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INTRODUCED BY MESSRS. GALLAGHER AND PANCOAST, MARCH 19, 1975

AS RE-REPORTED FROM COMMITTEE ON EDUCATION, HOUSE OF
REPRESENTATIVES, AS AMENDED, JANUARY 27, 1976

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.

4 TABLE OF CONTENTS

5 TITLE 24

6 EDUCATION

7 PART I. PRELIMINARY PROVISIONS

8 SUBPART A. GENERAL PROVISIONS

9 Chapter 1. General Provisions

10 § 101. Short title of title.

11 § 102. Definitions.

12 § 103. Rule-making procedure.

13 § 104. Access to information and public records.

14 § 105. Public agency open meeting laws.

15 § 106. Prohibition of certain tests and qualifications.

16 § 107. Reservation of unassigned powers and duties.

17 SUBPART B. COMMONWEALTH AGENCIES

18 Chapter 5. State Board of Education

- 1 § 501. Membership and operation of State board.
- 2 § 502. Membership and operation of councils of basic and
3 higher education.
- 4 § 503. Powers and duties of State board.
- 5 § 504. Powers and duties of Council for Basic Education.
- 6 § 505. Powers and duties of Council for Higher Education.
- 7 § 506. State board requirements binding upon department.
- 8 § 507. State board staff and department assistance.

9 Chapter 7. Department of Education

10 Subchapter A. General Provisions

- 11 § 701. Appointment of secretary.
- 12 § 702. Powers and duties of secretary.
- 13 § 703. Emergency powers.
- 14 § 704. Power to withhold financial aid.
- 15 § 705. Departmental approval of plans.

16 Subchapter B. Financially Distressed School Districts

- 17 § 711. Financially distressed district defined.
- 18 § 712. Appointment of special board of control.
- 19 § 713. Powers of special board of control.
- 20 § 714. Status of school directors.
- 21 § 715. Termination of financial distress of district.

22 Subchapter C. Firemen's Training

- 23 § 721. Firemen's training.

24 SUBPART C. NONPUBLIC AND PRIVATE SCHOOLS

25 Chapter 11. Nonpublic and Private Schools

26 Subchapter A. General Provisions

- 27 § 1101. Definitions
- 28 § 1102. Auxiliary services to nonpublic school children.
- 29 § 1103. Educational aids for nonpublic school children.
- 30 § 1104. SPEECH AND HEARING DEFECT SERVICES TO NONPUBLIC SCHOOL <—

1 CHILDREN.

2 Subchapter B. Regulated Private Schools

3 § 1111. State boards of private schools.

4 § 1112. Jurisdiction of boards and department.

5 § 1113. Optional licensing of private schools.

6 § 1114. Mandatory licensing of private schools and agents.

7 § 1115. Application for license.

8 § 1116. Issuance and renewal of license.

9 § 1117. Scope of license.

10 § 1118. License fees.

11 § 1119. List of licensed schools and agents.

12 § 1120. Requirements for licensure and operation.

13 § 1121. Refusal, suspension or revocation of license.

14 § 1122. Penalties for violations of chapter.

15 Subchapter C. Private Driver Education and Training Schools

16 § 1131. Location and construction of facilities.

17 § 1132. Qualifications of teachers and directors.

18 § 1133. Instructional equipment and materials.

19 § 1134. Program of instruction.

20 § 1135. Notice of fees and charges.

21 § 1136. Financial and student records.

22 § 1137. Qualifications and duties of agents.

23 § 1138. Ownership qualifications and changes.

24 PART II. BASIC EDUCATION

25 SUBPART A. PRELIMINARY PROVISIONS

26 Chapter 21. General Provisions

27 § 2101. Short title of part.

28 § 2102. Purposes of part.

29 § 2103. Definitions.

30 § 2104. Oath for directors and commissioned personnel.

- 1 § 2105. Compensation of governing board members.
- 2 § 2106. Conflict of interest and additional compensation.
- 3 § 2107. Funds collected by school organizations.
- 4 § 2108. Membership of governing boards in organizations.

5 SUBPART B. SCHOOL ENTITIES

6 Chapter 23. Boards of School Directors

7 Subchapter A. General Provisions

- 8 § 2301. Designation and powers of governing board.
- 9 § 2302. Policies, rules and regulations.
- 10 § 2303. Levy and collection of taxes.
- 11 § 2304. Joint action with other government agencies.
- 12 § 2305. Furnishing information to incoming directors.

13 Subchapter B. Selection and Removal of Personnel

- 14 § 2311. Appointments by the governing board.
- 15 § 2312. Employment of professional and other employees.
- 16 § 2313. Removal of officers, employees and appointees.
- 17 § 2314. Removal of directors for neglect of duty.

18 Subchapter C. Selection of Directors

- 19 § 2341. Method of appointment or election.
- 20 § 2342. Combined districts.
- 21 § 2343. School districts divided into electoral regions.
- 22 § 2344. Number and terms of directors.
- 23 § 2345. Ineligibility for office for malfeasance and
- 24 nonfeasance.
- 25 § 2346. Qualifications for office.
- 26 § 2347. Vacancies in office.
- 27 § 2348. Vacancy where director fails to qualify or attend
- 28 meetings.

29 Subchapter D. Organization of Board

- 30 § 2371. Officers required and authorized.

1 § 2372. President.
2 § 2373. Vice-president.
3 § 2374. Secretary.
4 § 2375. Assistant secretary
5 § 2376. Business administrator.
6 § 2377. Treasurer.
7 § 2378. Corporation as treasurer.
8 § 2379. Assistant treasurer.
9 § 2380. President and secretary pro tempore.
10 § 2381. Organization meetings.
11 § 2382. First class city home rule districts.
12 Subchapter E. Conduct of Business
13 § 2391. Quorum and voting.
14 § 2392. Regular and special meetings.
15 Chapter 25. School Districts
16 Subchapter A. General Provisions
17 § 2501. How constituted.
18 § 2502. Status and powers.
19 § 2503. Classification.
20 § 2504. Change of classification.
21 § 2505. Corporate seal.
22 Subchapter B. Boundary Changes and Annexation
23 § 2531. Voluntary combination of school districts.
24 § 2532. Adjustment of property and obligations of combined
25 districts.
26 § 2533. Change of boundaries following municipal annexation.
27 § 2534. Fiscal powers pending change of boundaries.
28 § 2535. Temporary special tax levies in partitioned districts.
29 § 2536. Annexation to first class or first class A districts.
30 § 2537. Establishment of transfer districts.

1 § 2538. Adjustment of property and obligations of annexed
2 districts.

3 § 2539. Effective date of changes in districts.

4 Subchapter C. First Class City Home Rule Districts

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
15 provisions.

16 § 2561. Payment of expenses of proceedings.

17 § 2562. Status of approved charter provisions.

18 § 2563. Amendments to charter provisions.

19 § 2564. Limitations on frequency of proceedings.

20 § 2565. Powers and authority of city.

21 § 2566. Status and authority of home rule district.

22 § 2567. Penalties for violations of subchapter.

23 Chapter 27. Intermediate Units

24 Subchapter A. General Provisions

25 § 2701. Status, purpose and component districts.

26 § 2702. Transfer of district to another unit.

27 § 2703. Merger of units.

28 Subchapter B. Intermediate Unit Board and Staff

29 § 2711. Election and term of board members.

30 § 2712. Vacancies on board.

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

12 SUBPART C. FISCAL AFFAIRS AND TAXATION

13 Chapter 29. Reimbursement

14 Subchapter A. General Provisions

15 § 2901. Statements for reimbursement.
16 § 2902. Determining amount of payments.
17 § 2903. Deduction from Commonwealth appropriations.
18 § 2904. Withholding payments for delinquent debt.
19 § 2905. Penalties for unauthorized employees.
20 § 2906. Payments for schools closed during emergencies.
21 § 2907. Verification of amounts to school entities.
22 § 2908. Verification of amounts to State Treasurer.
23 § 2909. Guaranteed payments and limitations.
24 § 2910. Time of payments.
25 § 2911. Method and use of payments.

26 Subchapter B. Basic Instruction

27 § 2921. Definitions.
28 § 2922. Amount of payments.

29 Subchapter C. Building Construction

30 § 2931. Site costs.

1 § 2932. Building costs.

2 § 2933. Approval of leases and sinking fund charges.

3 § 2934. Payments on pre-1957 leases and contracts.

4 § 2935. Payments on other leases and contracts.

5 § 2936. Approved reimbursement.

6 § 2937. Change in rentals.

7 § 2938. Districts eligible under density factor.

8 § 2939. Method of payments on rentals.

9 § 2940. Payments on rentals of facilities for school use.

10 Subchapter D. Driver Education

11 § 2943. Payments for driver education.

12 Subchapter E. Exceptional Students

13 § 2945. Payments for special education personnel and

14 equipment.

15 § 2946. Payments for special education courses.

16 Subchapter F. Health Services

17 § 2949. Payments for health services.

18 Subchapter G. Homebound Instruction

19 § 2950. Payments for homebound instruction.

20 Subchapter H. Intermediate Units

21 § 2951. Allocation of Commonwealth funds.

22 § 2952. General operating subsidy.

23 § 2953. Capital subsidy.

24 Subchapter I. Migrant Children

25 § 2956. Payments for migratory children.

26 Subchapter J. Poverty Children

27 § 2957. Payments for poverty children.

28 Subchapter K. Transportation

29 § 2961. Payments for transportation.

30 § 2962. Board and lodging in lieu of transportation.

1 § 2963. Exceptional students and institutionalized children.

2 § 2964. Migratory children.

3 Subchapter L. Tuition

4 § 2971. Payments for nonresident students.

5 § 2972. Determination of charge for nonresident students.

6 § 2973. Sewer service charges for nonresident students.

7 § 2974. Payments for institutionalized children.

8 § 2975. Payment procedures for nonresident students.

9 § 2976. Special procedures for institutionalized children.

10 Subchapter M. Vocational Education

11 § 2981. Payments for programs.

12 § 2982. Payments for equipment.

13 § 2983. Payments for resident students.

14 § 2984. Payments for expenses for post-secondary education.

15 § 2985. Payments for approved travel.

16 § 2986. Payments for compensation for extension education.

17 § 2987. Payments for approved instructional equipment.

18 § 2988. Submission of estimates to General Assembly and
19 appropriations.

20 § 2989. Method of payment.

21 § 2990. Allocation of unencumbered State and Federal funds.

22 Subchapter N. State School Fund

23 § 2993. Property and money in fund.

24 § 2994. Refund of proceeds of escheated estates.

25 § 2995. Management of fund.

26 § 2996. Investment of moneys.

27 § 2997. Use of moneys.

28 § 2998. Reports of condition of fund.

29 Chapter 31. Local Finance

30 Subchapter A. General Provisions

1 § 3101. Definitions.

2 Subchapter B. Budget

3 § 3111. Preparation and submission of budget.

4 § 3112. Public notice of proposed budget.

5 § 3113. Adoption of budget.

6 § 3114. Amendment of current budget.

7 § 3115. First class city home rule districts.

8 Subchapter C. Receipts

9 § 3121. Designation of official depositories.

10 § 3122. Deposit of school funds with official depositories.

11 Subchapter D. Purchasing

12 § 3131. General requirements for purchasing.

13 § 3132. Solicitation for quotations for certain purchases.

14 § 3133. Formal bidding for certain purchases.

15 § 3134. Contracts and payments for purchases.

16 § 3135. Joint purchases with government agencies.

17 § 3136. Bulk purchases through the Commonwealth.

18 Subchapter E. Payment

19 § 3141. System of payment procedures.

20 § 3142. Payments to be made on payment orders.

21 § 3143. Payroll obligations as preferential claims.

22 § 3144. Liability of officials for improper payment orders.

23 § 3145. Authorizing use of facsimile signatures.

24 § 3146. Transfer of funds between accounts or institutions.

25 Subchapter F. Expenditures

26 § 3151. Authority to make expenditures.

27 § 3152. Authorization of travel and reimbursement of expenses.

28 Subchapter G. Investment of Funds

29 § 3161. Investment of school funds required.

30 § 3162. Authorized investments for funds.

1 § 3163. Joint purchase of investments.

2 § 3164. Capital reserve fund for construction projects.

3 Subchapter H. Indebtedness

4 § 3171. Authorization for temporary borrowing.

5 § 3172. Authorization to issue bonds.

6 § 3173. Withholding Commonwealth funds for unpaid indebtedness.

7 Subchapter I. Protection of Funds and Property

8 § 3181. Insurance on deposits of funds.

9 § 3182. Bonding of officials for performance of duties.

10 § 3183. Authorization for insurance contracts.

11 § 3184. Bids accompanied by deposit.

12 § 3185. Performance and payment bonds.

13 Subchapter J. Miscellaneous Provisions

14 § 3191. Disposal of personal property.

15 Chapter 33. Accounting and Auditing

16 Subchapter A. General Provisions

17 § 3301. Definitions.

18 § 3302. Accounting system to be maintained.

19 § 3303. Standards for accounting system.

20 § 3304. Retention of accounting records.

21 Subchapter B. Auditors and Audits

22 § 3311. Designation of school auditors.

23 § 3312. Scope of audits.

24 § 3313. Powers and duties of auditors.

25 § 3314. Surcharge by auditors.

26 § 3315. Compensation and expenses of auditors.

27 § 3316. Filing annual audit report.

28 § 3317. Advertising audited financial statement.

29 § 3318. Department review of accounting records.

30 § 3319. Civil and criminal liability of auditors.

1 Subchapter C. Appeals from Audits

2 § 3331. Filing of appeals from reports.

3 § 3332. Filing of appeal bonds.

4 § 3333. Scope of judicial review.

5 § 3334. Rights of taxpayers following appeals.

6 § 3335. Entry of judgments for amounts of surcharge.

7 § 3336. Collection and enforcement of judgments.

8 Chapter 35. Taxation

9 Subchapter A. General Provisions

10 § 3501. School boards to levy taxes for district.

11 § 3502. Time and uniformity of tax levy.

12 § 3503. Affidavit of uncollectability of real property taxes.

13 § 3504. Certain taxable property acquired by Commonwealth.

14 § 3505. Construction of chapter.

15 § 3506. Severability provision.

16 Subchapter B. Provisions Applicable to First Class and
17 First Class A Districts

18 § 3511. Powers and duties of collector or treasurer.

19 § 3512. Appeals from decisions of tax collectors.

20 § 3513. Board of appeals in first class districts.

21 § 3514. Estimates of valuation of taxable personal property.

22 § 3515. Taxes payable by persons making returns.

23 § 3516. Acceptance of taxes payable under protest.

24 § 3517. Taxes collected by collector or treasurer.

25 § 3518. Examination of records to determine tax liability.

26 § 3519. Unpaid real property taxes lien on property.

27 § 3520. Penalties.

28 § 3521. Levy of taxes in general.

29 § 3522. Certification of property assessed for municipal
30 purposes.

