties of Council for Basic Education.

9 505. Powers and duties of Council for Higher Education.

10 506. State board requirements binding upon department.

11 507. State board staff and department assistance.

12 § 501. Membership and operation of State board.

13 (a) Membership.--The State Board of Education shall consist
14 of 17 members. Members shall be appointed by the Governor, by
15 and with the advice and consent of two-thirds of all the members
16 of the Senate, and shall hold office for terms of six years each
17 and until a successor has been appointed and has qualified.

18 (b) Compensation.--Members shall receive no salary but shall
19 be entitled to travel and other necessary expenses incurred in
20 the performance of their duties as members of the State board.

21 (c) Quorum and meetings.--Nine members shall constitute a
22 quorum provided that at least four members serving on each of
23 the councils are present. The affirmative vote of a majority of
24 all the members of the State board duly recorded showing how
25 each member voted shall be required in order to take action
26 formulating policies and adopting rules and regulations. The
27 State board shall meet at least five times a year at such times
28 and places as it shall determine. Special meetings may be called
29 by the chairman or at the request of a majority of the members
30 of the State board.

1 (d) Vacancies.--An appointment to fill a vacancy shall be
2 for the unexpired term.

3 (e) Eligibility.--Except for the chairman, not more than two
4 members serving on each council may be employed in a school
5 system or by any educational institution. At least two members
6 serving on each council shall have had previous experience with
7 technical education or training. No person employed by the
8 department may serve as a member.

9 (f) Executive officer.--The secretary or his designated
10 representative shall be the chief executive officer of the State
11 Board of Education and the State Board for Vocational Education,
12 shall be entitled to attend all meetings of the State board and
13 the councils and shall have the right to speak on all matters
14 before the board and the councils but not to vote.

15 § 502. Membership and operation of councils of basic and higher
16 education.

17 (a) Chairman of State board.--The person designated by the
18 Governor to serve as chairman of the State board shall also
19 serve as a member of both the Council of Basic Education and the
20 Council of Higher Education.

21 (b) Members of State board.--Of the remaining 16 members of
22 the board, eight shall serve as members of the Council of Basic
23 Education and eight shall serve as members of the Council of
24 Higher Education, as designated by the Governor.

25 (c) Chairmen of councils.--The Governor shall designate to
26 serve at his pleasure a member serving on each council to act as
27 chairman of each council.

28 (d) Meetings.--Each council shall meet at the call of its
29 chairman or at the request of a majority of the members of the
30 council.

1 (e) Joint committees.--The chairman of the State board may
2 appoint special joint committees from among the members of the
3 board to formulate proposals in those areas which fall within
4 the purview of both of the councils.

5 § 503. Powers and duties of State board.

6 The State board shall:

7 (1) Serve as the general planning and coordinating body
8 for all public education including both basic and higher
9 education.

10 (2) Investigate programs, conduct research studies and
11 formulate educational policies applicable to both basic and
12 higher education.

13 (3) Formulate policies and adopt rules and regulations
14 as provided in this title.

15 (4) In January in odd-numbered years, submit a
16 comprehensive report of its activities to the Governor and
17 General Assembly together with its recommendations for
18 improvements in education in this Commonwealth. The report
19 shall include a statement outlining the expected benefits and
20 projected costs of any recommended course of action.

21 (5) Apply for, receive and administer, subject to any
22 applicable regulations or laws of the Federal Government or
23 any agency thereof, any Federal grants, programs,
24 appropriations and allocations on behalf of the Commonwealth,
25 any of its school districts or any institution of higher
26 education, public or private, within this Commonwealth.

27 (6) Serve as the State Board for Vocational Education to
28 carry out the provisions of any and all Federal and State
29 laws relating to vocational education so far as the same
30 relate to the cooperation of the State and Federal

1 governments, and have full power to take all necessary steps
2 in the formulation of plans for the administration of
3 vocational education and to formulate and execute plans for
4 the preparation of teachers of vocational subjects.

5 (7) Adopt regulations governing educational
6 broadcasting, educational communications technologies and
7 educational computer systems.

8 (8) Submit annually to the department an estimate of the
9 financial requirements of the State board for administrative
10 expenses.

11 (9) Provide for summer schools in State colleges,
12 colleges, universities and other educational institutions,
13 and for extension courses and correspondence courses for all
14 teachers employed in the public school system of this
15 Commonwealth who wish to acquire the minimum qualifications
16 prescribed in Chapter 51 (relating to personnel) or such
17 further qualifications as may be desirable.

18 (10) Perform such other duties as may be required by or
19 may be necessary to carry out the provisions of this title.

20 § 504. Powers and duties of Council for Basic Education.

21 The Council for Basic Education shall:

22 (1) Formulate and recommend to the State board policies,
23 rules and regulations where provided for by this title and in
24 the following areas:

25 (i) The minimum program to be provided by all public
26 schools.

27 (ii) The qualifications for employment of
28 professional personnel in the public schools.

29 (iii) Admission, attendance, graduation and other
30 separation requirements for the public schools.

1 (iv) All matters pertaining to school construction.

2 (v) The operation of all programs of supportive
3 services.

4 (vi) The operation of special schools and programs.

5 (vii) Action to be taken on changes in school entity
6 boundary lines as provided by law.

7 (viii) All standards and practices for professional
8 practice as provided for in section 5112 (relating to
9 Professional Standards and Practices Commission).

10 (ix) Any area where uniform regulation is necessary
11 to implement the provisions of this title.

12 (2) Encourage and promote such educational programs as
13 the needs of this Commonwealth may from time to time require.

14 (3) Recommend to the State board policies, rules and
15 regulations governing the operation of vocational education,
16 special education and intermediate units.

17 (4) Recommend to the State board an evaluation procedure
18 designed to measure objectively the adequacy and efficiency
19 of the educational programs offered by the public schools of
20 this Commonwealth.

21 (5) Perform such other duties as may be necessary to
22 promote an effective system of basic education within this
23 Commonwealth.

24 § 505. Powers and duties of Council for Higher Education.

25 (a) General rule.--The Council for Higher Education shall:

26 (1) Develop for State board approval a master plan for
27 higher education in this Commonwealth for the guidance of the
28 Governor, General Assembly and all institutions of higher
29 education financed wholly or in part from Commonwealth
30 appropriations. The master plan shall:

1 (i) Define the role of each type of institution
2 (State owned colleges, private colleges and universities
3 and off-campus centers of any of these and other
4 institutions authorized to grant degrees) in the
5 Commonwealth system of higher education.

6 (ii) Recommend enrollment levels for each
7 institution.

8 (iii) Recommend a method for governance of the
9 system.

10 (iv) Provide formulas for the distribution of
11 Commonwealth funds among the institutions.

12 (v) Otherwise provide for an orderly development of
13 the system.

14 (2) Review the annual budget requests of institutions of
15 higher education.

16 (3) Recommend to the State board policies, rules and
17 regulations for the approval of colleges and universities for
18 the granting of certificates and degrees.

19 (4) Recommend to the State board policies, rules and
20 regulations for all higher education building projects
21 involving the use of Commonwealth funds or the funds of any
22 Commonwealth instrumentality.

23 (5) Investigate programs, conduct research studies and
24 formulate proposals to the State board in all areas
25 pertaining to higher education in this Commonwealth,
26 including a system of community colleges as provided by law.

27 (6) Recommend to the State board regulations under which
28 the department shall approve or disapprove any action of a
29 State-owned college or university, community college or
30 State-related or State-aided college or university in

1 establishing additional branches or campuses or in
2 discontinuing branches or campuses.

3 (7) Recommend to the State board regulations under which
4 the department shall approve or disapprove any action of a
5 State-owned college or university, community college or
6 State-related or State-aided college or university in
7 establishing new professional schools or upper division
8 programs by two-year institutions.

9 (8) Recommend to the State board regulations under which
10 the department shall approve or disapprove applications by
11 State-owned colleges for admission to university status and
12 approve or disapprove applications by two-year institutions
13 to become four-year institutions.

14 (9) Recommend to the State board regulations under which
15 the department shall approve or disapprove the request of any
16 private institution of higher education for admission to
17 State-related or State-aided status or for eligibility for
18 other financial support from the Commonwealth.

19 (10) Require the submission of long-range plans from all
20 public and private institutions of higher education at the
21 times and in the form requested by the State board.

22 (b) Board of State College and University Directors.--With
23 regard to State-owned institutions, approval or disapproval by
24 the department under the provisions of subsection (a)(6) through
25 (8) shall not be made until after recommendation by the Board of
26 State College and University Directors whenever such
27 recommendation is deemed necessary or required by law.

28 (c) Department of Education.--No institution of higher
29 education may proceed with any action described in subsection
30 (a)(6) through (8) unless it has been approved by the

1 department.

2 (d) Budget approval.--With regard to approval by the
3 department under the provisions of subsection (a)(6) through
4 (9), no action to be financed wholly or in part from
5 Commonwealth appropriations shall be taken by an institution of
6 higher learning prior to the next fiscal year or until the
7 General Assembly approves the Budget of the Governor for the
8 next fiscal year, and prior to each member of the General
9 Assembly, the Governor and the Budget Secretary being provided
10 with written notification of such approval, including projected
11 five-year fiscal analysis and an explanation as to the necessity
12 for the proposed action in relation to the master plan for
13 higher education.

14 § 506. State board requirements binding upon department.

15 Policies, rules and regulations promulgated by the State
16 board shall be binding upon the department.

17 § 507. State board staff and department assistance.

18 (a) State board staff.--The State board may employ and fix
19 the compensation of such staff as is deemed necessary to perform
20 the duties of the State board.

21 (b) Secretaries to councils.--The State board shall assign a
22 member of the staff to the Council of Basic Education and the
23 Council of Higher Education to serve as secretary.

24 (c) Assistance from department.--The department shall
25 furnish upon request of the State board such data and
26 information as the State board may from time to time require and
27 the department shall provide administrative services for and on
28 behalf of the State board to assist the State board in the
29 performance of its duties.

30 CHAPTER 7

DEPARTMENT OF EDUCATION

Subchapter

A. General Provisions

B. Financially Distressed School Districts

C. Firemen's Training

SUBCHAPTER A

GENERAL PROVISIONS

Sec.

701. Appointment of secretary.

702. Powers and duties of secretary.

703. Emergency powers.

704. Power to withhold financial aid.

705. Departmental approval of plans.

§ 701. Appointment of secretary.

The secretary shall assume all powers and duties of the former Superintendent of Public Instruction and shall be appointed by the Governor as provided by law.

§ 702. Powers and duties of secretary.

(a) Standards for compliance with laws.--The secretary as the chief school officer of this Commonwealth shall have the power and it shall be his duty to secure compliance with all statutes of this Commonwealth which pertain to education and with rules and regulations of the State board. The secretary shall adopt those standards necessary to assure compliance, shall publish the standards and shall make them available in accordance with the provisions of the act of July 31, 1968 (P.L.769, No.240), known as the "Commonwealth Documents Law."

(b) State board consideration of standards.--Any standard issued by the secretary in an area under the jurisdiction of the State board shall be submitted to the State board for its

1 information and consideration at the same time as it is
2 published as a proposed standard as provided in the
3 "Commonwealth Documents Law." The State board may then take
4 whatever action it deems appropriate.

5 (c) Issuance of guidelines.--The secretary may issued
6 nonbinding guidelines.

7 (d) Powers and duties provided by law.--The secretary shall
8 perform such duties and exercise such powers as are provided in
9 this title.

10 (e) Proceedings to enforce compliance.--When, in the
11 judgment of the secretary, compliance with the law or
12 regulations of the State board have not been effected, the
13 secretary may bring appropriate enforcement proceedings in the
14 Commonwealth Court or in the appropriate court of common pleas,
15 as provided for by law, seeking such orders as may be necessary
16 and just to effect compliance.

17 (f) Inspections and reports.--The department shall inspect
18 and require reports of the educational work in the elementary
19 and secondary schools and institutions, wholly or partly
20 supported by the Commonwealth, which are not supervised by the
21 public school authorities. A copy of the report of any
22 inspection which may be made shall be sent to the head of the
23 institution.

24 (g) Reports to the General Assembly.--Annually, by December
25 31, the secretary shall submit to the members of the General
26 Assembly a report on the operation of the intermediate units for
27 the purpose of enabling it to evaluate the system. The
28 obligation to submit this report shall cease on July 1, 1980.

29 (h) Fiscal agent of department.--The comptroller for the
30 department shall be the fiscal agent of the department and as

1 such shall calculate payments and disperse funds in accordance
2 with this title.

3 § 703. Emergency powers.

4 Whenever a state of extreme emergency has been declared by
5 the Governor in accordance with the provisions of the act of
6 March 19, 1951 (P.L.28, No.4), known as the "State Council of
7 Civil Defense Act of 1951," or the act of July 6, 1961 (P.L.515,
8 No.265), relating to disaster and emergency relief, any board of
9 school directors whose district has been encompassed by such an
10 order may request the secretary to suspend any provisions of
11 this title to the extent necessary to cope with the
12 circumstances of the emergency. Upon making a finding of the
13 need for such suspension, the secretary may suspend such
14 provisions effective immediately and inform the State Council of
15 Civil Defense of the action. A labor dispute involving school
16 district employees shall not constitute an emergency for the
17 purposes of this section.

18 § 704. Power to withhold financial aid.

19 (a) General rule.--When the department determines that a
20 school entity is not in compliance with any provision of this
21 title or with any regulation of the State board promulgated
22 thereunder, the department may withhold from such school entity
23 any or all of any appropriations, subsidies or other
24 Commonwealth moneys due that entity until such entity shall
25 comply. The amount withheld shall be reasonably related to the
26 degree of the noncompliance so as to secure compliance.

27 (b) Determination as an adjudication.--The determination to
28 withhold financial aid shall be considered an adjudication
29 within the meaning of the act of June 4, 1945 (P.L.1388,
30 No.442), known as the "Administrative Agency Law," and all

1 notices, hearings and appeals shall be conducted in accordance
2 therewith.

3 § 705. Departmental approval of plans.

4 (a) Time for action.--Where in this title the department is
5 required to approve plans it shall take action within 120 days
6 of the date of submission or the required filing date, whichever
7 is later. If action has not been taken within 120 days of such
8 date, approval shall be deemed granted.

9 (b) Statement of reasons for denial.--Where in this title
10 the department is required to approve plans and approval is
11 denied it shall state the reasons for denial of approval.

12 (c) Action as an adjudication.--The approval or denial of
13 approval of the department shall constitute an adjudication
14 within the meaning of the act of June 4, 1945 (P.L.1388,
15 No.442), known as the "Administrative Agency Law," and all
16 notices, hearings and appeals shall be conducted in accordance
17 therewith.

18 SUBCHAPTER B

19 FINANCIALLY DISTRESSED SCHOOL DISTRICTS

20 Sec.

21 711. Financially distressed district defined.

22 712. Appointment of special board of control.

23 713. Powers of special board of control.

24 714. Status of school directors.

25 715. Termination of financial distress of district.

26 § 711. Financially distressed district defined.

27 (a) General rule.--A school district shall be deemed to be
28 financially distressed when any one of the following
29 circumstances shall arise and the secretary, after proper
30 investigation of the financial condition of the district, the

governing practices of the board and such other matters as the secretary may deem pertinent, has issued a certificate declaring such district to be financially distressed:

(1) The salaries of any teachers or other employees have remained unpaid for a period of 90 days.

(2) The tuition due another school district or school entity remains unpaid on and after January 1 of the year following the fiscal year it was due and there is no dispute regarding the validity or amount of the claim.

(3) Any amount due another school entity or political subdivision under a cooperative agreement remains unpaid for a period of 90 calendar days beyond the due date specified in the agreement.

(4) The school district has defaulted in payment of its bonds or interest on the bonds or in payment of rentals due any authority for a period of 90 calendar days and no action has been initiated within that period of time to make payment.

(5) The school district has exceeded the limits on its indebtedness as provided by law.

(6) The school district has accumulated and has operated with a deficit equal to 2% or more of the assessed valuation of the taxable real estate within the district for two successive years.

(7) A new school district has been formed and one or more of the former school districts which compose the new school district was a financially distressed school district at the time of the formation of the new school district.

(b) Default in Commonwealth payments.--No school district shall be deemed to be financially distressed by reason of any of

1 the above circumstances arising as a result of the failure of
2 the Commonwealth to make any payment of money due the district
3 at the time such payment is due.

4 § 712. Appointment of special board of control.

5 (a) General rule.--Whenever on the basis of a proper
6 investigation as provided for in this subchapter, the secretary
7 has declared any school district to be a financially distressed
8 school district, the secretary or his designated representative,
9 who shall be a person trained in public school administration
10 possessing the certification prerequisites demanded of a
11 district or assistant superintendent or holding in the
12 department the rank of deputy secretary, shall petition the
13 court of common pleas of the county in which the district, or
14 the largest part in area is located, to appoint two citizens who
15 shall be qualified electors and taxpayers in the county in which
16 the school district is located. School directors and employees
17 of the school district shall be ineligible for appointment by
18 the court. The appointees, together with the secretary or his
19 designated representative, shall constitute a special board of
20 control. Vacancies occurring because of death or resignation of
21 appointed members of the board shall be filled by the court. The
22 special board of control shall continue in existence during the
23 period necessary to reestablish a sound financial structure in
24 the district. The costs of the court proceedings shall be paid
25 by the department.

26 (b) Failure of court to appoint board.--In the event that
27 the court of common pleas has made no appointment of members to
28 a special board of control within 30 days of the date of the
29 filing of the petition for such appointment, the secretary may
30 designate the executive director of the intermediate unit in

1 which the financially distressed district is located, and a
2 member of that intermediate unit board, to serve until the court
3 makes the appointments. A school director of the financially
4 distressed school district serving on the intermediate unit
5 board of school directors shall be ineligible for appointment.

6 (c) Compensation of board.--The members of the special board
7 appointed by the court, or the member other than the
8 intermediate unit executive director appointed on a temporary
9 basis by the secretary, shall be paid \$25 for each meeting of
10 the regular board of school directors of the financially
11 distressed school district which they attend plus actual
12 expenses incurred in the performance of their duties. Payment
13 shall be made from the funds of the school district and shall be
14 charged to administrative services even though no previous
15 provision has been made in the budget of the school district for
16 the expenses.

17 § 713. Powers of special board of control.

18 (a) General rule.--The special board of control shall
19 approve all actions of the board of school directors of the
20 financially distressed district. The board of school directors
21 of the financially distressed district shall remain in office
22 but shall have no power to act without the approval of the
23 special board of control. The special board of control shall
24 have power to require the board of directors within 60 days to
25 revise the district budget for the purpose of effecting such
26 economies as the special board deems necessary to improve the
27 district financial condition. To this end, the special board of
28 control may require the board:

29 (1) To cancel or to renegotiate any contract, other than
30 contracts of teachers, to which the board or the school

1 district is a party, if the cancellation or renegotiation of
2 contract will effect needed economies in the operation of the
3 schools of the district.

4 (2) To increase tax levies in such amounts and at such
5 times as is permitted by law.

6 (3) To appoint a special collector of delinquent taxes
7 for the district who need not be a resident of the school
8 district. The special tax collector shall exercise all the
9 rights and perform all the duties imposed by law on tax
10 collectors for school districts. The superseded tax collector
11 or collectors shall not be entitled to any commissions on the
12 taxes collected by the special collector of delinquent taxes.

13 (4) To direct the special school auditors of the
14 department or to appoint a competent independent public
15 accountant to audit the accounts of the financially
16 distressed school district.

17 (5) To dispense with the services of such auxiliary
18 employees as in the judgment of the special board are not
19 actually needed for the economical operation of the school
20 system.

21 (6) To furlough, in accordance with the provisions of
22 sections 5135 (relating to furlough of employee from staff
23 reduction) and 5136 (relating to criteria for furlough and
24 reinstatement), such number of professional employees as may
25 be necessary to maintain a pupil-teacher ratio of not less
26 than 26 pupils per teacher for the combined elementary and
27 secondary school enrollments.

28 (b) Failure of school directors to perform duties.--In the
29 event that the board of school directors of a financially
30 distressed district shall fail or refuse to perform any duties

1 required of it by the special board of control, then the special
2 board of control shall have the power and is hereby authorized
3 to perform such duties as the special board deems necessary.

4 (c) Levy of additional taxes.--When the special board of
5 control determines that the financially distressed district is
6 in need of additional tax revenues, the special board of control
7 shall require the board of school directors of the financially
8 distressed district or, where the board of school directors does
9 not have the power to tax, the appropriate taxing authority to
10 levy an additional tax or taxes sufficient to liquidate the
11 indebtedness of the district. Present limitations on tax rates
12 imposed by law shall not apply to distressed school districts
13 during the period of financial distress.

14 § 714. Status of school directors.

15 (a) General rule.--The school directors of a financially
16 distressed district may not resign their offices except with the
17 unanimous consent of the special board of control and shall
18 continue in office for the remainder of their terms during the
19 time the district is operated by the special board of control
20 and shall perform any duties delegated to them by the special
21 board of control unless:

22 (1) they are removed from office for neglect of duty
23 under the provisions of section 2314 (relating to removal of
24 directors for neglect of duty) by the court of common pleas
25 of the county in which such district or the largest part in
26 area is located; or

27 (2) any of the directors are elected to another position
28 for which there is a requirement that the director shall hold
29 no other elective office.

30 (b) Election or appointment of school directors.--The

1 existence of the special board of control shall in no way
2 interfere with the regular election, reelection, appointment or
3 reappointment of school directors for the district.

4 § 715. Termination of financial distress of district.

5 When the secretary or the special board of control determines
6 after proper investigation that the school district is no longer
7 financially distressed, the secretary or the special board may
8 present to the court of common pleas a petition certifying that
9 the district is no longer in financial distress. The court, upon
10 satisfaction of the financial soundness of the district, shall
11 enter an appropriate order terminating the special board of
12 control and returning the board of school directors to its
13 former position of full and rightful control and authority.

14 SUBCHAPTER C

15 FIREMEN'S TRAINING

16 Sec.

17 721. Firemen's training.

18 § 721. Firemen's training.

19 The management and control of the "Pennsylvania State
20 Firemen's Training School" shall be vested in the department.
21 The school shall be operated for the purpose of providing a
22 training program for firemen regularly employed by political
23 subdivisions of this Commonwealth and all regularly enrolled
24 members of volunteer fire companies utilizing said school and
25 such other facilities as may be needed in the program.

26 SUBPART C

27 NONPUBLIC AND PRIVATE SCHOOLS

28 Chapter

29 11. Nonpublic and Private Schools

30 CHAPTER 11

1 NONPUBLIC AND PRIVATE SCHOOLS

2 Subchapter

3 A. General Provisions

4 B. Regulated Private Schools

5 C. Private Driver Education and Training Schools

6 SUBCHAPTER A

7 GENERAL PROVISIONS

8 Sec.

9 1101. Definitions.

10 1102. Auxiliary services to nonpublic school children.

11 1103. Educational aids for nonpublic school children.

12 § 1101. Definitions.

13 The following words and phrases when used in this chapter
14 shall have, unless the context clearly indicates otherwise, the
15 meanings given to them in this section:

16 "Agent" or "field representative." Any person, whether
17 employed by a private school or operating on his own behalf, or
18 whether acting on behalf of any private school located within or
19 outside of this Commonwealth who, for consideration, shall
20 personally procure or solicit any individual within this
21 Commonwealth to enroll in a private school.

22 "Appropriate authority." Either the State Board of Private
23 Academic Schools, the State Board of Private Business Schools,
24 the State Board of Private Trade Schools, the State Board of
25 Private Correspondence Schools or the department, depending on
26 which authority has administrative jurisdiction over the private
27 school in question.

28 "License year." The period from July 1 to the following June
29 30.

30 "Motor vehicle." A motor vehicle as defined in the act of

1 April 29, 1959 (P.L.58, No.32), known as "The Vehicle Code."

2 "Private academic school." A private school maintained or
3 classes conducted for five or more students at one and the same
4 time, or for 25 or more students during any school year, for the
5 purpose of educating an individual generally or specially or to
6 prepare an individual for more advanced study and includes all
7 schools engaged in such education but does not include colleges
8 or universities, or schools for the blind, deaf and dumb
9 receiving Commonwealth appropriations, or schools accredited by
10 accrediting associations approved by the department, or any type
11 of private school which is nonacademic in character.

12 "Private business school." A private school maintained or
13 classes conducted for the purpose of preparing an individual to
14 pursue a recognized profitable occupation in commercial
15 pursuits and business phases of other occupations for which
16 graduation from a degree granting institution of college grade
17 is not required but does not include junior colleges.

18 "Private correspondence school." A private school conducted
19 for the purpose of providing, by correspondence, systematic
20 instruction in any field or fields of study.

21 "Private driver education or training school." A private
22 school maintained, classes conducted or instruction offered by
23 any individual, association, partnership or corporation to
24 educate or train an individual or individuals, either
25 practically or theoretically or both, to operate or drive a
26 motor vehicle but does not include colleges or universities,
27 schools accredited by accrediting associations approved by the
28 department or schools licensed by the State Board of Private
29 Academic Schools.

30 "Private school." A private academic school, private

1 business school, private trade school, private correspondence
2 school or private driver education or training school privately
3 owned and operated for the purpose of offering instruction for a
4 consideration, profit or tuition, but does not include schools
5 maintained or classes conducted by employers for their own
6 employees where no fee or tuition is charged, schools or classes
7 sponsored and operated by bona fide religious institutions or by
8 the Commonwealth or any political subdivision thereof.

9 "Private trade school." A school maintained or classes
10 conducted for the purpose of offering instruction to prepare an
11 individual to pursue a recognized profitable occupation in
12 skilled trades or industries or to give occupational training
13 but does not include any school maintained or class conducted
14 for training for the vocation of homemaking or to give training
15 in public and other service occupations or correspondence
16 schools, business schools, private academic schools, barber
17 schools, beauty culture schools, flight schools or degree
18 granting institutions.

19 § 1102. Auxiliary services to nonpublic school children.

20 (a) Declaration of policy.--The welfare of this Commonwealth
21 requires that the present and future generations of school age
22 children be assured ample opportunity to develop to the fullest
23 their intellectual capacities. To further this objective, the
24 Commonwealth provides, through tax funds of this Commonwealth,
25 auxiliary services free of charge to children attending public
26 schools within this Commonwealth. Approximately one quarter of
27 all children in this Commonwealth, in compliance with the
28 compulsory attendance provision of this title, attend nonpublic
29 schools. Although their parents are taxpayers of this
30 Commonwealth, these children do not receive auxiliary services

1 from the Commonwealth. It is the intent of the General Assembly
2 by this section to assure the providing of such auxiliary
3 services in such a manner that every school child in this
4 Commonwealth will equitably share in the benefits thereof.

5 (b) Definition.--As used in this section "auxiliary
6 services" means guidance, counseling and testing services;
7 psychological services; services for exceptional children;
8 remedial and therapeutic services; speech and hearing services;
9 services for the improvement of the educationally disadvantaged
10 (such as, but not limited to, teaching English as a second
11 language); and such other secular, neutral, non-ideological
12 services as are of benefit to nonpublic school children and are
13 presently or hereafter provided for public school children in
14 this Commonwealth.

15 (c) General rule.--Pursuant to rules and regulations
16 established by the State board, each intermediate unit shall
17 provide auxiliary services to all children who are enrolled in
18 grades kindergarten through twelve in nonpublic schools in which
19 the requirements of the compulsory attendance provisions of this
20 title may be met and which are located within the area served by
21 the intermediate unit which auxiliary services shall be provided
22 in their respective schools. The department shall, each fiscal
23 year, apportion to each intermediate unit an amount equal to the
24 cost of providing the services but in no case shall the amount
25 apportioned be in excess of \$36 per pupil enrolled in nonpublic
26 schools within the area served by the intermediate unit.

27 § 1103. Educational aids for nonpublic school children.

28 (a) Declaration of policy.--The welfare of this Commonwealth
29 requires that the present and future generations of school age
30 children be assured ample opportunity to develop to the fullest

1 their intellectual capacities. To further this objective, the
2 Commonwealth provides, through tax funds of this Commonwealth,
3 textbooks and instructional materials free of charge to children
4 attending public schools within this Commonwealth. Approximately
5 one quarter of all children in this Commonwealth, in compliance
6 with the compulsory attendance provisions of this title, attend
7 nonpublic schools. Although their parents are taxpayers of this
8 Commonwealth, these children do not receive textbooks or
9 instructional materials from the Commonwealth. It is the intent
10 of the General Assembly by this section to assure such a
11 distribution of such educational aids so that every school child
12 in this Commonwealth will equitably share in the benefits
13 thereof.

14 (b) Definition.--As used in this section the following words
15 and phrases shall have the meanings given to them in this
16 subsection:

17 "Instructional equipment." Instructional devices, other than
18 fixtures annexed to and forming part of the real estate, which
19 are suitable for and to be used by children or teachers. The
20 term includes, but is not limited to, projection equipment,
21 recording equipment, laboratory equipment and any other
22 educational secular, neutral, non-ideological equipment as may
23 be of benefit to the instruction of nonpublic school children
24 and are presently or hereafter provided for public school
25 children in this Commonwealth.

26 "Instructional materials." Books, periodicals, documents,
27 pamphlets, photographs, reproductions, pictorial or graphic
28 works, musical scores, maps, charts, globes, sound recordings,
29 including but not limited to those on discs and tapes, processed
30 slides, transparencies, films, filmstrips, kinescopes and video

1 tapes, or any other printed and published materials of a similar
2 nature made by any method now developed or hereafter to be
3 developed. The term includes such other secular, neutral, non-
4 ideological materials as are of benefit to the instruction of
5 nonpublic school children and are presently or hereafter
6 provided for public school children in this Commonwealth.

7 "Textbooks." Books, workbooks including reusable and non-
8 reusable workbooks, and manuals, whether bound or in looseleaf
9 form, intended for use as a principal source of study material
10 for a given class or group of students, a copy of which is
11 expected to be available for the individual use of each pupil in
12 the class or group. The textbooks shall be textbooks which are
13 acceptable for use in any public elementary or secondary school
14 of this Commonwealth.

15 (c) Purchase and loan of textbooks.--The department,
16 directly or through the intermediate units, shall have the power
17 and duty to purchase textbooks and, upon individual request, to
18 loan them to all children residing in this Commonwealth who are
19 enrolled in grades kindergarten through twelve of a nonpublic
20 school. The textbooks shall be loaned free to the children
21 subject to such rules and regulations as may be prescribed by
22 the State board. The department shall not be required to
23 purchase or otherwise acquire textbooks pursuant to this
24 subsection, the total cost of which, in any school year, shall
25 exceed an amount equal to \$15 multiplied by the number of
26 children residing in this Commonwealth who on October 1 of the
27 school year are enrolled in grades kindergarten through twelve
28 of a nonpublic school within this Commonwealth in which the
29 requirements of the compulsory attendance provisions of this
30 title may be met.