1 § 3523. Certification of levy and tax duplicates.
2 § 3524. Levy of additional real property taxes.
3 § 3525. ADDITIONAL TAXES IN FIRST CLASS A DISTRICTS. <—

4 Subchapter C. Personal Property Tax

5 § 3531. Definitions.
6 § 3532. Property taxable, rate of tax and levy.
7 § 3533. Filing tax returns.
8 § 3534. Assessment of tax for unreported property.
9 § 3535. Petitions for reassessment and appeals.
10 § 3536. Assessment and collection of taxes on property of
11 decedents.
12 § 3537. Time and conditions of payment of taxes.
13 § 3538. Interest, tax lien and claims.
14 § 3539. Alternate provision if subchapter unconstitutional.

15 Subchapter D. Business Receipts Tax

16 § 3541. Definitions.
17 § 3542. Authority to levy and collect tax.
18 § 3543. Imposition and rate of tax.
19 § 3544. Computation of annual receipts.
20 § 3545. Tax returns.
21 § 3546. Collection of unpaid taxes, interest and penalties.
22 § 3547. Effect of subchapter on tax ordinances.

23 Subchapter E. Mercantile Tax

24 § 3551. Definitions.
25 § 3552. Authority to levy and collect tax.
26 § 3553. Mercantile licenses and license fees.
27 § 3554. Imposition and rate of tax.
28 § 3555. Computation of gross amount of business.
29 § 3556. Tax returns.
30 § 3557. Collection of unpaid taxes, interest and penalties.

1 § 3558. Effect of subchapter on tax ordinances.

2 Subchapter F. Earnings Tax

3 § 3561. Definitions.

4 § 3562. Levy of tax.

5 § 3563. Estimation and payment of tax on net profits.

6 § 3564. Payment of tax on compensation.

7 § 3565. Collection at source of tax on compensation.

8 § 3666. Suits for collection of unpaid taxes.

9 § 3667. Collection of interest, penalties and costs.

10 § 3568. Application of subchapter.

11 Subchapter G. Provisions Applicable to Second Class

12 Districts

13 § 3581. Property subject to tax.

14 § 3582. Per capita taxes.

15 § 3583. Levy of taxes in general.

16 § 3584. Tax equalization for districts in more than one
17 municipality.

18 § 3585. Revisions to tax duplicates from major improvements.

19 § 3586. Certification of duplicates of taxables to school
20 boards.

21 § 3587. Certification of duplicates of tax levies to
22 collectors.

23 § 3588. Appointment and authority of tax collectors.

24 § 3589. Delinquent taxes and tax collectors.

25 SUBPART D. SCHOOL PROGRAMS

26 Chapter 37. General Education

27 Subchapter A. General Provisions

28 § 3701. Development of programs of study.

29 § 3702. Mandated and required programs of study.

30 § 3703. Prescribed advance and special programs of study.

1 § 3704. Development of additional programs of study.
2 § 3705. Extension education programs.
3 § 3706. Language used in teaching subjects.
4 § 3707. Display of United States Flag.
5 § 3708. Program for development of citizenship and patriotism.
6 § 3709. Periods for prayer and meditation.
7 § 3710. Programs for homebound instruction.
8 § 3711. Assessment statements of progress of students.
9 § 3712. Procedures for evaluation of educational programs.
10 § 3713. Diplomas for completing courses of instruction.
11 § 3714. Credits for examinations and courses.
12 Subchapter B. School Calendar and Sessions
13 § 3721. Establishment of school calendar.
14 § 3722. Approval of shorter instructional days.
15 Subchapter C. Educational Programs in Institutions
16 § 3731. Educational programs in State-owned institutions.
17 § 3732. Educational programs in places of detention.
18 Chapter 39. Vocational Education
19 Subchapter A. General Provisions
20 § 3901. Definitions.
21 § 3902. Authority to establish and conduct programs.
22 § 3903. Extension and adult vocational education programs.
23 § 3904. Intensive classes for unemployed or underemployed
24 persons.
25 § 3905. Attendance in other districts.
26 Subchapter B. Organization of Area Vocational-Technical
27 Schools
28 § 3911. Attendance area.
29 § 3912. Establishment of schools.
30 § 3913. Agreement of participating districts.

1 § 3914. Physical plant and construction.

2 § 3915. Adoption of annual budget.

3 § 3916. Powers and duties of governing board.

4 § 3917. Delegation to operating agent.

5 § 3918. Organization of operating committee.

6 Subchapter C. Miscellaneous Provisions

7 § 3931. Establishment of advisory committees.

8 § 3932. Cooperation between schools and community colleges.

9 Chapter 41. Special Education

10 Subchapter A. General Provisions

11 § 4101. Definitions.

12 § 4102. Evaluation of suspected exceptional children.

13 § 4103. Hearings for assignment of exceptional children.

14 § 4104. Reports on exceptional children.

15 Subchapter B. Programs for Exceptional Children

16 § 4111. Plans for education of children.

17 § 4112. Regulations and standards for education of children.

18 § 4113. Special education programs, centers and schools.

19 § 4114. Instruction of children in the home.

20 § 4115. Placement of extraordinary exceptional children.

21 Subchapter C. Finance Relating to Exceptional Children

22 § 4121. Child member of district for reimbursement.

23 § 4122. Payments for programs and schools operated by
24 department.

25 § 4123. Tuition charges for children in private schools.

26 § 4124. Tuition payments for children in private schools.

27 Subchapter D. Provisions Applicable to Certain Exceptional
28 Children

29 § 4131. Instruction for parents of the blind.

30 § 4132. Higher education expenses for blind and deaf persons.

1 § 4133. Providing special personnel and equipment.

2 Chapter 43. Supportive Services

3 Subchapter A. Educational Media

4 § 4301. Educational broadcasting and communication

5 technologies.

6 § 4302. Expenditure of funds for media purposes.

7 Subchapter B. Library Program

8 § 4311. Comprehensive school library program.

9 Subchapter C. Food Service

10 § 4321. Food service facilities in schools.

11 § 4322. Free food for needy students.

12 § 4323. Nonprofit child nutrition program.

13 Subchapter D. Pupil Personnel Services

14 § 4331. Pupil personnel services program.

15 § 4332. Students absent for lack of necessities.

16 § 4333. Attendance officers and home and school visitors.

17 § 4334. Special police for traffic and crowd control.

18 Subchapter E. School Health Services

19 § 4341. School health services program.

20 § 4342. Powers and duties of Secretary of Health.

21 § 4343. Powers and duties of Secretary of Education.

22 § 4344. Physical and dental examinations of students.

23 § 4345. Immunization of children prior to admission to school.

24 § 4346. Objections to examination or treatment on religious

25 grounds.

26 § 4347. Examinations of school buildings and grounds.

27 § 4348. Fire drills and instruction.

28 Subchapter F. Transportation

29 § 4351. Transportation of resident students.

30 § 4352. Transportation facilities and liability insurance.

- 1 § 4353. Appropriations to mass transportation authorities.
- 2 § 4354. Computation of distances for transportation purposes.
- 3 § 4355. Compensation in excess of transportation contract.
- 4 § 4356. Transportation or board and lodging for exceptional
- 5 students.
- 6 § 4357. Board and lodging for vocational-technical students.

7 SUBPART E. STUDENTS

8 Chapter 47. Students

9 Subchapter A. Admission and Assignment

- 10 § 4701. Right to free public education.
- 11 § 4702. Admission of students under six years of age.
- 12 § 4703. Students residing in children's institutions.
- 13 § 4704. Nonresident student placed in home of resident.
- 14 § 4705. Permitting attendance of other nonresident students.
- 15 § 4706. Assignment of students to schools.
- 16 § 4707. Reassignment of students in closed schools.
- 17 § 4708. Attendance outside district when transportation not
- 18 furnished.

19 Subchapter B. Compulsory Attendance

- 20 § 4721. Attendance required of school age children.
- 21 § 4722. Modified programs to meet compulsory attendance
- 22 requirements.
- 23 § 4723. Parental responsibility for attendance of child.
- 24 § 4724. Attendance of migrant children.
- 25 § 4725. Periodic census of school children in district.
- 26 § 4726. Use of information obtained from census.
- 27 § 4727. Reports of enrollments, attendance and withdrawals.
- 28 § 4728. Excused absence of student from school.
- 29 § 4729. Illegal absence of student from school.
- 30 § 4730. Penalties for violations of subchapter.

1 § 4731. Exemptions from compulsory attendance requirements.

2 Subchapter C. Student Affairs

3 § 4741. Exercise of control over students and corporal
4 punishment.

5 § 4742. Suspension of students for misconduct.

6 § 4743. Expulsion of students for misconduct.

7 § 4744. Proceedings against delinquent students.

8 § 4745. Employment of minors.

9 § 4746. Confidentiality of student records and communications.

10 SUBPART F. PHYSICAL PLANT AND CONSTRUCTION

11 Chapter 49. Physical Plant and Construction

12 Subchapter A. General Provisions

13 § 4901. Duty to provide appropriate facilities.

14 § 4902. Use of school facilities for other purposes.

15 § 4903. Exemption of property from taxation.

16 Subchapter B. Governing Board Procedures

17 § 4911. Definitions.

18 § 4912. Authorization of maximum project and building costs.

19 § 4913. Public hearing prior to construction or lease.

20 § 4914. Referendum prior to construction or lease.

21 Subchapter C. Regulation of Property and Projects

22 § 4921. Building and property regulations.

23 § 4922. Advisory committee on building and property
24 regulations.

25 § 4923. Substrata evaluation for building projects.

26 Subchapter D. Approval of Buildings and Projects

27 § 4931. General powers and duties of department.

28 § 4932. Department approval of buildings and improvements.

29 Subchapter E. Acquisition of Property

30 § 4941. Determination of location and amount of property.

1 § 4942. Acquisition and holding of property.

2 § 4943. Lease of buildings constructed or altered for school
3 use.

4 § 4944. Lease of grounds and buildings for school purposes.

5 § 4945. Authority of district concerning projects for school
6 purposes.

7 § 4946. Equipping and operating recreational facilities.

8 Subchapter F. Contracts for Construction and Improvements

9 § 4951. General requirements for work performed on school
10 property.

11 § 4952. Contract provisions covering competency of workmen.

12 § 4953. Contract provisions covering minimum wages.

13 § 4954. Contract provisions for compliance with Human Relations
14 Act.

15 Subchapter G. Disposition of Property

16 § 4961. Authority of district to dispose of property.

17 § 4962. Procedure for abandonment of property.

18 § 4963. Lease of unused and unnecessary property.

19 § 4964. Sale of unused and unnecessary property.

20 § 4965. Payment of consideration on private sale of property.

21 § 4966. Sale of property acquired for nonpayment of taxes.

22 § 4967. Lease or transfer in connection with school project
23 leases.

24 § 4968. Conveyance to municipality for municipal purposes.

25 § 4969. Conveyance to or for community college.

26 SUBPART G. PERSONNEL

27 Chapter 51. Personnel

28 Subchapter A. General Provisions

29 § 5101. Definitions.

30 § 5102. Medical examinations of employees and agents.

1 § 5103. Religious garb worn by employee prohibited.

2 § 5104. Personnel actions concerning relatives of school
3 directors.

4 § 5105. Access to personnel records.

5 § 5106. RIGHTS OF TEACHERS IN SPECIAL STATE INSTITUTIONS. <—

6 Subchapter B. Certification

7 § 5111. Requirement of professional certification.

8 § 5112. Professional Standards and Practices Commission.

9 § 5113. Emergency certificates and substitutes.

10 § 5114. Provisional and intern certificates.

11 § 5115. Permanent certification.

12 § 5116. Certification of personnel from other states and
13 countries.

14 § 5117. Existing professional certificates.

15 § 5118. Standard limited and normal school certificates.

16 § 5119. Suspension and revocation of professional certificates.

17 § 5120. Assurance of certification and proper assignment.

18 § 5121. Penalty for serving without a certificate.

19 § 5122. Utilization of guests and visitors.

20 § 5123. Permanent registration of certificated personnel.

21 Subchapter C. Employment Rights of Professional Personnel

22 § 5131. Contract between board and employee.

23 § 5132. Tenure.

24 § 5133. Promotions and transfers.

25 § 5134. Ratings.

26 § 5135. Furlough of employee from staff reduction.

27 § 5136. Criteria for furlough and reinstatement.

28 § 5137. Compulsory retirement and resignation.

29 § 5138. Causes for dismissal, suspension or demotion.

30 § 5139. General procedures in disciplinary proceedings.

- 1 § 5140. Issuance of subpoenas to witnesses.
- 2 § 5141. Notice and effect of board decision.
- 3 § 5142. Appeals.
- 4 § 5143. Appeals to court.
- 5 § 5144. Minimum salaries.
- 6 § 5145. Payment of salaries during emergency school closing.
- 7 § 5146. Employment of substitute teachers.
- 8 § 5147. Employment of part-time employees.

9 Subchapter D. Leave and Retirement Benefits

- 10 § 5151. Right to sabbatical leave.
- 11 § 5152. Salary while on sabbatical leave.
- 12 § 5153. Priority and number of sabbatical leaves.
- 13 § 5154. Failure to return following sabbatical leave.
- 14 § 5155. Regulations governing sabbatical leave.
- 15 § 5156. Military service leave.
- 16 § 5157. Military training leave.
- 17 § 5158. Right to sick leave.
- 18 § 5159. Transfer of accumulated sick leave.
- 19 § 5160. Regulations governing sick leave.
- 20 § 5161. Emergency leave.
- 21 § 5162. Leave to serve as exchange teacher.
- 22 § 5163. Leave for maternity purposes.
- 23 § 5164. Leave with or without pay.
- 24 § 5165. Retirement.

25 Subchapter E. Commissioned Personnel

- 26 § 5171. Selection and qualifications.
- 27 § 5172. Term of office and compensation.
- 28 § 5173. Oath of office.
- 29 § 5174. Reelection, retention and resignation.
- 30 § 5175. Superintendent of new combined districts.

1 § 5176. Commissioning of personnel.

2 § 5177. Acting and substitute superintendents.

3 § 5178. Removal for cause.

4 § 5179. Duties of superintendent.

5 § 5180. Duties of assistant superintendent.

6 Subchapter F. Principals

7 § 5191. Duties of principals.

8 PART III. HIGHER EDUCATION (Reserved)

9 PART IV. RETIREMENT FOR STATE EMPLOYEES (Reserved)

10 PART V. MISCELLANEOUS PROVISIONS (Reserved)

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

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

16 TITLE 24

17 EDUCATION

18 Parts

19 I. Preliminary Provisions

20 II. Basic Education

21 III. Higher Education (Reserved)

22 IV. Retirement for State Employees (Reserved)

23 V. Miscellaneous Provisions (Reserved)

24 PART I

25 PRELIMINARY PROVISIONS

26 Subpart

27 A. General Provisions

28 B. Commonwealth Agencies

29 C. Nonpublic and Private Schools

30 SUBPART A

1 GENERAL PROVISIONS

2 Chapter

3 1. General Provisions

4 CHAPTER 1

5 GENERAL PROVISIONS

6 Sec.

7 101. Short title of title.

8 102. Definitions.

9 103. Rule-making procedure.

10 104. Access to information and public records.

11 105. Public agency open meeting laws.

12 106. Prohibition of certain tests and qualifications.

13 107. Reservation of unassigned powers and duties.

14 § 101. Short title of title.

15 This title shall be known and may be cited as the "Education
16 Code."

17 § 102. Definitions.

18 (a) General rule.--Subject to additional definitions
19 contained in subsequent provisions of this title which are
20 applicable to specific provisions of this title, the following
21 words and phrases when used in this title shall have, unless the
22 context clearly indicates otherwise, the meanings given to them
23 in this section:

24 "Auxiliary personnel." Persons employed by a governing board
25 in positions for which commissions or certificates are not
26 required.

27 "Board of school directors." Includes boards of public
28 education.

29 "Department." The Department of Education of the
30 Commonwealth.

1 "Fiscal year." The period of time from July 1 to the
2 following June 30 or, if fixed by the governing board by a two-
3 thirds vote and approved by the department, the period of time
4 from January 1 to December 31. Any school district having a
5 fiscal year running from January 1 to December 31 on the
6 effective date of this title may continue to use that fiscal
7 year.

8 "Governing board." The board of school directors,
9 intermediate unit board of directors and area vocational-
10 technical school board of directors.

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

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

18 "Professional employee." Any person other than a
19 commissioned employee who holds a professional certificate
20 issued by the department as provided in Chapter 51 (relating to
21 personnel) and is employed by a governing board in a position
22 requiring a certificate.

23 "Public school." Any school or program operated by a school
24 entity.

25 "Quorum." A majority of the legally qualified membership of
26 a governing board.

27 "Regulation" or "rule." A properly issued statement of
28 general applicability and future effect promulgated under
29 statutory authority designed to:

30 (1) implement law or prescribe policy; or

(2) describe the organization or operating procedure of the issuing authority.

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

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

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

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

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

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

(b) Limitation.--The definitions contained in this section shall not be used in any way to determine collective bargaining rights under the act of July 23, 1970, (P.L.563, No.195), known as the "Public Employe Relations Act."

§ 103. Rule-making procedure.

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

(b) Standards.--Where the secretary, the department or the comptroller of the department are authorized by this title to

1 promulgate standards, the secretary, department or comptroller
2 shall promulgate the standards in accordance with the procedure
3 provided by the act of July 31, 1968 (P.L.769, No.240), known as
4 the "Commonwealth Documents Law."

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

7 (1) intention to adopt the rules or regulations has been
8 made public in accordance with the procedures provided by the
9 act of June 21, 1957 (P.L.392, No.213) and the act of July
10 19, 1974 (No.175), referred to as the Public Agency Open
11 Meeting Laws and the public has been afforded the opportunity
12 to comment on the proposed rules or regulations at an open
13 meeting; or

14 (2) the text of the proposed rules or regulations has
15 been published once in a newspaper of general circulation at
16 least 30 days prior to adoption and the public has been
17 afforded the opportunity to comment on the proposed rules or
18 regulations in writing.

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

23 (e) Construction of section.--This section does not prevent
24 school entity personnel from establishing standards and
25 guidelines which implement governing board regulations.

26 § 104. Access to information and public records.

27 Rules, regulations, standards and all public records of the
28 State board, the department, the State boards of private schools
29 and any governing board of any school entity shall, at
30 reasonable times, be open for the examination, inspection and

1 reproduction by any citizen of this Commonwealth in accordance
2 with the provisions of the act of June 21, 1957 (P.L.390,
3 No.212), referred to as the Right-to-Know Law. The school entity
4 may charge for the actual cost of reproduction including the
5 cost of clerical labor.

6 § 105. Public agency open meeting laws.

7 The provisions of the act of June 21, 1957 (P.L.392, No.213)
8 and the act of July 19, 1974 (P.L.486, No.175), referred to as
9 the Public Agency Open Meeting Laws, shall apply to all
10 governing boards of all school entities and to the department,
11 the State board, the State Board for Vocational Education and
12 the State boards for private schools.

13 § 106. Prohibition of certain tests and qualifications.

14 No test or qualification based on religion, political
15 affiliation, sex or race shall be required of any director,
16 officer, appointee, employee or any visitor in the public
17 schools of this Commonwealth.

18 § 107. Reservation of unassigned powers and duties.

19 Powers and duties not assigned by this title are reserved to
20 the General Assembly.

21 SUBPART B

22 COMMONWEALTH AGENCIES

23 Chapter

24 5. State Board of Education

25 7. Department of Education

26 CHAPTER 5

27 STATE BOARD OF EDUCATION

28 Sec.

29 501. Membership and operation of State board.

30 502. Membership and operation of councils of basic and higher

1 education.

2 503. Powers and duties of State board.

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

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

5 506. State board requirements binding upon department.

6 507. State board staff and department assistance.

7 § 501. Membership and operation of State board.

8 (a) Membership.--The State Board of Education shall consist
9 of 21 members, four of whom shall be the majority and minority
10 chairmen of the standing committees on education in the House of
11 Representatives and the Senate or their respective designees who
12 shall serve at large. The remaining 17 members shall be
13 appointed by the Governor, by and with the advice and consent of
14 two-thirds of all the members of the Senate, and shall hold
15 office for terms of six years each and until a successor has
16 been appointed and has qualified.

17 (b) Compensation.--Members shall receive no salary but shall
18 be entitled to travel and other necessary expenses incurred in
19 the performance of their duties as members of the State board.
20 Reimbursement for expenses shall not exceed the greater of the
21 following amounts:

22 (1) The sum of \$40 per day for food and lodging and 15¢
23 per mile for travel by automobile.

24 (2) Amounts for traveling expenses determined by the
25 Commissioner of Internal Revenue under the authority of
26 section 274 of the Internal Revenue Code of 1954 and
27 regulations promulgated thereunder as not requiring
28 substantiation by adequate records or other sufficient
29 evidence.

30 (c) Quorum and meetings.--Eleven members shall constitute a

1 quorum provided that at least four members serving on each of
2 the councils are present. The affirmative vote of a majority of
3 all the members of the State board duly recorded showing how
4 each member voted shall be required in order to take action
5 formulating policies and adopting rules and regulations. The
6 State board shall meet at least five times a year at such times
7 and places as it shall determine except that the board shall
8 meet from time to time in various areas of this Commonwealth.
9 Special meetings may be called by the chairman or at the request
10 of a majority of the members of the State board. The State board
11 shall provide at all of its meetings a reasonable opportunity
12 for public comment.

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

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

21 (f) Executive officer.--The secretary or his designated
22 representative shall be the chief executive officer of the State
23 Board of Education and the State Board for Vocational Education,
24 shall be entitled to attend all meetings of the State board and
25 the councils and shall have the right to speak on all matters
26 before the board and the councils but not to vote.

27 § 502. Membership and operation of councils of basic and higher
28 education.

29 (a) Chairman of State board.--The person designated by the
30 Governor to serve as chairman of the State board shall also

1 serve as a member of both the Council of Basic Education and the
2 Council of Higher Education.

3 (b) Members of State board.--Of the remaining 20 members of
4 the board, the four legislative members shall not be assigned to
5 the councils but shall serve at large. Of the remaining 16,
6 eight shall serve as members of the Council of Basic Education
7 and eight shall serve as members of the Council of Higher
8 Education, as designated by the Governor.

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

12 (d) Meetings.--Each council shall meet at the call of its
13 chairman or at the request of a majority of the members of the
14 council.

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

19 § 503. Powers and duties of State board.

20 The State board shall:

21 (1) Serve as the general planning and coordinating body
22 for all public education including both basic and higher
23 education.

24 (2) Investigate programs, conduct research studies and
25 formulate educational policies which are applicable both to
26 basic and to higher education.

27 (3) Adopt policy, rules and regulations upon the
28 recommendation of the Councils of Basic and Higher Education
29 as provided in this title. Before any proposal to create or
30 revise any policy, rule or regulation may be placed on the

1 agenda for intent to adopt or for adoption, the proposal must
2 be accompanied by a fiscal note prepared by the department
3 containing a statement of cost to the Commonwealth and the
4 various school entities affected.

5 (4) In January in odd-numbered years, submit a
6 comprehensive report of its activities to the Governor and
7 General Assembly together with its recommendations for
8 improvements in education in this Commonwealth. The report
9 shall include a statement outlining the expected benefits and
10 projected costs of any recommended course of action.

11 (5) Apply for, receive and administer, subject to any
12 applicable regulations or laws of the Federal Government or
13 any agency thereof, any Federal grants, programs,
14 appropriations and allocations on behalf of the Commonwealth,
15 any of its school districts or any institution of higher
16 education, public or private, within this Commonwealth. This
17 paragraph does not affect the right of school entities or
18 institutions of higher education to apply for, receive and
19 administer Federal funds in accordance with Federal laws or
20 regulations.

21 (6) Serve as the State Board for Vocational Education to
22 carry out the provisions of any and all Federal and State
23 laws relating to vocational education so far as the same
24 relate to the cooperation of the State and Federal
25 governments, and have full power to take all necessary steps
26 in the formulation of plans for the administration of
27 vocational education and to formulate and execute plans for
28 the preparation of teachers of vocational subjects.

29 (7) Adopt regulations governing educational
30 broadcasting, ~~educational communications technologies and~~

<—

1 ~~educational computer systems.~~ AS PROVIDED IN SECTION 4301 <—
2 (RELATING TO EDUCATIONAL BROADCASTING AND COMMUNICATION
3 TECHNOLOGIES).

4 (8) Submit annually to the department an estimate of the
5 financial requirements of the State board for administrative
6 expenses.

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

14 (10) Perform such other duties as may be required by or
15 are necessarily implied by the provisions of this chapter.

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

17 The Council for Basic Education shall:

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

21 (i) The minimum program to be provided by all public
22 schools.

23 (ii) The qualifications for employment of
24 professional personnel in the public schools.

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

27 (iv) All matters pertaining to school construction.

28 (v) The operation of all programs of supportive
29 services.

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

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

(viii) All standards and practices for professional education and certification as provided for in section 5112 (relating to Professional Standards and Practices Commission).

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

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

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

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

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

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

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

(ii) Recommend enrollment levels for each institution.

1 (iii) Recommend a method for governance of the
2 system.

3 (iv) Provide formulas for the distribution of
4 Commonwealth funds among the institutions.

5 (v) Otherwise provide for an orderly development of
6 the system.

7 (2) Review the annual budget requests of institutions of
8 higher education.

9 (3) Recommend to the State board policies, rules and
10 regulations for the approval of colleges and universities for
11 the granting of certificates and degrees.

12 (4) Recommend to the State board policies, rules and
13 regulations for all higher education building projects
14 involving the use of Commonwealth funds or the funds of any
15 Commonwealth instrumentality.

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

20 (6) Recommend to the State board regulations under which
21 the department shall approve or disapprove any action of a
22 State-owned college or university, community college or
23 State-related or State-aided college or university in
24 establishing additional branches or campuses or in
25 discontinuing branches or campuses.

26 (7) Recommend to the State board regulations under which
27 the department shall approve or disapprove any action of a
28 State-owned college or university, community college or
29 State-related or State-aided college or university in
30 establishing new professional schools or upper division

1 programs by two-year institutions.

2 (8) Recommend to the State board regulations under which
3 the department shall approve or disapprove applications by
4 State-owned colleges for admission to university status and
5 approve or disapprove applications by two-year institutions
6 to become four-year institutions.

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

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

15 (b) Board of State College and University Directors.--With
16 regard to State-owned institutions, approval or disapproval by
17 the department under the provisions of subsection (a)(6) through
18 (8) shall not be made until after recommendation by the Board of
19 State College and University Directors whenever such
20 recommendation is deemed necessary or required by law.

21 (c) Department of Education.--No institution of higher
22 education may proceed with any action described in subsection
23 (a)(6) through (9) unless it has been approved by the
24 department.

25 (d) Budget approval.--With regard to approval by the
26 department under the provisions of subsection (a)(6) through
27 (9), no action to be financed wholly or in part from
28 Commonwealth appropriations shall be taken by an institution of
29 higher learning prior to the next fiscal year or until the
30 General Assembly approves the Budget of the Governor for the

1 next fiscal year, and prior to each member of the General
2 Assembly, the Governor and the Budget Secretary being provided
3 with written notification of such approval, including projected
4 five-year fiscal analysis and an explanation as to the necessity
5 for the proposed action in relation to the master plan for
6 higher education.

7 § 506. State board requirements binding upon department.

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

10 § 507. State board staff and department assistance.

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

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

17 (c) Assistance from department.--The department shall
18 furnish upon request of the State board such data and
19 information as the State board may from time to time require and
20 the department shall provide administrative services for and on
21 behalf of the State board to assist the State board in the
22 performance of its duties.

23 CHAPTER 7

24 DEPARTMENT OF EDUCATION

25 Subchapter

26 A. General Provisions

27 B. Financially Distressed School Districts

28 C. Firemen's Training

29 SUBCHAPTER A

30 GENERAL PROVISIONS

1 Sec.

2 701. Appointment of secretary.

3 702. Powers and duties of secretary.

4 703. Emergency powers.

5 704. Power to withhold financial aid.

6 705. Departmental approval of plans.

7 § 701. Appointment of secretary.

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

11 § 702. Powers and duties of secretary.

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

22 (b) State board consideration of standards.--Any standard
23 issued by the secretary in an area under the jurisdiction of the
24 State board shall be submitted to the State board for its
25 approval at the same time as it is published as a proposed
26 standard as provided in the "Commonwealth Documents Law."
27 Failure to approve, disapprove or modify a standard within 60
28 days of submission shall be deemed approval.

29 (c) Issuance of guidelines.--The secretary may issue
30 nonbinding guidelines.

1 (d) Powers and duties provided by law.--The secretary shall
2 perform such duties and exercise such powers as are provided in
3 this title.

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

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

18 (g) Reports to the General Assembly.--Annually, by December
19 31, the secretary shall submit to the members of the General
20 Assembly a report on the operation of the intermediate units for
21 the purpose of enabling it to evaluate the system. The
22 obligation to submit this report shall cease on July 1, 1980.

23 (h) Fiscal agent of department.--The comptroller for the
24 department shall be the fiscal agent of the department and as
25 such shall calculate payments and disburse funds in accordance
26 with this title.

27 (i) Distribution of school laws.--The department shall
28 provide each member of every board of school directors in this
29 Commonwealth a copy of each new edition of the "Public School
30 Code" and related laws as soon as possible after publication.

1 § 703. Emergency powers.

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

16 § 704. Power to withhold financial aid.

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

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

1 therewith.

2 § 705. Departmental approval of plans.

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

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

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

17 SUBCHAPTER B

18 FINANCIALLY DISTRESSED SCHOOL DISTRICTS

19 Sec.

20 711. Financially distressed district defined.

21 712. Appointment of special board of control.

22 713. Powers of special board of control.

23 714. Status of school directors.

24 715. Termination of financial distress of district.

25 § 711. Financially distressed district defined.