1 (d) Purchase and loan of materials and equipment.--Pursuant
2 to requests from the appropriate nonpublic school official on
3 behalf of nonpublic school pupils, the department shall have the
4 power and duty to purchase directly or through the intermediate
5 units or otherwise acquire, and to loan to the nonpublic
6 schools, instructional materials and equipment useful to the
7 education of such children the total cost of which, in any
8 school year, shall not exceed \$25 multiplied by the number of
9 children residing in this Commonwealth who, on October 1 of the
10 school year, are enrolled in grades kindergarten through 12 of a
11 nonpublic school.

12 SUBCHAPTER B

13 REGULATED PRIVATE SCHOOLS

14 Sec.

15 1111. State boards of private schools.

16 1112. Jurisdiction of boards and department.

17 1113. Optional licensing of private schools.

18 1114. Mandatory licensing of private schools and agents.

19 1115. Application for license.

20 1116. Issuance and renewal of license.

21 1117. Scope of license.

22 1118. License fees.

23 1119. List of licensed schools and agents.

24 1120. Requirements for licensure and operation.

25 1121. Refusal, suspension or revocation of license.

26 1122. Penalties for violations of chapter.

27 § 1111. State boards of private schools.

28 (a) Appointment of members.--The secretary shall appoint
29 members to each of the State boards of private schools as
30 follows:

1 (1) The State Board of Private Academic Schools shall
2 consist of seven members four or more of whom shall be active
3 in the private academic school field.

4 (2) The State Board of Private Business Schools shall
5 consist of seven members four or more of whom shall have
6 occupied executive or management positions in private
7 business schools in this Commonwealth.

8 (3) The State Board of Private Trade Schools shall
9 consist of seven members five or more of whom shall be active
10 in the private trade school field.

11 (4) The State Board of Private Correspondence Schools
12 shall consist of seven members.

13 (b) Quorum.--A majority of the members of each board shall
14 constitute a quorum.

15 (c) Chairman.--Each board shall, annually, select a chairman
16 from among its members.

17 (d) Secretary.--Each board shall have a secretary assigned
18 from the department staff who shall serve as the chief of
19 registration for the respective boards.

20 (e) Compensation and expenses.--The members of each board
21 shall be paid \$30 per diem and necessary expenses when actively
22 engaged in the performance of their official duties.

23 (f) Location of meetings and records.--The meetings of each
24 board shall be held and the proceedings of the meetings and the
25 records of each board shall be maintained in the City of
26 Harrisburg, Dauphin County, Pennsylvania.

27 (g) Department to issue documents.--All certificates and
28 other official documents of each board shall be issued by the
29 department.

30 § 1112. Jurisdiction of boards and department.

1 The power to adopt and enforce rules and regulations and to
2 promulgate standards of instruction for schools within their
3 jurisdiction shall be as follows:

4 (1) The State Board of Private Academic Schools shall
5 adopt and enforce rules and regulations regarding private
6 academic schools.

7 (2) The State Board of Private Business Schools shall
8 adopt and enforce rules and regulations regarding private
9 business schools.

10 (3) The State Board of Private Trade Schools shall adopt
11 and enforce rules and regulations regarding private trade
12 schools.

13 (4) The State Board of Private Correspondence Schools
14 shall adopt and enforce rules and regulations regarding
15 private correspondence schools.

16 (5) The department shall adopt and enforce standards
17 regarding private driver education and training schools.

18 § 1113. Optional licensing of private schools.

19 All schools not otherwise required to obtain a license may
20 choose to apply for a license and, upon approval and issuance
21 thereof, shall be subject to the provisions of this chapter.
22 Such schools may voluntarily surrender their license and revert
23 to their original status.

24 § 1114. Mandatory licensing of private schools and agents.

25 (a) Operation of school.--No private school shall continue
26 in operation or be established within this Commonwealth unless
27 the school shall apply for and obtain from the appropriate
28 authority a license issued in the manner and form prescribed.

29 (b) Agent for new school in Commonwealth.--Within this
30 Commonwealth, no person or persons shall advertise in behalf of,

1 or solicit prospective students to enroll in, a private school
2 to be established within this Commonwealth prior to the
3 establishment of the school unless the person or persons shall
4 apply to the appropriate authority for a license in the manner
5 and form prescribed and shall receive from the appropriate
6 authority authorization to conduct such activities.

7 (c) Agent for new school outside Commonwealth.--Within this
8 Commonwealth, no person or persons shall solicit prospective
9 students to enroll in a school to be established outside this
10 Commonwealth prior to the establishment of the school unless the
11 person or persons shall apply for and obtain from the
12 appropriate authority an agent's license in the manner and form
13 prescribed.

14 (d) Agent for existing school.--No person or persons shall
15 solicit any prospective student within this Commonwealth to
16 enroll in a school located within or outside this Commonwealth
17 unless the school has been approved by the appropriate authority
18 and unless the person or persons shall apply for and obtain from
19 the appropriate authority an agent's license in the manner and
20 form prescribed.

21 (e) Limitation on authority of agent.--No person holding an
22 agent's license shall solicit prospective students to enroll in
23 a school or class other than the one he is licensed to
24 represent.

25 § 1115. Application for license.

26 (a) General rule.--Before any license is issued to a private
27 school, a verified application shall be made, in writing, to the
28 appropriate authority on a form prepared and furnished by the
29 appropriate authority. The application shall require a statement
30 showing, where appropriate:

(1) The title or name and address of the school or classes together with ownership and controlling officers thereof.

(2) The general and specific fields of instruction which will be offered and the purposes of such instruction.

(3) The place or places where instruction will be given.

(4) A specific listing of the equipment and staff available for instruction in each field and, for the proper administration of correspondence courses of study, maintenance of adequate correction service.

(5) The maximum enrollment to be accommodated on equipment and with staff available in each field.

(6) The qualifications of instructors and supervisors in each field.

(7) Financial resources available to equip and maintain the school, classes or service.

(8) An agreement to abide by reasonable service and business ethics prescribed by the appropriate authority.

(9) Such additional information as the appropriate authority may deem necessary to enable it to determine the adequacy of the program of instruction, the business integrity and matters pertaining thereto.

(b) Surety bond.--At the discretion of the appropriate authority, at any time it may designate, the private school shall provide a surety bond in reasonable amount to the Commonwealth conditioned for the protection of the contractual rights of students.

§ 1116. Issuance and renewal of license.

(a) Issuance.--The appropriate authority shall issue an original license to the applicant if the appropriate authority

1 finds that the application and the school or classes or agent
2 for which a license is sought complies with the provisions of
3 this chapter and with the rules and regulations promulgated
4 under this chapter.

5 (b) Duration and renewal.--Each original license issued
6 shall be effective from the date of issue until July 1 following
7 the issuance of the original license and shall be renewed
8 annually thereafter on a form prepared and furnished by the
9 appropriate authority. Each license year is to continue from
10 July 1 to the following June 30, inclusive.

11 (c) License not transferable.--Each school shall have a
12 separate license which shall not be transferable.

13 § 1117. Scope of license.

14 (a) Schools.--Any license issued to a private school shall
15 be restricted to the fields or courses specifically indicated in
16 the application for a license. A licensed school shall present a
17 supplementary application, as may be directed by the appropriate
18 authority, for approval of additional fields or courses in which
19 it is desired to offer instruction during the effective period
20 of the license.

21 (b) Agents.--Any license issued to an agent shall be
22 restricted to the school or schools specifically listed in the
23 application for a license. A licensed agent desiring to solicit
24 prospective students to enroll in schools other than those
25 specifically listed in any application for license shall present
26 a supplementary application, as may be directed by the
27 appropriate authority, for approval to solicit for such schools
28 or additional schools.

29 § 1118. License fees.

30 (a) General rule.--The fees for a license to operate private

1 schools or for an agent's license shall be as follows:

2 (1) The sum of \$50 for each original application and \$25
3 for each annual renewal application for private academic
4 schools, private business schools and private correspondence
5 schools.

6 (2) The sum of \$200 for each original and each annual
7 renewal application for a private trade school. When an
8 application for a license is submitted after the beginning of
9 the seventh month of the license year, the license fee shall
10 be one-half the annual license fee.

11 (3) The sum of \$10 for each teacher based on the highest
12 number of teachers estimated to be employed at any one time
13 during the license year for each original application to
14 conduct a private driver education and training school. If
15 the applicant uses or employs at any one time more teachers
16 than the number originally estimated, the applicant shall pay
17 the additional fee due therefor at the time the applicant
18 applies for the next annual renewal. Each renewal application
19 shall be accompanied by a fee based on the highest number of
20 teachers used or employed at any one time during the license
21 year immediately preceding the year in which the renewal is
22 to be effective.

23 (4) The sum of \$5 annually for agents.

24 (5) No fee for a supplementary application for approval
25 of additional fields or courses.

26 (b) Special license fund.--All private school and agent
27 license fees shall be placed in a special private school license
28 fund to be used to defray the costs of processing the licenses.
29 At the end of each fiscal year any surplus remaining in the
30 special fund shall be transferred to the General Fund. The

1 secretary shall request any additional appropriations necessary
2 to defray the costs of processing the licenses should the
3 special fund be inadequate for this purpose.

4 (c) Fee not refundable.--No license fee shall be refunded in
5 the event any license is suspended, revoked or denied.

6 § 1119. List of licensed schools and agents.

7 The appropriate authority shall maintain a list of schools
8 and agents licensed under their jurisdiction which shall be
9 available for the information of the public.

10 § 1120. Requirements for licensure and operation.

11 No private school may be granted a license or may be
12 permitted to continue to operate under a granted license unless:

13 (1) It shall permit the appropriate authority and its
14 representatives to inspect the school or classes and shall
15 make available to the appropriate authority at any time when
16 requested to do so full information pertaining to any or all
17 items of information contained in the application form
18 provided.

19 (2) It shall prominently display the current approved
20 license where it may be inspected by students, visitors and
21 designated officials of the appropriate authority.

22 (3) The advertising and representations made by any
23 person representing the school or classes as an agent or
24 contractual agent to prospective students shall be free from
25 misrepresentation or fraud.

26 (i) A school shall not use any name, other than its
27 licensed name, for advertising or publicity purposes, nor
28 shall a school advertise or imply that it is
29 "supervised," "recommended," "endorsed," "accredited" or
30 "approved" by the secretary, the department, the State

1 board or any State board of private schools of the
2 Commonwealth.

3 (ii) A school shall not claim or imply that it is
4 endorsed by colleges, universities or other institutions
5 of higher learning, bus companies, trucking associations,
6 automobile clubs or taxi companies unless written
7 evidence of that fact is presented to the appropriate
8 authority by the endorsing college, university, bus
9 company, trucking association, automobile club or taxi
10 company.

11 (iii) A school shall not claim or imply that it will
12 guarantee admission to any educational institution,
13 employment upon completion of the course or the securing
14 of a license to drive an automobile.

15 (iv) A school shall not by means of "blind"
16 advertisements or advertisements in the "help wanted" or
17 other employment columns of newspapers and other
18 publications solicit prospective students to enroll in
19 the school.

20 (4) The premises, equipment and conditions of the school
21 or classes shall be adequate, safe and sanitary in accordance
22 with such standards of the Commonwealth or any of its
23 political subdivisions as are applicable to such premises and
24 equipment.

25 § 1121. Refusal, suspension or revocation of license.

26 (a) General rule.--The appropriate authority shall have the
27 power to refuse to issue and the power to suspend or revoke a
28 license in any case where:

29 (1) The licensee has violated any of the provisions of
30 this chapter or any of the rules and regulations of the

1 appropriate authority.

2 (2) The applicant or licensee has knowingly presented to
3 the appropriate authority, false, incomplete or misleading
4 information relating to licensure.

5 (3) The applicant or licensee has pleaded guilty,
6 entered a plea of nolo contendere or has been found guilty of
7 a crime involving moral turpitude by a judge or jury in any
8 State or Federal court.

9 (4) The applicant or licensee or any employee in a
10 school is addicted to the use of alcoholic liquors, morphine,
11 cocaine or other drugs having a similar effect, or is or
12 shall become mentally incompetent.

13 (5) The applicant or licensee has failed or refused to
14 permit the appropriate authority or their representatives to
15 inspect the school or classes or has failed or refused to
16 make available to the appropriate authority, at any time when
17 requested to do so, full information pertaining to any or all
18 items of information contained in an application for license
19 or pertaining to the program of instruction and matters
20 relating thereto.

21 (6) The applicant has failed or refused to submit to the
22 appropriate authority an application for license or renewal
23 in the manner and form prescribed.

24 (7) A licensed school has failed or refused to display
25 the current approved license where it may be inspected by
26 students, visitors and designated officials of the
27 appropriate authority.

28 (8) A licensed agent has failed or refused to display or
29 produce his license when requested to do so by prospective
30 students or designated officials of the appropriate

1 authority.

2 (9) The applicant or licensee has failed to provide or
3 maintain premises, equipment or conditions which are
4 adequate, safe and sanitary in accordance with such standards
5 of the Commonwealth or any of its political subdivisions as
6 are applicable to the premises and equipment.

7 (10) The licensee has perpetrated or committed fraud or
8 deceit in advertising the school or classes or in presenting
9 to prospective students written or oral information relating
10 to the school or classes or to employment opportunities or to
11 opportunities for enrollment in institutions of higher
12 learning.

13 (11) The licensee is employing teachers, supervisors or
14 administrators who have not been approved by the appropriate
15 authority or agents who have not been licensed by the
16 appropriate authority.

17 (12) The licensee has failed to provide and maintain
18 adequate premises, equipment, materials or supplies or has
19 exceeded the maximum enrollment for which the school or class
20 was licensed.

21 (13) The licensee has failed to provide and maintain
22 adequate standards of instruction or an adequate and
23 qualified administrative supervisory or teaching staff.

24 (14) The applicant or licensee is unable to provide and
25 maintain financial resources in sufficient amount to equip
26 and maintain adequately and effectively the school or
27 classes.

28 (15) The licensee has moved the school into new premises
29 or facilities or has altered or made additions to premises or
30 facilities before or without notifying the appropriate

1 authority of the change and before receiving from the
2 appropriate authority approval for the new premises or
3 facilities, alterations or additions.

4 (16) The licensee has offered training or instruction in
5 courses or subjects which have not been approved and
6 authorized by the appropriate authority.

7 (17) A licensed agent has solicited prospective students
8 to enroll in a school which has not been approved by the
9 appropriate authority and which is not listed on the license
10 issued by the appropriate authority.

11 (18) There was a change in the ownership of the school
12 without the approval of the appropriate authority.

13 (19) The school was operated or conducted under an
14 ownership constituency not approved by the appropriate
15 authority.

16 (b) Adjudicatory procedure.--The procedure to be followed in
17 the refusal, suspension and revocation of licenses and in
18 appeals taken from such action shall be that prescribed by the
19 act of June 4, 1945 (P.L.1388, No.442), known as the
20 "Administrative Agency Law."

21 § 1122. Penalties for violations of chapter.

22 Any person who violates or fails to comply with any of the
23 provisions of this chapter or any of the rules, regulations or
24 standards promulgated thereunder shall be guilty of a
25 misdemeanor of the third degree and, upon conviction thereof,
26 shall be sentenced to pay a fine of not less than \$50 nor more
27 than \$500 or to undergo imprisonment for not more than one year,
28 or both. If the violation shall be by a corporation, partnership
29 or association, the officers and directors of the corporation or
30 the members of the partnership or association, its agents and

1 employees with guilty knowledge of the fact, shall also be
2 guilty of a misdemeanor of the third degree and, upon conviction
3 thereof, shall be punished as provided in this section.

4 SUBCHAPTER C

5 PRIVATE DRIVER EDUCATION AND TRAINING SCHOOLS

6 Sec.

7 1131. Location and construction of facilities.

8 1132. Qualifications of teachers and directors.

9 1133. Instructional equipment and materials.

10 1134. Program of instruction.

11 1135. Notice of fees and charges.

12 1136. Financial and student records.

13 1137. Qualifications and duties of agents.

14 1138. Ownership qualifications and changes.

15 § 1131. Location and construction of facilities.

16 (a) Location.--

17 (1) The situs of a driver training school, branch school
18 and practice driver training area shall be a distance of at
19 least 1,500 feet from any official examination point used by
20 the Pennsylvania State Police for examination of motor
21 vehicle operators, which distance shall be measured along the
22 public streets by the nearest route from the school, branch
23 school or practice driver training area to the official
24 examination point.

25 (2) The outdoor area used during the first three hours
26 of practical instruction by persons who hold a learner's
27 permit shall be one which is reasonably free of pedestrian
28 and vehicular traffic and shall not include primary traffic
29 arteries, main highway routes or other thoroughfares that
30 carry large amounts of traffic.

(b) Construction.--In the case of a school where five or more students are assembled as a group for theoretical instruction in driver education:

(1) The premises, equipment and facilities of the school shall conform to all safety and sanitary requirements of the Commonwealth or any of its political subdivisions applicable thereto.

(2) The provisions for the health, physical welfare and safety of student personnel shall be those prescribed by the government agencies having jurisdiction over such matters.

(3) The artificial lighting facilities shall provide a minimum of 25-foot-candles of illumination on the horizontal surface of all indoor activity areas used for school purposes.

(4) The heating facilities shall be sufficient to provide for the maintenance of normal room temperatures in all rooms occupied by students when the outside temperature is less than normal room temperature. When the school does not use mechanical ventilation, windows shall be used and equipped for ventilating purposes.

(5) The premises, facilities and any alterations or additions to the premises or facilities must be approved by the department before the premises or facilities may be used for school purposes and before any alterations or additions may be made.

§ 1132. Qualifications of teachers and directors.

(a) General qualifications.--Every teacher in a school shall be a citizen of the United States, at least 18 years of age and a person of good moral character.

(b) Operating license and experience.--Every teacher shall

1 have a valid motor vehicle operator's license issued by the
2 Commonwealth and shall submit documentary evidence of having
3 driven a minimum of 15,000 miles under all kinds of weather
4 conditions in both urban and rural areas.

5 (c) Driving record.--Every teacher shall maintain, during
6 any consecutive three year period, a driving record which does
7 not include more than one reportable accident, as defined in the
8 act of April 29, 1959 (P.L.58, No.32), known as "The Vehicle
9 Code," resulting in a suspension or revocation of his motor
10 vehicle operator's license.

11 (d) Examination.--Every teacher shall pass:

12 (1) a written theoretical examination prepared and
13 administered by the Secretary of Education or such agency as
14 he may designate, and embracing subject matter pertinent to
15 the care, operation and use of a motor vehicle on the
16 highways and to general highway safety principles and
17 practices; and

18 (2) a practical examination, prepared and administered
19 by the Secretary of Transportation, or such agency as he may
20 designate, for the purpose of testing a teacher's competency
21 and fitness in the operation of a motor vehicle.

22 (e) Certificate from physician.--Every teacher shall present
23 a certificate from a physician, legally qualified to practice
24 medicine in this Commonwealth, setting forth that the teacher is
25 neither mentally nor physically disqualified by reason of
26 tuberculosis or any other chronic or acute physical defect from
27 performing the duties of a driver education teacher.

28 (f) Director or supervisor.--Every school that employs five
29 or more full-time teachers or an equivalent number of part-time
30 teachers shall designate a director who shall devote at least

1 one-half of his time to the performance of administrative and
2 supervisory duties. A director or supervisor of a school or
3 branch thereof shall meet the qualifications of a teacher as set
4 forth in this section and shall have had a minimum of two years
5 successful teaching experience in a private or public driver
6 training school or class.

7 § 1133. Instructional equipment and materials.

8 (a) Amount and type.--The amount and type of school
9 furniture, instructional equipment and instructional materials
10 shall be governed by the character and scope of the educational
11 program of the school, the number of pupils enrolled and the
12 objectives of the educational program of the school and shall
13 conform to generally accepted educational standards. The amount
14 and type of school furniture, instructional equipment and
15 materials shall not be required to exceed or to vary from that
16 which is generally used in connection with the programs of
17 driver education in public schools of like character and scope.

18 (b) Text and reference materials.--Every school shall
19 provide text, test and reference materials, including pamphlets
20 and visual aids, for the instruction in the theoretical and
21 practical phases of driver training.

22 (c) Age and equipment of vehicles.--Every vehicle used for
23 practical driver training shall be a recent model not more than
24 five years old with special equipment as follows: operable extra
25 brake pedal, and in the case of vehicles equipped with standard
26 transmission an operable extra clutch pedal, defroster and
27 heater in working order, rear-view mirror placed on the inside
28 of the car in the vicinity of the cowl, two outside rear-view
29 mirrors one on each side of the vehicle and cushions for the
30 proper seating of the students.

1 (d) Insurance on vehicles.--Every school shall provide
2 insurance coverage on all vehicles used for practical driver
3 training. The coverage shall include at least \$50,000 - \$100,000
4 public liability, \$5,000 property damage and \$2,000 medical.

5 § 1134. Program of instruction.

6 (a) General rule.--Driver training schools licensed under
7 this chapter shall make available both theoretical and practical
8 instruction.

9 (b) Theoretical instruction.--Theoretical instruction in
10 driver education shall include subject matter relating to rules
11 and regulations of the road, safe driving practices, pedestrian
12 safety care, mechanics of driving, types of automobile insurance
13 and the use of automobile safety devices.

14 (c) Practical instruction.--Practical instruction in driver
15 education shall include the demonstration of an actual
16 instruction in starting, stopping, shifting, turning, backing,
17 parking and steering in a training vehicle which shall meet the
18 standards of the department.

19 (d) Information on fees.--Driver training schools licensed
20 under this chapter shall publish a schedule or prospectus of
21 fees or charges for behind-the-wheel lessons, classroom lessons,
22 refresher lessons and all other fees or charges made by the
23 school. A copy of a prospectus setting forth this information
24 shall be filed with the department.

25 § 1135. Notice of fees and charges.

26 Every school shall inform each student, prior to the time
27 instruction commences, of the character and amount of any and
28 all fees or charges made for enrollment or registration,
29 tuition, use of equipment, texts and reference materials,
30 supplies and any other service, equipment or materials provided

1 by the school.

2 § 1136. Financial and student records.

3 (a) Financial records.--Every school shall establish and
4 maintain complete, accurate and detailed financial records that
5 shall include data pertaining to assets, liabilities, sources
6 and amounts of income, and the character and amount of
7 expenditures. The records shall be kept current and available
8 for inspection during regular school hours by representatives of
9 the department.

10 (b) Student records.--Every school shall maintain adequate
11 records of individuals and each school shall maintain a
12 permanent cumulative record card for each student. The record
13 card shall indicate the number of clock hours of instruction
14 received by each student and shall contain information on
15 attendance, achievement test scores, personal characteristics,
16 health and other pertinent topics. The records shall be kept
17 current and available for inspection at all times during regular
18 school hours by representatives of the department.

19 § 1137. Qualifications and duties of agents.

20 (a) Qualifications of agent.--Each agent shall be a person
21 of good moral character and at least 18 years of age.

22 (b) Qualifications of school represented.--An agent's
23 license shall not be granted to an agent of a school which is
24 located outside this Commonwealth unless the school maintains
25 educational standards and policies that are substantially
26 equivalent to those prescribed in this chapter for driver
27 training schools in this Commonwealth.

28 (c) Submission of information to department.--An agent
29 representing a school which is located outside this Commonwealth
30 shall submit to the department such information and data

1 pertaining to the school as the department may deem necessary
2 and require in order to validate any representation made in
3 behalf of the school by the agent. The department may require
4 the information and data to be certified by such educational
5 authorities of the other state as the department may designate.

6 (d) Display of license.--Each agent shall display or produce
7 his agent's license certificate when requested to do so by
8 prospective students or a representative of the department.

9 § 1138. Ownership qualifications and changes.

10 (a) Qualifications of owners and employees.--Each individual
11 proprietor of a school, each member of a partnership,
12 association or company that owns a school and each officer and
13 director of a corporation that owns a school, who is directly
14 connected with the conduct and operation of the educational
15 program, shall be a person of good moral character and at least
16 18 years of age. Such persons and any school employee thereof
17 shall not be addicted to the use of alcoholic liquors, morphine,
18 cocaine or other drugs having a similar effect and shall not be
19 mentally incompetent.

20 (b) Limitation in license.--A license shall be granted to
21 the owner of a particular school for the specific ownership
22 constituency and the specific school situs designated in the
23 application for a license.

24 (c) Change in ownership or situs.--Any change in ownership
25 or in school situs must be approved by the department prior to
26 the date of the change. A change in ownership requires an
27 application for an original license, which application shall be
28 submitted to the department at least 30 days in advance of the
29 effective date of the change, and the school shall not be
30 conducted or operated under the new or different individual

1 proprietorship, partnership, association, company or corporation
2 until and unless an original license has been granted and issued
3 to the new or different ownership constituency.

4 PART II

5 BASIC EDUCATION

6 Subpart

7 A. Preliminary Provisions

8 B. School Entities

9 C. Fiscal Affairs and Taxation

10 D. School Programs

11 E. Students

12 F. Physical Plant and Construction

13 G. Personnel

14 SUBPART A

15 PRELIMINARY PROVISIONS

16 Chapter

17 21. General Provisions

18 CHAPTER 21

19 GENERAL PROVISIONS

20 Sec.

21 2101. Short title of part.

22 2102. Purposes of part.

23 2103. Definitions.

24 2104. Oath for directors and commissioned personnel.

25 2105. Compensation of governing board members.

26 2106. Conflict of interest and additional compensation.

27 2107. Funds collected by school organizations.

28 § 2101. Short title of part.

29 This part shall be known and may be cited as the "Public
30 School Code."

1 § 2102. Purposes of part.

2 The general purposes of this part are:

3 (1) To provide for the maintenance and support of a
4 thorough and efficient system of public education to serve
5 the needs of this Commonwealth.

6 (2) To foster the intellectual, ethical, social,
7 aesthetic and physical growth and development of the citizens
8 of this Commonwealth.

9 (3) To provide a mechanism by which students may be
10 equipped with those analytical skills of reading, writing,
11 calculating and thinking which are needed to function
12 effectively, earn a living and become knowledgeable citizens
13 in our society.

14 (4) To broaden, expand and equalize the educational
15 opportunities available to citizens of every age, race,
16 religion, color, ancestry, national origin or sex and to
17 encourage them to take advantage of and complete a basic
18 educational program appropriate to their needs.

19 (5) To foster flexibility, accountability, effectiveness
20 and excellence throughout all the schools of this
21 Commonwealth.

22 (6) To encourage use of modern techniques of
23 administration and management.

24 (7) To broaden the discretionary powers of boards of
25 school directors to carry out their educational
26 responsibilities.

27 (8) To encourage the development of alternative
28 approaches to student learning.

29 (9) To promote community involvement and participation
30 by all segments of the public, including students, in the

educational life and affairs of the schools.

(10) To promote cooperation among school entities,
political subdivisions and governmental agencies.

(11) To provide a healthy and safe educational
environment.

(12) To provide for fair and proper procedures through
which the provisions of this part may be executed and
enforced.

§ 2103. Definitions.

Subject to additional definitions contained in subsequent
provisions of this part which are applicable to specific
provisions of this part, the following words and phrases when
used in this part shall have, unless the context clearly
indicates otherwise, the meanings given to them in this section:

"Chief executive officer." The district superintendent, the
executive director for an intermediate unit and the chief
commissioned administrator for an area vocational-technical
school.

"Officer." The president, vice-president, secretary,
assistant secretary, treasurer, assistant treasurer, president
pro tempore and secretary pro tempore of any governing board.

"Parent." Includes a legal guardian or a person in parental
relation.

"School funds." Funds belonging to or in the care, custody
or control of any school entity.

§ 2104. Oath for directors and commissioned personnel.

(a) General rule.--Before entering upon the duties of their
office, all school directors and commissioned personnel of any
school entity shall take and subscribe to the following oath or
affirmation, which may be administered by any person qualified

1 to administer an oath:

2 "I do solemnly swear (or affirm) that I will support,
3 obey and defend the Constitution of the United
4 States and the Constitution of this Commonwealth, and
5 that I will discharge the duties of my office with
6 fidelity."

7 (b) Board president authorized to administer oaths.--The
8 president of a governing board shall be qualified to administer
9 oaths.

10 § 2105. Compensation of governing board members.

11 Any person elected or appointed as a member of any governing
12 board shall serve without pay except that such persons shall be
13 reimbursed for necessary expenses as provided in this part.

14 § 2106. Conflict of interest and additional compensation.

15 (a) Governing board members.--Except as otherwise provided
16 in this section, no member of any governing board shall, during
17 the term for which he was elected or appointed, as a private
18 person, be employed in any capacity by the school entity,
19 receive pay for any services rendered to the school entity or
20 engage in any business transaction with the school entity with
21 which the member is associated.

22 (b) School entity officers and employees.--Except as
23 otherwise provided in this section, no officer, appointee or
24 employee shall be employed in any other capacity by the school
25 entity or engage in any outside activity or employment which
26 conflicts with or prevents the full and complete performance of
27 his school duties.

28 (c) Approved services by commissioned personnel.--
29 Commissioned personnel may receive compensation for services in
30 a summer school maintained by a college or university devoted to

1 the education of teachers or for services rendered evenings or
2 Saturdays if released for such services by the governing board
3 of the school entity where the personnel are employed.

4 (d) Notification of interest and approval of transaction.--

5 Any school director, officer, appointee or employee who receives
6 compensation from an individual, firm, partnership, corporation
7 or other entity doing business with or rendering service to the
8 school entity in a capacity where he can be financially
9 benefited in any way, shall notify the governing board and shall
10 have the interest noted in the minutes. The governing board
11 shall not authorize or approve any transaction in which such
12 person has a substantial or material financial interest. The
13 governing board may authorize and approve a transaction in which
14 such person has a nonmaterial interest by an affirmative vote of
15 a majority of all legally qualified board members, with the
16 interested school director refraining from discussing and voting
17 upon the contract.

18 (e) Liability for damages and removal.--Any person who shall
19 knowingly violate the provisions of this section shall be liable
20 to the school entity upon his bond, if any, or personally, to
21 the extent of the damage shown to be sustained by the school
22 entity and to removal from office or employment.

23 (f) Penalty.--Any person willfully violating the provisions
24 of this section shall be guilty of a misdemeanor of the third
25 degree.

26 § 2107. Funds collected by school organizations.

27 (a) General rule.--Subject to the rules and regulations of
28 the governing board, any school or class, or school
29 organization, club, society or group may raise and control funds
30 under its own name and management under the supervision of an

1 employee designated by the board. The funds shall not be the
2 funds of the school entity but shall remain the property of the
3 respective school or school organization and be kept in a
4 separate account for each particular group raising funds under
5 this title. The funds shall not be integrated with district
6 funds nor spent or consumed by the district and shall be
7 consumed only for the purposes for which the funds were raised.

8 (b) Accounting and auditing.--The funds shall be considered
9 school funds for the purpose of accounting and auditing, and
10 expenditures of the funds shall be subject to the provisions of
11 Chapter 31 (relating to local finance).

12 (c) Reversion.--The funds may revert to the school entity
13 for general purposes if the funds are left inactive by the
14 school or organization for five years after abandonment of the
15 organization or graduation of a particular class.

16 SUBPART B

17 SCHOOL ENTITIES

18 Chapter

19 23. Boards of School Directors

20 25. School Districts

21 27. Intermediate Units

22 CHAPTER 23

23 BOARDS OF SCHOOL DIRECTORS

24 Subchapter

25 A. General Provisions

26 B. Selection and Removal of Personnel

27 C. Selection of Directors

28 D. Organization of Board

29 E. Conduct of Business

30 SUBCHAPTER A

1 GENERAL PROVISIONS

2 Sec.

3 2301. Designation and powers of governing board.

4 2302. Policies, rules and regulations.

5 2303. Levy and collection of taxes.

6 2304. Joint action with other government agencies.

7 2305. Furnishing information to incoming directors.

8 § 2301. Designation and powers of governing board.

9 (a) Governing board of school districts.--The public school
10 districts of this Commonwealth shall be governed by a board of
11 school directors to be elected or appointed as provided in this
12 chapter.

13 (b) General powers and duties.--The board of school
14 directors in each school district is hereby granted such powers
15 and is charged with such duties as are necessary to establish,
16 maintain and govern an effective system of education designed to
17 provide quality education and equal educational opportunity for
18 all students within its jurisdiction who desire to attend the
19 public schools. Accordingly, the operation of each school
20 district shall be within the reasonable discretion of the board
21 of school directors except where that discretion is limited by
22 law.

23 § 2302. Policies, rules and regulations.

24 Within the limitations set forth in section 2301 (relating to
25 designation and powers of governing board), the educational and
26 operational policies of each school district shall be determined
27 by the board of school directors with the advice of the district
28 superintendent. The board shall prescribe rules and regulations
29 as shall be necessary for the conduct and operation of the
30 public schools in the district.

1 § 2303. Levy and collection of taxes.

2 Except as otherwise provided by law, the board of school
3 directors, in each school district is hereby vested with all the
4 necessary authority and power annually to levy and collect, in
5 the manner provided by law, the necessary taxes required to
6 carry out its responsibilities under this title.

7 § 2304. Joint action with other government agencies.

8 In order to better or more efficiently fulfill any of the
9 duties imposed upon it by this title or to better carry out the
10 powers granted to it by this title, any board of school
11 directors may act jointly in any lawful manner with any other
12 school entity or with any other political subdivision or
13 Commonwealth agency.

14 § 2305. Furnishing information to incoming directors.

15 The board of school directors shall, through its proper
16 officers, furnish to the incoming members such information and
17 such detailed statements as may be necessary for them to carry
18 out their responsibilities under this title.

19 SUBCHAPTER B

20 SELECTION AND REMOVAL OF PERSONNEL

21 Sec.

22 2311. Appointments by the governing board.

23 2312. Employment of professional and other employees.

24 2313. Removal of officers, employees and appointees.

25 2314. Removal of directors for neglect of duty.

26 § 2311. Appointments by the governing board.

27 (a) General rule.--Each board of school directors may
28 appoint, as necessary, or shall appoint, as provided in this
29 chapter, the following:

30 (1) A solicitor.

1 (2) An assistant solicitor or solicitors.
2 (3) A school auditor.
3 (4) A tax collector or collectors.
4 (5) Such other appointees, clerks or staff persons as
5 the board may deem necessary for the proper functioning of
6 the board.

7 (b) Ineligibility of board members.--None of the persons
8 appointed under subsection (a) shall be members of the board.

9 (c) Duties and salaries.--The board shall define in
10 accordance with law the duties and fix the salaries of each
11 person appointed under subsection (a).

12 (d) Bonds and insurance.--The board may require such bond
13 and insurance for any or all of the persons appointed under
14 subsection (a) as it shall deem necessary and appropriate in
15 accordance with sections 3182 (relating to bonding of officials
16 for performance of duties) and 3183 (relating to authorization
17 for insurance contracts).

18 § 2312. Employment of professional and other employees.

19 (a) General rule.--The board of school directors in each
20 district shall employ such qualified professional, commissioned
21 and auxiliary personnel and substitute employees as are
22 necessary to keep the public schools open and to effectively
23 discharge the responsibilities vested in the board under this
24 title.

25 (b) Recommendation by superintendent.--No person other than
26 the superintendent shall be employed under the authority of
27 subsection (a) without the written recommendation of the
28 superintendent.

29 § 2313. Removal of officers, employees and appointees.

30 (a) General rule.--Except as otherwise provided in this

1 title, the board of school directors in any school district
2 shall, after giving due notice and the reasons for removal and
3 after a hearing if requested, have the right at any time to
4 remove any of its officers, employees or appointees for
5 incompetency, intemperance, neglect of duty, violation of any of
6 the school laws of this Commonwealth or other improper conduct.

7 (b) Surrender of property following removal.--Upon the
8 removal by the board of any officer, employee or appointee, the
9 officer, employee or appointee shall surrender and deliver to
10 the secretary of the board or other person designated by the
11 board, any and all papers, property and effects of the school
12 district in his hands at the time of such removal.

13 § 2314. Removal of directors for neglect of duty.

14 (a) Petition for removal.--If any member of a board of
15 school directors in any district either individually or
16 collectively refuses or neglects to perform any duty imposed
17 upon him under this title:

18 (1) one-tenth of 1% of the registered voters, but in no
19 event less than ten resident taxpayers in the district may
20 present a petition in writing, verified by the oath or
21 affirmation of at least three of the resident taxpayers, to
22 the court of common pleas of the county in which the district
23 or the largest part in area is located, setting forth the
24 facts of the refusal or neglect of duty; or

25 (2) in the case of a distressed school district, as
26 defined in section 711 (relating to financially distressed
27 district defined), the special board of control may present a
28 petition in writing, verified by the oath or affirmation of
29 the Secretary of Education, to the court of common pleas of
30 the county in which the district or the largest part in area

1 is located, setting forth the facts of the refusal or neglect
2 of duty.

3 (b) Rule to show cause.--Upon receiving the petition, the
4 court shall grant a rule to show cause why the school director
5 or directors should not be removed from office, returnable in
6 not less than ten nor more than 20 days from the date of the
7 issuance of the rule. The school director or directors shall
8 have at least five days notice of the hearing to make the rule
9 final.

10 (c) Answer to rule and hearing.--On or before the return day
11 of the rule, the school director or directors, as the case may
12 be, either individually or jointly, shall file an answer in
13 writing under oath. If any material fact is denied, the court
14 shall hear the several parties on such matters as are contained
15 in the petition.

16 (d) Decision of court.--If no answer to the petition is
17 filed or if, upon conclusion of the hearing, the court is of the
18 opinion that any duty imposed on the board of school directors
19 which is made mandatory upon them under this title has not been
20 performed or has been neglected, the court shall have the power
21 to remove any member of the board as it shall deem proper and
22 appoint other qualified persons to replace removed directors,
23 subject to the provisions of this title.

24 (e) Imposition of costs of proceedings.--The court shall
25 impose the costs of the proceedings upon the petitioners, the
26 school directors or the school district, or may apportion the
27 costs among them as it shall deem just and proper.

28 SUBCHAPTER C

29 SELECTION OF DIRECTORS

30 Sec.

- 1 2341. Method of appointment or election.
- 2 2342. Combined districts.
- 3 2343. School districts divided into electoral regions.
- 4 2344. Number and terms of directors.
- 5 2345. Ineligibility for office for malfeasance and nonfeasance.
- 6 2346. Qualifications for office.
- 7 2347. Vacancies in office.
- 8 2348. Vacancy where director fails to qualify or attend
- 9 meetings.

10 § 2341. Method of appointment or election.

11 (a) Districts of the first class.--Appointment of school
12 board members in districts of the first class shall conform to
13 the provisions of the Home Rule Charter adopted under the former
14 provisions of the act of August 9, 1963 (P.L.643, No.341), known
15 as the "First Class City Public Education Home Rule Act," or
16 Subchapter C of Chapter 25 (relating to first class city home
17 rule districts).

18 (b) Districts of the first class A.--Appointment of school
19 board members in districts of the first class A shall be made by
20 the court of common pleas of the county in which the district is
21 situated and shall be in conformity with the provisions of
22 section 2344(a) (relating to number and terms of directors).

23 (c) Districts of the second class.--Election of school board
24 members in districts of the second class shall be by popular
25 vote at municipal elections. Each qualified voter shall be
26 entitled to cast one vote for each school director to be elected
27 from that district or electoral region.

28 § 2342. Combined districts.

29 (a) Selection of directors.--When two or more districts are
30 combined into one district the directors then in office in each

1 component district shall, until the end of their respective
2 terms, be directors of the newly formed district. Vacancies
3 occurring in such incumbent positions shall not be filled except
4 where the membership falls below nine. At the first municipal
5 election following the date of establishment of the new district
6 and at each subsequent municipal election, three directors shall
7 be elected for six year terms at large or by regions as provided
8 in this subchapter. The term of office of directors shall begin
9 at the organizational meeting following their election.

10 (b) Development of electoral region plan.--The school
11 directors of the component districts of the new district before
12 the date of establishment or the board of school directors after
13 the establishment may develop a plan to divide the new school
14 district into three or nine regions as provided in section 2343
15 (relating to school districts divided into electoral regions).

16 (c) Interim planning committee.--The incumbent school
17 directors may serve as the planning committee or may select from
18 their membership a planning committee to prepare the budget and
19 perform the necessary administrative functions for the
20 establishment of the new district.

21 § 2343. School districts divided into electoral regions.

22 The optional plan to divide a district into three or nine
23 regions described in section 2342 (relating to combined
24 districts) shall be as follows:

25 (1) The boundaries of the regions shall be fixed and
26 established in such manner that the population of each region
27 shall be as nearly equal as possible and shall be compatible
28 with the boundaries of election districts. The plan for the
29 division of the school district shall be submitted for
30 approval to the court of common pleas. If approved by the

1 court, the prothonotary shall certify the regional boundaries
2 contained in the plan to the county board of elections. In
3 the event of any division, redivision, alteration, change or
4 consolidation of election districts which alters regional
5 boundaries of election districts, a new plan shall be
6 developed and submitted for court approval in like manner.
7 Any proposed change in an approved plan, including abolition
8 of regional representation, shall be submitted for approval
9 to the court of common pleas by the board of school
10 directors.

11 (2) In any case where the newly established school
12 district is situated in two or more counties, the plan for
13 regional representation shall be submitted for approval to
14 the court of common pleas of the county in which the largest
15 part in area of the land affected is situated, which court
16 shall have exclusive jurisdiction over the matter.

17 (3) Where a three region plan is approved, three school
18 directors who reside in each region shall be elected by or
19 appointed from each region as provided in this subchapter. At
20 all times each region shall be represented by three directors
21 from that region. Where a nine region plan is approved, one
22 school director who resides in each region shall be elected
23 by or appointed from each region as provided in this
24 subchapter. At all times each region shall be represented by
25 a director from that region.

26 § 2344. Number and terms of directors.

27 (a) Districts of the first class.--In school districts of
28 the first class the number of directors on the Board of Public
29 Education and their terms of office shall be determined under
30 the provisions of the Home Rule Charter adopted under the former

1 provisions of the act of August 9, 1963 (P.L.643, No.341), known
2 as the "First Class City Public Education Home Rule Act," or
3 Subchapter C of Chapter 25 (relating to first class city home
4 rule districts).

5 (b) Districts of the first class A.--In school districts of
6 the first class A, the board shall be known as the "Board of
7 Public Education" and shall consist of 15 school directors whose
8 terms of office shall be six years. The terms of five of the
9 members shall expire on the second Monday of November of each
10 odd numbered year. The court of common pleas of the county in
11 which the school district is situated shall, in October of every
12 odd numbered year, appoint five members for terms of six years.
13 Their terms of office shall begin on the second Monday of
14 November next following their appointment.

15 (c) Districts of the second class.--In each school district
16 of the second class, there shall be a board of nine school
17 directors who, except as otherwise provided in this title, shall
18 be elected at large for terms of six years. The terms of three
19 of the members shall expire immediately prior to the
20 organizational meeting of each odd numbered year. At each
21 municipal election, three school directors shall be elected to
22 terms of office to begin at the organizational meeting following
23 their election.

24 § 2345. Ineligibility for office for malfeasance and
25 nonfeasance.

26 (a) Malfeasance.--Any person who has held any office or
27 position of trust or profit under the laws of the United States
28 or of this Commonwealth or in any political subdivision and has
29 been removed therefrom for any malfeasance in office shall not
30 be eligible to the office of school director.

1 (b) Nonfeasance.--Any person removed from the office of
2 school director for neglect of duty under section 2314 (relating
3 to removal of directors for neglect of duty) shall not be
4 eligible again as a school director for the period of eight
5 years from the date of removal.

6 § 2346. Qualifications for office.

7 (a) General rule.--Any qualified elector of the school
8 district shall be eligible to the office of school director of
9 the school district except that any person holding any office or
10 position of profit under the government of any city of the first
11 class, or any elective office in any other political
12 subdivision, shall not be eligible to the office of school
13 director.

14 (b) Eligibility of school employee.--A person employed in a
15 school district may serve as a school director in another school
16 district except that any person employed by a school entity or
17 community college shall not be eligible to serve as a school
18 director in any district served by or participating with his
19 place of employment.

20 § 2347. Vacancies in office.

21 (a) Districts of the first class and first class A.--In case
22 any vacancy shall occur in any board of school directors in a
23 school district of the first class or first class A by reason of
24 death, resignation, removal from the district or otherwise, the
25 vacancy shall be filled for the unexpired term by the court of
26 common pleas of the county in which the school district is
27 situated.

28 (b) Districts of the second class.--In school districts of
29 the second class, vacancies shall be filled as follows:

30 (1) The remaining members of the board of school

1 directors shall fill the vacancy within 30 days of its
2 occurrence. The person selected to fill the vacancy shall
3 hold his office, if the term thereof so long continues, until
4 the organizational meeting after the first municipal election
5 occurring more than 60 days after the appointment. At the
6 municipal election an eligible person shall be elected for
7 the remainder of the unexpired term. If, by reason of a tie
8 vote or otherwise, the vacancy shall not have been filled by
9 the board of school directors within 30 days after the
10 vacancy occurred, the court of common pleas of the proper
11 county, upon the petition of ten or more resident taxpayers,
12 shall fill such vacancy by the appointment of a suitable
13 person, if the term of the vacant office so long continues,
14 until the organizational meeting after the first municipal
15 election occurring more than 60 days after the appointment.
16 At the municipal election an eligible person shall be elected
17 for the remainder of the unexpired term.

18 (2) If at any time vacancies exist or occur in the
19 membership of a majority of the members of a board of school
20 directors of a second class district, the court of common
21 pleas of the county in which such district or the largest
22 part in area thereof is located shall, after ten days from
23 the time the vacancies exist or occur, appoint qualified
24 persons who shall serve, if the terms thereof continue so
25 long, until the organizational meeting after the first
26 municipal election occurring more than 60 days after their
27 appointment at which election a board of school directors for
28 such district shall be elected for the remainder of the
29 respective unexpired terms.

30 (3) Whenever a vacancy of the entire membership of a

1 board of school directors in any school district of the
2 second class occurs, the superintendent of the district shall
3 carry on the business of the district in accordance with
4 provisions of the school laws of this Commonwealth, subject
5 to the supervision of the Secretary of Education, and may
6 continue in charge thereof until a board of school directors
7 has been appointed and has qualified.

8 (c) Temporary vacancy during military service.--When any
9 member of any board of school directors enlists or is inducted
10 into the armed forces of the United States in time of war, a
11 temporary vacancy shall be declared which shall be filled by the
12 remaining members of the board or the court, as the case may be,
13 until the return of the member of the board from military
14 service or until the expiration of the term for which the member
15 shall have been elected, whichever first occurs.

16 § 2348. Vacancy where director fails to qualify or attend
17 meetings.

18 (a) Failure to qualify.--If any person elected or appointed
19 as school director, who has been notified of his election or
20 appointment, shall refuse or neglect to qualify as such director
21 within ten days next succeeding the beginning of his term of
22 office, the remaining members of the board, by a majority vote,
23 may declare his office as director vacant.

24 (b) Failure to attend meetings.--If any person having
25 qualified as a school director of a district and any qualified
26 school director who is a member of an intermediate unit board or
27 area vocational-technical school board shall neglect or refuse
28 to attend three successive regular meetings of the governing
29 board in question, unless prevented by sickness, necessary
30 absence from district or other pressing responsibilities, or if

1 in attendance at any meetings shall neglect or refuse to act in
2 his official capacity as a school director of the governing
3 board in question, the remaining members of the board in
4 question, by a majority vote, may declare his office as director
5 on that board vacant.

6 SUBCHAPTER D

7 ORGANIZATION OF BOARD

8 Sec.

9 2371. Officers required and authorized.

10 2372. President.

11 2373. Vice-president.

12 2374. Secretary.

13 2375. Assistant secretary.

14 2376. Business administrator.

15 2377. Treasurer.

16 2378. Corporation as treasurer.

17 2379. Assistant treasurer.

18 2380. President and secretary pro tempore.

19 2381. Organization meetings.

20 2382. First class city home rule districts.

21 § 2371. Officers required and authorized.

22 The officers of boards of school directors shall include a
23 president, vice-president, secretary and treasurer and may
24 include an assistant secretary or secretaries, an assistant
25 treasurer or treasurers, a president pro tempore and a secretary
26 pro tempore.

27 § 2372. President.

28 (a) Duties.--The president shall be the presiding officer of
29 the board of school directors and as such shall:

30 (1) Preside at all meetings.

1 (2) Execute, when directed by the board, any and all
2 deeds, contracts, warrants to tax collectors, reports and
3 other papers pertaining to the business of the board and
4 requiring the signature of the president.

5 (3) Approve an order on the treasurer for the payment of
6 any bill or account approved by the board.

7 (4) Perform such other duties as the board may direct
8 and as pertain to the office of the president.

9 (b) Member of board.--The president shall be elected from
10 the membership of the board of school directors.

11 § 2373. Vice-president.

12 (a) Duties.--The vice-president shall, in the absence or
13 disability of the president, perform the duties and exercise the
14 powers of the president.

15 (b) Member of board.--The vice-president shall be elected
16 from the membership of the board of school directors.

17 § 2374. Secretary.

18 (a) Duties.--The secretary of the board of school directors
19 shall:

20 (1) Keep a correct and proper record of all the
21 proceedings of the board and prepare such reports as are
22 required by the provisions of this title.

23 (2) Attest and, if authorized by the board, execute on
24 its behalf all deeds, contracts, reports and other
25 instruments that are to be executed by the board.

26 (3) Furnish, whenever requested, any and all reports
27 concerning the affairs of the board of school directors on
28 such forms, and in such manner, as the State board or the
29 department may require.

30 (4) Be the custodian of the official minutes of the

board and the official seal of the school district and at the expiration of his term turn the same over to his successor.

(5) Perform such other duties of the board as are required by this title or as the board may direct.

(b) Member of board.--In school districts of the first class and first class A, the secretary shall not be a member of the board of school directors. In school districts of the second class, the secretary may be a member of the board of school directors so long as he is not also the school business administrator provided for in section 2376 (relating to business administrator).

(c) Compensation.--The secretary of the board of school directors may receive for services rendered such reasonable compensation as the board shall fix.

§ 2375. Assistant secretary.

The assistant secretary or secretaries shall assist the secretary as requested and, in the absence or disability of the secretary, shall perform the duties and exercise the powers of the secretary.

§ 2376. Business administrator.

(a) Duties.--The board of school directors shall employ a school business administrator who is recommended by the superintendent and who, under the direction and supervision of the superintendent, shall:

(1) Have general responsibility for all business aspects of the school district subject to the rules and regulations of the board.

(2) Prepare and sign an order on the treasurer for the payment of bills on account legally approved by the board.

The business administrator may prepare and sign orders on the

1 treasurer for the payment of amounts owing under any
2 contracts which shall previously have been approved by the
3 board, and by the prompt payment of which the district will
4 receive a discount or other advantage, without first securing
5 the approval of the board.

6 (3) Perform such other duties of the board as directed
7 by the superintendent of schools.

8 (b) Nonmember of board.--The school business administrator
9 shall not be a member of the board of school directors but may
10 be elected to the office of secretary and may be an employee of
11 the district with other responsibilities.

12 § 2377. Treasurer.

13 (a) Duties.--The treasurer shall:

14 (1) Receive and account for all Commonwealth
15 appropriations, district school taxes and other funds
16 belonging to the school district.

17 (2) Insure that all funds belonging to the school
18 district are deposited in the school depositories.

19 (3) Make payments on proper orders approved by the board
20 and signed by the president and school business
21 administrator.

22 (4) Cause to be kept complete and accurate accounts of
23 all financial transactions of the school district.

24 (5) Report monthly to the school business administrator
25 and to the secretary of the board on the amount of funds
26 received and disbursed during the month.

27 (6) Settle accounts of the treasurer annually with the
28 board for each school year.

29 (7) Perform such other duties as the board may direct or
30 may be required by law.

1 (8) Pay promptly at the end of the term of office of
2 treasurer to the successor in office the balance of any and
3 all funds remaining in the school district accounts and
4 deliver to the successor all books, accounts and other
5 property of the school district in the possession of the
6 treasurer.

7 (b) City treasurer as treasurer.--In school districts of the
8 first class and first class A the board shall elect the
9 treasurer of the city constituting all or the greater part of
10 the school district as the treasurer for the ensuing fiscal
11 year.

12 (c) Nonmember of board in second class districts.--In school
13 districts of the second class the treasurer shall not be a
14 member of the board.

15 (d) Compensation.--The treasurer of the board may receive
16 for services rendered such reasonable compensation as the board
17 shall fix.

18 § 2378. Corporation as treasurer.

19 The treasurer may be any corporation duly qualified and
20 legally authorized to transact a fiduciary business in this
21 Commonwealth but such corporation may not simultaneously be an
22 authorized depository as defined in section 3101 (relating to
23 definitions).

24 § 2379. Assistant treasurer.

25 The assistant treasurer shall assist the treasurer as
26 requested and, in the absence or disability of the treasurer,
27 shall perform the duties and exercise the powers of the
28 treasurer.

29 § 2380. President and secretary pro tempore.

30 In the absence of both the president and vice-president, or

1 of the secretary and the assistant secretary, the board of
2 school directors may elect a president pro tempore or secretary
3 pro tempore for such meeting only and the appointment of the
4 temporary officer shall be noted on the minutes of the meeting.

5 § 2381. Organization meetings.

6 (a) Organization.--The board of school directors in every
7 school district of this Commonwealth shall meet annually to
8 effect a permanent organization of the board of school
9 directors. Notwithstanding section 2391(b) (relating to quorum
10 and voting), a plurality of the votes cast for election of
11 officers shall be sufficient for election.

12 (b) Districts of the first class and first class A.--In
13 school districts of the first class and first class A, the
14 annual organization meeting shall be held during the second week
15 of November, at which meeting the directors shall elect a
16 president, vice-president and secretary who shall begin their
17 terms of office January 1.

18 (c) Districts of the second class.--In school districts of
19 the second class, the school directors shall effect an
20 organization as follows:

21 (1) Each year, at the first regularly scheduled meeting
22 in December, the board shall elect a president and a vice-
23 president to serve until the first regularly scheduled
24 meeting in December of the ensuing calendar year.

25 (2) Annually, during the month of May, the directors
26 shall elect a treasurer to serve for a term of one year
27 beginning July 1 following the election.

28 (3) Beginning in the year 1977 and every four years
29 thereafter during the month of May, the directors shall elect
30 a person to serve as secretary for a term of four years

beginning July 1 following the election.

(d) Filling vacancies.--Vacancies occurring in the offices of president, vice-president, secretary and treasurer shall be filled for the unexpired term.

(e) Holding two offices.--The same person shall not hold at the same time more than one of the offices enumerated in this section.

(f) Employees as officers.--No employee of the board of school directors, except the secretary, treasurer, assistant secretary and assistant treasurer, shall serve as an officer of the board of school directors by which he is employed.

(g) Notice of meeting.--All members of the board of school directors, including those persons newly elected or appointed to the board, shall be given five days written notice by the secretary of the board of the time and place of the organization meeting.

(h) Organization of board.--If a quorum is present, the meeting shall be organized as provided in this subsection. There shall be elected from the holdover members a temporary president. The secretary of the board shall serve as secretary of the organization meeting. The certificates of election or appointment of any new members and a list of legally qualified directors shall be duly recorded. New members shall take and subscribe to the oath of office as required by this part. After the new members have been sworn, the temporary president shall effect the permanent organization as provided in this section.

§ 2382. First class city home rule districts.

To the extent that the provisions of this subchapter are inconsistent with a home rule charter adopted for school district in cities of the first class in accordance with the

1 former provisions of the act of August 9, 1963 (P.L.643,
2 No.341), known as the "First Class City Public Education Home
3 Rule Act," or Subchapter C of Chapter 25 (relating to first
4 class city home rule districts) the home rule charter shall
5 govern.

6 SUBCHAPTER E

7 CONDUCT OF BUSINESS

8 Sec.

9 2391. Quorum and voting.

10 2392. Regular and special meetings.

11 § 2391. Quorum and voting.

12 (a) Quorum.--A quorum shall be necessary to conduct meetings
13 and transact school business.

14 (b) Voting.--An affirmative vote of a majority of all
15 legally qualified members of the board of school directors,
16 showing in the board minutes how each member voted, shall be
17 required to take action on all matters except as otherwise
18 provided in this title.

19 (c) Effect of noncompliance.--Failure to comply with the
20 provisions of this section shall render acts of the board of
21 school directors void and unenforceable.

22 § 2392. Regular and special meetings.

23 (a) Regular meetings.--The board of school directors shall
24 hold regular meetings at the times and places specified by the
25 board in order to carry out its responsibilities under this
26 title.

27 (b) Special meetings.--Special meetings of the board of
28 school directors may be called at any time by the president or
29 upon written request to the president by any three members of
30 the board. Should the president fail or refuse to act upon the

1 written request of three members, a special meeting may be
2 called at any time by a majority of the legally qualified
3 members of the board.

4 (c) Notice of meetings.--Members shall have reasonable
5 notice of all special meetings and the board may adopt
6 reasonable rules directing the kind and length of notice of the
7 meetings of the board that shall be given to its members by the
8 secretary.

9 (d) Matters considered at special meetings.--No business
10 shall be transacted at any special meeting except that specified
11 in the call letter. Special meetings may be called for general
12 purposes.

13 CHAPTER 25

14 SCHOOL DISTRICTS

15 Subchapter

16 A. General Provisions.

17 B. Boundary Changes and Annexation.

18 C. First Class City Home Rule Districts.

19 SUBCHAPTER A

20 GENERAL PROVISIONS

21 Sec.

22 2501. How constituted.

23 2502. Status and powers.

24 2503. Classification.

25 2504. Change of classification.

26 2505. Corporate seal.

27 § 2501. How constituted.

28 All school districts shall remain as now constituted until
29 changed as authorized by this title.

30 § 2502. Status and powers.

1 (a) General rule.--The school districts in this Commonwealth
2 shall be, and hereby are vested as, bodies corporate with all
3 necessary powers to enable them to carry out the provisions of
4 this title.

5 (b) Suits and service of process.--Each school district
6 shall have the right to sue and be sued in its corporate name.
7 Legal process against any school district shall be served on the
8 president or secretary of the board of school directors.

9 § 2503. Classification.

10 There shall be three classes of school districts according to
11 population as follows:

12 (1) Each school district having a population of
13 1,500,000 or more shall be a school district of the first
14 class.

15 (2) Each school district having a population of 400,000
16 or more but less than 1,500,000 shall be a school district of
17 the first class A.

18 (3) Each school district having a population of less
19 than 400,000 shall be a school district of the second class.

20 § 2504. Change of classification.

21 (a) General rule.--Whenever it shall appear that the
22 population of any school district is such that it should be
23 included in another class of school district, the department,
24 upon receiving the appropriate population data as the department
25 shall require, shall make the necessary change of classification
26 and issue a certificate to the school district notifying it of
27 the change in class.

28 (b) Effective date of change.--A change in classification of
29 a school district shall take effect upon the beginning of the
30 next fiscal year after the certificate has been issued under

1 subsection (a).

2 § 2505. Corporate seal.

3 Each school district in this Commonwealth may, by a majority
4 vote of the members of the board of school directors of the
5 district, adopt a corporate seal for the use of the district.
6 The seal shall have engraved thereon the following: "School
7 District of , Pennsylvania," or " School
8 District of Pennsylvania," and such other inscription or design
9 as the board of school directors may direct.

10 SUBCHAPTER B

11 BOUNDARY CHANGES AND ANNEXATION

12 Sec.

13 2531. Voluntary combination of school districts.

14 2532. Adjustment of property and obligations of combined
15 districts.

16 2533. Change of boundaries following municipal annexation.

17 2534. Fiscal powers pending change of boundaries.

18 2535. Temporary special tax levies in partitioned districts.

19 2536. Annexation to first class or first class A districts.

20 2537. Establishment of transfer districts.

21 2538. Adjustment of property and obligations of annexed
22 districts.

23 2539. Effective date of changes in districts.

24 § 2531. Voluntary combination of school districts.

25 (a) General rule.--Upon approval by a majority of the
26 membership of each board of school directors and upon approval
27 by the State board, any two or more contiguous school districts
28 may combine to create a larger school district.

29 (b) Referendum.--No combination shall be approved by the
30 State board unless it has been approved by the electors of each

1 district by referendum. Referenda shall be held as provided by
2 law for the approval of incurring indebtedness by referendum.
3 § 2532. Adjustment of property and obligations of combined
4 districts.