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

1 secretary may deem pertinent, has issued a certificate declaring
2 such district to be financially distressed:

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

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

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

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

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

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

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

28 (b) Default in Commonwealth payments.--No school district
29 shall be deemed to be financially distressed by reason of any of
30 the above circumstances arising as a result of the failure of

1 the Commonwealth to make any payment of money due the district
2 at the time such payment is due.

3 § 712. Appointment of special board of control.

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

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

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

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

16 § 713. Powers of special board of control.

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

28 (1) To cancel or to renegotiate any contract, other than
29 collective bargaining agreements of school employees, to
30 which the board or the school district is a party, if the

1 cancellation or renegotiation of contract will effect needed
2 economies in the operation of the schools of the district.

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

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

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

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

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

27 (b) Failure of school directors to perform duties.--In the
28 event that the board of school directors of a financially
29 distressed district shall fail or refuse to perform any duties
30 required of it by the special board of control, then the special

board of control shall have the power and is hereby authorized to perform such duties as the special board deems necessary.

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

§ 714. Status of school directors.

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

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

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

(b) Election or appointment of school directors.--The existence of the special board of control shall in no way

1 interfere with the regular election, reelection, appointment or
2 reappointment of school directors for the district.

3 § 715. Termination of financial distress of district.

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

13 SUBCHAPTER C

14 FIREMEN'S TRAINING

15 Sec.

16 721. Firemen's training.

17 § 721. Firemen's training.

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

25 SUBPART C

26 NONPUBLIC AND PRIVATE SCHOOLS

27 Chapter

28 11. Nonpublic and Private Schools

29 CHAPTER 11

30 NONPUBLIC AND PRIVATE SCHOOLS

1 Subchapter

2 A. General Provisions

3 B. Regulated Private Schools

4 C. Private Driver Education and Training Schools

5 SUBCHAPTER A

6 GENERAL PROVISIONS

7 Sec.

8 1101. Definitions.

9 1102. Auxiliary services to nonpublic school children.

10 1103. Educational aids for nonpublic school children.

11 1104. SPEECH AND HEARING DEFECT SERVICES TO NONPUBLIC SCHOOL

<—

12 CHILDREN.

13 § 1101. Definitions.

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

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

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

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

1 "Motor vehicle." A motor vehicle as defined in the act of
2 April 29, 1959 (P.L.58, No.32), known as "The Vehicle Code."

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

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

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

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

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

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

20 § 1102. Auxiliary services to nonpublic school children.

21 (a) Declaration of policy.--The welfare of this Commonwealth
22 requires that the present and future generations of school age
23 children be assured ample opportunity to develop to the fullest
24 their intellectual capacities. It is the intent of the General
25 Assembly by this section to ensure that the intermediate units
26 in this Commonwealth shall furnish on an equal basis auxiliary
27 services to all pupils in this Commonwealth in both public and
28 nonprofit nonpublic schools.

29 (b) Definition.--As used in this section "auxiliary
30 services" means guidance, counseling and testing services;

1 psychological services; services for exceptional children;
2 remedial services; speech and hearing services; services for the
3 improvement of the educationally disadvantaged (such as, but not
4 limited to, teaching English as a second language); and such
5 other secular, neutral, non-ideological services as are of
6 benefit to nonpublic school children and are presently or
7 hereafter provided for public school children in this
8 Commonwealth.

9 (c) Program of auxiliary services.--Students attending
10 nonpublic schools shall be furnished a program of auxiliary
11 services which are provided to public school students in the
12 school district in which their nonpublic school is located. The
13 program of auxiliary services shall be provided by the
14 intermediate unit in which the nonpublic school is located in
15 accordance with standards of the secretary. The services shall
16 be provided directly to the nonpublic school students by the
17 intermediate unit except that the services shall not be provided
18 in a church or in any facility under the control of a sectarian
19 school. The auxiliary services shall be provided directly by the
20 intermediate units and no auxiliary services presently provided
21 to public school students by the intermediate units of OR school <—
22 districts by means of State or local revenues during the school
23 year 1974-1975 shall be eliminated. No school districts may be
24 required to offer auxiliary services provided by any other
25 school districts within the intermediate unit.

26 (d) Allocation and payment of funds.--In July of 1975 and
27 annually thereafter in July, the department shall allocate to
28 each intermediate unit an amount equal to the number of
29 nonpublic school students as of October 1 of the preceding
30 school year who are enrolled in nonpublic schools within the

1 intermediate unit times \$45. The department shall increase this
2 figure on a proportionate basis whenever the maximum
3 reimbursable limit for the basic instructional subsidy under
4 section 2922 (relating to amount of payments) is increased. The
5 Commonwealth shall pay to each intermediate unit 15% of its
6 allocation on August 1, 75% on October 1 and the remaining 10%
7 on February 1.

8 (e) Limitations on use of funds.--The intermediate unit
9 shall not use more than 6% of the funds it receives for
10 administration or 18% for rental of facilities. The department
11 shall not use more than 1% of the funds it allocates under this
12 section for administrative expenses. If all funds allocated by
13 the intermediate units to administration or rental facilities
14 are not expended for those purposes, the funds may be used for
15 the program costs.

16 (f) Interest on funds.--There shall be no adjustment in the
17 allocation provided in subsection (d) because of interest earned
18 on the allocations by the intermediate units. Interest so earned
19 shall be used for the purposes of this section but shall not be
20 subject to the limitations of subsection (e).

21 (g) Budgets and financial reports.--Annually, each
22 intermediate unit shall submit to the department a preliminary
23 budget on or before January 31 and a final budget on or before
24 June 15 for the succeeding year and shall file a final financial
25 report on or before October 31 for the preceding year.

26 § 1103. Educational aids for nonpublic school children.

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

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

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

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

25 "Instructional materials." Pre-prepared learning materials
26 which are secular, neutral and non-ideological in character and
27 are of benefit to the instruction of school children on an
28 individual basis and are presently or hereafter provided for
29 public school children in this Commonwealth.

30 "Textbooks." Books, reusable workbooks, or manuals, whether

1 bound or in looseleaf form, intended for use as a principal
2 source of study material for a given class or group of students,
3 a copy of which is expected to be available for the individual
4 use of each pupil in the class or group. The textbooks shall be
5 textbooks which are acceptable for use in any public elementary
6 or secondary school of this Commonwealth.

7 (c) Purchase and loan of instructional aids.--The
8 department, directly or through the intermediate units, shall
9 have the power and duty to purchase textbooks and, upon
10 individual request, to loan them to all children residing in
11 this Commonwealth who are enrolled in grades kindergarten
12 through twelve of a nonpublic school. The textbooks shall be
13 loaned free to the children subject to such rules and
14 regulations as may be prescribed by the State board, due regard
15 being had to the feasibility of making loans of particular
16 instructional materials on an individual basis.

17 (d) Limitation on amount of purchases.--The department shall
18 not be required to purchase or otherwise acquire textbooks
19 pursuant to this section, the total cost of which, in any school
20 year, exceeds an amount equal to \$12 for the school year 1973-
21 1974, \$15 for the school year beginning July 1, 1974 and \$20 for
22 each school year thereafter or instructional materials, the
23 total cost of which, in any school year, exceeds an amount equal
24 to \$5, multiplied by the number of children residing in this
25 Commonwealth who on October 1 of the school year immediately
26 preceding are enrolled in grades kindergarten through twelve of
27 a nonpublic school.

28 § 1104. SPEECH AND HEARING DEFECT SERVICES TO NONPUBLIC SCHOOL
29 CHILDREN.

30 (A) DECLARATION OF POLICY.--DEFECTS IN SPEECH AND HEARING

1 ARE HEALTH-RELATED. THEY ARE ALSO THE FREQUENT CAUSE OF
2 EMOTIONAL INSTABILITY IN CHILDREN AND ARE VITALLY CONNECTED TO
3 BEHAVIOR AND TO LEARNING ABILITY. SERVICES TO REMEDY THESE
4 DEFECTS CAN BEST BE CONDUCTED UPON THE PREMISES OF THE SCHOOL
5 WHICH THE CHILD REGULARLY ATTENDS, AND FORCING CHILDREN TO GO TO
6 OTHER PREMISES IN ORDER TO HAVE SUCH NEEDED SERVICES IS FOUND BY
7 THE GENERAL ASSEMBLY TO BE BOTH INADEQUATE AND HARMFUL. THE
8 GENERAL ASSEMBLY EXPRESSLY FINDS AND DECLARES SPEECH AND HEARING
9 CORRECTIONAL SERVICES TO BE HEALTH SERVICES, AND IT IS THE
10 INTENTION OF THE GENERAL ASSEMBLY NOW TO MAKE THESE AVAILABLE,
11 ON A GENERAL AND EVEN-HANDED BASIS TO ALL SCHOOL CHILDREN IN
12 THIS COMMONWEALTH.

13 (B) PROVISION OF SERVICES.--THE DEPARTMENT, DIRECTLY OR
14 THROUGH THE INTERMEDIATE UNITS, OUT OF THEIR ALLOCATION UNDER
15 SECTION 1102 (RELATING TO AUXILIARY SERVICES TO NONPUBLIC SCHOOL
16 CHILDREN) SHALL HAVE THE POWER AND DUTY TO FURNISH FREE TO
17 NONPUBLIC SCHOOL STUDENTS, UPON THE PREMISES OF THE NONPUBLIC
18 SCHOOLS WHICH THEY REGULARLY ATTEND, SERVICES ADEQUATE FOR THE
19 DIAGNOSIS AND CORRECTION OF SPEECH AND HEARING DEFECTS PROVIDED
20 THAT THE SERVICES ARE ALSO AFFORDED TO PUBLIC SCHOOL STUDENTS BY
21 THE SCHOOL DISTRICT IN WHICH THE NONPUBLIC SCHOOL IS LOCATED.

22 SUBCHAPTER B

23 REGULATED PRIVATE SCHOOLS

24 Sec.

25 1111. State boards of private schools.

26 1112. Jurisdiction of boards and department.

27 1113. Optional licensing of private schools.

28 1114. Mandatory licensing of private schools and agents.

29 1115. Application for license.

30 1116. Issuance and renewal of license.

1 1117. Scope of license.

2 1118. License fees.

3 1119. List of licensed schools and agents.

4 1120. Requirements for licensure and operation.

5 1121. Refusal, suspension or revocation of license.

6 1122. Penalties for violations of chapter.

7 § 1111. State boards of private schools.

8 (a) Appointment of members.--The secretary shall appoint
9 members to each of the State boards of private schools as
10 follows:

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

14 (2) The State Board of Private Business Schools shall
15 consist of seven members four or more of whom shall have
16 occupied executive or management positions in private
17 business schools in this Commonwealth.

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

21 (4) The State Board of Private Correspondence Schools
22 shall consist of seven members.

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

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

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

30 (e) Compensation and expenses.--The members of each board

1 shall be paid \$30 per diem and necessary expenses when actively
2 engaged in the performance of their official duties.
3 Reimbursement for expenses shall not exceed the greater of the
4 following amounts:

5 (1) The sum of \$40 per day for food and lodging and 15¢
6 per mile for travel by automobile.

7 (2) Amounts for traveling expenses determined by the
8 Commissioner of Internal Revenue under the authority of
9 section 274 of the Internal Revenue Code of 1954 and
10 regulations promulgated thereunder as not requiring
11 substantiation by adequate records or other sufficient
12 evidence.

13 (f) Location of meetings and records.--The meetings of each
14 board shall be held and the proceedings of the meetings and the
15 records of each board shall be maintained in the City of
16 Harrisburg, Dauphin County, Pennsylvania.

17 (g) Department to issue documents.--All certificates and
18 other official documents of each board shall be issued by the
19 department.

20 § 1112. Jurisdiction of boards and department.

21 The power to adopt and enforce rules and regulations and to
22 promulgate standards of instruction for schools within their
23 jurisdiction shall be as follows:

24 (1) The State Board of Private Academic Schools shall
25 adopt and enforce rules and regulations regarding private
26 academic schools.

27 (2) The State Board of Private Business Schools shall
28 adopt and enforce rules and regulations regarding private
29 business schools.

30 (3) The State Board of Private Trade Schools shall adopt

1 and enforce rules and regulations regarding private trade
2 schools.

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

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

8 § 1113. Optional licensing of private schools.

9 All schools not otherwise required to obtain a license may
10 choose to apply for a license and, upon approval and issuance
11 thereof, shall be subject to the provisions of this chapter.
12 Such schools may voluntarily surrender their license and revert
13 to their original status.

14 § 1114. Mandatory licensing of private schools and agents.

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

19 (b) Agent for new school in Commonwealth.--Within this
20 Commonwealth, no person or persons shall advertise in behalf of,
21 or solicit prospective students to enroll in, a private school
22 to be established within this Commonwealth prior to the
23 establishment of the school unless the person or persons shall
24 apply to the appropriate authority for a license in the manner
25 and form prescribed and shall receive from the appropriate
26 authority authorization to conduct such activities.

27 (c) Agent for new school outside Commonwealth.--Within this
28 Commonwealth, no person or persons shall solicit prospective
29 students to enroll in a school to be established outside this
30 Commonwealth prior to the establishment of the school unless the

1 person or persons shall apply for and obtain from the
2 appropriate authority an agent's license in the manner and form
3 prescribed.

4 (d) Agent for existing school.--No person or persons shall
5 solicit any prospective student within this Commonwealth to
6 enroll in a school located within or outside this Commonwealth
7 unless the school has been approved by the appropriate authority
8 and unless the person or persons shall apply for and obtain from
9 the appropriate authority an agent's license in the manner and
10 form prescribed.

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

15 § 1115. Application for license.

16 (a) General rule.--Before any license is issued to a private
17 school, a verified application shall be made, in writing, to the
18 appropriate authority on a form prepared and furnished by the
19 appropriate authority. The application shall require a statement
20 showing, where appropriate:

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

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

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

27 (4) A specific listing of the equipment and staff
28 available for instruction in each field and, for the proper
29 administration of correspondence courses of study,
30 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 finds that the application and the school or classes or agent for which a license is sought complies with the provisions of this chapter and with the rules and regulations promulgated under this chapter.

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

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

§ 1117. Scope of license.

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

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

§ 1118. License fees.

(a) General rule.--The fees for a license to operate private schools or for an agent's license shall be as follows:

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

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

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

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

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

(b) Special license fund.--All private school and agent license fees shall be placed in a special private school license fund to be used to defray the costs of processing the licenses. At the end of each fiscal year any surplus remaining in the special fund shall be transferred to the General Fund. The secretary shall request any additional appropriations necessary to defray the costs of processing the licenses should the special fund be inadequate for this purpose.

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

§ 1119. List of licensed schools and agents.

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

§ 1120. Requirements for licensure and operation.

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

3 (1) It shall permit the appropriate authority and its
4 representatives to inspect the school or classes and shall
5 make available to the appropriate authority at any time when
6 requested to do so full information pertaining to any or all
7 items of information contained in the application form
8 provided.

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

12 (3) The advertising and representations made by any
13 person representing the school or classes as an agent or
14 contractual agent to prospective students shall be free from
15 misrepresentation or fraud.