5 (a) Property and indebtedness.--All real and personal
6 property, indebtedness and rental obligations to an approved
7 building authority or nonprofit corporation, if any, of former
8 school districts forming a new school district, shall become the
9 property, indebtedness and rental obligations of the newly
10 constituted school district. All rights of creditors against any
11 of the component former school districts shall be preserved
12 against the new school district. All property vested in the
13 component former school districts, all debts and taxes owing to
14 the component former school districts uncollected in the several
15 component former school districts, and all moneys in the
16 treasuries of the component former school districts shall be
17 paid to the treasurer of the newly constituted school district.

18 (b) Operating obligations.--All operating obligations of any
19 component former school district contracted for concurrent
20 operating expenses after June 30, 1966, shall continue to be an
21 obligation of the taxable property within the former component
22 school district. In levying and assessing taxes for the first
23 fiscal year of operation and for each subsequent fiscal year,
24 the board of school directors of the newly established school
25 districts shall levy and assess upon the taxable property within
26 the component former school district a tax in addition to all
27 other school district taxes in an amount sufficient to discharge
28 the obligation for operating expenses in a period of ten years.

29 § 2533. Change of boundaries following municipal annexation.

30 (a) Notice of annexation.--Whenever territory is annexed to

1 any municipality comprising in whole or in part an existing
2 school district of the second class, a certified copy of the
3 order of annexation, agreement, ordinance or vote of the
4 electors effecting such annexation shall be forwarded within ten
5 days to the Secretary of Education. The document or documents
6 shall be mailed to the secretary by the prothonotary of the
7 court granting the decree or by any other proper officer.

8 (b) Boundary change application and hearing.--The receipt of
9 the certified copy shall be deemed an application for the change
10 in the boundaries of an existing school district and the
11 Secretary of Education shall, within 60 days thereafter, notify
12 the school districts which will be affected that an application
13 has been received and that a time and place for hearing the
14 application will be determined upon receipt of request from any
15 district affected. If no such request is filed within 30 days,
16 the State board may certify approval of the application without
17 a hearing if the boundaries of the affected school district or
18 districts were coextensive with the boundaries of the affected
19 municipalities before the annexation took place. If the
20 boundaries were not coextensive, the State board may disapprove
21 the application without a hearing. At the hearing, if one is
22 requested, the proper officials of or the counsel for the
23 districts shall present to the State board or its designated
24 representatives the reasons for approval or disapproval of the
25 application, and the State board shall then determine whether
26 such change in the boundaries of an existing school district is
27 desirable and whether the welfare of the pupils within the
28 territory affected thereby will be promoted by the change in the
29 boundaries of such existing district.

30 (c) Approval of application.--If the State board approves

1 the application, it shall certify its findings and its approval
2 of the change in such existing district thereon and transmit a
3 certified copy of the approval to the clerk of the courts or
4 other proper officer from whom the application was received who
5 shall file the certification with the documents of the original
6 proceedings.

7 (d) Disapproval of application.--If, in the judgment of the
8 State board, the application should not be granted, it shall
9 endorse "Not Approved" on the application and transmit a
10 certified copy of the disapproval to the clerk of the courts or
11 other proper officer from whom the application was received, who
12 shall file the certification with the documents of the original
13 proceedings.

14 (e) Appeal from decision.--Appeals from the decision of the
15 State board shall be made in accordance with the act of June 4,
16 1945 (P.L.1388, No.442), known as the "Administrative Agency
17 Law."

18 § 2534. Fiscal powers pending change of boundaries.

19 While proceedings are pending in court for the changing of
20 any boundary lines of any school district of the second class,
21 the board of school directors in every school district to be
22 affected by the change of boundary lines shall be permitted to
23 levy and assess a school tax and incur debts for the purpose of
24 purchasing ground or constructing or enlarging a school building
25 in the same manner as though the proceedings were not pending in
26 court for the changing of any boundary lines.

27 § 2535. Temporary special tax levies in partitioned districts.

28 When it is shown to the appropriate court of common pleas
29 that, by reason of the partition of any school district and the
30 apportionment of the debts of the original district, the debts

1 of the school district exceed the amount which the board of
2 school directors may collect in any year by taxation, the court,
3 after ascertaining the amount of indebtedness of the school
4 district, may direct the board of school directors to collect by
5 special taxation an amount sufficient to pay the debts. If the
6 amount of indebtedness is so large as to render it inadvisable
7 to collect the taxes in any one year, taking into consideration
8 other necessary taxation, the court may direct the taxes to be
9 levied and collected by annual installments and may order the
10 special taxes to be levied and collected during such successive
11 years as may be required for the payment of the debts. The
12 special tax shall be subject to the same penalties for
13 nonpayment, and shall be computed and collected in the same
14 manner, as other taxes.

15 § 2536. Annexation to first class or first class A districts.

16 Whenever the territory comprising a school district of the
17 second class is annexed to a city comprising a school district
18 of the first class or of the first class A, the annexed school
19 district shall immediately become a part of the school district
20 of the first class or first class A.

21 § 2537. Establishment of transfer districts.

22 (a) Definitions.--As used in this section the following
23 words and phrases shall have the meanings given to them in this
24 subsection:

25 "Contiguous territory." A geographic area adjacent to and
26 sharing a common boundary with one or more school districts
27 other than the one in which it is located.

28 "Transfer district." An independent district created for the
29 sole purpose of transferring a contiguous territory from one
30 existing school district to an adjacent school district using

1 procedures provided in this section.

2 (b) Petition for establishment.--A majority of the eligible
3 voters of any contiguous territory may present a petition for
4 establishment of a transfer district to the State board. Where
5 the territory described in the petition is to be taken from two
6 or more school districts, the petition shall be signed by a
7 majority of all the eligible voters of the part of each school
8 district which is to be included in the transfer district. The
9 petition shall set forth a proper description of the boundaries
10 of the territory to be included in the proposed transfer
11 district together with the reasons for requesting the transfer
12 to another school district and shall include the name of the
13 school district into which transfer of the territory is desired.

14 (c) Hearing on petition.--Upon receipt of the petition
15 properly filed, the State board shall notify or cause to be
16 notified within ten days all school districts which would be
17 affected by the granting or denial of the petition that a
18 hearing will be held on the petition. An opportunity to be heard
19 shall be given to all affected parties in accordance with the
20 act of June 4, 1945 (P.L.1388, No.442), known as the
21 "Administrative Agency Law."

22 (d) Approval of petition.--If, in the judgment of the State
23 board, the petition should be approved, the State board shall
24 issue an order establishing a transfer district. In its order,
25 the State board shall determine, after consultation with all
26 parties, the amount, if any, of the indebtedness and obligations
27 of the school district from whose territory the transfer
28 district is taken that the transfer district shall assume and
29 pay. The State board shall prorate the Commonwealth subsidies
30 payable between or among the losing district or districts and

1 the receiving district and shall determine the disposal of all
2 real and personal property. A transfer district created under
3 the provisions of this section shall not become an operating
4 school district but is created for transfer of territory only.
5 If the petition is approved, the State board shall assign the
6 transfer district to the designated school district.

7 (e) Costs of proceedings.--In all cases where the
8 proceedings result in the transfer, the cost of the proceedings
9 shall be paid by the petitioners or by the receiving district.

10 (f) Appeal from decision.--Appeals from the decision of the
11 State board shall be made in accordance with the act of June 4,
12 1945 (P.L.1388, No.442), known as the "Administrative Agency
13 Law."

14 § 2538. Adjustment of property and obligations of annexed
15 districts.

16 (a) Amicable adjustment.--In any case where land annexed to
17 one school district is made a part of the district in which it
18 is located, the school districts to which land has been annexed
19 or from which land has been taken shall make a just and proper
20 adjustment and apportionment of all school property, real and
21 personal, including funds, as well as indebtedness, and rental
22 obligations to an approved school building authority, if any, to
23 and among the school districts. The adjustment and apportionment
24 shall take effect at the beginning of the fiscal year following
25 approval by the State board of the change of boundaries for
26 school purposes.

27 (b) Adjustment by court upon petition.--In case the boards
28 of school directors of the several school districts cannot make
29 amicable apportionment and adjustment of their property,
30 indebtedness and rental obligations to an approved school

1 building authority, before or during the first fiscal year
2 beginning after any change in their boundary lines is made, any
3 one of the school districts may, at any time within the
4 succeeding fiscal year, present its petition to the court of
5 common pleas of the county in which the school district is
6 located. The court shall appoint a review board of three
7 disinterested resident taxpayers of the county, who shall not
8 reside in either of the districts whose boundary lines are
9 changed. The review board, after a hearing, shall make a report
10 to the court making an apportionment and adjustment according to
11 the provisions of this section. The report shall state the
12 amount, if any, that shall be due and payable from one district
13 to another, as well as the amount of indebtedness, including
14 rental obligations to an approved school building authority, if
15 any, that shall be assumed by any district. Due notice of the
16 hearing shall be given to the several districts interested as
17 the court may direct. The review board shall give the several
18 districts interested at least five days notice of the filing of
19 the report. Unless exceptions are filed to the report by any
20 district interested within 30 days after the date of filing, the
21 report shall be confirmed by the court absolutely. Any sum
22 awarded or debt apportioned by the report to any school district
23 shall be a legal and valid claim in its favor against the school
24 district charged therewith. Upon the report of the review board
25 being confirmed, the claims or indebtedness charged against any
26 school district may be collected in the same manner as a
27 judgment is collected against a school district. In case
28 exceptions are filed to the report of the review board, the
29 court shall dispose of the same, taking any testimony therein it
30 deems advisable. The decision of the court thereon shall be

1 final and binding on the several districts.

2 (c) Costs of proceedings.--The review board shall be paid
3 all necessary expenses and receive such fees as the court
4 determines. All costs and expenses of the proceeding shall be
5 apportioned by the court to and among the several school
6 districts as it shall deem proper.

7 (d) Adjustment by court in equity.--If the respective school
8 districts shall neglect or refuse to petition the court for the
9 appointment of a review board to secure an apportionment and
10 adjustment within the period of the second year, either of the
11 school districts or ten percent of the eligible voters within
12 either of the school districts may file a complaint in equity at
13 any time within six years from the date of the change in
14 boundary lines, in the name of the school district or for the
15 use of the school district, against the other school district,
16 in the court of common pleas of the proper county, to have such
17 indebtedness apportioned and adjusted.

18 (e) Jurisdiction of court.--In cases in which the districts
19 are situated in two or more counties, the court of common pleas
20 of the county in which the largest part in area of the land
21 annexed to or taken from any district is situated shall have
22 exclusive jurisdiction over the matter. If the review board is
23 to be appointed, the court may appoint the review board from any
24 one or more of the counties.

25 § 2539. Effective date of changes in districts.

26 If any new school district is created by combination of
27 existing districts or if the boundary lines of any school
28 district are changed, the change, so far as it related to school
29 districts or school affairs, shall take effect at the beginning
30 of the first fiscal year after the new district has been created

1 or the change in boundary lines is permanently effected.

2 SUBCHAPTER C

3 FIRST CLASS CITY HOME RULE DISTRICTS

4 Sec.

5 2551. Short title of subchapter.

6 2552. Definitions.

7 2553. Cities authorized to adopt home rule charters.

8 2554. Proceedings for appointment of charter commission.

9 2555. Examination and rejection of petitions.

10 2556. Objections in court to petitions.

11 2557. Appointment and organization of charter commission.

12 2558. Proposed charter provisions and ballot questions.

13 2559. Election on proposed charter provisions.

14 2560. Recording, filing and publication of charter provisions.

15 2561. Payment of expenses of proceedings.

16 2562. Status of approved charter provisions.

17 2563. Amendments to charter provisions.

18 2564. Limitations on frequency of proceedings.

19 2565. Powers and authority of city.

20 2566. Status and authority of home rule district.

21 2567. Penalties for violations of subchapter.

22 § 2551. Short title of subchapter.

23 This subchapter shall be known and may be cited as the "First
24 Class City Public Education Home Rule Act."

25 § 2552. Definitions.

26 The following words and phrases when used in this subchapter
27 shall have, unless the context clearly indicates otherwise, the
28 meanings given to them in this section.

29 "Charter provisions." Either those sections which shall be
30 added to an existing home rule charter or those sections which

1 comprise a separate home rule charter for public education of a
2 city without a previously existing home rule charter.

3 "City." A city of the first class.

4 "Commission." The commission authorized and appointed
5 pursuant to this subchapter.

6 "Home rule school district." A school district designated as
7 provided in this subchapter and brought into existence through
8 the exercise of powers contained in this subchapter.

9 "School district." Any school district or school districts
10 in existence within a city at the time the city exercises the
11 powers under this subchapter.

12 § 2553. Cities authorized to adopt home rule charters.

13 Any city of the first class may frame and adopt charter
14 provisions governing the administration of a separate and
15 independent home rule school district as provided in this
16 subchapter.

17 § 2554. Proceedings for appointment of charter commission.

18 (a) General rule.--The city council of any city of the first
19 class by a two-thirds vote of its elected members may, or upon
20 petition presented to the city council and filed in the form
21 prescribed by the city council signed by not less than 20,000
22 registered electors of the city shall, without undue delay,
23 provide, by ordinance, for the appointment of a commission to
24 frame charter provisions and for giving public notice of the
25 passage of the ordinance.

26 (b) Signatures on petition.--Each elector signing the
27 petition shall add to his signature his occupation and residence
28 and the date of signing. Signatures to the petition may be on
29 separate sheets but each sheet shall have appended to it the
30 affidavit of some person not necessarily a signer and not

1 necessarily the same person as on other sheets that to the best
2 of affiant's knowledge and belief, the signers are registered
3 electors of the city, that they signed with full knowledge of
4 the contents of the petition and that their residences are
5 correctly given.

6 (c) Filing and notice of ordinance.--The clerk of the city
7 council of the city shall file with the mayor of the city, the
8 secretary of the school district, the secretary of the board of
9 judges of the court or courts of common pleas located in the
10 city and the Secretary of the Commonwealth a copy of the
11 ordinance, certified by him, within the five days next following
12 its final passage, and shall also cause the public notice to be
13 given as provided in the ordinance.

14 § 2555. Examination and rejection of petitions.

15 (a) General rule.--When any petition is presented to the
16 city council of the city under the provisions of section 2554
17 (relating to proceedings for appointment of charter commission),
18 it shall be the duty of the clerk of the city council, with the
19 assistance and advice of the city solicitor or head of the
20 department of law of the city, to examine the petition. The
21 clerk of the city council shall be entitled to a reasonable time
22 in which to examine the petition and to summon and interrogate
23 the persons presenting the petition or any of the signers
24 thereof or any of the affiants to any of the appended or
25 accompanying affidavits and his retention of the petition for
26 the purpose of making the examination or interrogation shall not
27 be construed as the filing thereof.

28 (b) Rejection of petition.--Although not hereby required so
29 to do, the clerk of the city council may question the
30 genuineness of any signature or signatures appearing on the

petition and if he shall thereupon find that any signature or signatures are not genuine, the signature or signatures shall be disregarded by him in determining whether the petition contains a sufficient number of signatures, as required by this subchapter. The invalidity of any sheet of a petition shall not affect the validity of the petition if a sufficient petition remains after eliminating the invalid sheet. No petition shall be permitted to be filed if it:

(1) contains material errors or defects apparent on the face thereof or on the face of the appended or accompanying affidavits;

(2) contains material errors made after signing without the consent of the signers; or

(3) does not contain a sufficient number of genuine signatures as required by this subchapter.

(c) Judicial review.--The action of the clerk of the city council in rejecting and refusing to file any petition may be reviewed by the court or courts of common pleas located in the city, in an action of mandamus to compel its reception, as of the tenth day next following the day it was presented to the city council. Unless the complaint in mandamus shall be made and filed in the court of common pleas within ten days after the refusal of the clerk of city council to file the petition, the court shall be without jurisdiction to entertain or consider any action in mandamus or any other proceeding to compel the filing of the petition.

§ 2556. Objections in court to petitions.

(a) Filing and service.--Any petition presented to the city council of the city under or pursuant to the provisions of section 2554 (relating to proceedings for appointment of charter

1 commission), and if filed as provided in section 2555 (relating
2 to examination and rejection of petitions) shall be deemed to be
3 valid unless, within seven days after the filing of the
4 petition, a petition is presented to the court of common pleas
5 of the proper county by not less than 100 registered electors of
6 the city specifically setting forth the objections thereto and
7 praying that the petition be set aside. A copy of the petition
8 presented to the court of common pleas shall, within said
9 period, be served on the clerk of the city council of the city.

10 (b) Notice and hearing.--Upon the presentation of a
11 petition, the court shall make an order fixing the time for
12 hearing, which shall not be later than ten days after the
13 presentation of the petition to the court, and specifying the
14 time and manner of notice, by public advertising or otherwise,
15 that shall be given of the hearing. On the day fixed for the
16 hearing, the court shall proceed, without delay, to hear the
17 objections and shall give the hearing precedence over any other
18 business before it, and shall finally determine the matter not
19 later than 15 days after the last day for presentation of the
20 petition to the court.

21 (c) Disposition of petition.--If the court shall find that
22 the petition is defective under the provisions of section 2555,
23 or does not contain a sufficient number of genuine signatures of
24 registered electors entitled to sign the petition under the
25 provisions of this subchapter, it shall be set aside. If the
26 objections relate to material errors or defects apparent on the
27 face of the petition or on the face of the accompanying or
28 appended affidavits, the court after hearing may, in its
29 discretion, permit amendments within such time and upon such
30 terms as to payment of costs as the said court may specify.

1 (d) Payment of costs of proceedings.--In case the petition
2 is dismissed, the court shall make such order as to the payment
3 of the costs of the proceeding, including witness fees, as it
4 shall deem just.

5 § 2557. Appointment and organization of charter commission.

6 (a) Appointment.--Within 30 days after the final passage of
7 the ordinance, the mayor of the city, the board of judges of the
8 court or courts of common pleas located in the city and the
9 Governor of the Commonwealth shall appoint a commission
10 consisting of nine registered electors of the city, three of
11 whom shall be appointed by the mayor, three by the board of
12 judges of the court or courts of common pleas located in the
13 city and three by the Governor of this Commonwealth.

14 (b) Vacancies.--Any vacancy in the membership of the
15 commission caused by death, resignation, removal from the city
16 or otherwise shall be filled by the remaining members of the
17 commission by appointing as a member of the commission a
18 registered elector of the city.

19 (c) Organization and meetings.--The mayor of the city shall
20 call the first meeting of the members of the commission so
21 appointed within 30 days after their appointment, to be held at
22 a time and place fixed by him in his call, and at the meeting
23 the commission shall organize by selecting from their number a
24 chairman and a secretary, adopt rules to govern its proceedings
25 and proceed to discharge the duties set forth in this
26 subchapter. All meetings of the commission shall be open to the
27 public, except when the commission may desire an executive
28 session. All actions of the commission shall be by a majority
29 vote of all members.

30 § 2558. Proposed charter provisions and ballot questions.

1 (a) Filing and printing.--The charter provisions proposed by
2 the commission for submission to the qualified electors of the
3 city for their approval or disapproval shall be filed with the
4 city council which shall thereupon cause the proposal or
5 proposals, together with the form of the question or questions,
6 to be printed in pamphlet form in sufficient number for general
7 distribution.

8 (b) Distribution and publication.--The pamphlets shall be
9 made ready for distribution at least 28 days before the election
10 at which the proposals are to be voted upon the electors and the
11 proposals, together with the ballot questions, shall also be
12 published once a week for three weeks in at least two newspapers
13 of general circulation in the weeks immediately preceding the
14 election at which the vote is to be taken upon the proposals.

15 (c) Framing ballot questions.--Each ballot question shall be
16 framed in brief form of not more than 75 words by the
17 commission. The commission may require that the proposed charter
18 provisions be submitted in two or more parts, and may also
19 submit alternative charter provisions to supersede designated
20 portions of the proposed charter provisions, if adopted. In such
21 case, the commission shall prescribe the form of questions in
22 such a manner as will clearly indicate the effect of the
23 approval of such questions.

24 (d) Certification to board of elections.--The clerk of the
25 city council shall, within five days after the filing of the
26 charter provisions proposed by the commission, certify an exact
27 copy of the text of the charter provisions, together with the
28 necessary ballot questions, to the board of elections in the
29 county wherein the city is situate. The board of elections shall
30 cause the ballot questions to be properly printed on the ballots

1 or ballot labels.

2 § 2559. Election on proposed charter provisions.

3 (a) Time of election.--The proposed charter provisions shall
4 be submitted to the electors for approval or disapproval by the
5 use of the ballot questions at a special election occurring more
6 than 45 days after the proposed charter provisions are filed
7 with the city council of the city. The special election shall be
8 held on the day fixed and designated by the commission, which
9 day may be the day for holding any primary or regular November
10 election.

11 (b) Notice of election.--At least 30 days' notice of each
12 election shall be given by proclamation of the mayor of the
13 city. A copy of the proclamation shall be posted at each polling
14 place of the city on the day of the election and shall be
15 published in at least two newspapers of general circulation in
16 the city once a week for three consecutive weeks during the
17 period of 30 days prior to the election, which publications may
18 be included in the publication required to be made under the
19 provisions of section 2558 (relating to proposed charter
20 provisions and ballot questions).

21 (c) Conduct of elections and returns.--All elections shall
22 be conducted by the election officers for the city in accordance
23 with the act of June 3, 1937 (P.L.1333, No.320), known as the
24 "Pennsylvania Election Code." The election officers shall count
25 the votes cast and make return thereof to the board of
26 elections. The result of the election shall be computed by the
27 board of elections in the same manner as is provided by law for
28 computation of similar returns at any election. Certificates of
29 the result of the election shall be filed by the board of
30 elections with the city council of the city, with the secretary

1 of the board of public education of the school district and with
2 the Secretary of the Commonwealth.

3 § 2560. Recording, filing and publication of charter
4 provisions.

5 The clerk of the city council of the city shall forthwith
6 cause the charter provisions, as approved by the qualified
7 electors, to be recorded in the ordinance book of the city. He
8 shall also file certified copies thereof in the office of the
9 Secretary of the Commonwealth, the secretary of the board of
10 public education of the school district and the Director of the
11 Legislative Reference Bureau, and the text thereof shall be
12 published in the Pennsylvania Code.

13 § 2561. Payment of expenses of proceedings.

14 The expenses of the charter commission and the cost of
15 publishing, distributing and advertising the proposal or
16 proposals of the commission or of the city council of the city
17 or of electors and the proclamations as required by section 2559
18 (relating to election on proposed charter provisions), and all
19 other expenses of the commission and of the city council
20 incurred in connection with any proceedings under this
21 subchapter, when not otherwise provided for by law, may be paid
22 from the city treasury as the city council of the city may
23 provide.

24 § 2562. Status of approved charter provisions.

25 (a) General rule.--Any charter provisions proposed, which
26 are approved by a majority of the qualified electors voting
27 thereon, shall become the organic law, or a part thereof, of the
28 city at such time as may be fixed therein and all courts shall
29 take judicial notice thereof.

30 (b) Existing laws.--So far as the charter provisions are

1 consistent with the grant of powers and the limitations,
2 restrictions and regulations prescribed in this subchapter, they
3 shall supersede all statutes, or parts of statutes, local,
4 special or general, affecting the organization, government and
5 powers of the school district to the extent that they are
6 inconsistent or in conflict therewith. All existing statutes, or
7 parts of statutes, ordinances and resolutions affecting the
8 organization, government and powers of the school district, not
9 inconsistent or in conflict with the charter provisions so
10 adopted, shall remain in full force.

11 (c) Existing contracts.--No contract existing at the time of
12 the adoption of the charter provisions pursuant to this
13 subchapter shall be affected thereby, but the contract shall
14 have the same force and effect and be of the same validity as if
15 the charter provisions had not been adopted.

16 (d) Defect in proceedings.--No charter provisions, when
17 adopted by a majority vote of the qualified electors of any city
18 voting at any election, shall be declared invalid or be set
19 aside on account of any defect, error or omission in the
20 proceedings for the adoption of any such charter.

21 (e) Constitutional limitation.--Charter provisions adopted
22 or amended in accordance with this subchapter shall not be
23 inconsistent with the Constitution of the United States or of
24 this Commonwealth.

25 § 2563. Amendments to charter provisions.

26 Amendments to charter provisions adopted under this
27 subchapter shall be made in accordance with the procedures set
28 forth in the act of April 21, 1949 (P.L.665, No.155), known as
29 the "First Class City Home Rule Act."

30 § 2564. Limitations on frequency of proceedings.

1 (a) Proposed charter provisions.--No proposed charter
2 provisions shall be submitted to the qualified electors oftener
3 than once in every five years.

4 (b) Appointment of commission.--No petition by registered
5 electors of the city for the appointment of a commission shall
6 be presented to the city council of the city if the city council
7 shall at the time already have provided, by ordinance, for the
8 appointment of the commission, or if a petition by registered
9 electors for the appointment of a commission shall then already
10 have been presented to the city council, until the expiration of
11 four years and six months next following the submission to the
12 qualified electors of the city for their approval or disapproval
13 of the charter provisions proposed by the commission, unless, in
14 the case of a petition by registered electors already presented,
15 the petition shall have been then rejected or set aside under
16 the provisions of section 2555 (relating to examination and
17 rejection of petitions) or 2556 (relating to objections in court
18 to petitions).

19 § 2565. Powers and authority of city.

20 (a) General rule.--Any city of the first class taking
21 advantage of this subchapter and framing and adopting provisions
22 hereunder shall have, and may exercise, the following enumerated
23 powers:

24 (1) The power to establish and create a separate and
25 independent home rule school district, to be named: "The
26 School District of (name of the city of the
27 first class)....."

28 (2) The power to provide for a board of education of the
29 home rule school district which shall be charged with the
30 administration, management and operation of the home rule

1 school district.

2 (3) The power to:

3 (i) Set the term, number and qualifications of board
4 of education members.

5 (ii) Provide for the methods of nomination, to
6 include a citizens' nominating panel if deemed advisable.

7 (iii) Either to provide for a method of appointment
8 in case the power shall include the designation of the
9 appointing authority or to provide for a method of
10 election.

11 (b) Limitations.--Any city of the first class taking
12 advantage of this subchapter and framing and adopting provisions
13 hereunder shall not have powers and authority greater than those
14 express and implied powers granted by subsection (a). The powers
15 granted by subsection (a) shall not be construed to include:

16 (1) An assumption by the city of the debt of a school
17 district or home rule school district.

18 (2) A grant of authority to the city council of the city
19 of the first class to enact legislation regulating public
20 education or the administration thereof, except in respect to
21 the setting of maximum tax rates for school purposes as shall
22 be authorized by the General Assembly from time to time.

23 (3) A grant of authority to frame charter provisions
24 which contravene any statute applicable in every part of this
25 Commonwealth or applicable to all school districts of this
26 Commonwealth.

27 § 2566. Status and authority of home rule district.

28 (a) General rule.--A home rule school district established
29 under section 2565(a) (relating to powers and authority of city)
30 shall:

1 (1) Succeed directly the school district for all
2 purposes including, but not limited to, the receipt of all
3 grants, gifts, appropriations, subsidies or other payments;
4 the school district to continue its operation until the
5 effective date of the charter provisions establishing the
6 home rule school district.

7 (2) Assume all assets, property, real and personal,
8 tangible and intangible, all easements and all evidences of
9 ownership, in part or in whole, and all records and other
10 evidences pertaining thereto.

11 (3) Assume all debt and other contractual obligations of
12 the school district, the long term debt to be issued, secured
13 and retired in the manner now provided by law.

14 (b) Bylaws, resolutions and regulations.--Any board of
15 education established pursuant to this subchapter may enact
16 bylaws, resolutions, rules and regulations necessary and proper
17 to carry into execution the powers under subsection (a) and all
18 other powers vested in the board of education under this title.

19 (c) Intergovernmental agreements.--The board of education
20 established pursuant to this subchapter may enter into
21 agreements including, but not limited to, joint tax collection,
22 joint purchasing of supplies, equipment and contractual
23 services, use of recreational and park equipment and facilities,
24 control and prevention of juvenile delinquency, city planning,
25 capital budgeting, capital programming and comprehensive
26 development planning, with any municipal or former county
27 department, agency, office, board or commission or any agency of
28 the Commonwealth or the United States Government, when, in the
29 opinion of the board of education or its authorized agents, the
30 agreement will further the efficient and effective

1 administration of public education.

2 § 2567. Penalties for violations of subchapter.

3 (a) Offenses defined.--A person commits a misdemeanor of the
4 second degree if he:

5 (1) knowingly signs any petition provided for in this
6 subchapter without having the qualifications prescribed by
7 this subchapter or sets opposite a signature on the petition
8 a date other than the actual date the signature was affixed
9 thereto or sets opposite the signature on the petition a
10 false statement of the signer's place of residence or
11 occupation;

12 (2) knowingly makes a false statement in any affidavit
13 required by the provisions of this subchapter to be appended
14 to or to accompany a petition provided for in this subchapter
15 or fraudulently signs any name not his own to any petition or
16 affidavit or fraudulently alters any petition without the
17 consent of the signers;

18 (3) makes any wilful false statement under oath or
19 affirmation or in writing stating that it is so made although
20 the oath or affirmation may not have actually been made by
21 any persons regarding any material matter or thing relating
22 to any subject being investigated, heard, determined or acted
23 upon by the clerk of the city council or any other officers
24 of the city or by any court or judge thereof, in accordance
25 with the terms of this subchapter;

26 (4) wilfully defaces or destroys any petition provided
27 for in this subchapter or any part thereof or presents or
28 files or causes to be presented or filed any petition knowing
29 the same or any part thereof to be falsely made or suppresses
30 any petition or any part thereof which has been duly

presented or filed;

(5) is an officer of a city, county or school district or any employee of the officer, city, county or school district or is any other person on whom a duty is imposed under this subchapter, and wilfully neglects or refuses to perform his duty; or

(6) violates any of the provisions of this subchapter for which a penalty is not specifically provided under this section.

(b) Limitation on fines.--In the event a person convicted of an offense under this section is sentenced to pay a fine as part of the sentence, the fine shall not exceed \$500 for offenses under subsection (a)(1), (2) and (3) or \$1,000 for other offenses.

CHAPTER 27

INTERMEDIATE UNITS

Subchapter

A. General Provisions

B. Intermediate Unit Board and Staff

SUBCHAPTER A

GENERAL PROVISIONS

Sec.

2701. Status, purpose and component districts.

2702. Transfer of district to another unit.

2703. Merger of units.

§ 2701. Status, purpose and component districts.

(a) Status and purpose.--Intermediate units are regional service units designed to provide to component school districts educational program services.

(b) Assignment of districts to unit.--Each school district

1 of this Commonwealth shall continue to be assigned to the
2 intermediate unit to which it was assigned as of the effective
3 date of this title. A list of intermediate units and their
4 component school districts shall be maintained by the
5 department.

6 § 2702. Transfer of district to another unit.

7 Any school district may apply for transfer from one
8 intermediate unit to another intermediate unit with which its
9 boundaries are contiguous by submitting a written request for
10 such transfer to the State board with reasons for requesting the
11 transfer. If the State board approves the transfer, it shall be
12 effective the following July 1. In no event shall a transfer be
13 made unless:

14 (1) the boards of directors of two-thirds of the
15 component school districts involved vote in favor of
16 approving the said transfer; and

17 (2) the intermediate unit boards of directors involved
18 approve the transfer.

19 § 2703. Merger of units.

20 (a) Request for merger.--Two or more contiguous intermediate
21 units may submit a written request for merger to the State board
22 if:

23 (1) the boards of directors of all component school
24 districts involved approve the merger; and

25 (2) the intermediate unit boards of directors involved
26 approve the merger.

27 (b) Approval of merger.--If the State board approves the
28 merger, it shall be effective the following July 1.

29 SUBCHAPTER B

30 INTERMEDIATE UNIT BOARD AND STAFF

1 Sec.
2 2711. Election and term of board members.
3 2712. Vacancies on board.
4 2713. Removal of directors and employees.
5 2714. Annual and special conventions.
6 2715. Election and compensation of officers.
7 2716. Staff of intermediate unit.
8 2717. Election of executive director and assistants.
9 2718. Powers and duties of board.
10 2719. Program services provided by board.
11 2720. Powers and duties of executive director.
12 2721. Intermediate unit advisory council.
13 2722. Budget.
14 2723. School district contributions to intermediate units.

15 § 2711. Election and term of board members.

16 (a) Election by districts.--The school directors of all
17 component school districts shall, at the annual convention,
18 elect intermediate unit board members as provided in this
19 section.

20 (b) Composition of board.--Each intermediate unit board
21 shall be composed of 13 members chosen from among the members of
22 the boards of school directors of the component districts.
23 Unless there are fewer than 13 school districts in the
24 intermediate unit, no more than one director from any school
25 district shall be elected to the intermediate unit board. Where
26 there are fewer than 13 component school districts, at least one
27 school director from each school district shall be elected to
28 the intermediate unit board.

29 (c) Terms of office.--At the initial election, the terms of
30 four directors shall be set to expire on June 30, 1972; four

1 directors on June 30, 1973; and five directors on June 30, 1974.
2 Thereafter, terms shall be for three years on the same staggered
3 basis. Terms of office shall begin on July 1.

4 (d) Election voting procedure.--The election of intermediate
5 unit directors shall be by proportionate ballot. The election
6 shall be determined on the basis of a majority of the
7 proportionate vote cast by the school board members present and
8 voting, a quorum being present. Each school director of each
9 component school district shall be entitled to at least one vote
10 and shall be entitled to cast votes to be determined as follows:

11 (1) The weighted average daily membership of the school
12 district of the director shall be divided by the total
13 weighted average daily membership within the intermediate
14 unit.

15 (2) The quotient obtained under paragraph (1) shall be
16 multiplied by 1,000.

17 (3) The product obtained under paragraph (2) shall be
18 divided by 13.

19 (4) The dividend shall be rounded to the nearest whole
20 number.

21 (e) Annual certification of vote quotas.--The department
22 shall certify annually, not later than February 1, the weighted
23 average daily membership for the previous school year for each
24 school district and each intermediate unit and shall compute the
25 number of votes to which each school director of each district
26 within an intermediate unit shall be entitled.

27 (f) Unit comprised of single district.--In the case of an
28 intermediate unit comprised of a single school district, the
29 board of school directors of the school district shall be the
30 intermediate unit board of directors.

1 § 2712. Vacancies on board.

2 (a) When vacancy occurs.--A vacancy shall occur when:

3 (1) an intermediate unit director no longer holds office
4 as a school director; or

5 (2) an intermediate unit director resigns or is removed
6 from the intermediate unit board.

7 (b) Filling vacancy.--Vacancies on an intermediate unit
8 board shall be filled by appointment by majority vote of the
9 remaining intermediate unit board of directors. A director so
10 appointed shall serve until the annual convention at which time
11 the convention shall elect a director to serve the unexpired
12 portion of the term.

13 (c) Vacancy of entire board.--In the event vacancies exist
14 or occur in the membership of all of the members of an
15 intermediate unit board of directors, a special convention
16 called by the department shall be held of the school directors
17 of all school districts comprising the intermediate unit for the
18 purpose of electing directors to fill the vacancies.

19 § 2713. Removal of directors and employees.

20 (a) Directors.--Any member of an intermediate unit board may
21 be removed from the board in the same manner and for the same
22 causes as provided by law for the removal of members of boards
23 of school directors.

24 (b) Officers or employees.--Any officer or employee of an
25 intermediate unit board may be removed in the same manner for
26 the same causes as provided by law for the removal of officers
27 or employees of boards of school directors.

28 § 2714. Annual and special conventions.

29 (a) Annual convention.--The executive director of each
30 intermediate unit shall call a convention of the school

1 directors of the component districts to be held annually, no
2 later than May 1, for the purpose of:

3 (1) Electing members to the intermediate unit board in
4 accordance with section 2711 (relating to election and term
5 of board members).

6 (2) Reporting on the budget of the intermediate unit.

7 (3) Considering and discussing matters pertaining to the
8 improvement of education in the public schools within the
9 intermediate unit.

10 (4) Conducting such other business as may properly come
11 before the convention.

12 Except as otherwise specified, action shall be taken by a
13 majority of those school directors present and voting, a quorum
14 being present.

15 (b) Special convention called by unit board.--The
16 intermediate unit board may call into special convention the
17 school directors of all school districts within an intermediate
18 unit at any time for the consideration of business which may
19 properly come before a special convention.

20 (c) Special convention requested by school boards.--The
21 majority of the member school boards within the intermediate
22 unit may petition the intermediate unit board to call a special
23 convention for a stated purpose relating to proper business of
24 the intermediate unit in which case the intermediate unit
25 executive director shall call into special convention the school
26 directors of all school districts within the unit for
27 consideration of the stated purpose. Notice to each district
28 director shall be given at least five days prior to the special
29 convention.

30 § 2715. Election and compensation of officers.

1 (a) President and vice-president.--The newly elected
2 intermediate unit board shall convene each year during the month
3 of June and shall elect from its membership, for a term to begin
4 July 1, a president and a vice-president.

5 (b) Treasurer.--Annually, during the month of June, the
6 newly elected board shall elect a treasurer, corporate or
7 personal, for a term to begin July 1.

8 (c) Secretary.--Every fourth year, during the month of June,
9 the newly elected board shall elect a secretary for a term to
10 begin July 1.

11 (d) Unit comprised of single district.--In the case of an
12 intermediate unit comprised of a single district, the
13 intermediate unit board at the regular school board election of
14 officers may designate, by a majority vote, the school board
15 officers of the intermediate unit or may elect separate officers
16 for intermediate unit operation in accordance with subsections
17 (a), (b) and (c).

18 (e) Compensation.--The secretary and treasurer shall be
19 compensated as the intermediate unit board shall deem
20 appropriate.

21 (f) Duties, removal and bond.--The provisions of Chapters 23
22 (relating to boards of school directors) and 31 (relating to
23 local finance) applicable to duties of board officers, removal
24 and bond shall apply to the intermediate unit board officers.
25 § 2716. Staff of intermediate unit.

26 (a) Composition.--The staff of an intermediate unit shall
27 consist of an executive director and such assistant executive
28 directors, program specialists and other personnel as the
29 intermediate unit board deems necessary to employ.

30 (b) Employee rights.--All professional and other employees

1 of an intermediate unit shall have the same rights and
2 privileges as provided to similar employees of school districts
3 by this title.

4 (c) Qualifications of specialists.--Program specialists
5 shall satisfy minimum qualifications adopted by the State board.

6 (d) Membership in retirement system.--All eligible employees
7 of an intermediate unit shall, in accordance with the act of
8 June 1, 1959 (P.L.350, No.77), known as the "Public School
9 Employees' Retirement Code of 1959," be members of the Public
10 School Employees' Retirement System of this Commonwealth and
11 employees who are members of the State Employees' Retirement
12 System of this Commonwealth prior to employment by the
13 intermediate unit may elect to remain members of such retirement
14 system.

15 (e) Unit comprised of single district.--Where an
16 intermediate unit is comprised of a single school district, the
17 district superintendent shall serve as executive director of the
18 intermediate unit. The salary of the executive director shall
19 not be charged to the intermediate unit budget and the salary of
20 assistants of the executive director shall be charged to the
21 intermediate unit budget only to the extent that the assistants
22 are engaged in providing approved intermediate unit services as
23 determined by the executive director.

24 § 2717. Election of executive director and assistants.

25 (a) Election and compensation.--The intermediate unit board
26 by a majority vote of all members thereof shall elect and fix
27 the salary of a properly certificated executive director, and
28 upon the recommendation of the executive director may elect and
29 fix the salary of such properly qualified assistant executive
30 directors as it deems necessary.

(b) Terms, reelection and vacancies.--The terms of office, reelection procedure and procedure in case of vacancy for the executive director and assistant executive director shall conform to the terms and procedures for superintendents and assistant superintendents provided in Subchapter E of Chapter 51 (relating to commissioned personnel).

§ 2718. Powers and duties of board.

(a) Duties.--An intermediate unit board shall:

(1) Employ professional staff but only upon the written recommendation of the executive director.

(2) Employ and adopt employment policies for auxiliary personnel.

(3) Provide for the proper education and training for all exceptional children who are not enrolled in classes or schools maintained and operated by school districts and who are not otherwise provided for. When the intermediate unit has contracted to provide transportation to exceptional students and the exceptional student is so physically incapacitated or mentally retarded as to be unable to use free transportation as provided by the usual school bus, the intermediate unit may, with the approval of the department, purchase transportation equipment.

(4) Operate and administer a vocational-technical school or schools if the intermediate unit board has been designated as the operating agent by the participating districts of an area vocational-technical school.

(5) Prepare and submit to the State Board For Vocational Education proposals or revisions of proposals for the placement of school districts of the intermediate unit into area vocational-technical attendance areas.

1 (6) Provide and conduct programs of services as
2 authorized by the State board.

3 (7) Approve and advertise the intermediate unit budget
4 as provided for in sections 2722 (relating to budget) and
5 3112 (relating to public notice of proposed budget).

6 (8) Perform such other duties as may be required by
7 regulation of the State board to effectuate the purposes of
8 this title.

9 (b) Powers.--The intermediate unit board may:

10 (1) Employ and fix the compensation of a solicitor.

11 (2) Receive Federal, State, school district and other
12 moneys and expend the same to conduct the programs of
13 service.

14 (3) Contract for specialized services.

15 (4) Lease land, buildings and equipment in accordance
16 with the provisions of Chapter 49 (relating to physical plant
17 and construction).

18 § 2719. Program services provided by board.

19 (a) General rule.--The intermediate unit board may provide
20 the following services based on need as determined by the
21 collection and analysis of information data:

22 (1) Curriculum development and instructional improvement
23 services.

24 (2) Educational planning services.

25 (3) Instructional materials services.

26 (4) Continuing professional education services.

27 (5) Pupil personnel services.

28 (6) State and Federal agency liaison services.

29 (7) Management services.

30 (8) Any other services approved by a majority of boards

of school directors comprising the intermediate unit.

(b) Contracts and additional services.--The intermediate unit board may:

(1) Contract to furnish any of the services referred in subsection (a) or any other educational services to school entities and to nonpublic nonprofit schools.

(2) Establish and maintain educational broadcasting programs, audio-visual libraries and instructional materials centers.

(3) Contract with school districts to provide services on behalf of the intermediate unit.

§ 2720. Powers and duties of executive director.

The executive director of an intermediate unit shall:

(1) Administer the intermediate unit program of services.

(2) Recommend to the intermediate board the appointment of assistant executive directors and other professionals.

(3) Recommend employment of auxiliary personnel in accordance with employment policies of the intermediate unit board.

(4) Perform the duties of a business administrator as defined in section 2376(a) (relating to business administrator) or, with the approval of the board, delegate the functions to a business administrator.

(5) Appoint such advisory groups as deemed necessary to assist the staff in providing programs of service for school districts.

(6) Provide the department with information and reports.

(7) Serve as the chief school administrator of an area vocational-technical school if the intermediate unit board is

1 designated as the operating agent for the school or if the
2 executive director is appointed as chief school administrator
3 by the area vocational-technical board.

4 (8) Call the school directors of the component school
5 districts into an annual convention and into special
6 conventions as provided in this chapter.

7 (9) Call a convention of boards of directors of all
8 schools comprising the intermediate unit to discuss the
9 formulation of an area vocational-technical school.

10 (10) Call into session and serve as chairman of meetings
11 of the intermediate unit advisory council.

12 (11) Perform such other duties as may be required by the
13 intermediate unit board and the regulations of the State
14 board.

15 § 2721. Intermediate unit advisory council.

16 (a) Composition and purpose.--Each intermediate unit shall
17 have an intermediate unit advisory council composed of all chief
18 school administrators within the intermediate unit. The sole
19 purpose of the intermediate unit advisory council shall be to
20 serve in an advisory capacity to the executive director of the
21 intermediate unit.

22 (b) Meetings.--The intermediate unit advisory council shall
23 meet at least five times each year.

24 § 2722. Budget.

25 (a) Preparation.--The executive director of each
26 intermediate unit shall prepare a proposed general operating
27 budget for the intermediate unit board.

28 (b) Approval and advertising.--The intermediate unit board
29 shall:

30 (1) Approve the proposed budget.

1 (2) Advertise the budget in accordance with section 3112
2 (relating to public notice of proposed budget).

3 (3) Furnish each director of each component school
4 district with a printed copy of the budget proposed for
5 adoption.

6 (c) Adoption.--The budget shall be adopted by:

7 (1) a majority of the school districts comprising the
8 intermediate unit; and

9 (2) a majority of the proportionate votes of all school
10 directors of the component school districts as they were
11 recorded voting in the minutes of their respective school
12 boards.

13 (d) Filing.--The adopted budget shall be filed annually with
14 the department on or before May 1.

15 § 2723. School district contributions to intermediate units.

16 (a) Computation of contributions.--Where the adopted budget
17 of the intermediate unit exceeds the Commonwealth allocation to
18 the intermediate unit, each school district within the
19 intermediate unit shall contribute to the intermediate unit a
20 share of the amount by which the budget exceeds the allocation
21 computed in the following manner:

22 (1) Determine a weight factor for each school district
23 by multiplying the weighted average daily membership of the
24 school district by the difference between 1.0000 and the aid
25 ratio of the school district.

26 (2) Determine a value per weight factor for the
27 intermediate unit by dividing the amount by which the budget
28 exceeds the allocation by the total weight factors of all
29 school districts comprising the intermediate unit.

30 (3) Determine the share of each school district by

1 multiplying the value per weight factor by the weight factor
2 of the school district.

3 (b) Contracts for services by intermediate unit.--Any one or
4 a combination of the school districts comprising an intermediate
5 unit may contract with the intermediate unit for services to be
6 provided for the contracting school districts by the
7 intermediate unit with the cost of the services to be paid by
8 the contracting school districts in such manner as they may
9 agree upon.

10 (c) Independent services by school district.--If a component
11 school district desires to provide a service independent of its
12 intermediate unit and if:

13 (1) the service is included in the approved program of
14 services to be offered by an intermediate unit;

15 (2) the service is to be financed solely by the school
16 district; and

17 (3) the intermediate unit board has determined that the
18 quality of the service is adequate and that such independent
19 action will not adversely affect the service to be offered to
20 the remaining districts by the intermediate unit;

21 the intermediate unit board may relieve the school district of
22 payment for such service.

23 (d) Method of payment.--Payments due from school districts
24 to an intermediate unit shall be withheld by the Commonwealth
25 from subsidies payable to school districts during October and
26 paid to the intermediate unit not later than January of each
27 year.

28 SUBPART C

29 FISCAL AFFAIRS AND TAXATION

30 Chapter

1 2907. Verification of amounts to school entities.

2 2908. Verification of amounts to State Treasurer.

3 2909. Guaranteed payments and limitations.

4 2910. Time of payments.

5 2911. Method and use of payments.

6 § 2901. Statements for reimbursement.

7 (a) Definition.--As used in this chapter the word
8 "statement" means statement for reimbursement.

9 (b) Filing.--Each school entity shall file statements with
10 the department. The department shall prescribe the content, form
11 and time of filing of the statements.

12 (c) Penalty for failure to file.--The department shall
13 withhold the payment of all moneys due any school entity until
14 the necessary statements and required reports have been properly
15 submitted.

16 (d) Corrections.--If any error in any statement shall occur
17 whereby a school entity would receive more or less Commonwealth
18 money than is justly due, the chief executive officer of the
19 school entity shall forward immediately to the department a
20 corrected statement and the department shall make the corrected
21 statement the basis for the appropriation.

22 § 2902. Determining amount of payments.

23 (a) General rule.--The department shall determine the amount
24 of funds required to meet each payment to each school entity
25 which becomes due and payable each fiscal year.

26 (b) Basis for determination.--The determination of the
27 amount required shall be based on the following:

28 (1) The data and material contained in the statements.

29 (2) The definitions of section 2921 (relating to
30 definitions).

1 (3) The deductions authorized in section 2903 (relating
2 to deduction from Commonwealth appropriations).

3 (4) The reimbursement formulae as contained in the
4 following provisions:

5 Subchapter B (relating to basic instruction).

6 Subchapter C (relating to building construction).

7 Subchapter E (relating to exceptional students).

8 Subchapter G (relating to homebound instruction).

9 Subchapter H (relating to intermediate units).

10 Subchapter K (relating to transportation).

11 § 2903. Deduction from Commonwealth appropriations.

12 The department may deduct from Commonwealth appropriations to
13 school entities the amounts due and payable to the Commonwealth,
14 political subdivisions and other school entities. The exact
15 amount deducted shall be credited or paid to the appropriate
16 government agency and the school entity involved shall be
17 properly notified.

18 § 2904. Withholding payments for delinquent debt.

19 The department may refuse to authorize the payment of any
20 amount payable to any school entity when it fails or refuses to
21 pay its indebtedness when due. The department may continue to
22 withhold such amounts until the school entity has made provision
23 for payment of the delinquent debt.

24 § 2905. Penalties for unauthorized employees.

25 (a) Abuse of emergency certificates.--Any school entity
26 which for a period of two successive years either employs a
27 teacher who holds only an emergency certificate for any grade or
28 subject which he teaches, or employs in the same position
29 teachers who hold only emergency certificates for any grades or
30 subjects which they teach, shall forfeit the sum of \$300 for

1 each teacher so employed or for each position so filled.

2 (b) Uncertificated professionals.--Any school entity which
3 has in its employ any person in a teaching, specialist,
4 supervisory or administrative capacity for more than four
5 consecutive months of any school year who has not been
6 certificated for the position by the department, or which has in
7 its employ a substitute in a position where a vacancy exists for
8 a full year or more without the specific written approval of the
9 department, shall forfeit an amount equal to the actual salary
10 being paid the employee for that school year.

11 (c) Payment of penalty.--The department shall deduct the
12 forfeitures from the amount of the Commonwealth appropriation
13 otherwise due the school entity.

14 § 2906. Payments for schools closed during emergencies.

15 When any governing board is compelled to close any school or
16 schools on account of any contagious disease, natural disaster
17 or other emergency, not including labor disputes involving
18 school employees, and thereby is unable to keep the school or
19 schools open for the minimum term required by this title, the
20 department may pay to the school entity any or all of its share
21 of the annual Commonwealth appropriations as the department
22 deems proper.

23 § 2907. Verification of amounts to school entities.

24 The department shall transmit to each school entity a
25 verification of the amount payable to the school entity.

26 § 2908. Verification of amounts to State Treasurer.

27 The department shall verify the amount payable to each school
28 entity to the State Treasurer who shall place the amounts to the
29 credit of the respective school entities.

30 § 2909. Guaranteed payments and limitations.

(a) Guaranteed payments.--Each school district shall receive an amount which is the greater of:

(1) the guaranteed amount per weighted average daily membership established for the 1970-1971 fiscal year for the district times the weighted average daily membership applicable to the year for which payment is being made; or

(2) the amount as determined in accordance with section 2922(a) and (b) (relating to amount of payments) for the immediately preceding year.

(b) Limitations on payments.--Notwithstanding any other provisions of law, for any fiscal year no school district shall be paid under subsection (a) of this section, section 2922(c) (relating to amount of payments) or section 2957(a) and (d) (relating to payments for poverty children), an amount in excess of 100% of the total approved reimbursable instruction expense of the school district.

§ 2910. Time of payments.

The amount apportioned and allotted to each school district shall be divided into three payments and the department shall draw a requisition three times annually upon the State Treasurer in favor of each school district for the amount to which it is entitled. The first two payments shall be estimates based on but not to exceed 30% of the total amount apportioned and allocated to the school district during the previous fiscal year for the same purposes. The final payment shall be the balance of the apportionment due for the applicable fiscal year. Payment shall be made to all school districts on October 1, February 1 and June 1, except that any school district whose fiscal year and calendar year are identical on the effective date of this section shall continue to receive payments as now provided by

1 law. This section shall apply to payments to which a school
2 district is entitled under provisions of sections 2909(a)
3 (relating to guaranteed payments and limitations), 2922
4 (relating to amount of payments) and 2957 (relating to payments
5 for poverty children).

6 § 2911. Method and use of payments.

7 The annual Commonwealth appropriation apportioned and
8 distributed by the department to each school entity shall be
9 paid to the treasurer of the school entity. The appropriations
10 shall be used by each school entity through its governing board
11 for the purposes authorized by this title.

12 SUBCHAPTER B

13 BASIC INSTRUCTION

14 Sec.

15 2921. Definitions.

16 2922. Amount of payments.

17 § 2921. Definitions.

18 The following words and phrases when used in this chapter
19 shall have, unless the context clearly indicates otherwise, the
20 meanings given to them in this section:

21 "Actual instruction expense per weighted average daily
22 membership." For each fiscal year, the department shall
23 calculate for each school district the actual instruction
24 expense per weighted average daily membership for each district
25 student. The actual instruction expense shall include all
26 general fund expenses of the school district except those for
27 health services, transportation, debt service, capital outlay,
28 homebound instruction and outgoing transfers to community
29 colleges. From this cost shall be deducted the amount received
30 from the Commonwealth for driver education, special class

1 operation, vocational education, area vocational-technical
2 schools, payment of tuition by district patrons, parents, other
3 school districts and the State and Federal Government and all
4 moneys received from the State and Federal Government under the
5 Federal Elementary and Secondary Education Act (Public Law 89-
6 10), Federal Economic Opportunity Act (Public Law 88-452) and
7 the Federal Manpower Training and Development Act (Public Law
8 87-415) and for projects under section 3904 (relating to
9 intensive classes for unemployed or underemployed persons). The
10 actual instruction expense so determined, when divided by the
11 weighted average daily membership for the district, shall be the
12 actual instruction expense per weighted average daily
13 membership.

14 "Aid ratio." The State's share of reimbursable cost as
15 defined under the definition of "State's share of total cost."
16 The aid ratio shall be determined in the following manner:

17 (1) Divide the market value per weighted average daily
18 membership of the school district by the market value per
19 weighted average daily membership of this Commonwealth.

20 (2) Determine the product of paragraph (1) multiplied by
21 the school district's share of total cost.

22 (3) Subtract the resultant product in paragraph (2) from
23 one (1.0000) to determine the aid ratio.

24
$$\text{Aid ratio} + 1.0000 - (\text{District MV/WADM})$$

25
$$\text{-----} \times .50$$

26
$$(\text{State MV/WADM})$$

27 No school district shall be assigned an aid ratio less than
28 .1000.

29 "Average daily membership." Membership computed in accordance
30 with rules of procedure established by the department.

1 "Density factor." The density factor shall be assigned for
2 those school districts whose population exceeds 10,000 per
3 square mile as determined by the department from the most recent
4 records of the United States Census Bureau. Any school district
5 which was assigned a density factor for any fiscal year prior to
6 1969-1970, and for any fiscal year thereafter is determined by
7 the department to have a population of 10,000 per square mile or
8 less shall qualify for a modified density payment which shall be
9 in the ratio of its population per square mile to 10,000 of the
10 amount to which it would have been entitled had its population
11 per square mile exceeded 10,000. Any school district which was
12 assigned a density factor for any fiscal year prior to 1969-1970
13 and for any fiscal year thereafter and as a result of a merger
14 with one or more other school districts becomes a part of a new
15 school district and the new school district is determined by the
16 department to have a population of 10,000 per square mile or
17 less, the new school district shall qualify for a modified
18 density payment which shall be in the ratio of its population
19 per square mile to 10,000 of the amount to which it would have
20 been entitled had its population per square mile exceeded
21 10,000. A school district qualifying under the density factor
22 shall be paid by the Commonwealth on account of excess
23 expenditures per weighted average daily membership not to exceed
24 for the fiscal year 1969-1970 and each fiscal year thereafter
25 \$250, in excess of \$400, an amount to be determined by
26 multiplying the excess expenditures by the aid ratio or by
27 0.375, whichever is greater, and by the number of weighted
28 students, which amount shall be in addition to any other
29 payments for the students.

30 "District students." Students of a school district enrolled

1 in the public schools of this Commonwealth and of adjacent
2 states who are residents of a given school district.

3 "District's share of total cost." The district's share of
4 total cost shall be the State's share subtracted from 1.00.

5 "Minimum subsidy." For the fiscal year 1973-1974 and each
6 fiscal year thereafter, in no case shall a district receive for
7 each student in weighted average daily membership an amount less
8 than 10% of the actual instruction expense or \$75, whichever is
9 the lesser amount.

10 "Secondary students" or "high school students." Students in a
11 secondary school program classified as such by the department.
12 The term does not include students below grade seven.

13 "Sparsity factor." The sparsity factor shall be assigned for
14 those districts whose population is less than 50 per square mile
15 as determined by the department from the most recent records of
16 the United States Census Bureau. A school district qualifying
17 under sparsity factor shall be paid by the Commonwealth on
18 account of excess expenditures per weighted average daily
19 membership, not to exceed for the fiscal year 1969-1970 and each
20 fiscal year thereafter \$250, in excess of \$400, an amount to be
21 determined by multiplying the excess expenditures by the aid
22 ratio or by 0.375, whichever is greater, and by the number of
23 weighted students, which amounts shall be in addition to any
24 other payment for the students. Any school district assigned
25 sparsity factor for any fiscal year prior to 1969-1970 or for
26 any subsequent fiscal year and any reorganized or merged school
27 district comprised of one or more component school districts any
28 of which had been assigned sparsity factor for any fiscal year
29 prior to 1969-1970 or any subsequent fiscal year which for any
30 fiscal year thereafter is determined by the department to have a

1 population of 50 per square mile or more shall, for the fiscal
2 year 1970-1971 and each fiscal year thereafter, qualify for a
3 modified sparsity payment which shall be the ratio of its
4 population per square mile to 50 subtracted from 2.00 and
5 multiplied by the amount to which it would have been entitled
6 had its population per square mile been less than 50.

7 "State's share of total cost." For the fiscal year 1966-1967
8 and each fiscal year thereafter, the average State's share of
9 total reimbursable cost shall be 50%. Total reimbursable cost
10 shall be the lesser of actual expense per weighted average daily
11 membership (WADM) or a maximum amount to be fixed by the General
12 Assembly from time to time to represent the estimated average
13 actual expense per WADM in the year for which the reimbursement
14 is payable. The department annually shall calculate the State
15 average "actual instruction expense per weighted average daily
16 membership" and shall supply the same to the General Assembly to
17 assist it in evaluating the adequacy of the maximum amount.

18 "Valuation." A school district's valuation used for computing
19 the aid ratio shall be the valuation placed upon its taxable
20 real property by the State Tax Equalization Board.

21 "Weighted average daily membership" or "WADM." The average
22 daily membership for all resident students in the various levels
23 of instruction shall be multiplied by the weight for that level
24 as indicated in the definition of "weighted student" to obtain
25 the weighted average daily membership. The sum of the products
26 so obtained shall be the weighted average daily membership for
27 the district.

28 "Weighted student." A value placed upon district students in
29 average daily membership at various levels of instruction. The
30 value shall be as follows:

(1) Kindergarten, 0.50 if attending one session per day
or 1.00 if attending two sessions per day.

(2) Elementary, 1.00.

(3) Secondary, 1.36.

§ 2922. Amount of payments.

(a) General formula.--For the fiscal year 1973-1974 and each
fiscal year thereafter, each school district shall be paid by
the Commonwealth on account of instruction of the district's
students an amount to be determined by multiplying the aid ratio
times the actual instruction expense per weighted average daily
membership or by \$750, whichever is less.

(b) Minimum payments.--For any fiscal year, no district
shall receive less than an amount obtained by multiplying the
minimum subsidy by the weighted average daily membership for the
district.

(c) Density and sparsity payments.--For the fiscal year
1971-1972 and each fiscal year thereafter, each school district
so entitled shall be paid, in addition to any other subsidy to
which it is entitled, an amount for density or sparsity of
population. Except as otherwise provided, this amount shall be
paid on account of expenditures in excess of \$400 per weighted
average daily membership, not to exceed \$250 an amount to be
determined by multiplying the excess expenditures by the aid
ratio or by 0.375, whichever is greater, and by the number of
weighted average daily membership. The payment for density
factor for those qualifying school districts with a WADM in
excess of 50,000 shall be the actual cost of instruction per
WADM multiplied by 19% and by the WADM of the district.

SUBCHAPTER C

BUILDING CONSTRUCTION

1 Sec.
2 2931. Site costs.
3 2932. Building costs.
4 2933. Approval of leases and sinking fund charges.
5 2934. Payments on pre-1957 leases and contracts.
6 2935. Payments on other leases and contracts.
7 2936. Approved reimbursement.
8 2937. Change in rentals.
9 2938. Districts eligible under density factor.
10 2939. Method of payments on rentals.
11 2940. Payments on rentals of facilities for school use.

12 § 2931. Site costs.