16 (i) A school shall not use any name, other than its
17 licensed name, for advertising or publicity purposes, nor
18 shall a school advertise or imply that it is
19 "supervised," "recommended," "endorsed," "accredited" or
20 "approved" by the secretary, the department, the State
21 board or any State board of private schools of the
22 Commonwealth.

23 (ii) A school shall not claim or imply that it is
24 endorsed by colleges, universities or other institutions
25 of higher learning, bus companies, trucking associations,
26 automobile clubs or taxi companies unless written
27 evidence of that fact is presented to the appropriate
28 authority by the endorsing college, university, bus
29 company, trucking association, automobile club or taxi
30 company.

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

5 (iv) A school shall not by means of "blind"
6 advertisements or advertisements in the "help wanted" or
7 other employment columns of newspapers and other
8 publications solicit prospective students to enroll in
9 the school.

10 (4) The premises, equipment and conditions of the school
11 or classes shall be adequate, safe and sanitary in accordance
12 with such standards of the Commonwealth or any of its
13 political subdivisions as are applicable to such premises and
14 equipment.

15 § 1121. Refusal, suspension or revocation of license.

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

19 (1) The licensee has violated any of the provisions of
20 this chapter or any of the rules and regulations of the
21 appropriate authority.

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

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

29 (4) The applicant or licensee or any employee in a
30 school is addicted to the use of alcoholic liquors, morphine,

1 cocaine or other drugs having a similar effect, or is or
2 shall become mentally incompetent.

3 (5) The applicant or licensee has failed or refused to
4 permit the appropriate authority or their representatives to
5 inspect the school or classes or has failed or refused to
6 make available to the appropriate authority, at any time when
7 requested to do so, full information pertaining to any or all
8 items of information contained in an application for license
9 or pertaining to the program of instruction and matters
10 relating thereto.

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

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

18 (8) A licensed agent has failed or refused to display or
19 produce his license when requested to do so by prospective
20 students or designated officials of the appropriate
21 authority.

22 (9) The applicant or licensee has failed to provide or
23 maintain premises, equipment or conditions which are
24 adequate, safe and sanitary in accordance with such standards
25 of the Commonwealth or any of its political subdivisions as
26 are applicable to the premises and equipment.

27 (10) The licensee has perpetrated or committed fraud or
28 deceit in advertising the school or classes or in presenting
29 to prospective students written or oral information relating
30 to the school or classes or to employment opportunities or to

1 opportunities for enrollment in institutions of higher
2 learning.

3 (11) The licensee is employing teachers, supervisors or
4 administrators who have not been approved by the appropriate
5 authority or agents who have not been licensed by the
6 appropriate authority.

7 (12) The licensee has failed to provide and maintain
8 adequate premises, equipment, materials or supplies or has
9 exceeded the maximum enrollment for which the school or class
10 was licensed.

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

14 (14) The applicant or licensee is unable to provide and
15 maintain financial resources in sufficient amount to equip
16 and maintain adequately and effectively the school or
17 classes.

18 (15) The licensee has moved the school into new premises
19 or facilities or has altered or made additions to premises or
20 facilities before or without notifying the appropriate
21 authority of the change and before receiving from the
22 appropriate authority approval for the new premises or
23 facilities, alterations or additions.

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

27 (17) A licensed agent has solicited prospective students
28 to enroll in a school which has not been approved by the
29 appropriate authority and which is not listed on the license
30 issued by the appropriate authority.

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

3 (19) The school was operated or conducted under an
4 ownership constituency not approved by the appropriate
5 authority.

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

11 § 1122. Penalties for violations of chapter.

12 Any person who violates or fails to comply with any of the
13 provisions of this chapter or any of the rules, regulations or
14 standards promulgated thereunder shall be guilty of a
15 misdemeanor of the third degree and, upon conviction thereof,
16 shall be sentenced to pay a fine of not less than \$50 nor more
17 than \$500 or to undergo imprisonment for not more than one year,
18 or both. If the violation shall be by a corporation, partnership
19 or association, the officers and directors of the corporation or
20 the members of the partnership or association, its agents and
21 employees with guilty knowledge of the fact, shall also be
22 guilty of a misdemeanor of the third degree and, upon conviction
23 thereof, shall be punished as provided in this section.

24 SUBCHAPTER C

25 PRIVATE DRIVER EDUCATION AND TRAINING SCHOOLS

26 Sec.

27 1131. Location and construction of facilities.

28 1132. Qualifications of teachers and directors.

29 1133. Instructional equipment and materials.

30 1134. Program of instruction.

1 1135. Notice of fees and charges.

2 1136. Financial and student records.

3 1137. Qualifications and duties of agents.

4 1138. Ownership qualifications and changes.

5 § 1131. Location and construction of facilities.

6 (a) Location.--

7 (1) The situs of a driver training school, branch school
8 and practice driver training area shall be a distance of at
9 least 1,500 feet from any official examination point used by
10 the Pennsylvania State Police for examination of motor
11 vehicle operators, which distance shall be measured along the
12 public streets by the nearest route from the school, branch
13 school or practice driver training area to the official
14 examination point.

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

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

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

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

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

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

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

16 § 1132. Qualifications of teachers and directors.

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

20 (b) Operating license and experience.--Every teacher shall
21 have a valid motor vehicle operator's license issued by the
22 Commonwealth and shall submit documentary evidence of having
23 driven a minimum of 15,000 miles under all kinds of weather
24 conditions in both urban and rural areas.

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

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

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

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

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

(f) Director or supervisor.--Every school that employs five or more full-time teachers or an equivalent number of part-time teachers shall designate a director who shall devote at least one-half of his time to the performance of administrative and supervisory duties. A director or supervisor of a school or branch thereof shall meet the qualifications of a teacher as set forth in this section and shall have had a minimum of two years successful teaching experience in a private or public driver training school or class.

§ 1133. Instructional equipment and materials.

(a) Amount and type.--The amount and type of school furniture, instructional equipment and instructional materials shall be governed by the character and scope of the educational

1 program of the school, the number of pupils enrolled and the
2 objectives of the educational program of the school and shall
3 conform to generally accepted educational standards. The amount
4 and type of school furniture, instructional equipment and
5 materials shall not be required to exceed or to vary from that
6 which is generally used in connection with the programs of
7 driver education in public schools of like character and scope.

8 (b) Text and reference materials.--Every school shall
9 provide text, test and reference materials, including pamphlets
10 and visual aids, for the instruction in the theoretical and
11 practical phases of driver training.

12 (c) Age and equipment of vehicles.--Every vehicle used for
13 practical driver training shall be a recent model not more than
14 five years old with special equipment as follows: operable extra
15 brake pedal, and in the case of vehicles equipped with standard
16 transmission an operable extra clutch pedal, defroster and
17 heater in working order, rear-view mirror placed on the inside
18 of the car in the vicinity of the cowl, two outside rear-view
19 mirrors one on each side of the vehicle and cushions for the
20 proper seating of the students.

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

25 § 1134. Program of instruction.

26 (a) General rule.--Driver training schools licensed under
27 this chapter shall make available both theoretical and practical
28 instruction.

29 (b) Theoretical instruction.--Theoretical instruction in
30 driver education shall include subject matter relating to rules

1 and regulations of the road, safe driving practices, pedestrian
2 safety care, mechanics of driving, types of automobile insurance
3 and the use of automobile safety devices.

4 (c) Practical instruction.--Practical instruction in driver
5 education shall include the demonstration of an actual
6 instruction in starting, stopping, shifting, turning, backing,
7 parking and steering in a training vehicle which shall meet the
8 standards of the department.

9 (d) Information on fees.--Driver training schools licensed
10 under this chapter shall publish a schedule or prospectus of
11 fees or charges for behind-the-wheel lessons, classroom lessons,
12 refresher lessons and all other fees or charges made by the
13 school. A copy of a prospectus setting forth this information
14 shall be filed with the department.

15 § 1135. Notice of fees and charges.

16 Every school shall inform each student, prior to the time
17 instruction commences, of the character and amount of any and
18 all fees or charges made for enrollment or registration,
19 tuition, use of equipment, texts and reference materials,
20 supplies and any other service, equipment or materials provided
21 by the school.

22 § 1136. Financial and student records.

23 (a) Financial records.--Every school shall establish and
24 maintain complete, accurate and detailed financial records that
25 shall include data pertaining to assets, liabilities, sources
26 and amounts of income, and the character and amount of
27 expenditures. The records shall be kept current and available
28 for inspection during regular school hours by representatives of
29 the department.

30 (b) Student records.--Every school shall maintain adequate

1 records of individuals and each school shall maintain a
2 permanent cumulative record card for each student. The record
3 card shall indicate the number of clock hours of instruction
4 received by each student and shall contain information on
5 attendance, achievement test scores, personal characteristics,
6 health and other pertinent topics. The records shall be kept
7 current and available for inspection at all times during regular
8 school hours by representatives of the department.

9 § 1137. Qualifications and duties of agents.

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

12 (b) Qualifications of school represented.--An agent's
13 license shall not be granted to an agent of a school which is
14 located outside this Commonwealth unless the school maintains
15 educational standards and policies that are substantially
16 equivalent to those prescribed in this chapter for driver
17 training schools in this Commonwealth.

18 (c) Submission of information to department.--An agent
19 representing a school which is located outside this Commonwealth
20 shall submit to the department such information and data
21 pertaining to the school as the department may deem necessary
22 and require in order to validate any representation made in
23 behalf of the school by the agent. The department may require
24 the information and data to be certified by such educational
25 authorities of the other state as the department may designate.

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

29 § 1138. Ownership qualifications and changes.

30 (a) Qualifications of owners and employees.--Each individual

1 proprietor of a school, each member of a partnership,
2 association or company that owns a school and each officer and
3 director of a corporation that owns a school, who is directly
4 connected with the conduct and operation of the educational
5 program, shall be a person of good moral character and at least
6 18 years of age. Such persons and any school employee thereof
7 shall not be addicted to the use of alcoholic liquors, morphine,
8 cocaine or other drugs having a similar effect and shall not be
9 mentally incompetent.

10 (b) Limitation in license.--A license shall be granted to
11 the owner of a particular school for the specific ownership
12 constituency and the specific school situs designated in the
13 application for a license.

14 (c) Change in ownership or situs.--Any change in ownership
15 or in school situs must be approved by the department prior to
16 the date of the change. A change in ownership requires an
17 application for an original license, which application shall be
18 submitted to the department at least 30 days in advance of the
19 effective date of the change, and the school shall not be
20 conducted or operated under the new or different individual
21 proprietorship, partnership, association, company or corporation
22 until and unless an original license has been granted and issued
23 to the new or different ownership constituency.

24 PART II

25 BASIC EDUCATION

26 Subpart

- 27 A. Preliminary Provisions
- 28 B. School Entities
- 29 C. Fiscal Affairs and Taxation
- 30 D. School Programs

- 1 E. Students
- 2 F. Physical Plant and Construction
- 3 G. Personnel

4 SUBPART A

5 PRELIMINARY PROVISIONS

6 Chapter

7 21. General Provisions

8 CHAPTER 21

9 GENERAL PROVISIONS

10 Sec.

11 2101. Short title of part.

12 2102. Purposes of part.

13 2103. Definitions.

14 2104. Oath for directors and commissioned personnel.

15 2105. Compensation of governing board members.

16 2106. Conflict of interest and additional compensation.

17 2107. Funds collected by school organizations.

18 2108. Membership of governing boards in organizations.

19 § 2101. Short title of part.

20 This part shall be known and may be cited as the "Public
21 School Code."

22 § 2102. Purposes of part.

23 The general purposes of this part are:

24 (1) To provide for the maintenance and support of a
25 thorough and efficient system of public education to serve
26 the needs of this Commonwealth.

27 (2) To foster the intellectual, ethical, social,
28 aesthetic and physical growth and development of the citizens
29 of this Commonwealth.

30 (3) To provide a mechanism by which students may be

1 equipped with those analytical skills of reading, writing,
2 calculating and thinking which are needed to function
3 effectively, earn a living and become knowledgeable citizens
4 in our society.

5 (4) To broaden, expand and equalize the educational
6 opportunities available to citizens of every age, race,
7 religion, color, ancestry, national origin or sex and to
8 encourage them to take advantage of and complete a basic
9 educational program appropriate to their needs.

10 (5) To foster flexibility, accountability, effectiveness
11 and excellence throughout all the schools of this
12 Commonwealth.

13 (6) To encourage use of modern techniques of
14 administration and management.

15 (7) To broaden the discretionary powers of boards of
16 school directors to carry out their educational
17 responsibilities.

18 (8) To encourage the development of alternative
19 approaches to student learning.

20 (9) To promote community involvement and participation
21 by all segments of the public, including students, in the
22 educational life and affairs of the schools.

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

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

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

30 § 2103. Definitions.

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

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

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

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

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

17 § 2104. Oath for directors and commissioned personnel.

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

23 "I do solemnly swear (or affirm) that I will support,
24 obey and defend the Constitution of the United
25 States and the Constitution of this Commonwealth, and
26 that I will discharge the duties of my office with
27 fidelity."

28 (b) Board president authorized to administer oaths.--The
29 president of a governing board shall be qualified to administer
30 oaths.

1 § 2105. Compensation of governing board members.

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

5 § 2106. Conflict of interest and additional compensation.

6 (a) Governing board members.--Except as otherwise provided
7 in this section, no member of any governing board shall, during
8 the term for which he was elected or appointed, as a private
9 person, be employed in any capacity by the school entity,
10 receive pay for any services rendered to the school entity or
11 engage in any business transaction with the school entity with
12 which the member is associated.

13 (b) School entity officers and employees.--Except as
14 otherwise provided in this section, no officer, appointee or
15 employee shall be employed in any other capacity by the school
16 entity or engage in any outside activity or employment which
17 conflicts with or prevents the full and complete performance of
18 his school duties to be determined for professional employees in
19 accordance with sections 5134(c) (relating to ratings) and 5138
20 (relating to causes for dismissal, suspension or demotion).

21 (c) Approved services by commissioned personnel.--
22 Commissioned personnel may receive compensation for services in
23 a summer school maintained by a college or university devoted to
24 the education of teachers or for services rendered evenings or
25 Saturdays if released for such services by the governing board
26 of the school entity where the personnel are employed.

27 (d) Notification of interest and approval of transaction.--
28 Any school director, officer, appointee or employee who receives
29 compensation from an individual, firm, partnership, corporation
30 or other entity doing business with or rendering service to the

1 school entity in a capacity where he can be financially
2 benefited in any way, shall notify the governing board and shall
3 have the interest noted in the minutes. The governing board
4 shall not authorize or approve any transaction in which such
5 person has a substantial or material financial interest. The
6 governing board may authorize and approve a transaction in which
7 such person has a nonmaterial interest by an affirmative vote of
8 a majority of all legally qualified board members, with the
9 interested school director refraining from discussing and voting
10 upon the contract.

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

16 (f) Penalty.--Any person willfully violating the provisions
17 of this section shall be guilty of a misdemeanor of the third
18 degree.

19 § 2107. Funds collected by school organizations.