13 Whenever any school district acquires a site for a school
14 building in advance of its need and in accordance with a long-
15 range development plan for school building construction approved
16 by the State board to the extent that the cost of the
17 acquisition shall be deemed reasonable by the department, the
18 Commonwealth shall pay, in the year of acquisition, 100% of the
19 reimbursement due the district under applicable statutes in
20 force at that time for the cost of acquisition. If the site is
21 not thereafter used by the district for school building purposes
22 within a period of ten years from date of purchase, the amounts
23 paid under this section shall be returned to the Commonwealth by
24 the district within two years of the end of the ten-year period
25 of non-use. If the amounts are not returned within the two-year
26 period, Commonwealth moneys due and payable to the district by
27 the department as a subsidy or reimbursement for any purpose
28 shall first be withheld in the amount of the moneys owed the
29 Commonwealth by the district under this section and credited as
30 returned in full hereunder before any part of the Commonwealth

1 reimbursement or subsidy is paid to the district.

2 § 2932. Building costs.

3 (a) Preliminary payments.--The Commonwealth shall pay to any
4 school district making a preliminary payment on account of the
5 approved building construction cost, as authorized by this
6 title, an amount determined by multiplying the district capital
7 account reimbursement fraction computed for the year 1967 or aid
8 ratio, whichever is greater, by the amount of the payment made
9 by the school district.

10 (b) Full payments.--Whenever any school district provides
11 the full payment on account of approved building construction
12 cost without incurring debt or without assuming a lease, the
13 Commonwealth shall pay to the school district an amount
14 determined by multiplying the district capital account
15 reimbursement fraction computed for the year 1967 or aid ratio,
16 whichever is greater, by the amount of the payment made by the
17 school district.

18 (c) Fiscal year of payment.--The payment required by this
19 section shall be made for the fiscal year in which the school
20 district made its payment on account of the approved building
21 construction cost.

22 § 2933. Approval of leases and sinking fund charges.

23 (a) General rule.--No payment shall be made to any school
24 district on account of any lease entered into with the State
25 Public School Building Authority or any municipal authority or
26 any profit or nonprofit corporation, partnership, association,
27 or person, or on account of sinking fund charges on indebtedness
28 for school buildings, unless the lease or sinking fund charge is
29 approved by the department in accordance with Chapter 49
30 (relating to physical plant and construction).

1 (b) Disapproval or modification.--The department shall have
2 the right to disapprove or approve with reservation a lease
3 because of any failure on the part of the authority or school
4 district to comply with the provisions of the statutes of this
5 Commonwealth relating to the authority or profit or nonprofit
6 corporation, partnership, association, or person, or school
7 district, only to such extent as will prevent the school
8 district from paying a greater sum as rental because of the
9 noncompliance with law. For that purpose, the department may
10 require a modification of the lease if not at the time executed
11 or may approve the lease with the reservation that the
12 department will pay the reimbursement on that amount only which
13 would have been determined by reason of the lower rental.

14 (c) Inspection prior to approval.--The department shall not
15 approve any project for which Commonwealth reimbursement is
16 sought unless an inspection has been made by the department of
17 the location and adequacy of existing school facilities and the
18 determination made that existing facilities are inadequate in
19 terms of prevailing educational standards.

20 § 2934. Payments on pre-1957 leases and contracts.

21 (a) Pre-1953 leases or contracts.--The Commonwealth shall
22 pay annually to each school district erecting or sharing in the
23 erection of a building or buildings or providing educational
24 equipment under the provisions of the act of July 5, 1947
25 (P.L.1217, No.498), known as the "State Public School Building
26 Authority Act," for every lease or contract entered into or
27 approved by the department prior to August 26, 1953, and to each
28 school district which shall have entered into a lease approved
29 by the department prior to August 26, 1953, with a municipality
30 authority or with a nonprofit corporation for the rental of a

1 school building or buildings or providing educational equipment,
2 an amount to be determined by multiplying the school district's
3 capital account reimbursement fraction computed for the year
4 1967 or aid ratio, whichever is greater, by the annual rental
5 charge as fixed by the State Public School Building Authority or
6 by the annual rental or share thereof provided for under its
7 lease with the municipality authority or nonprofit corporation,
8 as the case may be.

9 (b) 1953-1956 leases.--The Commonwealth shall pay annually
10 to each school district erecting or sharing in the erection of a
11 building or buildings under the provisions of the act of July 5,
12 1947 (P.L.1217, No.498), known as the "State Public School
13 Building Authority Act," for every lease approved by the
14 department on or after August 26, 1953, but prior to March 22,
15 1956, and to each school district which shall have entered into
16 a lease approved by the department on or after August 26, 1953,
17 but prior to March 22, 1956, with a municipality authority or
18 with a nonprofit corporation for the rental of a school building
19 or buildings, an amount to be determined by multiplying the
20 school district's capital account reimbursement fraction
21 computed for the year 1967 or aid ratio, whichever is greater,
22 by that portion of the annual rental charge or share thereof
23 provided for under its lease with the State Public School
24 Building Authority or municipality authority or nonprofit
25 corporation, as the case may be, sufficient during the period of
26 the lease to pay the cost of acquiring or constructing the
27 school buildings, the cost of acquiring the land upon which the
28 school buildings are situated and the interest on the cost.

29 § 2935. Payments on other leases and contracts.

30 (a) Post-1956 leases or contracts.--The Commonwealth shall

1 pay annually to each school district erecting or sharing in the
2 erection of a building or buildings under the provisions of the
3 act of July 5, 1947 (P.L.1217, No.498), known as the "State
4 Public School Building Authority Act," or the act of May 2, 1945
5 (P.L.382, No.164), known as the "Municipality Authorities Act of
6 1945," on account of buildings for which the lease is approved
7 on or after March 22, 1956, or through the incurring of
8 indebtedness by the issuance of general obligation bonds on
9 account of buildings for which the general construction contract
10 is awarded on or after March 22, 1956, an amount to be
11 determined by multiplying the district capital account
12 reimbursement fraction computed for the year 1967 or aid ratio,
13 whichever is greater, by the approved reimbursable rental or
14 approved reimbursable sinking fund charge.

15 (b) Vocational-technical buildings.--The Commonwealth shall
16 pay annually to each school district which constructs, purchases
17 or leases with the approval of the department an area
18 vocational-technical school building or which shares in the
19 construction, purchase or lease of the building or buildings
20 under the provisions of the act of July 5, 1947 (P.L.1217,
21 No.498), known as the "State Public School Building Authority
22 Act," or the act of May 2, 1945 (P.L.382, No.164), known as the
23 "Municipality Authorities Act of 1945," or other agency, or
24 through the incurring of indebtedness by the issuance of general
25 obligation bonds, an amount to be determined by multiplying the
26 district aid ratio or 50%, whichever is greater, by the approved
27 reimbursable rental or approved reimbursable sinking fund charge
28 multiplied by the district proportionate share of the rental
29 sinking fund charge.

30 § 2936. Approved reimbursement.

1 (a) Rental or sinking fund charges.--For school building
2 projects for which the general construction contract is awarded
3 subsequent to March 22, 1956, and for approved school building
4 projects for which the general construction contract was awarded
5 but for which a lease was not approved by the department prior
6 to March 22, 1956, the department shall calculate approved
7 reimbursable rental or approved reimbursable sinking fund
8 charges. Reimbursable sinking charges may include charges for
9 temporary indebtedness within constitutional limitations if the
10 indebtedness is incurred for approved permanent improvements to
11 the school plant, including the cost of acquiring a suitable
12 site for a school building, the cost of constructing a new
13 school building, or the cost of providing needed additions or
14 alterations to existing buildings, for which no bond issue is
15 provided and for which an approved obligation or obligations
16 other than bonds have been issued and the obligation or
17 obligations are payable within five years from the date of issue
18 of the obligation in equal annual installments. Approved
19 reimbursable rental or sinking fund charge shall consist of that
20 part of the annual rental or sinking fund charge attributable
21 to:

22 (1) the cost of acquiring the land upon which the school
23 buildings are situated, the cost of necessary rough grading
24 to permit proper placement of the building upon the land and
25 the cost of sewage treatment plants, as required by the
26 Department of Environmental Resources, to the extent that the
27 costs are deemed reasonable by the Department of Education,
28 and the interest on the costs of acquisition, grading and
29 sewage treatment plants earned subsequent to the date the
30 construction contract is awarded; and

1 (2) the approved building construction cost and the
2 interest on the construction cost.

3 (b) New building construction cost.--For new school
4 buildings the approved buildings construction cost shall be the
5 lesser of:

6 (1) the cost of constructing the school buildings
7 including the cost of essential fixtures and equipment but
8 excluding architect fees in excess of 6% of the contract
9 price; or

10 (2) (i) for school buildings for which the general
11 construction contract is awarded prior to July 1, 1966,
12 and for approved school building projects for which a
13 lease was approved by the department prior to July 1,
14 1966, the product of the rated student capacity as
15 determined by the department at the time the project is
16 approved; and

17 (A) \$1,100 in the case of elementary schools;

18 (B) \$1,700 in the case of secondary schools; or

19 (C) an amount in the case of combined

20 elementary-secondary schools obtained by multiplying
21 the rated elementary student capacity by \$1,100 and
22 the rated secondary student capacity by \$1,700 and
23 dividing the sum by the total rated student capacity;

24 or

25 (ii) for school buildings for which the general
26 construction contract is awarded subsequent to July 1,
27 1966 and for approved school buildings projects for which
28 the general construction contract was awarded but for
29 which a lease was not approved by the department prior to
30 July 1, 1966, the product of the rated student capacity

1 as determined by the department at the time the project
2 is approved; and

3 (A) \$2,300 in the case of elementary schools;

4 (B) \$3,000 in the case of secondary schools; or

5 (C) an amount in the case of combined

6 elementary-secondary schools obtained by multiplying
7 the rated elementary student capacity by \$2,300 and
8 the rated secondary student capacity by \$3,000 and
9 dividing the sum by the total rated student capacity.

10 (c) Additions or alterations.--For additions or alterations
11 to existing buildings, approved building construction cost shall
12 be the lesser of:

13 (1) the cost of constructing the additions or
14 alterations including the cost of essential fixtures and
15 equipment but excluding architect fees in excess of 6% of the
16 contract price; or

17 (2) (i) for all school building projects for which the
18 general construction contract is awarded prior to July 1,
19 1966, and for approved school building projects for which
20 a lease was approved by the department prior to July 1,
21 1966, the difference obtained by subtracting the
22 appraisal value of the existing buildings from the
23 product of rated student capacity of the altered or
24 expanded buildings as determined by the department at the
25 time the project is approved; and

26 (A) \$1,100 in the case of elementary schools;

27 (B) \$1,700 in the case of secondary schools; or

28 (C) an amount in the case of combined

29 elementary-secondary schools obtained by multiplying
30 the rated elementary student capacity of the altered

1 or expanded building by \$1,100 and the rated
2 secondary student capacity of the altered or expanded
3 building by \$1,700 and dividing the sum by the total
4 rated student capacity of the altered or expanded
5 building; or

6 (ii) for school buildings for which the general
7 construction contract is awarded subsequent to July 1,
8 1966, and for approved school building projects for which
9 the general construction contract was awarded but for
10 which a lease was not approved by the department prior to
11 July 1, 1966, the difference obtained by subtracting the
12 appraisal value of the existing building from the product
13 of rated student capacity of the altered or expanded
14 buildings as determined by the department at the time the
15 project is approved; and

16 (A) \$2,300 in the case of elementary schools;

17 (B) \$3,000 in the case of secondary schools; or

18 (C) an amount in the case of combined

19 elementary-secondary schools obtained by multiplying
20 the rated elementary student capacity of the altered
21 or expanded building by \$2,300 and the rated
22 secondary student capacity of the altered or expanded
23 building by \$3,000 and dividing the sum by the total
24 rated student capacity of the altered or expanded
25 building.

26 For the purposes of this subsection, "appraisal value" means the
27 valuation made immediately before the additions or alterations
28 are begun by three competent appraisers, one appointed by the
29 governing board or boards, one by the secretary, and the third
30 by the other two appraisers.

1 (d) Deduction of prior payments.--If the Commonwealth makes
2 any payment under section 2932 (relating to building costs) on
3 account of a preliminary payment by a school district on the
4 approved building construction cost, the amount of the
5 preliminary payment by the school district shall be subtracted
6 from the amount of the approved building construction cost for
7 the purpose of calculating the approved reimbursable rental on
8 projects undertaken pursuant to this title. If the Commonwealth
9 makes a payment of 50% under section 2931 (relating to site
10 costs) on account of the approved cost of the acquisition of a
11 site for a school building, the amount payable under this
12 section on account of the approved cost of site acquisition
13 shall be reduced by 50%.

14 (e) Payments for joint projects.--For purposes of
15 calculating the amount of rental reimbursement, the approved
16 reimbursable rental for a school project constructed for two or
17 more school districts shall annually be apportioned among the
18 participating school districts on the basis of the proportion
19 which the valuation of each district as certified by the State
20 Tax Equalization Board during the preceding school year bears to
21 the total valuation of all participating districts. In special
22 cases where the best interests of the Commonwealth and of the
23 school districts will be better served by permitting the
24 districts to establish for themselves some method other than
25 market valuation as the basis for determining their respective
26 shares of the annual lease rental, the department may issue a
27 special order approving such method of sharing the rental and
28 authorizing that the rental reimbursement for that particular
29 project shall be calculated on the basis of the proportionate
30 share of rental actually paid by each school district.

1 (f) Vocational-technical projects.--

2 (1) For area vocational-technical school projects leased
3 subsequent to July 1, 1964, by or for lease to a board of
4 school directors authorized to operate the school, the
5 department shall calculate an approved reimbursable rental
6 charge. For area vocational-technical school projects
7 constructed or purchased subsequent to July 1, 1964, by a
8 board of school directors authorized to operate the school,
9 the department may calculate an approved reimbursable sinking
10 fund charge. Approved reimbursable rental or sinking fund
11 charge shall consist of that part of the annual rental or
12 sinking fund attributable to:

13 (i) The cost of acquiring land and preparing it for
14 use to the extent that the costs are deemed reasonable by
15 the department and the interest on the cost of
16 acquisition, cost of preparation and the cost of sewage
17 treatment and the interest on the cost.

18 (ii) Machinery, apparatus, furniture and equipment
19 and all other necessary expenses and interest charges,
20 but excluding architects fees in excess of 6% of the
21 construction cost.

22 (2) The approved building construction cost and the
23 interest on the construction cost shall not exceed the
24 product of the rated full-time student capacity, as
25 determined by the department at the time the project is
26 approved, and:

27 (i) the sum of \$2,200 for all school building
28 projects for which the general construction contract is
29 awarded prior to July 1, 1966, and for approved school
30 building projects for which a lease was approved by the

department prior to July 1, 1966; or

(ii) the sum of \$3,700 for school buildings for which the general construction contract is awarded subsequent to July 1, 1966, and for approved school building projects for which the general construction contract was awarded but for which a lease was not approved by the department prior to July 1, 1966.

(3) The department shall not approve the expenditure of any funds borrowed or obtained by the sale of bonds by any authority, nonprofit corporation, profit corporation, company or individual for construction of area vocational-technical schools for bleachers, athletic fields, lighting equipment or apparatus used to promote and conduct interscholastic athletics.

(g) Purchase of buildings.--For the purchase of any building, reimbursement shall be computed in the same manner as for constructed school buildings and approved building cost shall be the lesser of:

(1) the cost of purchasing the site and structure and the cost of approved renovations including appropriate fixtures and equipment; or

(2) (i) for the purchase of any building, the product of the rated student capacity, as determined by the department at the time the purchase is approved, and \$1,100 in the case of elementary schools, \$1,700 in the case of secondary schools, and an amount in the case of combined elementary-secondary schools obtained by multiplying the rated elementary student capacity by \$1,100 and the rated secondary student capacity by \$1,700 and dividing the sum by the total rated student capacity;

1 and

2 (ii) in the case of renovation of any building
3 including appropriate fixtures and equipment,
4 reimbursement shall be \$1,200 for elementary schools,
5 \$1,300 for secondary schools, and for combined
6 elementary-secondary schools an amount obtained by
7 multiplying the rated elementary capacity by \$1,200, and
8 the rated secondary capacity by \$1,300 and dividing that
9 sum by the total rated student capacity.

10 § 2937. Change in rentals.

11 Reimbursements to school districts on account of rental
12 payments in excess of the amount specified in the lease between
13 the school districts and the State Public School Building
14 Authority or any municipality authority or profit or nonprofit
15 corporation, partnership, association or person, or in the case
16 of refinancing on account of rental payments provided by a
17 renegotiated lease, shall be calculated in the same manner as
18 the specified lease rental.

19 § 2938. Districts eligible under density factor.

20 Beginning with the school year 1965-1966 and in each school
21 year thereafter, to districts eligible under the density factor,
22 payments on leases or sinking fund charges shall be no less than
23 50% of the approved reimbursable rental or sinking fund charge
24 for a school building project. The payments shall be made as
25 required by the terms of any agreement entered into by the
26 school district with the approval of the department.

27 § 2939. Method of payments on rentals.

28 (a) General rule.--Payments to a school district shall be
29 determined and approved by the department. The amount approved
30 shall be included in and be payable from future appropriations

1 made to the department. Payments to school districts shall be
2 made semi-annually where the school district lease agreement
3 specifies that lease payments shall be paid semi-annually.

4 (b) Vocational-technical schools.--All payments due school
5 districts by the Commonwealth on account of obligations to the
6 State Public School Building Authority, sinking fund charges or
7 rentals under leases with municipality authorities, profit or
8 nonprofit corporations, partnerships, associations or persons
9 for building or educational equipment for area vocational-
10 technical schools, shall be paid to the area vocational-
11 technical school board operating the school. School districts
12 not originally parties to an agreement with the State Public
13 School Building Authority or a lease with a municipality
14 authority, a profit or nonprofit corporation, partnership,
15 association or person for buildings or educational equipment for
16 an area vocational-technical school but later electing to
17 participate in the operation of the school and agreeing to pay a
18 part of the annual payments due under the agreement or lease
19 shall be entitled to payments by the Commonwealth to the extent
20 as though they had originally been parties to the agreement or
21 lease. The amount thereof shall be paid to the area vocational-
22 technical school board. No payments shall be made on account of
23 obligations or rentals for buildings or educational equipment
24 for area vocational-technical schools unless the schools conform
25 to plans approved by the State Board for Vocational Education.
26 § 2940. Payments on rentals of facilities for school use.

27 (a) General rule.--The Commonwealth shall pay annually for
28 the school year 1972-1973 and each school year thereafter, to
29 each school district which leases, with the approval of the
30 department, buildings and facilities for school use under the

1 provisions of section 4943 (relating to lease of buildings for
2 school use) an amount to be determined by multiplying the
3 district's aid ratio by the approved reimbursable annual rental,
4 as computed by the department. In the case of districts eligible
5 under the density factor, the annual payment shall be no less
6 than 50% of the approved reimbursable annual rental.

7 (b) Reimbursable rental for constructed facilities.--The
8 approved reimbursable annual rental for approved leases of
9 buildings constructed for school use shall be the lesser of:

10 (1) the product of the annual rental payable under the
11 provisions of approved lease agreement times the ratio of the
12 pupil scheduled area to the architectural area; or

13 (2) the product of the rated pupil capacity as
14 determined by the department at the time of initial lease
15 times \$160 for elementary schools, \$220 for secondary schools
16 or \$270 for area vocational-technical schools.

17 (c) Reimbursable rental for altered facilities.--The annual
18 approved rental payable for approved leases of existing
19 facilities altered for school use shall be the lesser of:

20 (1) the product of the annual rental payable under the
21 provisions of the approved lease agreement times the ratio of
22 the pupil scheduled area to the architectural area; or

23 (2) the product of the rated pupil capacity as
24 determined by the department at the time of initial lease
25 times \$112 for elementary, \$154 for secondary or \$189 for
26 area vocational-technical schools.

27 SUBCHAPTER D

28 DRIVER EDUCATION

29 Sec.

30 2943. Payments for driver education.

1 § 2943. Payments for driver education.

2 (a) Payments to school districts.--Every school district
3 complying with the standardized driver education program
4 established by the department shall be paid by the Commonwealth
5 from the Motor License Fund an amount to be determined by
6 multiplying the number of students who have completed the
7 secondary school standardized driver education program conducted
8 by any given school district by a basic figure of \$35 per
9 student.

10 (b) Department administrative costs.--Annual expenditures of
11 the department from the Motor License Fund for:

12 (1) salaries and expenses of employees of the department
13 essential to the program;

14 (2) purchase of visual training aids and psychophysical
15 testing equipment; and

16 (3) costs of preparation, publication and distribution
17 of driver education instructional material, for assistance to
18 the driver education programs;

19 shall not exceed 3% of the annual total amount paid by the
20 Commonwealth to all school districts on account of standardized
21 driver education programs.

22 SUBCHAPTER E

23 EXCEPTIONAL STUDENTS

24 Sec.

25 2945. Payments for special education personnel and equipment.

26 2946. Payments for special education courses.

27 § 2945. Payments for special education personnel and equipment.

28 (a) General rule.--The Commonwealth shall reimburse school
29 districts on account of special education for the cost of
30 readers, helpers, guides, aids, appliances, special school books

1 and supplies and devices for any student between 6 and 21 years
2 of age who is blind, partially sighted, deaf, hard of hearing or
3 afflicted with cerebral palsy and who is enrolled, with the
4 approval of the department, in any of the public schools of this
5 Commonwealth, an amount equal to the costs of the services and
6 equipment multiplied by the district's aid ratio.

7 (b) Maximum amount of payment.--The total expenditure by the
8 Commonwealth under this section shall not exceed 75% of a sum
9 which would have been expended for the tuition and maintenance
10 of the student in a residential school for the blind, including
11 partially sighted, deaf, hard of hearing or those afflicted with
12 cerebral palsy, that has been approved by the department.

13 (c) Establishment of standards.--The secretary shall
14 establish such necessary standards as he may deem necessary for
15 carrying out the provisions of this section.

16 § 2946. Payments for special education courses.

17 (a) General rule.--Every school district shall be paid by
18 the Commonwealth an amount to be determined by multiplying the
19 average daily membership in a course or courses for exceptional
20 students approved by the department as follows:

21 (1) At the elementary level, by an amount determined by
22 subtracting the "instruction cost per elementary student" as
23 defined in section 2972 (relating to determination of charge
24 for nonresident students) from the "instruction cost per
25 exceptional class student" as determined in this section for
26 the preceding fiscal year, or from the instruction expense
27 per exceptional class elementary student as approved for
28 reimbursement by the department in the budget for classes or
29 schools for exceptional students for the fiscal year in which
30 the class is operated, whichever is lesser.

1 (2) At the secondary level, by an amount determined by
2 subtracting the "instruction cost per secondary student" as
3 defined in section 2972 from the "actual instruction expense
4 per exceptional class student" as determined in this section
5 for the preceding school year, or from the instruction
6 expense per exceptional class secondary student as approved
7 for reimbursement by the department in the budget for classes
8 or schools for exceptional students for the fiscal year in
9 which the class is operated, whichever is lesser.

10 (b) Determining actual instruction expense.--"Actual
11 instruction expense per exceptional class student" is determined
12 as follows:

13 (1) (i) Salaries of directors and supervisors of special
14 education, public school psychologists, principals of
15 special schools and assistants, teachers of approved
16 classes for exceptional children, clerks and assistants
17 employed in the school district's program for special
18 education.

19 (ii) The school district's contribution to the
20 retirement fund on behalf of the persons listed in
21 subparagraph (i).

22 (iii) The cost of textbooks and supplies used in the
23 school district's special education classes or schools.

24 (iv) The cost of telephonic system equipment which
25 enables handicapped children to remain in their homes and
26 still participate in classroom activities.

27 (2) Divide the sum obtained under paragraph (1), or that
28 part thereof which is approved by the department for
29 reimbursement by the total number of students, including
30 students who have available for use telephonic system

1 equipment whereby they may remain at home and still
2 participate in classroom activities, in average daily
3 membership in the school district's approved classes for
4 exceptional children. The quotient so obtained shall be the
5 "actual instruction expense per special class student."

6 (c) Speech correction class daily membership.--The average
7 daily membership of speech correction classes shall be
8 calculated as follows:

9 (1) Multiply the average number of students in speech
10 correction classes per week by:

11 (i) the number of periods per week that speech
12 correction is provided for the individual student; and

13 (ii) the number of minutes per period in speech
14 correction class.

15 (2) Divide the product obtained under paragraph (1) by
16 the total number of minutes spent in all classes weekly by
17 the average student. The quotient thus obtained will be the
18 "average daily membership for students in speech correction
19 classes."

20 (d) Amount of advance payment.--For the fiscal year 1972-
21 1973 and for each fiscal year thereafter, the payments shall
22 consist of an amount payable in two equal installments during
23 the fiscal year with adjustments to be made during the next
24 succeeding fiscal year. The amount to be paid in equal
25 installments on or about August 1 and on or about January 1
26 shall be the sum of the products determined by multiplying the
27 anticipated equivalent full-time average daily membership in
28 courses for exceptional students as reported on the approved
29 budget for the operating year:

30 (1) at the elementary level, times an amount determined

1 by subtracting the estimated instruction cost per elementary
2 student from the budgeted instruction cost per exceptional
3 class elementary student as approved by the department for
4 the operating year; and

5 (2) at the secondary level, times an amount determined
6 by subtracting the estimated instruction cost per secondary
7 student from the budgeted instruction cost per exceptional
8 class secondary student as approved by the department.

9 (e) Adjustment following advance payments.--The adjustment
10 to be made during the fiscal year immediately succeeding the
11 operating year shall be determined by subtracting the advance
12 payments made during the preceding year from the actual amount
13 of reimbursement payable for the year under subsection (a). When
14 determined, the adjusted amount, if positive, shall be paid
15 promptly to the school district and, if negative, shall be
16 withheld from moneys due to the school district out of any
17 Commonwealth appropriation.

18 SUBCHAPTER F

19 HEALTH SERVICES

20 Sec.

21 2949. Payments for health services.

22 § 2949. Payments for health services.

23 (a) General rule.--Every school entity which renders health
24 services to students shall be reimbursed by the Commonwealth on
25 account of health services which conform to standards approved
26 by the Secretary of Health. Reimbursements shall be paid by the
27 Secretary of Health. The amount of reimbursement shall be the
28 actual cost of the medical and dental services and school nurse
29 services as certified to the Secretary of Health except that the
30 reimbursement:

1 (1) For medical services shall not for any fiscal year
2 exceed the sum of 80¢ multiplied by the average daily
3 membership of students enrolled for that fiscal year and for
4 whom the school entity maintains comprehensive health records
5 as defined in section 4341 (relating to school health
6 services program).

7 (2) For dental services shall not for any fiscal year
8 exceed the sum of 40¢ multiplied by the average daily
9 membership of students enrolled for that fiscal year and for
10 whom the school entity maintains comprehensive health records
11 as defined in section 4341 and section 4746 (relating to
12 confidentiality of student records and communications).

13 (3) For school nurse services shall not for any fiscal
14 year exceed the sum of \$3.50 multiplied by the average daily
15 membership of students enrolled for that fiscal year.

16 (b) Alternate reimbursement for dental hygiene services.--
17 Every school entity which employs one or more dental hygienists
18 for the purpose of dental hygiene services to students shall be
19 reimbursed by the Commonwealth on account of services which
20 conform to standards approved by the Secretary of Health.
21 Reimbursement shall be made by the Secretary of Health. The
22 amount of reimbursement shall be the actual cost of the dental
23 hygiene services as certified to the Secretary of Health, but
24 for any fiscal year shall not exceed the sum of \$1 multiplied by
25 the average daily membership of students enrolled for the school
26 year who receive the dental hygiene services. Reimbursement
27 under this subsection shall be in lieu of any reimbursement
28 provided in subsection (a) for dental services.

29 (c) Limitations on reimbursements.--No reimbursement shall
30 be made under this section for services for which the

1 Commonwealth reimburses, in whole or in part, under any other
2 section of this title. Reimbursement on account of the
3 employment of school nurses shall be made under the provisions
4 of this section. Reimbursement on account of health services
5 rendered by a school entity may be withheld by the Secretary of
6 Health unless the actual expenditures for the health services
7 are certified to the Secretary of Health within three months
8 after the end of the fiscal year during which the payment for
9 the service was made by the school entity.

10 (d) Additional local expenditures authorized.--Any school
11 entity may expend for health services amounts in excess of the
12 reimbursable amounts.

13 SUBCHAPTER G

14 HOMEBOUND INSTRUCTION

15 Sec.

16 2950. Payments for homebound instruction.

17 § 2950. Payments for homebound instruction.

18 Each school district shall be reimbursed by the Commonwealth
19 on account of instructing homebound students an amount
20 determined by multiplying the mandated minimum hourly rate for
21 instructing homebound students by the district aid ratio. The
22 mandated minimum hourly rate for instructing homebound students
23 is \$4.

24 SUBCHAPTER H

25 INTERMEDIATE UNITS

26 Sec.

27 2951. Allocation of Commonwealth funds.

28 2952. General operating subsidy.

29 2953. Capital subsidy.

30 § 2951. Allocation of Commonwealth funds.

1 In January of each year, the department shall allocate to
2 each intermediate unit a portion of the amount included in the
3 Governor's budget for the succeeding fiscal year for the support
4 of intermediate units. The allocation shall be made in the
5 following manner:

6 (1) Determine for each intermediate unit the total
7 weighted average daily membership for all school districts
8 comprising the intermediate unit.

9 (2) Compute an aid ratio for each intermediate unit in
10 the same manner as in the case of school districts.

11 (3) Determine a weight factor for each intermediate unit
12 by multiplying the total weighted average daily membership of
13 all school districts comprising the intermediate unit by the
14 aid ratio of the intermediate unit.

15 (4) Determine a Statewide value per weight factor by
16 dividing the amount provided in the Governor's budget for the
17 succeeding fiscal year for the support of intermediate units
18 by the total weight factor of all intermediate units.

19 (5) Determine the allocation to each intermediate unit
20 by multiplying its weight factor by the Statewide value per
21 weight factor except that no intermediate unit shall be
22 allocated less than the amount received during the 1968-1969
23 fiscal year by the offices of the county superintendents of
24 schools replaced by the intermediate unit from the
25 Commonwealth and the estimated value of assistance from the
26 respective counties, as determined by the department.

27 § 2952. General operating subsidy.

28 (a) Annual submission of budget.--On or before May 1 of each
29 year, each intermediate unit shall submit to the department for
30 prior review and approval a budget statement estimating the cost

1 of operating and administering the intermediate unit program of
2 services for the ensuing fiscal year.

3 (b) Time of payment.--In May of each year the department
4 shall estimate the amount to be paid by the Commonwealth to each
5 intermediate unit based upon approved budgets. In July of each
6 year the Commonwealth shall pay to each intermediate unit an
7 advance payment equal to one-half of the estimated amount. In
8 December of each year the Commonwealth shall pay to each
9 intermediate unit the balance of the estimated amount less any
10 Commonwealth funds paid in the previous fiscal year which were
11 unexpended or unencumbered at the end of the previous fiscal
12 year.