20 (a) General rule.--Subject to the rules and regulations of
21 the governing board, any school or class, or school
22 organization, club, society or group may raise and control funds
23 under its own name and management under the supervision of an
24 employee designated by the board. The funds shall not be the
25 funds of the school entity but shall remain the property of the
26 respective school or school organization and be kept in a
27 separate account for each particular group raising funds under
28 this title. The funds shall not be integrated with district
29 funds nor spent or consumed by the district and shall be
30 consumed only for the purposes for which the funds were raised.

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

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

(d) Receivership.--The governing board of the school entity may assume control over the funds in the event that obligations of the funds remain due and unpaid for more than 60 days.

§ 2108. Membership of governing boards in organizations.

The governing board of any school entity may become a member of the Pennsylvania School Boards Association, Inc. and any other organization or study group which will aid it in exercising the powers and duties imposed or conferred upon it by this title.

SUBPART B

SCHOOL ENTITIES

Chapter

23. Boards of School Directors

25. School Districts

27. Intermediate Units

CHAPTER 23

BOARDS OF SCHOOL DIRECTORS

Subchapter

A. General Provisions

B. Selection and Removal of Personnel

C. Selection of Directors

D. Organization of Board

1 E. Conduct of Business

2 SUBCHAPTER A

3 GENERAL PROVISIONS

4 Sec.

5 2301. Designation and powers of governing board.

6 2302. Policies, rules and regulations.

7 2303. Levy and collection of taxes.

8 2304. Joint action with other government agencies.

9 2305. Furnishing information to incoming directors.

10 § 2301. Designation and powers of governing board.

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

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

25 § 2302. Policies, rules and regulations.

26 (a) General rule.--Within the limitations set forth in
27 section 2301 (relating to designation and powers of governing
28 board), the educational and operational policies of each school
29 district shall be determined by the board of school directors
30 with the advice of the district superintendent. The board shall

1 prescribe rules and regulations necessary for the conduct and
2 operation of the public schools in the district.

3 (b) Scope of regulations.--Regulations of the board of
4 school directors may include, but need not be limited to:

5 (1) Regulations concerning the conduct of all school
6 administrators, teachers, other employees and appointees
7 during the time they are engaged in their duties to the
8 district.

9 (2) Regulations concerning the conduct of students while
10 attending school and during the time spent in coming to and
11 returning from school.

12 (3) Regulations concerning athletics, school
13 publications, forensic, dramatic, musical, and other
14 activities and organizations related to the school program.

15 § 2303. Levy and collection of taxes.

16 Except as otherwise provided by law, the board of school
17 directors, in each school district is hereby vested with all the
18 necessary authority and power annually to levy and collect, in
19 the manner provided by law, the necessary taxes required to
20 carry out its responsibilities under this title.

21 § 2304. Joint action with other government agencies.

22 In order to better or more efficiently fulfill any of the
23 duties imposed upon it by this title or to better carry out the
24 powers granted to it by this title, any board of school
25 directors may act jointly in any lawful manner with any other
26 school entity or with any other political subdivision or
27 Commonwealth agency.

28 § 2305. Furnishing information to incoming directors.

29 The board of school directors shall, through its proper
30 officers, furnish to the incoming members such information and

1 such detailed statements as may be necessary for them to carry
2 out their responsibilities under this title.

3 SUBCHAPTER B

4 SELECTION AND REMOVAL OF PERSONNEL

5 Sec.

6 2311. Appointments by the governing board.

7 2312. Employment of professional and other employees.

8 2313. Removal of officers, employees and appointees.

9 2314. Removal of directors for neglect of duty.

10 § 2311. Appointments by the governing board.

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

14 (1) A solicitor.

15 (2) An assistant solicitor or solicitors.

16 (3) A school auditor.

17 (4) A tax collector or collectors except as otherwise
18 provided for by law.

19 (5) Such other appointees, clerks or staff persons as
20 the board may deem necessary for the proper functioning of
21 the board.

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

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

27 (d) Bonds and insurance.--The board may require such bond
28 and insurance for any or all of the persons appointed under
29 subsection (a) as it shall deem necessary and appropriate in
30 accordance with sections 3182 (relating to bonding of officials

1 for performance of duties) and 3183 (relating to authorization
2 for insurance contracts).

3 § 2312. Employment of professional and other employees.

4 (a) General rule.--The board of school directors in each
5 district shall employ such qualified professional, commissioned
6 and auxiliary personnel and substitute employees as are
7 necessary to keep the public schools open and to effectively
8 discharge the responsibilities vested in the board under this
9 title.

10 (b) Recommendation by superintendent.--No person other than
11 the superintendent shall be employed under the authority of
12 subsection (a) unless the board of school directors has
13 requested from the superintendent one or more recommendations of
14 a person to fill the position. This subsection does not prevent
15 the governing board from hiring a person not recommended by the
16 superintendent.

17 § 2313. Removal of officers, employees and appointees.

18 (a) General rule.--Except as otherwise provided in this
19 title, the board of school directors in any school district
20 shall, after giving due notice and the reasons for removal and
21 after a hearing if requested, have the right at any time to
22 remove any of its officers, employees or appointees for
23 incompetency, intemperance, neglect of duty, violation of any of
24 the school laws of this Commonwealth or other improper conduct.

25 (b) Surrender of property following removal.--Upon the
26 removal by the board of any officer, employee or appointee, the
27 officer, employee or appointee shall surrender and deliver to
28 the secretary of the board or other person designated by the
29 board, any and all papers, property and effects of the school
30 district in his hands at the time of such removal.

1 § 2314. Removal of directors for neglect of duty.

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

6 (1) one-tenth of 1% of the registered voters, but in no
7 event less than ten resident taxpayers in the district may
8 present a petition in writing, verified by the oath or
9 affirmation of at least three of the resident taxpayers, to
10 the court of common pleas of the county in which the district
11 or the largest part in area is located, setting forth the
12 facts of the refusal or neglect of duty; or

13 (2) in the case of a distressed school district, as
14 defined in section 711 (relating to financially distressed
15 district defined), the special board of control may present a
16 petition in writing, verified by the oath or affirmation of
17 the Secretary of Education, to the court of common pleas of
18 the county in which the district or the largest part in area
19 is located, setting forth the facts of the refusal or neglect
20 of duty.

21 (b) Rule to show cause.--Upon receiving the petition, the
22 court shall grant a rule to show cause why the school director
23 or directors should not be removed from office, returnable in
24 not less than ten nor more than 20 days from the date of the
25 issuance of the rule. The school director or directors shall
26 have at least five days notice of the hearing to make the rule
27 final.

28 (c) Answer to rule and hearing.--On or before the return day
29 of the rule, the school director or directors, as the case may
30 be, either individually or jointly, shall file an answer in

1 writing under oath. If any material fact is denied, the court
2 shall hear the several parties on such matters as are contained
3 in the petition.

4 (d) Decision of court.--If no answer to the petition is
5 filed or if, upon conclusion of the hearing, the court is of the
6 opinion that any duty imposed on the board of school directors
7 which is made mandatory upon them under this title has not been
8 performed or has been neglected, the court shall have the power
9 to remove any member of the board as it shall deem proper and
10 appoint other qualified persons to replace removed directors,
11 subject to the provisions of this title.

12 (e) Imposition of costs of proceedings.--The court shall
13 impose the costs of the proceedings upon the petitioners, the
14 school directors or the school district, or may apportion the
15 costs among them as it shall deem just and proper.

16 SUBCHAPTER C

17 SELECTION OF DIRECTORS

18 Sec.

19 2341. Method of appointment or election.

20 2342. Combined districts.

21 2343. School districts divided into electoral regions.

22 2344. Number and terms of directors.

23 2345. Ineligibility for office for malfeasance and nonfeasance.

24 2346. Qualifications for office.

25 2347. Vacancies in office.

26 2348. Vacancy where director fails to qualify or attend
27 meetings.

28 § 2341. Method of appointment or election.

29 (a) Districts of the first class.--Appointment of school
30 board members in districts of the first class shall conform to

1 the provisions of the Home Rule Charter adopted under the former
2 provisions of the act of August 9, 1963 (P.L.643, No.341), known
3 as the "First Class City Public Education Home Rule Act," or
4 Subchapter C of Chapter 25 (relating to first class city home
5 rule districts), except that where an educational nominating
6 panel is used, it shall be subject to the provisions of section
7 105 (relating to public agency open meeting laws).

8 (b) Districts of the first class A.--~~Appointment~~ ELECTION OF <—
9 SCHOOL BOARD MEMBERS IN DISTRICTS OF THE FIRST CLASS A SHALL BE
10 BY POPULAR VOTE AS PROVIDED IN SECTION 2344(B) (RELATING TO
11 NUMBER AND TERMS OF DIRECTORS) EXCEPT THAT MEMBERS SHALL
12 CONTINUE TO BE APPOINTED UNTIL THE FIRST ELECTED BOARD TAKES
13 OFFICE AS PROVIDED IN SECTION 2344(B)(4) AS FOLLOWS: APPOINTMENT
14 of school board members in districts of the first class A shall
15 be made by the court of common pleas of the county in which the
16 district is situated and shall be in conformity with the
17 provisions of section 2344(a) ~~(relating to number and terms of~~ <—
18 ~~directors)~~. When making such appointments, the courts are
19 agencies taking formal action and shall act in accordance with
20 the act of July 19, 1974 (P.L.486, No.175), referred to as the
21 Public Agency Open Meeting Law.

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

27 § 2342. Combined districts.

28 (a) Selection of directors.--When two or more districts are
29 combined into one district the directors then in office in each
30 component district shall, until the end of their respective

1 terms, be directors of the newly formed district. Vacancies
2 occurring in such incumbent positions shall not be filled except
3 where the membership falls below nine. At the first municipal
4 election following the date of establishment of the new district
5 two school directors shall be elected for terms of four years
6 and one for a term of two years. At the second municipal
7 election following establishment of the new district and every
8 four years thereafter, four directors shall be elected for terms
9 of four years. At the third municipal election following
10 establishment of the new district and every four years
11 thereafter, five directors shall be elected for terms of four
12 years. Such school directors shall be elected at large or by
13 regions as provided in this subchapter. The term of office of
14 directors shall begin at the organizational meeting following
15 their election.

16 (b) Development of electoral region plan.--The school
17 directors of the component districts of the new district before
18 the date of establishment or the board of school directors after
19 the establishment may develop a plan to divide the new school
20 district into three or nine regions as provided in section 2343
21 (relating to school districts divided into electoral regions).

22 (c) Interim planning committee.--The incumbent school
23 directors may serve as the planning committee or may select from
24 their membership a planning committee to prepare the budget and
25 perform the necessary administrative functions for the
26 establishment of the new district.

27 § 2343. School districts divided into electoral regions.

28 (A) ELECTORAL DISTRICTS IN DISTRICTS OF THE FIRST CLASS A.-- <—

29 (1) IN EACH SCHOOL DISTRICT OF THE FIRST CLASS A, A

30 SCHOOL DIRECTOR DISTRICT APPORTIONMENT COMMISSION SHALL BE

1 CONSTITUTED FOR THE PURPOSE OF ESTABLISHING AN ODD NUMBER NOT
2 LESS THAN SEVEN NOR MORE THAN 15 SCHOOL DIRECTOR DISTRICTS
3 WITHIN THE FIRST CLASS A SCHOOL DISTRICT BY ASSIGNING EACH
4 ELECTION DISTRICT WITHIN THE SCHOOL DISTRICT INTO ONE OF THE
5 SCHOOL DIRECTOR DISTRICTS. THE COMMISSION SHALL SELECT THAT
6 ODD NUMBER OF DISTRICTS FROM SEVEN TO 15 WHICH WILL BEST
7 PROVIDE FOR RACIAL BALANCE AND PROPORTIONAL REPRESENTATION OF
8 ALL SEGMENTS OF THE POPULATION AT THE TIME OF THE
9 APPORTIONMENT. THE SCHOOL DIRECTOR DISTRICTS SHALL BE
10 COMPACT, CONTIGUOUS AND AS NEARLY EQUAL IN POPULATION AS
11 PRACTICABLE.

12 (2) THE COMMISSION SHALL CONSIST OF SIX MEMBERS, TWO TO
13 BE APPOINTED BY THE MAYOR OF THE MOST POPULOUS MUNICIPALITY
14 IN THE SCHOOL DISTRICT, THREE BY THE CITY COUNCIL OF SUCH
15 MUNICIPALITY AND ONE BY THE MAYOR OF ANY OTHER MUNICIPALITY
16 IN THE SCHOOL DISTRICT WITH THE APPROVAL OF THE LEGISLATIVE
17 BODY THEREOF. THE COMMISSION SHALL ELECT ONE OF ITS MEMBERS
18 CHAIRMAN AND SHALL ACT BY A MAJORITY OF ITS ENTIRE
19 MEMBERSHIP. IF ANY OF THE APPOINTING AUTHORITIES FAILS TO
20 MAKE ANY OR ALL OF THE APPOINTMENTS WITHIN 15 DAYS AFTER THE
21 EFFECTIVE DATE OF THIS TITLE, THE APPOINTMENT OR APPOINTMENTS
22 SHALL BE MADE BY THE COURT OF COMMON PLEAS.

23 (3) NO LATER THAN 45 DAYS AFTER THE COMMISSION HAS BEEN
24 DULY CERTIFIED, THE COMMISSION SHALL FILE AN APPORTIONMENT
25 PLAN WITH THE COUNTY BOARD OF ELECTIONS TO BE SUBMITTED TO
26 THE VOTERS OF THE DISTRICT AT THE NEXT PRIMARY ELECTION
27 OCCURRING NOT LESS THAN 91 DAYS AFTER THE PLAN IS FILED WITH
28 THE COUNTY BOARD AND AT WHICH PRIMARY ELECTION THE CANDIDATES
29 FOR MEMBERS OF THE SCHOOL BOARD SHALL BE NOMINATED.

30 (4) EACH YEAR FOLLOWING THE YEAR IN WHICH THE FEDERAL

1 CENSUS DATA IS OFFICIALLY REPORTED, A SCHOOL DIRECTOR
2 DISTRICT REAPPORTIONMENT COMMISSION SHALL BE CONSTITUTED IN
3 LIKE MANNER AND WITH LIKE COMPOSITION AS THE INITIAL SCHOOL
4 DIRECTOR DISTRICT APPORTIONMENT COMMISSION IN THIS SECTION
5 SET FORTH. THE COMMISSION SHALL FILE ITS PLAN NO LATER THAN
6 45 DAYS AFTER EITHER THE COMMISSION HAS BEEN DULY CERTIFIED
7 OR THE POPULATION DATA FOR THE FIRST CLASS A SCHOOL DISTRICT
8 AS DETERMINED BY THE FEDERAL DECENNIAL CENSUS ARE AVAILABLE,
9 WHICHEVER IS LATER.