13 (c) Federal payments excluded in computations.--In computing
14 approved amounts the department shall not consider Federal
15 payments and payments by the Commonwealth on behalf of the
16 Federal Government.

17 § 2953. Capital subsidy.

18 All leases for office space, classrooms, buses, garages,
19 warehouse space, equipment and similar facilities shall be pre-
20 approved by the department. The Commonwealth shall pay to each
21 intermediate unit on account of approved leases annually an
22 amount computed by applying the intermediate unit aid ratio to
23 the approved lease payment. The aid ratio computed initially
24 shall apply as a minimum for the duration of the lease and
25 payment is to be made from the Commonwealth allocation to the
26 intermediate unit.

27 SUBCHAPTER I
28 MIGRANT CHILDREN

29 Sec.

30 2956. Payments for migratory children.

1 § 2956. Payments for migratory children.

2 (a) Definition.--As used in this section "migratory child"
3 means any child domiciled temporarily in any school district for
4 the purpose of seasonal agricultural employment but not
5 acquiring residence therein and any child accompanying his
6 parents or guardian who are so domiciled.

7 (b) General rule.--Every school district shall be paid the
8 sum of \$1 per day not to exceed 40 days during any school year
9 for each migratory child attending any of its public schools.

10 SUBCHAPTER J

11 POVERTY CHILDREN

12 Sec.

13 2957. Payments for poverty children.

14 § 2957. Payments for poverty children.

15 (a) General rule.--Each school district shall be paid an
16 amount on account of children of low income families equal to
17 the sum of the following multiplied by \$165:

18 (1) The number of children 5 to 17 years of age,
19 inclusive, in the school district of families having an
20 annual income of less than \$2,000.

21 (2) The number of children 5 to 17 years of age,
22 inclusive, in the school district of families having an
23 annual income in excess of \$2,000 which receive Commonwealth
24 payments on account of dependent children under Title IV of
25 the Federal Social Security Act.

26 (b) Minimum number of children counted.--For the purpose of
27 this section, for the school year 1973-1974 and each school year
28 thereafter, in each school district not less than the number of
29 children shall be counted in each category as were counted for
30 the school year 1972-1973.

1 (c) Data for determining number of children.--The department
2 shall determine the number of children under subsection (a) from
3 the most recent satisfactory data available in the same manner
4 as provided under the Federal Elementary and Secondary Education
5 Act of 1965.

6 (d) Formula for determining payment.--Each school district
7 shall be paid on account of low income families an amount equal
8 to the sum of the number of children of low income families in
9 the district multiplied by the grant per poverty child fixed for
10 the percentage category of poverty children in the school
11 district according to the following table:

12	Percentage Category	Grant Per
13	of Poverty Children	Poverty Child
14	15% - 19.9%	\$ 30
15	20% - 24.9%	\$ 60
16	25% - 29.9%	\$ 85
17	30% - 34.9%	\$135
18	35% and over	\$150

19 SUBCHAPTER K
20 TRANSPORTATION

21 Sec.

22 2961. Payments for transportation.

23 2962. Board and lodging in lieu of transportation.

24 2963. Exceptional students and institutionalized children.

25 2964. Migratory children.

26 § 2961. Payments for transportation.

27 (a) General rule.--Each school district shall be paid on
28 account of student transportation which has been approved by the
29 department an amount to be determined by multiplying the cost of
30 approved reimbursable student transportation incurred by the

1 school district by the district's aid ratio. In addition the
2 Commonwealth shall pay to each qualifying school district a
3 payment for excessive cost of transportation to be determined by
4 subtracting from the cost of the approved reimbursable
5 transportation the sum of the basic Commonwealth transportation
6 payment plus the product of one-half mill times the latest
7 market value of the school district as determined by the State
8 Tax Equalization Board provided such amount is not negative. In
9 addition, the Commonwealth shall pay to school districts which
10 own their own vehicles an annual depreciation charge of 10% to
11 be calculated on the basis of the approved cost at which the
12 school district acquired the vehicle for which depreciation is
13 claimed. The annual depreciation charge shall not exceed \$700
14 for each vehicle. The number of annual depreciation charges
15 shall be limited so that the total amount of payments shall not
16 exceed the cost of the vehicle as approved by the department at
17 the time of the purchase. In no case shall the Commonwealth pay,
18 in depreciation charges, more than \$10,500 for any one vehicle.

19 (b) Restrictions on payments.--Payments for student
20 transportation on account of the fiscal year 1972-1973 and every
21 fiscal year thereafter shall be made only in the following
22 cases:

23 (1) To all school districts for the transportation to
24 and from school of elementary students, including
25 kindergarten, residing one and one-half miles or more by the
26 nearest public highway from the school in which the students
27 are enrolled and to which transportation is authorized under
28 this title or residing in areas where there are no sidewalks
29 and the road or traffic conditions are such that walking on
30 the shoulder of the road constitutes a hazard to the safety

1 of the student when so certified by the Department of
2 Transportation. Elementary students include nonresidents who
3 are placed in the home of a resident or who are residents of
4 an orphanage or home or children's home or other institution
5 for the care and training of orphans or other children.

6 (2) To all school districts for the transportation to
7 and from school of secondary students residing two miles or
8 more by the nearest public highway from the school in which
9 the students are enrolled and to which transportation is
10 authorized under this title or residing in areas where there
11 are no sidewalks and the road or traffic conditions are such
12 that walking on the shoulder of the road constitutes a hazard
13 to the safety of the student when so certified by the
14 Department of Transportation. Secondary students include
15 nonresidents who are placed in the home of a resident or who
16 are residents of an orphanage or home or children's home or
17 other institution for the care and training of orphans or
18 other children.

19 (3) To all school districts for students transported to
20 and from approved consolidated schools or approved joint
21 consolidated schools living one and one-half miles or more
22 from the school of attendance or residing in areas where
23 there are no sidewalks and the road or traffic conditions are
24 such that walking on the shoulder of the road constitutes a
25 hazard to the safety of the student when so certified by the
26 Department of Transportation. Consolidated schools or joint
27 consolidated schools are limited to schools which are
28 approved as to organization, control, location, equipment,
29 course of study, qualifications of teachers, methods of
30 instruction, condition of admission, expenditures of money,

1 methods and means of transportation and the contracts
2 providing therefor.

3 (4) To all school districts for the transportation of
4 exceptional students regularly enrolled in exceptional
5 classes approved by the department or enrolled in a regular
6 class in which approved educational provisions are made for
7 them.

8 (5) To all school districts for students transported to
9 and from area vocational-technical schools.

10 (c) Nonpublic schools and hazardous conditions.--The
11 Commonwealth shall reimburse the school districts for the school
12 year 1973-1974 and for each year thereafter for the approved
13 reimbursable costs incurred in providing transportation under
14 section 4351 (relating to transportation of resident students)
15 for nonpublic school pupils and under section 4352 (relating to
16 transportation facilities and liability insurance) for hazardous
17 conditions except that no school district shall receive less
18 than 50% of the approved reimbursable costs.

19 § 2962. Board and lodging in lieu of transportation.

20 In any case where the Commonwealth is required to reimburse
21 any school district on account of student transportation and the
22 school district, in lieu of transportation, is authorized to and
23 does pay for suitable board and lodging for any student, the
24 Commonwealth shall pay to the school district an amount to be
25 determined by multiplying the cost of the board and lodging by
26 the district's aid ratio except that in no case shall the
27 Commonwealth's share of the cost exceed \$1 per day per student
28 for the actual number of days such student is in attendance at
29 school, not exceeding five days in any one week.

30 § 2963. Exceptional students and institutionalized children.

1 (a) General rule.--Annually, before July 1, every
2 intermediate unit shall submit for prior review and approval by
3 the department an estimate of the cost of operating and
4 administering classes or schools for exceptional students and
5 institutionalized children, including the cost of fiscal
6 controls and auditing and the necessary treasurer and secretary
7 bonds, to be operated by the intermediate unit during the
8 ensuing fiscal year, and for transportation of students to and
9 from classes and schools for exceptional students, whether or
10 not conducted by the intermediate unit. On or before August 1,
11 the Commonwealth shall pay to the intermediate unit a sum equal
12 to one-half of the approved estimated annual cost of operation
13 and administration of classes and schools for exceptional
14 students and institutionalized children and transportation for
15 exceptional students and, on or before January 1, shall pay an
16 equal sum, or a lesser sum as may be shown to be necessary by an
17 adjusted budget based upon expenditures during the first half of
18 the fiscal year.

19 (b) Unexpended funds and formula.--At the end of each school
20 year all unexpended funds shall be credited to the Commonwealth
21 payments due for the succeeding fiscal year on account of the
22 operation of the classes or, upon direction of the department,
23 shall be returned to the Commonwealth. The funds returned are
24 hereby specifically appropriated to the department for support
25 of schools and classes and transportation for exceptional
26 students. For each student enrolled in any special class or
27 school operated by an intermediate unit, the school district in
28 which the student is resident shall pay to the Commonwealth a
29 sum equal to the "tuition charge per elementary student" or the
30 "tuition charge per secondary student" as determined for the

1 schools operated by the school district, based upon the costs of
2 the preceding school year as provided for in this title. In the
3 event that any school district has not established a "tuition
4 charge per elementary student" or "tuition charge per secondary
5 student," the department shall fix a reasonable charge for the
6 school district for the year in question. In addition, the
7 school district shall pay on account of transportation by the
8 intermediate unit of students to and from classes and schools
9 for exceptional students, whether or not conducted by the
10 intermediate unit, an amount to be determined by subtracting
11 from the cost of transportation the reimbursement due the school
12 district on account of the transportation.

13 (c) Withholding funds.--In order to facilitate the payments
14 by the several school districts, the department shall withhold
15 from any moneys due to any district out of any Commonwealth
16 appropriation, except from reimbursements due on account of
17 rentals as provided in this title, the amounts due by school
18 districts to the Commonwealth. All amounts withheld are hereby
19 specifically appropriated to the department for the support of
20 public schools. The cost of operating and administering classes
21 and schools for institutionalized children, including the cost
22 of necessary fiscal controls, shall be paid by the Commonwealth.
23 § 2964. Migratory children.

24 (a) Costs of operation by school entity.--Annually every
25 intermediate unit planning to conduct summer classes or schools
26 for children of migrant laborers, and the extension of
27 established summer classes beyond the opening of school, which
28 extensions shall not be for more than 40 school days, shall
29 submit for prior review and approval by the department an
30 estimate of the cost of summer classes or schools for children

1 of migrant laborers to be operated by the intermediate unit
2 during the ensuing fiscal year and for transportation, in
3 conformity with existing law, of pupils to and from summer
4 classes and schools for children of migrant laborers whether
5 conducted by the intermediate unit or conducted by an
6 institution or school district employed by the intermediate unit
7 for that purpose.

8 (b) Operation by Commonwealth.--Where, in the judgment of
9 the secretary, the provisions of this title relating to the
10 proper education of children of migrant laborers have not been
11 complied with, the department may provide or arrange to have
12 provided transportation, classes or schools for the proper
13 education of children of migrant laborers as directed by this
14 title.

15 (c) Payments and unexpended funds.--On or before July 1, the
16 Commonwealth shall pay to the intermediate unit a sum equal to
17 the approved estimated annual cost of operation of the planned
18 summer classes or schools and transportation for children of
19 migrant laborers. At the end of each fiscal year, all unexpended
20 funds shall be credited to Commonwealth payments due for the
21 succeeding school year on account of the operation of such
22 classes or, upon direction of the department, shall be returned
23 to the Commonwealth.

24 SUBCHAPTER L

25 TUITION

26 Sec.

27 2971. Payments for nonresident students.

28 2972. Determination of charge for nonresident students.

29 2973. Sewer service charges for nonresident students.

30 2974. Payments for institutionalized children.

1 2975. Payment procedures for nonresident students.

2 2976. Special procedures for institutionalized children.

3 § 2971. Payments for nonresident students.

4 (a) General rule.--Each school district which accepts any
5 nonresident child in its schools under the provisions of section
6 4703 (relating to students residing in children's institutions)
7 or section 4704 (relating to nonresident student placed in home
8 of resident) shall be paid by the Commonwealth an amount equal
9 to the tuition charge per elementary student or the tuition
10 charge per secondary student or vocational or other extension
11 education student, as the case may be, as determined in this
12 subchapter, for each student so accepted.

13 (b) Liability of district of residence.--If the school
14 district of residence of the nonresident student can be
15 determined, the district shall be charged for tuition as
16 provided in this subchapter.

17 (c) Liability of Commonwealth.--If the school district of
18 residence of the nonresident student cannot be determined, the
19 Commonwealth shall pay the tuition in addition to any other
20 payments it may make to the school district.

21 (d) Proration for partial attendance.--When a nonresident
22 student attends the school district's public schools for less
23 than a full school year, the tuition charges shall be prorated
24 to the period of time during which the student actually attended
25 the district's school.

26 § 2972. Determination of charge for nonresident students.

27 A school district receiving elementary or secondary students,
28 vocational or other extension education students who are
29 residents of another school district, shall compute the tuition
30 charges as follows:

1 (1) General. Add the salaries of offices of school
2 board secretaries and treasurers, salaries of offices of
3 educational and business administration, expenditures for
4 auditing services, costs of library books and supplies,
5 health services and operation and maintenance of school
6 plant, contributions to food services, insurance premiums and
7 the school district's contribution to funds on behalf of the
8 foregoing employees incurred for the fiscal year immediately
9 preceding. Divide the sum so obtained by the total average
10 daily membership of students in the receiving school
11 district's public schools during the fiscal year immediately
12 preceding. The quotient so obtained shall be designated the
13 "overhead cost per student."

14 (2) Elementary tuition charge. Add the salaries of
15 principals, supervisors, teachers and other professional
16 instruction staff, instructional and noninstructional
17 assistants to instruction staff, directors and coordinators
18 of pupil services and guidance and psychological personnel
19 including clerical and nonprofessional assistants employed in
20 the receiving school district's elementary schools, the
21 school district's contribution to funds on behalf of their
22 employment in the school district's elementary schools, the
23 costs of textbooks, audio-visual aids and supplies used in
24 the school district's elementary schools incurred for the
25 fiscal year immediately preceding. Divide the sum so obtained
26 by the total average daily membership of students in the
27 receiving school district's elementary schools during the
28 fiscal year immediately preceding. The quotient so obtained
29 shall be designated as the "instruction cost per elementary
30 student." Add to the instruction cost per elementary student,

1 the overhead cost per student and a rental charge of \$8 per
2 student for the use of the receiving school district's school
3 plant. The cost so determined shall be the "tuition charge
4 per elementary student."

5 (3) Secondary tuition charge. Add the salaries of
6 principals, supervisors, teachers and other professional
7 instruction staff, instructional and noninstructional
8 assistants to instruction staff, directors and coordinators
9 of pupil services and guidance and psychological personnel
10 including clerical and nonprofessional assistants employed in
11 the receiving school district's secondary schools, the school
12 district's contribution to funds on behalf of their
13 employment in the school district's secondary schools, the
14 cost of textbooks, audio-visual aids and supplies used in the
15 school district's secondary schools incurred for the fiscal
16 year immediately preceding. Divide the sum so obtained by the
17 total average daily membership of students in the receiving
18 school district's secondary schools during the fiscal year
19 immediately preceding. The quotient so obtained shall be
20 designated as the "instruction cost per secondary student."
21 Add to the instruction cost per secondary student the
22 overhead cost per student and a rental charge of \$18 per
23 student for the use of the receiving district's school plant.
24 The cost so determined shall be the "tuition charge per
25 secondary student."

26 (4) Vocational or other tuition charge. Add the
27 salaries of educational administration, principals,
28 supervisors, teachers and other professional staff,
29 instructional and noninstructional assistants to instruction
30 staff, student services personnel, and custodians

1 specifically employed in the school district's annual program
2 of vocational or other extension education, and the school
3 district's contribution to funds on behalf of their
4 employment in the district's vocational extension programs,
5 the cost of textbooks, audio-visual aids and supplies issued
6 for the program incurred for the fiscal year immediately
7 preceding and a charge of 5¢ per student hour of instruction
8 for the district overhead and plant usage. Subtract from the
9 sum so obtained the amount of the Commonwealth appropriation
10 applicable. The remainder shall be designated as the
11 "district cost for vocational or other extension education."
12 Determine the total student hours of instruction during the
13 fiscal year immediately preceding and divide the "district
14 cost for vocational or other extension education" by the
15 total student hours of instruction. The cost so determined
16 shall be the "vocational or other extension tuition charge
17 per student hour of instruction."

18 (5) Adjustment of tuition charges. A school district
19 shall compute the tuition charges for students who are
20 residents of another school district for budgetary purposes
21 at the beginning of each fiscal year and shall use the
22 expenses of the preceding fiscal year as a basis for the
23 computation. At the end of each fiscal year, the tuition
24 charges shall again be computed and be based on the actual
25 expenses and the tuition charges for nonresident students
26 shall then be adjusted in accordance with this latter
27 computation.

28 § 2973. Sewer service charges for nonresident students.

29 When any school district receiving students from other school
30 districts is required by the city, borough or township within

1 which the school building or buildings are located, or any
2 municipality authority operating therein, to pay a service
3 charge for sewer connection or a sewer rental measured by the
4 number of students attending the school or schools, the
5 receiving school district shall include in its bill for tuition
6 charge to each sending school district, and the sending school
7 district shall pay, the prorated per student sewer service or
8 sewer rental charge for each student accepted from the sending
9 school district. The charge shall be in addition to the tuition
10 charge provided for by section 2972 (relating to determination
11 of charge for nonresident students). In cases where students are
12 sent and the tuition charges paid by the parents or other
13 persons to the receiving school districts, the parents or other
14 persons shall pay the per student sewer charge or sewer rental.
15 § 2974. Payments for institutionalized children.

16 The cost of tuition for institutionalized children accepted
17 pursuant to section 4703 (relating to students residing in
18 children's institutions) shall be fixed in accordance with this
19 subchapter except where, for the accommodation of the children,
20 it shall be necessary to provide a separate school or to erect
21 additional school buildings, in which cases the charge for
22 tuition for the children may include a proportionate cost of the
23 operating expenses, rental and interest on any investment
24 required to be made in erecting new school buildings. The
25 tuition shall be paid annually by the department or the
26 institution, as the case may be.

27 § 2975. Payment procedures for nonresident students.

28 The board of school directors in any school district
29 maintaining an elementary school or a secondary school or an
30 extension class which is attended by any students residing in

1 another district shall, upon admission of the students, properly
2 certify to the board of school directors of the school district
3 in which such students reside the names of the students and
4 whether they are attending an elementary school or a secondary
5 school or an extension class, together with a statement of the
6 tuition charge per elementary student and the tuition charge per
7 secondary student and the vocational or other extension tuition
8 charge per student hour of instruction. All tuition charges
9 shall be billed per student and paid monthly to the school
10 district of attendance.

11 § 2976. Special procedures for institutionalized children.

12 (a) Statement by institution.--In all cases, if a charge is
13 made by any school district for tuition for nonresident students
14 living in an institution, the officers of the institution shall
15 submit to the board of school directors a sworn statement
16 setting forth the names, ages and school districts liable for
17 tuition of all students who desire to attend public school in
18 the district, together with an acknowledgment or disclaimer of
19 residence signed by the secretary of the school district in
20 which the institution declares the legal residence of the child
21 to be.

22 (b) Inaction by resident district.--If the resident school
23 district shall fail to file the acknowledgment or disclaimer
24 with the institution within 15 days from the date it is sent to
25 the school district by the institution by registered mail, the
26 institution shall again notify the school district of its
27 failure to comply with the provisions of this section. If the
28 school district shall fail to comply within 15 days following
29 the second notice, the failure to return the acknowledgment or
30 disclaimer shall be construed as an acknowledgment of such

1 residence.

2 (c) Withholding funds from district.--The tuition of
3 students included in the sworn statement to the board of school
4 directors shall be withheld by the department from any moneys
5 due to the school district liable for the tuition upon receipt
6 of a sworn statement setting forth the names, ages, tuition
7 charges and school district liable for tuition of the students.
8 All money withheld shall be paid by the department to the school
9 district entitled to receive payment. The school district
10 charged with tuition may file an appeal with the secretary in
11 which it shall be the complainant and the institution the
12 respondent. The decision of the secretary as to which of the
13 parties is responsible for tuition shall be final.

14 (d) Institution liability for tuition.--If the students have
15 been received from outside this Commonwealth or if the
16 institution cannot certify as to their residence, their tuition
17 shall be paid by the institution having the care or custody of
18 said children.

19 (e) Commonwealth liability for tuition.--If the secretary
20 decides that the legal residence of any of the students is in
21 this Commonwealth but cannot be fixed in a particular district,
22 the Commonwealth shall pay the tuition of the students out of
23 moneys appropriated to the department by the General Assembly
24 for the maintenance and support of the public schools of this
25 Commonwealth.

26 SUBCHAPTER M
27 VOCATIONAL EDUCATION

28 Sec.

29 2981. Payments for programs.

30 2982. Payments for equipment.

1 2983. Payments for resident students.
2 2984. Payments for expenses for post-secondary education.
3 2985. Payments for approved travel.
4 2986. Payments for compensation for extension education.
5 2987. Payments for approved instructional equipment.
6 2988. Submission of estimates to General Assembly and
7 appropriations.
8 2989. Method of payment.
9 2990. Allocation of unencumbered State and Federal funds.
10 § 2981. Payments for programs.

11 (a) Definitions.--As used in this section the following
12 words and phrases shall have the following meanings given to
13 them in this subsection:

14 "Vocational agricultural education." That form of vocational
15 education designed for agricultural, off-farm agribusiness,
16 renewal natural resources and environmental occupations
17 including the development of leadership, knowledge and skills in
18 each area.

19 "Vocational distributive education." That form of vocational
20 education designed to meet the needs of persons who have entered
21 or are preparing to enter a distributive occupation requiring
22 competency in one or more of the functions of marketing or
23 knowledge of products and services in reference to the
24 occupational objective of the student.

25 "Vocational home economics education." That form of
26 vocational education that focuses on preparing pupils for the
27 role of homemaker or wage earner including gainful programs that
28 are designed to prepare students for employment in occupations
29 which use the knowledge, skills and attitudes in the subject
30 matter areas of home economics and useful programs that are

1 designed to help individuals and families improve home
2 environment and the quality of family life.

3 "Vocational industrial education." Those forms of vocational
4 education designed to develop manipulative skills, safety
5 judgments, technical knowledge and related occupational
6 information to prepare individuals for initial employment or to
7 upgrade or retrain out-of-school youth and adult workers in
8 trade, technical and industrial occupations.

9 (b) General rule.--Every school entity shall be paid on
10 account of vocational or technical education programs approved
11 by the department:

12 (1) The sum of \$35 for each student in average daily
13 membership in vocational agriculture and vocational
14 industrial education.

15 (2) The sum of \$20 for each student in average daily
16 membership in vocational home economics education.

17 (3) The sum of \$50 for each student in average daily
18 membership in vocational distributive education.

19 § 2982. Payments for equipment.

20 Every area vocational-technical board operating approved
21 vocational or technical education programs shall be paid on
22 account of approved replacement and improvement of equipment and
23 on account of approved new or additional equipment up to 50% of
24 the cost of the improvements and additions.

25 § 2983. Payments for resident students.

26 (a) Definition.--As used in this section "current expenses"
27 includes all expenditures classified administration through
28 community services according to the Manual of Accounting and
29 Related Financial Procedures for Pennsylvania School Systems
30 published by the department.

(b) General Rule.--The Commonwealth shall pay every school district for every fiscal year on account of resident students enrolled in area vocational-technical schools as follows:

(1) For each full-time student in attendance, either the difference between the per student cost as provided in the approved budget or the per student cost for current expenses, whichever is less, for current expenses in the area vocational-technical school and the per student cost for current expenses in the school district's high school or in the high school which the student attends as a tuition student or \$75, whichever is less.

(2) For each part-time student attending an area vocational-technical school, the difference between the cost per student as provided in the approved budget or the per student cost for current expenses, whichever is less, for current expenses in the area vocational-technical school and an amount to be determined by multiplying the cost per student for current expenses in the school district's high school or in the high school which the student attends as a tuition student by a fraction the numerator of which shall be the number of hours per day the student attends an area vocational-technical school and the denominator shall be six hours, or by \$75, whichever is less.

§ 2984. Payments for expenses for post-secondary education.

The Commonwealth shall pay every school district having out-of-school youth or adults enrolled in an approved post-secondary vocational or technical program for each student in equivalent full-time membership one-third of the total current expenses per student as provided in the approved budget, or the per student cost for current expenses, whichever is less. The remainder of

1 the cost of total current expenses may be borne by the school
2 district of residence or by the school district of residence and
3 the student but in no event shall the student bear more than
4 one-third of the total current expenses per student.

5 § 2985. Payments for approved travel.

6 Every school district shall be paid by the Commonwealth, for
7 every fiscal year, on account of approved travel expenses in the
8 discharge of teaching and supervisory responsibilities of
9 teachers, coordinators, supervisors and directors in vocational
10 education, 80% of the sum expended by the school district for
11 the approved travel.

12 § 2986. Payments for compensation for extension education.

13 Every school district shall be paid by the Commonwealth for
14 every fiscal year, on account of approved adult vocational
15 extension classes and pre-employment training, 80% of the sum
16 which was expended by the district for the compensation of adult
17 vocational extension and pre-employment training teachers and
18 supervisors. For the purpose of computing reimbursement, the
19 maximum compensation shall be \$4 per hour and the amount
20 expended for supervisory salaries shall not exceed 20% of the
21 sum expended for teachers salaries. In special cases when travel
22 time or unusual preparation of instructional materials or other
23 factors result in an inadequate compensation, the department may
24 approve additional reimbursable employment time for such
25 additional services upon the submission of adequate
26 substantiating evidence from the responsible commissioned
27 officer.

28 § 2987. Payments for approved instructional equipment.

29 Every area vocational-technical board operating approved area
30 vocational-technical schools shall be paid by the Commonwealth,

1 annually, on account of instructional equipment approved by the
2 department, purchased and installed, a proportionate share of
3 Federal and State funds available and expendable for that
4 purpose. The department may make advanced payment of available
5 but unencumbered State and Federal funds to expedite the
6 purchase of equipment.

7 § 2988. Submission of estimates to General Assembly and
8 appropriations.

9 On or before the first Wednesday of January of each year, the
10 State Board for Vocational Education shall present to the
11 General Assembly an estimate of the amount of money necessary to
12 meet the expenditures to be incurred in the administration of
13 this subchapter for the ensuing fiscal year and the maintenance
14 of approved vocational schools or departments under the
15 provisions of this subchapter for the current fiscal year. On
16 the basis of the statement, the General Assembly shall make an
17 appropriation of such amounts as may be necessary to meet the
18 expense of administering this subchapter and of reimbursing
19 school districts.

20 § 2989. Method of payment.

21 (a) Advanced payment formula.--Every area vocational-
22 technical board composed of school districts and every
23 intermediate unit authorized to operate an area vocational-
24 technical school and desiring to utilize advance payment of
25 funds to operate area vocational-technical schools shall be
26 paid, on or before August 1 and on or before January 1, of each
27 fiscal year that area vocational-technical schools are operated,
28 in as nearly equal installments as possible, the amount of
29 estimated cost for the operation thereof including approved
30 vocational extension classes. Deductions to equal the

1 installments paid to the area vocational-technical board or the
2 intermediate unit shall be made from reimbursements due the
3 school districts of residence of students attending area
4 vocational-technical schools. The deductions shall be made on
5 the basis of the approved per student cost of the program,
6 including current expenses and capital outlay, multiplied by the
7 number of students in average daily membership.

8 (b) Post secondary payment formula.--On or before August 1
9 of each year, the Commonwealth shall pay to every area
10 vocational-technical board and every intermediate unit
11 authorized to establish and operate approved post-secondary
12 vocational technical programs a sum obtained by adding one-third
13 of the current expenses and one-half of the capital expenses as
14 shown in the budget filed by the board or the intermediate unit.
15 On or before January 1, the Commonwealth shall pay an equal sum
16 or a sum shown to be necessary by an adjusted budget based upon
17 expenditures made during the first half of the fiscal term and
18 approved by the department.

19 (c) Unexpended funds.--At the end of each fiscal year, all
20 unexpended funds shall be credited to Commonwealth payments due
21 for the succeeding year on account of the operation of such
22 schools or, upon the direction of the department, shall be
23 returned to the Commonwealth and credited to the accounts from
24 which they were paid.

25 (d) Payments by districts.--For each student enrolled in
26 such schools, the school district of residence shall pay to the
27 Commonwealth the proportionate district share of the expenses.
28 The school district share of expenses shall be deducted from
29 reimbursement due to the school district.

30 § 2990. Allocation of unencumbered State and Federal funds.

The State Board for Vocational Education shall administer the allocation of Federal and State vocational education funds which are otherwise unencumbered. Allocations shall be made for the furtherance of the provisions of the State and Federal vocational education laws with emphasis on the improvement of facilities, reimbursement of teachers salaries, research and projects which will contribute to the economic welfare of youth and adults.

SUBCHAPTER N

STATE SCHOOL FUND

Sec.

2993. Property and money in fund.

2994. Refund of proceeds of escheated estates.

2995. Management of fund.

2996. Investment of moneys.

2997. Use of moneys.

2998. Reports of condition of fund.

§ 2993. Property and money in fund.

The State School Fund of Pennsylvania shall include all escheated estates in this Commonwealth and all other property or money which shall in any way accrue to the fund, whether by devise, gift or otherwise.

§ 2994. Refund of proceeds of escheated estates.

Whenever it shall appear that a claimant is lawfully entitled to all or any portion of the proceeds of any escheated estate which have been credited to the State School Fund, the claimant shall have the right to petition the Board of Finance and Revenue for a refund in accordance with the procedure provided in section 504 of the act of April 9, 1929 (P.L.343, No.176), known as "The Fiscal Code," with the right of appeal as therein

1 provided. So much of the principal of the State School Fund as
2 may be necessary for refunds is hereby appropriated for that
3 purpose.

4 § 2995. Management of fund.

5 (a) State board as manager.--The State School Fund shall be
6 wholly under the control and management of the State board.

7 (b) State Treasurer as custodian.--The net receipts derived
8 from or on account of any real or personal property in the State
9 School Fund, and all other moneys accruing to the fund, shall be
10 promptly paid to the State Treasurer, to be kept in a separate
11 account, subject to disposition by the State board.