10 (5) THE SCHOOL DISTRICT SHALL APPROPRIATE SUFFICIENT
11 FUNDS FOR THE COMPENSATION AND EXPENSES OF MEMBERS AND STAFF
12 APPOINTED BY THE APPORTIONMENT AND REAPPORTIONMENT
13 COMMISSIONS AND OTHER NECESSARY EXPENSES. THE MEMBERS OF THE
14 COMMISSIONS SHALL BE ENTITLED TO SUCH COMPENSATION FOR THEIR
15 SERVICES AS THE SCHOOL DISTRICT FROM TIME TO TIME SHALL
16 DETERMINE BUT NO PART OF THE COMPENSATION SHALL BE PAID UNTIL
17 A PLAN IS FILED.

18 (6) IF AN APPORTIONMENT OR REAPPORTIONMENT PLAN IS NOT
19 FILED BY THE COMMISSION WITHIN THE TIME PRESCRIBED BY THIS
20 SECTION, THE COURT OF COMMON PLEAS OF THE COUNTY IN WHICH THE
21 DISTRICT IS LOCATED SHALL IMMEDIATELY PROCEED ON ITS OWN
22 MOTION TO APPORTION OR REAPPORTION THE SCHOOL DIRECTOR
23 DISTRICTS.

24 (7) ANY APPORTIONMENT OR REAPPORTIONMENT PLAN, FILED BY
25 ANY COMMISSION OR PREPARED BY THE COURT OF COMMON PLEAS OF
26 THE COUNTY IN WHICH THE DISTRICT IS LOCATED UPON THE FAILURE
27 OF THE COMMISSION TO ACT, SHALL BE PUBLISHED BY THE COUNTY
28 BOARD OF ELECTIONS ONCE IN AT LEAST ONE NEWSPAPER OF GENERAL
29 CIRCULATION IN THE MOST POPULOUS MUNICIPALITY OF THE SCHOOL
30 DISTRICT, WHICH PUBLICATION SHALL CONTAIN A MAP OF THE SCHOOL

DISTRICT SHOWING THE COMPLETE APPORTIONMENT OR
REAPPORTIONMENT OF THE SCHOOL DIRECTOR DISTRICTS. THE
PUBLICATION SHALL ALSO STATE THE POPULATION OF THE SCHOOL
DIRECTOR DISTRICTS HAVING THE SMALLEST AND LARGEST POPULATION
AND THE PERCENTAGE VARIATION OF SUCH DISTRICTS FROM THE
AVERAGE POPULATION FOR SUCH DISTRICTS.

(8) THE COUNTY BOARD OF ELECTIONS SHALL PLACE UPON THE
BALLOT TO BE SUBMITTED TO THE VOTERS OF EACH FIRST CLASS A
SCHOOL DISTRICT UNDER THE ACT OF JUNE 3, 1937 (P.L.1333,
NO.320), KNOWN AS THE "PENNSYLVANIA ELECTION CODE," THE
FOLLOWING QUESTION:

SHALL THE APPORTIONMENT PLAN SUBMITTED BY
THE SCHOOL DIRECTOR DISTRICT APPORTIONMENT YES
COMMISSION FOR THE ELECTION OF MEMBERS OF
THE BOARD OF PUBLIC EDUCATION OF THE SCHOOL NO
DISTRICT OF BE APPROVED?

IN THE EVENT THE VOTERS REJECT THE APPORTIONMENT PLAN, THE
NOMINATION OF SCHOOL DIRECTORS UNDER THIS SECTION SHALL BE
VOID AND THE PRESENT BOARD SHALL CONTINUE. BUT A SECOND
REFERENDUM, UPON THE PETITION OF 15% OF THE REGISTERED VOTERS
OF THE SCHOOL DISTRICT, MAY BE HELD AFTER TWO YEARS FROM THE
DATE OF THE FIRST ELECTION.

(B) OPTIONAL ELECTORAL DISTRICT PLANS.--The optional plan to
divide a district into three or nine regions described in
section 2342 (relating to combined districts) shall be as
follows:

(1) The boundaries of the regions shall be fixed and
established in such manner that the population of each region
shall be as nearly equal as possible and shall be compatible
with the boundaries of election districts. Each region shall

1 be composed of contiguous territory. The plan for the
2 division of the school district shall be submitted for
3 approval to the court of common pleas. If approved by the
4 court, the prothonotary shall certify the regional boundaries
5 contained in the plan to the county board of elections. In
6 the event of any division, redivision, alteration, change or
7 consolidation of election districts which alters regional
8 boundaries of election districts, a new plan shall be
9 developed and submitted for court approval in like manner.
10 Any proposed change in an approved plan, including abolition
11 of regional representation, shall be submitted for approval
12 to the court of common pleas by the board of school
13 directors. Reapportionment of the regions shall take place
14 after the decennial census if necessary.

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

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

30 § 2344. Number and terms of directors.

1 (a) Districts of the first class.--In school districts of
2 the first class the number of directors on the Board of Public
3 Education and their terms of office shall be determined under
4 the provisions of the Home Rule Charter adopted under the former
5 provisions of the act of August 9, 1963 (P.L.643, No.341), known
6 as the "First Class City Public Education Home Rule Act," or
7 Subchapter C of Chapter 25 (relating to first class city home
8 rule districts).

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

19 (B) DISTRICTS OF THE FIRST CLASS A.-- <—

20 (1) IN EACH SCHOOL DISTRICT OF THE FIRST CLASS A, THE
21 SCHOOL BOARD SHALL BE KNOWN AS THE "BOARD OF PUBLIC
22 EDUCATION" AND SHALL CONSIST OF AN ODD NUMBER OF MEMBERS NOT
23 LESS THAN SEVEN NOR MORE THAN 15 SCHOOL DIRECTORS, TO BE
24 ELECTED BY THE QUALIFIED VOTERS OF THE SCHOOL DISTRICT BY
25 SPECIFIED DISTRICTS.

26 (2) THERE SHALL BE A CORRESPONDING ODD NUMBER NOT LESS
27 THAN SEVEN NOR MORE THAN 15 SEPARATE DISTRICTS FOR EACH OF
28 WHICH ONLY ONE CANDIDATE SHALL BE ELECTED. EACH CANDIDATE
29 SHALL BE NOMINATED ONLY FOR THE SPECIFIED DISTRICT IN WHICH
30 HE RESIDES AND EACH ELECTED MEMBER SHALL REPRESENT ONLY A

1 SPECIFIED DISTRICT IN WHICH HE RESIDES, SUCH DISTRICTS TO BE
2 CONSTITUTED AS SET FORTH IN SECTION 2343(A) (RELATING TO
3 SCHOOL DISTRICTS DIVIDED INTO ELECTORAL REGIONS).

4 (3) ALL ELECTED MEMBERS SHALL SERVE FOR A TERM OF FOUR
5 YEARS EXCEPT THAT THE THREE, FOUR, FIVE, SIX OR SEVEN MEMBERS
6 ELECTED AT THE INITIAL ELECTION IN EVEN-NUMBERED SCHOOL
7 DIRECTOR DISTRICTS SHALL SERVE FOR TWO YEARS. IN THE EVENT
8 THE FIRST ELECTION OCCURS IN AN EVEN-NUMBERED YEAR, THE TERMS
9 OF THE INITIAL MEMBERS SHALL BE INCREASED BY ONE YEAR SO THAT
10 FUTURE ELECTIONS CAN BE HELD IN ODD-NUMBERED YEARS.

11 (4) THE TERMS OF EXISTING APPOINTED BOARD MEMBERS SHALL
12 TERMINATE ON THE FIRST MONDAY OF DECEMBER IN 1976 OR IN ANY
13 SUBSEQUENT YEAR IN WHICH THE INITIAL ELECTED MEMBERS ARE
14 ELECTED AT WHICH TIME THE TERMS OF ALL MEMBERS TO BE ELECTED
15 AS SHALL BE DEEMED TO BEGIN. THEREAFTER THE TERMS OF ALL
16 ELECTED MEMBERS SHALL EXPIRE ON THE FIRST MONDAY OF DECEMBER
17 IN THE YEAR IN WHICH THE LENGTH OF TERM TO WHICH SUCH MEMBERS
18 SHALL HAVE BEEN ELECTED HAS BEEN SERVED.

19 (5) UNTIL THE INITIAL MEMBERS ARE ELECTED, THE BOARD
20 SHALL CONSIST OF 15 SCHOOL DIRECTORS WHOSE TERMS OF OFFICE
21 SHALL BE SIX YEARS. THE TERMS OF FIVE OF THE MEMBERS SHALL
22 EXPIRE ON THE SECOND MONDAY OF NOVEMBER OF EACH ODD-NUMBERED
23 YEAR. THE COURT OF COMMON PLEAS OF THE COUNTY IN WHICH THE
24 SCHOOL DISTRICT IS SITUATED SHALL, IN OCTOBER OF EVERY ODD-
25 NUMBERED YEAR, APPOINT FIVE MEMBERS FOR TERMS OF SIX YEARS.
26 THEIR TERMS OF OFFICE SHALL BEGIN ON THE SECOND MONDAY OF
27 NOVEMBER NEXT FOLLOWING THEIR APPOINTMENT.

28 (c) Districts of the second class.--In each school district
29 of the second class, there shall be a board of nine school
30 directors who, except as otherwise provided in this title, shall

1 be elected at large for terms of four years. At the municipal
2 election in 1977, two school directors shall be elected for
3 terms of four years and one for a term of two years. At the
4 municipal election in 1979 and every four years thereafter, four
5 directors shall be elected for terms of four years. At the
6 municipal election in 1981 and every four years thereafter, five
7 directors shall be elected for terms of four years. Such school
8 directors shall be elected at large or by regions as provided in
9 this subchapter. In every nine region district, and in every
10 three region district except those in which all the directors
11 whose terms expire in 1977 represent a single region, the board
12 of school directors shall, prior to the first day in which
13 petitions for the 1977 primary election may be circulated,
14 determine by drawing lots which region shall elect a school
15 director for a term of two years.

16 § 2345. Ineligibility for office for malfeasance and
17 nonfeasance.

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

23 (b) Nonfeasance.--Any person removed from the office of
24 school director for neglect of duty under section 2314 (relating
25 to removal of directors for neglect of duty) shall not be
26 eligible again as a school director for the period of eight
27 years from the date of removal.

28 § 2346. Qualifications for office.

29 (a) General rule.--Any qualified elector of the school
30 district shall be eligible to the office of school director of

1 the school district if he has been a resident of the district
2 for at least one year prior to his election or appointment
3 except that any person holding any office or position of profit
4 under the government of any city of the first class, or any
5 elective office in any other political subdivision, shall not be
6 eligible to the office of school director.

7 (b) Eligibility of school employee.--A person employed in a
8 school district may serve as a school director in another school
9 district except that any person employed by a school entity or
10 community college shall not be eligible to serve as a school
11 director in a component district of the entity or a sponsoring
12 district of the community college.

13 § 2347. Vacancies in office.

14 (a) Districts of the first class.--In case any vacancy
15 occurs in any board of school directors of the first class by
16 reason of death, resignation, removal from the district or
17 otherwise, it shall be filled in accordance with provisions of
18 the home rule charter adopted under the former provisions of the
19 act of August 9, 1963 (P.L.643, No.341), known as the "First
20 Class City Public Education Home Rule Act," or Subchapter C of
21 Chapter 25 (relating to first class city home rule districts).

22 (b) Districts of the first class A.--In school districts of
23 the first class A THE MAYOR OF THE MOST POPULOUS MUNICIPALITY <—
24 CONTAINED IN THE SCHOOL DISTRICT SHALL FILL ANY VACANCY FROM THE
25 SAME SCHOOL DIRECTOR DISTRICT IN WHICH THE VACANCY OCCURRED
26 UNTIL THE FIRST MONDAY IN DECEMBER FOLLOWING THE NEXT MUNICIPAL
27 PRIMARY OCCURRING 120 DAYS AFTER THE VACANCY OCCURRED. UNTIL THE
28 FIRST ELECTED BOARD TAKES OFFICE, the vacancy shall be filled
29 for the unexpired term by the court of common pleas of the
30 county in which the school district is situated.

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

(1) The remaining members of the board of school directors shall fill the vacancy within 30 days of its occurrence. The person selected to fill the vacancy shall hold his office, if the term thereof so long continues, until the organizational meeting after the first municipal election occurring more than 60 days after the appointment. At the municipal election an eligible person shall be elected for the remainder of the unexpired term. If, by reason of a tie vote or otherwise, the vacancy shall not have been filled by the board of school directors within 30 days after the vacancy occurred, the court of common pleas of the proper county, upon the petition of ten or more resident taxpayers, shall fill such vacancy by the appointment of a suitable person, if the term of the vacant office so long continues, until the organizational meeting after the first municipal election occurring more than 60 days after the appointment. At the municipal election an eligible person shall be elected for the remainder of the unexpired term.

(2) If at any time vacancies exist or occur in the membership of a majority of the members of a board of school directors of a second class district, the court of common pleas of the county in which such district or the largest part in area thereof is located shall, after ten days from the time the vacancies exist or occur, appoint qualified persons who shall serve, if the terms thereof continue so long, until the organizational meeting after the first municipal election occurring more than 60 days after their appointment at which election a board of school directors for

1 such district shall be elected for the remainder of the
2 respective unexpired terms.

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

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

19 § 2348. Vacancy where director fails to qualify or attend
20 meetings.

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

27 (b) Failure to attend meetings.--If any person having
28 qualified as a school director of a district and any qualified
29 school director who is a member of an intermediate unit board or
30 area vocational-technical school board shall neglect or refuse

1 to attend three successive regular meetings of the governing
2 board in question, unless prevented by sickness, necessary
3 absence from district or other pressing responsibilities, or if
4 in attendance at any meetings shall neglect or refuse to act in
5 his official capacity as a school director of the governing
6 board in question, the remaining members of the board in
7 question, by a majority vote, may declare his office as director
8 on that board vacant.

9 SUBCHAPTER D

10 ORGANIZATION OF BOARD

11 Sec.

12 2371. Officers required and authorized.

13 2372. President.

14 2373. Vice-president.

15 2374. Secretary.

16 2375. Assistant secretary.

17 2376. Business administrator.

18 2377. Treasurer.

19 2378. Corporation as treasurer.

20 2379. Assistant treasurer.

21 2380. President and secretary pro tempore.

22 2381. Organization meetings.

23 2382. First class city home rule districts.

24 § 2371. Officers required and authorized.

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

30 § 2372. President.

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

3 (1) Preside at all meetings.

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

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

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

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

14 § 2373. Vice-president.

15 (a) Duties.--The vice-president shall, in the absence or
16 disability of the president, perform the duties and exercise the
17 powers of the president.

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

20 § 2374. Secretary.

21 (a) Duties.--The secretary of the board of school directors
22 shall:

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

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

29 (3) Furnish, whenever requested, any and all reports
30 concerning the affairs of the board of school directors on

1 such forms, and in such manner, as the State board or the
2 department may require.

3 (4) Be the custodian of the official minutes of the
4 board and the official seal of the school district and at the
5 expiration of his term turn the same over to his successor.

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

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

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

18 § 2375. Assistant secretary.

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

23 § 2376. Business administrator.