12 (c) Responsibility of State Treasurer.--The State Treasurer
13 and his bondsman shall be responsible for the safekeeping of,
14 and accounting for, receipts from the State School Fund in the
15 same manner and under the same penalties as for the safekeeping
16 of, and accounting for, other funds of the Commonwealth.

17 § 2996. Investment of moneys.

18 The State board shall invest the State School Fund in
19 accordance with the act of April 9, 1929 (P.L.343, No.176),
20 known as "The Fiscal Code." The investments shall be converted
21 into cash whenever necessary to make payments provided for in
22 section 2997 (relating to use of moneys) and to pay the
23 necessary and pertinent expenses of administration of the State
24 School Fund.

25 § 2997. Use of moneys.

26 (a) General rule.--The State board may expend moneys from
27 the State School Fund for any purpose reasonably related to the
28 promotion of efficient and quality education within this
29 Commonwealth subject to the following:

30 (1) Moneys shall be expended only for projects approved

1 by the State board.

2 (2) Application for moneys shall be made in a manner
3 prescribed by the State board.

4 (3) The State board has discretion to expend or not
5 expend moneys from the State School Fund.

6 (b) Guidelines for State board.--In exercising its
7 discretion the State board shall consider the following factors:

8 (1) The extent to which a project promotes equal
9 educational opportunity in this Commonwealth.

10 (2) The extent to which a project benefits education
11 throughout this Commonwealth.

12 (3) The extent to which a project is necessary to
13 protect the health and safety of students in a school in this
14 Commonwealth.

15 (4) The extent to which no other funds, local, State,
16 Federal or private, are available to finance the project.

17 (c) Method of payment.--Payments may be made as
18 advancements, subject to reconciliation, as proposed uses are
19 approved, or as reimbursements to school districts.

20 § 2998. Reports of condition of fund.

21 (a) By the State Treasurer.--The State Treasurer shall
22 report to the State board at such time as the State board
23 requests, the condition of the State School Fund and shall in an
24 annual report make an itemized statement of the receipts,
25 disbursements and amount on hand of the State School Fund and
26 its income.

27 (b) By the State board.--The State board shall annually make
28 to the Governor and to the Auditor General a complete detailed
29 report of the condition of the State School Fund including its
30 receipts, expenditures and investments.

1 CHAPTER 31

2 LOCAL FINANCE

3 Subchapter

4 A. General Provisions

5 B. Budget

6 C. Receipts

7 D. Purchasing

8 E. Payment

9 F. Expenditures

10 G. Investment of Funds

11 H. Indebtedness

12 I. Protection of Funds and Property

13 J. Miscellaneous Provisions

14 SUBCHAPTER A

15 GENERAL PROVISIONS

16 Sec.

17 3101. Definitions.

18 § 3101. Definitions.

19 The following words and phrases when used in this chapter
20 shall have, unless the context clearly indicates otherwise, the
21 meanings given to them in this section:

22 "Authorized depository." A Pennsylvania bank, bank and trust
23 company, savings bank, or savings and loan association chartered
24 under Federal or State banking laws.

25 "Official depository." Any authorized depository so
26 designated by the governing board of any school entity.

27 SUBCHAPTER B

28 BUDGET

29 Sec.

30 3111. Preparation and submission of budget.

1 3112. Public notice of proposed budget.

2 3113. Adoption of budget.

3 3114. Amendment of current budget.

4 3115. First class city home rule districts.

5 § 3111. Preparation and submission of budget.

6 (a) General rule.--Except as otherwise provided in section
7 3115 (relating to first class city home rule districts), the
8 chief executive officer of each school district shall submit a
9 proposed general operating budget for the succeeding fiscal year
10 to the board of school directors no later than the fifteenth day
11 of the tenth month of the current fiscal year. The form shall be
12 prescribed by the department and shall list by function the
13 expected receipts and expenditures of the governing board, the
14 expected Commonwealth appropriations and the proposed tax levy,
15 if any.

16 (b) Limitation on expenditures.--The total of estimated
17 expenditures shall not exceed the amount of funds available for
18 school purposes in the school entity.

19 § 3112. Public notice of proposed budget.

20 The governing board of each school entity shall, at least 20
21 days prior to the date final action is to be taken on the
22 budget, provide public notice that the proposed budget has been
23 prepared and is open to public inspection at the office of the
24 governing board.

25 § 3113. Adoption of budget.

26 (a) School districts.--Each school district budget shall be
27 adopted for the following fiscal year prior to the last day of
28 the twelfth month of the current fiscal year.

29 (b) Intermediate units.--Each intermediate unit budget shall
30 be adopted for the following fiscal year prior to the last day

1 of the tenth month of the current fiscal year. The adoption
2 procedures shall be in accordance with section 2722 (relating to
3 budget).

4 (c) Area vocational-technical schools.--Each area
5 vocational-technical school budget shall be adopted for the
6 following fiscal year prior to the last day of the eleventh
7 month of the current fiscal year. The adoption procedures shall
8 be in accordance with section 3915 (relating to adoption of
9 annual budget).

10 (d) Limitation on amount.--The total amount of the budget
11 shall not exceed the amount of funds available for school
12 purposes in the school entity.

13 § 3114. Amendment of current budget.

14 (a) General rule.--The governing board of each school entity
15 may amend, by a two-thirds vote of its membership, the current
16 annual budget and may transfer any unencumbered balance or
17 portion thereof from one major function to another.

18 (b) Time limitation.--If any school entity shall effect a
19 change in the annual budget, it shall be accomplished during the
20 last nine months of the current fiscal year or not later than
21 one month after the end of the fiscal year.

22 § 3115. First class city home rule districts.

23 In home rule school districts in cities of the first class,
24 the budget shall be prepared, submitted, advertised, amended and
25 adopted in accordance with the provisions of the home rule
26 charter adopted pursuant to the former provisions of the act of
27 August 9, 1963 (P.L.643, No.341), known as the "First Class City
28 Public Education Home Rule Act," or subchapter C of Chapter 25
29 (relating to first class city home rule districts).

30

SUBCHAPTER C

RECEIPTS

Sec.

3121. Designation of official depositories.

3122. Deposit of school funds with official depositories.

§ 3121. Designation of official depositories.

(a) General rule.--The governing board of each school entity shall designate one or more authorized depositories as the official depository or depositories.

(b) Protection of funds.--Each official depository shall pledge assets or provide insurance for the protection of all school funds in accordance with section 3181 (relating to insurance on deposits of funds).

§ 3122. Deposit of school funds with official depositories.

The treasurer of each school entity shall promptly deposit or cause to be deposited upon receipt all school funds into an official depository in the name of the school entity.

SUBCHAPTER D

PURCHASING

Sec.

3131. General requirements for purchasing.

3132. Solicitation for quotations for certain purchases.

3133. Formal bidding for certain purchases.

3134. Contracts and payments for purchases.

3135. Joint purchases with government agencies.

3136. Bulk purchases through the Commonwealth.

§ 3131. General requirements for purchasing.

(a) Duty of governing board.--The governing board of each school entity shall provide for purchases necessary to carry out the purposes and duties set forth in this title.

(b) Approval of purchases.--The governing board of each

1 school entity shall give prior approval to each purchase, except
2 those purchases resulting from a contract previously approved by
3 the governing board or those purchases \$1,500 or under approved
4 by any person authorized by the governing board to make
5 purchases without prior approval.

6 (c) System of purchase procedures.--The governing board of
7 each school entity shall provide for a system of purchase
8 procedures subject to section 3303 (relating to standards for
9 accounting system) and the limitations imposed under this
10 subchapter.

11 (d) Circumvention of bidding requirements.--No officer or
12 official of any school entity shall circumvent this subchapter
13 by making partial or piecemeal purchases.

14 (e) Requiring bonds.--The governing board may require bid
15 bonds and performance bonds in accordance with sections 3184
16 (relating to bids accompanied by security) and 3185 (relating to
17 performance and payment bonds).

18 § 3132. Solicitation for quotations for certain purchases.

19 (a) General rule.--All purchases of more than \$1,500 but
20 less than \$7,500 shall be purchased from the lowest responsible
21 vendor after soliciting quotations from three or more firms,
22 manufacturers or dealers.

23 (b) Records of quotations.--The quotations received shall be
24 noted in the records of the school entity along with any
25 relevant information about the product, quotation and vendor. If
26 the school entity is unable to obtain three quotations, a
27 statement of the reasons why more quotations were not obtained
28 shall be included in the records of the school entity.

29 (c) Authorized advertisements and notices.--Advertisements
30 or notices may be placed in trade journals and newspapers as an

1 inducement to competitive pricing.

2 (d) Exemptions.--The following shall be exempt from the
3 provisions of this section:

4 (1) Instructional software as may be defined in the
5 Department Accounting Manual.

6 (2) Transportation, insurance, surety company bonds,
7 personal or professional services and food supplies.

8 (3) Purchases made in accordance with section 3136
9 (relating to bulk purchases through the Commonwealth).

10 (4) School library media resources.

11 § 3133. Formal bidding for certain purchases.

12 (a) General rule.--All purchases of \$7,500 or more shall be
13 made only after bids are solicited by due advertisement as
14 provided in this section.

15 (b) Advertisement for bids.--Public notice shall be given by
16 advertisement once a week for three weeks in not less than two
17 newspapers of general local circulation. If there are less than
18 two newspapers of general local circulation in the service area
19 of the school entity, the notice shall be published in one
20 newspaper of general local circulation and shall be posted in at
21 least five separate public places. In addition advertisements or
22 notices may also be placed in trade journals and other
23 newspapers as an inducement to competitive bidding.

24 (c) Submitting and opening bids.--All bids shall be in
25 writing and placed in an envelope bearing words indicating that
26 it is a sealed bid with reference to the bid subject. The
27 governing board or its designate shall open and record the bids
28 at the time and public place specified in the advertisement for
29 bids.

30 (d) Acceptance of bids.--The governing board shall accept

1 the bid of the lowest responsible bidder, kind, quality and
2 material being equal, but shall have the right to reject any and
3 all bids, waive minor irregularities or select a single item
4 from any bid.

5 (e) Exemptions.--

6 (1) The following shall be exempt from the provisions of
7 this section:

8 (i) Instructional software as may be defined in the
9 Department Accounting Manual.

10 (ii) Transportation, insurance, surety company
11 bonds, personal or professional services and food
12 supplies.

13 (iii) Purchases made in accordance with section 3136
14 (relating to bulk purchases through the Commonwealth).

15 (iv) School library media resources.

16 (2) When, because of an emergency, time is of the
17 essence and the provisions of this section cannot be complied
18 with, the governing board may petition the department for an
19 exemption from this section and upon approval shall follow
20 the procedure in section 3132 (relating to solicitation for
21 quotations for certain purchases).

22 § 3134. Contracts and payments for purchases.

23 (a) General rule.--The governing board of any school entity
24 may enter into contracts for executing the provisions of this
25 title and the laws of this Commonwealth.

26 (b) Execution of contracts.--All contracts shall be
27 authorized by the governing board and executed by the proper
28 officers.

29 (c) Payments.--Payments for work performed or services or
30 goods received shall be made in accordance with Subchapter E

1 (relating to payment).

2 (d) Performance bonds.--The governing board may require
3 performance bonds in accordance with section 3185 (relating to
4 performance and payment bonds).

5 (e) Contracts subject to bidding procedures.--Contracts for
6 purchases as defined in section 3131 (relating to general
7 requirements for purchasing), for expenditures as provided in
8 section 3151 (relating to authority to make expenditures) and
9 for construction, reconstruction, repairs or work as defined in
10 section 4951 (relating to general requirements for work
11 performed on school property) shall be subject to bidding
12 procedures provided in this subchapter.

13 § 3135. Joint purchases with government agencies.

14 Any school entity may join with any other school entity or
15 political subdivision in purchasing subject to the provisions of
16 this title.

17 § 3136. Bulk purchases through the Commonwealth.

18 Any school entity may participate in the bulk purchases
19 program as offered by the Commonwealth in accordance with
20 section 2403 of the act of April 9, 1929 (P.L.177, No.175),
21 known as "The Administrative Code of 1929."

22 SUBCHAPTER E

23 PAYMENT

24 Sec.

25 3141. System of payment procedures.

26 3142. Payments to be made on payment orders.

27 3143. Payroll obligations as preferential claims.

28 3144. Liability of officials for improper payment orders.

29 3145. Authorizing use of facsimile signatures.

30 3146. Transfer of funds between accounts or institutions.

1 § 3141. System of payment procedures.

2 (a) General rule.--The governing board of each school entity
3 shall provide for a system of cash disbursement procedures
4 subject to the provisions of sections 3122 (relating to deposit
5 of school funds with official depositories) and 3302 (relating
6 to accounting system to be maintained).

7 (b) Approval of payments.--No payment shall be made without
8 prior approval of the governing board except for the payment of:

9 (1) Amounts owing under contracts previously approved by
10 the board and by the prompt payment of which the school
11 entity will receive a discount or other advantage.

12 (2) Obligations incurred as a result of purchases made
13 in accordance with section 3131(b) (relating to general
14 requirements for purchasing).

15 § 3142. Payments to be made on payment orders.

16 (a) General rule.--All payments made by a school entity
17 shall be on a proper payment order drawn on the appropriate
18 account and signed and certified by the proper officers.

19 (b) Payment orders for payroll.--The payroll may be included
20 on one or more orders, which may be made payable to the order of
21 such person or persons, and distributed in such manner as the
22 governing board may determine.

23 (c) Limitation on expenditures.--No payment order shall be
24 executed:

25 (1) for expenditures for purposes not provided for in
26 the budget; or

27 (2) which will cause the sums appropriated to specific
28 major functions in the budget to be exceeded.

29 (d) Designation of function affected.--The payment order
30 shall state for each payment item the particular function of the

1 annual budget upon which the same is drawn.

2 § 3143. Payroll obligations as preferential claims.

3 (a) General rule.--The payroll obligations of each school
4 district shall be preferential claims. It shall be the duty of
5 the board of school directors of each district to provide for
6 the payment of payroll obligations before authorizing the
7 payment of any other current expense except for fuel, water,
8 electric service or such supplies as are actually essential for
9 keeping the schools in session.

10 (b) Short term loans.--In order to meet payroll requirements
11 the board shall, if necessary, negotiate such short term loans
12 as are necessary and possible in accordance with the law
13 governing the borrowing powers of the district.

14 (c) Interest on unpaid salaries.--In the event the payment
15 of salaries of employees of any school district is not made when
16 due, the school district shall be liable for the payment of the
17 salaries, together with interest at 6% per annum from the due
18 date, except that no school district shall be required to pay
19 interest on unpaid salaries if the failure to pay salaries is
20 occasioned by the failure of the Commonwealth to make timely
21 payment of allotment of appropriations due.

22 § 3144. Liability of officials for improper payment orders.

23 (a) General rule.--Any director, appointee or employee
24 acting on behalf of any school entity who either votes for or
25 approves a payment order for any other purpose, or drawn in any
26 other manner, than that provided for in this title, shall,
27 together with the surety or sureties on their bond, in addition
28 to any penalty imposed, be individually liable to the school
29 entity for the amount thereof.

30 (b) Discretion of court on appeal.--On appeal from an

1 auditor's report, it shall be within the discretion of the court
2 having jurisdiction of the matter to sustain or not to sustain a
3 surcharge where it appears that the appellant acted honestly and
4 in good faith for the best interest of the school entity and
5 where no loss or damage to the school entity resulted from the
6 action of the appellant.

7 § 3145. Authorizing use of facsimile signatures.

8 The governing board of any school entity may authorize the
9 use of a facsimile signature subject to the provisions of the
10 act of July 25, 1961 (P.L.849, No.367), known as the "Uniform
11 Facsimile Signature of Public Officials Act."

12 § 3146. Transfer of funds between accounts or institutions.

13 Lateral transfer of funds from one type of account to another
14 or from one bank to another for the purpose of facilitating
15 investments, debt service or for any other lawful purpose
16 wherein no expenditure is involved shall not be subject to
17 provisions of this subchapter provided adequate protection of
18 the funds is maintained in accordance with section 3181
19 (relating to insurance on deposits of funds).

20 SUBCHAPTER F

21 EXPENDITURES

22 Sec.

23 3151. Authority to make expenditures.

24 3152. Authorization of travel and reimbursement of expenses.

25 § 3151. Authority to make expenditures.

26 (a) General rule.--The governing board of any school entity
27 may make expenditures for the purposes authorized by this title.

28 (b) Limitation on expenditures.--No services shall be
29 secured, no materials purchased and no contracts executed by any
30 governing board which will cause the sums appropriated to a

1 major function in the budget to be exceeded.

2 § 3152. Authorization of travel and reimbursement of expenses.

3 (a) General rule.--The governing board of any school entity
4 may authorize any member, officer, appointee, employee or
5 student to travel for purposes authorized by this title and may
6 reimburse them for their expenses. Prior authorization to incur
7 expenses must be given by the governing board.

8 (b) Reimbursable expenses.--Expenses actually and
9 necessarily incurred in going to, attending and returning from
10 meetings, conferences, conventions or other sessions at which
11 attendance is authorized by the governing board may be
12 reimbursed. The expenses may include travel, travel insurance,
13 lodging, meals, registration fees and other incidental expenses
14 necessarily incurred.

15 (c) Advances on expenses.--The governing board may authorize
16 the proper officers to make an advance upon presentation of an
17 estimate of expenses to be incurred. Advances will be applied
18 against a final itemized statement of actual expenses and any
19 funds advanced in excess of actual expenses incurred shall be
20 immediately refunded to the treasurer of the school entity. Upon
21 failure to submit an itemized statement with required
22 documentation, the entire amount of the advance shall be
23 returned.

24 (d) Documentation of expenses incurred.--Final settlement,
25 including reimbursement and refund, if any, and approval of the
26 itemized statement of travel expenses shall not be made until
27 adequate documentation in support of such statement is certified
28 and filed with the business administrator or with such other
29 person as may be designated by the governing board.

30 Documentation may be in the form of receipted hotel bills,

1 mileage records and such other receipts as the governing board
2 may require.

3 (e) Rate of reimbursement.--Reimbursement for expenses
4 incurred in accordance with this section shall establish as
5 follows:

6 (1) The governing board of the school entity shall
7 establish rates for the reimbursement of expenses authorized
8 by this section incurred by officers who are not members of
9 the governing board, appointees, employees and students.

10 (2) Reimbursement for expenses of members of governing
11 boards for expenses incurred in accordance with this section
12 shall not exceed \$40 per day for lodging and meals. Actual
13 travel expenses shall be allowed with mileage for travel by
14 car at the rate of 15¢ per mile. The State board may
15 establish different per diem and travel expense rates of
16 reimbursement as conditions warrant.

17 SUBCHAPTER G

18 INVESTMENT OF FUNDS

19 Sec.

20 3161. Investment of school funds required.

21 3162. Authorized investments for funds.

22 3163. Joint purchase of investments.

23 3164. Capital reserve fund for construction projects.

24 § 3161. Investment of school funds required.

25 (a) General rule.--The governing board of each school entity
26 shall invest school funds to the maximum extent consistent with
27 sound business practice.

28 (b) Investment program.--The governing board of all school
29 entities shall provide for an investment program and may
30 designate the proper officers to administer the program subject

1 to this title or other statute and the rules and regulations
2 adopted by the governing board.

3 § 3162. Authorized investments for funds.

4 (a) General rule.--Authorized types of investments for
5 school funds include:

6 (1) United States treasury bills.

7 (2) Direct short term obligations of the United States
8 Government.

9 (3) Deposits in time accounts, open time accounts, share
10 accounts and all other investments in authorized depositories
11 for which collateral is secured by the pledging of assets in
12 accordance with section 3181 (relating to insurance on
13 deposits of funds).

14 (b) Special funds.--Any devise, bequest, grant, endowment,
15 gift or donation of any property, real or personal, which may be
16 made to a school entity may be invested as provided in
17 subsection (a) and in investments declared to be legal
18 investments in Chapter 73 of Title 20 (relating to fiduciaries
19 investments).

20 § 3163. Joint purchase of investments.

21 (a) Purchases from own funds.--The governing board of any
22 school entity may make joint purchase of investments from among
23 the school funds accounts under its jurisdiction. The earnings
24 from the investments shall be separately and individually
25 computed and recorded and credited to the accounts from which
26 the investment was purchased. The investments shall be subject
27 to section 3132 (relating to solicitation for quotations for
28 certain purchases).

29 (b) Purchases with other agencies.--The governing board of
30 any school entity may join with any other government agency,

1 political subdivision or municipal authority for the purpose of
2 making joint purchase of investments. The earnings from the
3 investments shall be separately and individually computed,
4 recorded and credited to the accounts of the governing body from
5 which the investment was purchased. The investments shall be
6 subject to section 3132.

7 § 3164. Capital reserve fund for construction projects.

8 (a) Creation of fund.--Any school district may create a
9 special capital reserve fund and accumulate moneys therein to be
10 expended during a period not to exceed five years for the
11 purpose of constructing a school building project under a long-
12 term project program approved by the department in accordance
13 with Chapter 49 (relating to physical plant and construction).
14 The proposed project program may include the cost of acquiring
15 suitable sites for school buildings, the cost of constructing
16 new school buildings or the cost of providing needed additions
17 or alterations to existing buildings.

18 (b) Methods of payment from fund.--Moneys accumulated in the
19 district's capital reserve fund may be paid as a lump sum at the
20 time that construction of the project or projects is begun or
21 payment of the accumulated sums may be spread over a period of
22 years as a part of the annual rental or sinking fund charge
23 approved by the department for the proposed project or projects.

24 (c) Special tax to support fund.--The capital reserve fund
25 shall consist of receipts from a special tax which each board of
26 school directors is hereby authorized to levy in accordance with
27 the provisions of this title. The tax levy may not exceed three
28 mills in any one year nor may the tax be levied, on account of
29 any one project program, for a period of more than five years.
30 The tax may be levied only for the purpose of financing a school

1 building project or projects which have been approved by the
2 department for construction within five years from the date of
3 the approval given by the department. Upon the total and final
4 completion of a project program which, for the purpose herein
5 contemplated, may include the construction, reconstruction or
6 renovation of more than one building, the board of school
7 directors may proceed to set up a new project program for later
8 construction and may establish a new capital reserve fund to
9 finance such project program.

10 (d) Authorized expenditures from fund.--The moneys in any
11 such capital reserve fund may be expended by the school district
12 singly or jointly:

13 (1) with the Commonwealth or any department or agency
14 thereof;

15 (2) with the Federal Government or any department or
16 agency thereof; or

17 (3) with one or more other school districts;
18 only during the period of time for which the fund was created,
19 and only for capital improvements approved by the department and
20 for no other purpose.

21 (e) Disposition of unnecessary funds.--If for any reason the
22 project program for which the capital reserve fund was
23 established fails to materialize, the moneys accumulated in the
24 fund shall revert to the district's general fund in equal
25 amounts spread over a period of five years.

26 SUBCHAPTER H

27 INDEBTEDNESS

28 Sec.

29 3171. Authorization for temporary borrowing.

30 3172. Authorization to issue bonds.

1 3173. Withholding Commonwealth funds for unpaid indebtedness.

2 § 3171. Authorization for temporary borrowing.

3 The governing board of any school entity may authorize
4 temporary borrowing as it deems necessary to execute the duties
5 described in this title subject to the provisions and
6 limitations of the act of July 12, 1972 (P.L.781, No.185), known
7 as the "Local Government Unit Debt Act."

8 § 3172. Authorization to issue bonds.

9 The board of directors of any school district may issue bonds
10 for the purpose of executing duties described in this title
11 subject to the provisions and limitations of the act of July 12,
12 1972 (P.L.781, No.185), known as the "Local Government Unit Debt
13 Act."

14 § 3173. Withholding Commonwealth funds for unpaid indebtedness.

15 In all cases where the board of directors of any school
16 entity fail to pay or to provide for the payment of any amounts
17 due in accordance with the terms of any obligation incurred in
18 accordance with this subchapter, the department shall withhold
19 out of any Commonwealth appropriations due the school entity an
20 amount equal to the amount due and shall pay over the amount
21 withheld to the payment agent.

22 SUBCHAPTER I

23 PROTECTION OF FUNDS AND PROPERTY

24 Sec.

25 3181. Insurance on deposits of funds.

26 3182. Bonding of officials for performance of duties.

27 3183. Authorization for insurance contracts.

28 3184. Bids accompanied by deposit.

29 3185. Performance and payment bonds.

30 § 3181. Insurance on deposits of funds.

1 (a) General rule.--All school funds held in any authorized
2 depository shall be fully insured with the Federal Deposit
3 Insurance Corporation or the Federal Savings and Loan Insurance
4 Corporation, or by the pledging of assets in accordance with the
5 act of November 30, 1965 (P.L.847, No.356), known as the
6 "Banking Code of 1965."

7 (b) Pooling pledged assets.--The governing board of any
8 school entity may permit assets pledged as collateral in
9 subsection (a) to be pooled in accordance with the act of August
10 6, 1971 (P.L.281, No.72), relating to pledges of assets to
11 secure deposits of public funds.

12 § 3182. Bonding of officials for performance of duties.

13 (a) General rule.--The governing board of any school entity
14 may require any officer, employee or appointee to furnish,
15 before entering upon the duties of his office, to the governing
16 board a proper bond conditioned upon the faithful performance of
17 his duties, in such amount and with such corporate surety as the
18 governing board shall determine. The amount of the bond shall be
19 re-examined each year by the governing board for sufficiency and
20 increased if insufficient. The school entity shall pay the
21 premium on the bond.

22 (b) Persons required to furnish bond.--The secretary,
23 treasurer and business administrator shall be required to
24 furnish bond in accordance with subsection (a).

25 (c) Personal collateral bond.--In lieu of furnishing a bond
26 under subsection (a), the persons may file their own collateral
27 bond, in the amount determined by the governing board in
28 accordance with the procedure described in subsection (a),
29 secured by an actual deposit with the governing board or with
30 any bank or bank and trust company within this Commonwealth

1 which may be agreed upon, of any of the securities which
2 depositories may use to secure the deposit of school funds. The
3 total market value of the securities thus deposited shall equal
4 the amount of the collateral bond. The collateral bonds shall be
5 conditioned upon the faithful performance of their duties. The
6 securities thus deposited shall constitute a trust fund to be
7 available for the satisfaction of any liability accruing upon
8 the collateral bond. The securities shall be accompanied by a
9 proper assignment or power of attorney for their transfer. In
10 the event of a decline in the market value of the securities,
11 additional securities shall be added to the trust deposit
12 sufficient to equal the amount of the collateral bond if
13 requested in writing by the governing board. The sufficiency of
14 the amount shall be reviewed annually by the governing board as
15 described in subsection (a). The governing board may permit the
16 director, officer or employee to substitute for any one or more
17 bonds or obligations included in any such securities, other
18 bonds or obligations that meet the requirements of this section.

19 (d) Refusal to furnish bond.--In case any director, officer
20 or employee shall refuse or fail to furnish a proper bond with
21 the proper sureties or securities within 15 days of notice to do
22 so, the governing board shall elect or employ another suitable
23 person to perform such duties in his place.

24 (e) Financial institution as treasurer.--In cases where the
25 treasurer is a bank or trust company, a surety bond shall not be
26 required.

27 § 3183. Authorization for insurance contracts.

28 (a) General rule.--The governing board of any school entity
29 may make and enter into any insurance contract it may deem
30 proper and desirable with any person, firm or corporation

1 (including any mutual insurance company) authorized to transact
2 business relating to insurance in this Commonwealth, for the
3 benefit of the governing board, school entity, its school
4 property, employees and their spouses and dependents, retired
5 employees and students. The insurance may include, but need not
6 be limited to, fire or casualty insurance, liability insurance,
7 flood insurance, pension annuity plans and travel and accident
8 insurance.

9 (b) Joint contracts with other agencies.--The governing
10 board of any school entity may contract for insurance jointly
11 with one or more other school entities, government agencies,
12 political subdivisions and municipality authorities, and provide
13 for the proportionate share of the premium to be paid by each
14 school entity and for the escrowing of funds by each school
15 entity on account of any deductible amounts included in the
16 contract of insurance.

17 (c) Payroll deductions for premiums.--The act of June 22,
18 1931 (P.L.844, No.274), relating to contracts for benefits for
19 government employees, and the act of July 19, 1951 (P.L.1074,
20 No.231), relating to payroll deductions by government agencies
21 for insurance premiums, shall be followed with respect to
22 employee wage deductions for payment of premiums on insurance
23 policies.

24 § 3184. Bids accompanied by deposit.

25 (a) General rule.--The governing board of any school entity
26 may provide that all bids advertised for shall be accompanied by
27 cash or by a certified check or cashier's good faith check in an
28 amount required by the governing board.

29 (b) Deposit forfeited as liquidated damages.--In the event
30 any bidder shall, upon award of contract to him, fail to comply

1 with the requirements of the act of December 20, 1967 (P.L.869,
2 No.385), known as the "Public Works Contractors' Bond Law of
3 1967," as to guaranteeing the performance of the contract, the
4 good faith deposit, to the extent it does not exceed 10% of the
5 bid, shall be forfeited to the governing board as liquidated
6 damages.

7 § 3185. Performance and payment bonds.

8 All governing boards of any school entity shall comply with
9 the provisions of the act of December 20, 1967 (P.L.869,
10 No.385), known as the "Public Works Contractors' Law of 1967,"
11 governing public performance and payment bonds on public works
12 contracts.

13 SUBCHAPTER J

14 MISCELLANEOUS PROVISIONS

15 Sec.

16 3191. Disposal of personal property.

17 § 3191. Disposal of personal property.

18 (a) General rule.--Whenever the governing board of any
19 school entity other than a district of the first class or first
20 class A shall by resolution declare any books, furniture,
21 supplies or equipment to be unused, unnecessary, surplus or
22 obsolete, the same may be disposed of by any one or more of the
23 following methods:

24 (1) Public auction after such notice as the board shall
25 fix.

26 (2) Solicitation of bids from two or more persons
27 engaged in a business related to the nature of the items to
28 be disposed of.

29 (3) Offer to the general public at prices fixed by
30 resolution of the board.

1 (4) Offer to suppliers of similar items who shall be
2 required to state their bid for the same as a dollar discount
3 against items they may be proposing to sell to the district.

4 (5) Such other method as the board may adopt by
5 resolution, which other method shall not be implemented
6 sooner than five days after the public meeting.

7 (b) Purchases by officers.--No member of the governing board
8 nor any officer of any school entity may purchase or cause to be
9 purchased on his behalf any property except under the procedure
10 prescribed in subsection (a)(1).