24 (a) Duties.--The board of school directors shall designate a
25 school business administrator after the board has requested from
26 the superintendent one or more recommendations of a person to
27 fill the position. The business administrator shall:

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

1 (2) Prepare and sign an order on the treasurer for the
2 payment of bills on account legally approved by the board.
3 The business administrator may prepare and sign orders on the
4 treasurer for the payment of amounts owing under any
5 contracts which shall previously have been approved by the
6 board, and by the prompt payment of which the district will
7 receive a discount or other advantage, without first securing
8 the approval of the board.

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

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

15 § 2377. Treasurer.

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

17 (1) Receive and account for all Commonwealth
18 appropriations, district school taxes and other funds
19 belonging to the school district.

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

22 (3) Make payments on proper orders approved by the board
23 and signed by the president and the secretary.

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

26 (5) Report monthly to the board on the amount of funds
27 received and disbursed during the month.

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

30 (7) Perform such other duties as the board may direct or

may be required by law.

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

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

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

§ 2378. Corporation as treasurer.

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

§ 2379. Assistant treasurer.

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

§ 2380. President and secretary pro tempore.

In the absence of both the president and vice-president, or of the secretary and the assistant secretary, the board of school directors may elect a president pro tempore or secretary

1 pro tempore for such meeting only and the appointment of the
2 temporary officer shall be noted on the minutes of the meeting.

3 § 2381. Organization meetings.

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

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

16 (C) DISTRICTS OF THE FIRST CLASS A.--IN SCHOOL DISTRICTS OF <—
17 THE FIRST CLASS A, THE ANNUAL ORGANIZATION MEETING SHALL BE HELD
18 ANNUALLY ON THE FIRST MONDAY OF DECEMBER, AT WHICH MEETING THE
19 DIRECTORS SHALL ELECT A PRESIDENT, VICE-PRESIDENT AND SECRETARY
20 TO SERVE UNTIL THE FIRST MONDAY IN DECEMBER OF THE ENSUING
21 CALENDAR YEAR.

22 ~~(c)~~ (D) Districts of the second class.--In school districts <—
23 of the second class, the school directors shall effect an
24 organization as follows:

25 (1) Each year, at a regularly scheduled meeting in
26 December, the board shall elect a president and a vice-
27 president to serve until a regularly scheduled meeting in
28 December of the ensuing calendar year.

29 (2) Annually, during the month of May, the directors
30 shall elect a treasurer to serve for a term of one year

1 beginning July 1 following the election.

2 (3) Beginning in the year 1977 and every four years
3 thereafter during the month of May, the directors shall elect
4 a person to serve as secretary for a term of four years
5 beginning July 1 following the election.

6 ~~(d)~~ (E) Filling vacancies.--Vacancies occurring in the <—
7 offices of president, vice-president, secretary and treasurer
8 shall be filled for the unexpired term.

9 ~~(e)~~ (F) Holding two offices.--The same person shall not hold <—
10 at the same time more than one of the offices enumerated in this
11 section.

12 ~~(f)~~ (G) Employees as officers.--No employee of the board of <—
13 school directors, except the secretary, treasurer, assistant
14 secretary and assistant treasurer, shall serve as an officer of
15 the board of school directors by which he is employed.

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

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

1 § 2382. First class city home rule districts.

2 To the extent that the provisions of this subchapter are
3 inconsistent with a home rule charter adopted for school
4 district in cities of the first class in accordance with the
5 former provisions of the act of August 9, 1963 (P.L.643,
6 No.341), known as the "First Class City Public Education Home
7 Rule Act," or Subchapter C of Chapter 25 (relating to first
8 class city home rule districts) the home rule charter shall
9 govern.

10 SUBCHAPTER E

11 CONDUCT OF BUSINESS

12 Sec.

13 2391. Quorum and voting.

14 2392. Regular and special meetings.

15 § 2391. Quorum and voting.

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

18 (b) Voting.--An affirmative vote of a majority of all
19 legally qualified members of the board of school directors,
20 showing in the board minutes how each member voted, shall be
21 required to take action on all matters except as otherwise
22 provided in this title. No member of the board may abstain from
23 voting except as provided for in sections 2106 (relating to
24 conflict of interest and additional compensation) and 5104
25 (relating to personnel actions concerning relatives of school
26 directors).

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

30 § 2392. Regular and special meetings.

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

5 (b) Special meetings.--Special meetings of the board of
6 school directors may be called at any time by the president or
7 upon written request to the president by any three members of
8 the board. Should the president fail or refuse to act upon the
9 written request of three members, a special meeting may be
10 called at any time by a majority of the legally qualified
11 members of the board.

12 (c) Notice of meetings.--Members shall have reasonable
13 notice of all special meetings and the board may adopt
14 reasonable rules directing the kind and length of notice of the
15 meetings of the board that shall be given to its members by the
16 secretary.

17 (d) Matters considered at special meetings.--No business
18 shall be transacted at any special meeting except that specified
19 in the call letter. Special meetings may be called for general
20 purposes.

21 CHAPTER 25

22 SCHOOL DISTRICTS

23 Subchapter

24 A. General Provisions.

25 B. Boundary Changes and Annexation.

26 C. First Class City Home Rule Districts.

27 SUBCHAPTER A

28 GENERAL PROVISIONS

29 Sec.

30 2501. How constituted.

1 2502. Status and powers.

2 2503. Classification.

3 2504. Change of classification.

4 2505. Corporate seal.

5 § 2501. How constituted.

6 All school districts shall remain as now constituted until
7 changed as authorized by this title.

8 § 2502. Status and powers.

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

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

17 § 2503. Classification.

18 There shall be three classes of school districts according to
19 population as follows:

20 (1) Each school district having a population of
21 1,000,000 or more shall be a school district of the first
22 class.

23 (2) Each school district having a population of 400,000
24 or more but less than 1,000,000 shall be a school district of
25 the first class A.

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

28 § 2504. Change of classification.

29 (a) General rule.--Whenever it shall appear that the
30 population of any school district is such that it should be

1 included in another class of school district, the department,
2 upon receiving the appropriate population data as the department
3 shall require, shall make the necessary change of classification
4 and issue a certificate to the school district notifying it of
5 the change in class.

6 (b) Effective date of change.--A change in classification of
7 a school district shall take effect upon the beginning of the
8 next fiscal year after the certificate has been issued under
9 subsection (a).

10 § 2505. Corporate seal.

11 Each school district in this Commonwealth may, by a majority
12 vote of the members of the board of school directors of the
13 district, adopt a corporate seal for the use of the district.
14 The seal shall have engraved thereon the following: "School
15 District of , Pennsylvania," or " School
16 District of Pennsylvania," and such other inscription or design
17 as the board of school directors may direct.

18 SUBCHAPTER B

19 BOUNDARY CHANGES AND ANNEXATION

20 Sec.

21 2531. Voluntary combination of school districts.

22 2532. Adjustment of property and obligations of combined
23 districts.

24 2533. Change of boundaries following municipal annexation.

25 2534. Fiscal powers pending change of boundaries.

26 2535. Temporary special tax levies in partitioned districts.

27 2536. Annexation to first class or first class A districts.

28 2537. Establishment of transfer districts.

29 2538. Adjustment of property and obligations of annexed
30 districts.

1 2539. Effective date of changes in districts.

2 § 2531. Voluntary combination of school districts.

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

7 (b) Referendum.--No combination shall be approved by the
8 State board unless it has been approved by the electors of each
9 district by referendum. Referenda shall be held as provided by
10 law for the approval of incurring indebtedness by referendum.

11 § 2532. Adjustment of property and obligations of combined
12 districts.

13 (a) Property and indebtedness.--All real and personal
14 property, indebtedness and rental obligations to an approved
15 building authority or nonprofit corporation, if any, of former
16 school districts forming a new school district, shall become the
17 property, indebtedness and rental obligations of the newly
18 constituted school district. All rights of creditors against any
19 of the component former school districts shall be preserved
20 against the new school district. All property vested in the
21 component former school districts, all debts and taxes owing to
22 the component former school districts uncollected in the several
23 component former school districts, and all moneys in the
24 treasuries of the component former school districts shall be
25 paid to the treasurer of the newly constituted school district.

26 (b) Operating obligations.--All operating obligations of any
27 component former school district contracted for concurrent
28 operating expenses after June 30, 1966, shall continue to be an
29 obligation of the taxable property within the former component
30 school district. In levying and assessing taxes for the first

1 fiscal year of operation and for each subsequent fiscal year,
2 the board of school directors of the newly established school
3 districts shall levy and assess upon the taxable property within
4 the component former school district a tax in addition to all
5 other school district taxes in an amount sufficient to discharge
6 the obligation for operating expenses in a period of ten years.

7 § 2533. Change of boundaries following municipal annexation.

8 (a) Notice of annexation.--Whenever territory is annexed to
9 any municipality comprising in whole or in part an existing
10 school district of the second class, a certified copy of the
11 order of annexation, agreement, ordinance or vote of the
12 electors effecting such annexation shall be forwarded within ten
13 days to the Secretary of Education. The document or documents
14 shall be mailed to the secretary by the prothonotary of the
15 court granting the decree or by any other proper officer.

16 (b) Boundary change application and hearing.--The receipt of
17 the certified copy shall be deemed an application for the change
18 in the boundaries of an existing school district and the
19 Secretary of Education shall, within 60 days thereafter, notify
20 the school districts which will be affected that an application
21 has been received and that a time and place for hearing the
22 application will be determined upon receipt of request from any
23 district affected. If no such request is filed within 30 days,
24 the State board may certify approval of the application without
25 a hearing if the boundaries of the affected school district or
26 districts were coextensive with the boundaries of the affected
27 municipalities before the annexation took place. If the
28 boundaries were not coextensive, the State board may disapprove
29 the application without a hearing. At the hearing, if one is
30 requested, the proper officials of or the counsel for the

1 districts shall present to the State board or its designated
2 representatives the reasons for approval or disapproval of the
3 application, and the State board shall then determine whether
4 such change in the boundaries of an existing school district is
5 desirable and whether the welfare of the pupils within the
6 territory affected thereby will be promoted by the change in the
7 boundaries of such existing district.

8 (c) Approval of application.--If the State board approves
9 the application, it shall certify its findings and its approval
10 of the change in such existing district thereon and transmit a
11 certified copy of the approval to the clerk of the courts or
12 other proper officer from whom the application was received who
13 shall file the certification with the documents of the original
14 proceedings.

15 (d) Disapproval of application.--If, in the judgment of the
16 State board, the application should not be granted, it shall
17 endorse "Not Approved" on the application and transmit a
18 certified copy of the disapproval to the clerk of the courts or
19 other proper officer from whom the application was received, who
20 shall file the certification with the documents of the original
21 proceedings.

22 (e) Appeal from decision.--Appeals from the decision of the
23 State board shall be made in accordance with the act of June 4,
24 1945 (P.L.1388, No.442), known as the "Administrative Agency
25 Law."

26 § 2534. Fiscal powers pending change of boundaries.

27 While proceedings are pending in court for the changing of
28 any boundary lines of any school district of the second class,
29 the board of school directors in every school district to be
30 affected by the change of boundary lines shall be permitted to

1 levy and assess a school tax and incur debts for the purpose of
2 purchasing ground or constructing or enlarging a school building
3 in the same manner as though the proceedings were not pending in
4 court for the changing of any boundary lines.

5 § 2535. Temporary special tax levies in partitioned districts.

6 When it is shown to the appropriate court of common pleas
7 that, by reason of the partition of any school district and the
8 apportionment of the debts of the original district, the debts
9 of the school district exceed the amount which the board of
10 school directors may collect in any year by taxation, the court,
11 after ascertaining the amount of indebtedness of the school
12 district, may direct the board of school directors to collect by
13 special taxation an amount sufficient to pay the debts. If the
14 amount of indebtedness is so large as to render it inadvisable
15 to collect the taxes in any one year, taking into consideration
16 other necessary taxation, the court may direct the taxes to be
17 levied and collected by annual installments and may order the
18 special taxes to be levied and collected during such successive
19 years as may be required for the payment of the debts. The
20 special tax shall be subject to the same penalties for
21 nonpayment, and shall be computed and collected in the same
22 manner, as other taxes.

23 § 2536. Annexation to first class or first class A districts.

24 Whenever the territory comprising a school district of the
25 second class is annexed to a city comprising a school district
26 of the first class or of the first class A, the annexed school
27 district shall immediately become a part of the school district
28 of the first class or first class A.

29 § 2537. Establishment of transfer districts.

30 (a) Definitions.--As used in this section the following

1 words and phrases shall have the meanings given to them in this
2 subsection:

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

6 "Transfer district." An independent district created for the
7 sole purpose of transferring a contiguous territory from one
8 existing school district to an adjacent school district using
9 procedures provided in this section.

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

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

30 (d) Approval of petition.--If, in the judgment of the State

1 board, the petition should be approved, the State board shall
2 issue an order establishing a transfer district. In its order,
3 the State board shall determine, after consultation with all
4 parties, the amount, if any, of the indebtedness and obligations
5 of the school district from whose territory the transfer
6 district is taken that the transfer district shall assume and
7 pay. The State board shall prorate the Commonwealth subsidies
8 payable between or among the losing district or districts and
9 the receiving district and shall determine the disposal of all
10 real and personal property. A transfer district created under
11 the provisions of this section shall not become an operating
12 school district but is created for transfer of territory only.
13 If the petition is approved, the State board shall assign the
14 transfer district to the designated school district.

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

18 (f) Appeal from decision.--Appeals from the decision of the
19 State board shall be made in accordance with the act of June 4,
20 1945 (P.L.1388, No.442), known as the "Administrative Agency
21 Law."

22 § 2538. Adjustment of property and obligations of annexed
23 districts.

24 (a) Amicable adjustment.--In any case where land annexed to
25 one school district is made a part of the district in which it
26 is located, the school districts to which land has been annexed
27 or from which land has been taken shall make a just and proper
28 adjustment and apportionment of all school property, real and
29 personal, including funds, as well as indebtedness, and rental
30 obligations to an approved school building authority, if any, to

1 and among the school districts. The adjustment and apportionment
2 shall take effect at the beginning of the fiscal year following
3 approval by the State board of the change of boundaries for
4 school purposes.

5 (b) Adjustment by court upon petition.--In case the boards
6 of school directors of the several school districts cannot make
7 amicable apportionment and adjustment of their property,
8 indebtedness and rental obligations to an approved school
9 building authority, before or during the first fiscal year
10 beginning after any change in their boundary lines is made, any
11 one of the school districts may, at any time within the
12 succeeding fiscal year, present its petition to the court of
13 common pleas of the county in which the school district is
14 located. The court shall appoint a review board of three
15 disinterested resident taxpayers of the county, who shall not
16 reside in either of the districts whose boundary lines are
17 changed. The review board, after a hearing, shall make a report
18 to the court making an apportionment and adjustment according to
19 the provisions of this section. The report shall state the
20 amount, if any, that shall be due and payable from one district
21 to another, as well as the amount of indebtedness, including
22 rental obligations to an approved school building authority, if
23 any, that shall be assumed by any district. Due notice of the
24 hearing shall be given to the several districts interested as
25 the court may direct. The review board shall give the several
26 districts interested at least five days notice of the filing of
27 the report. Unless exceptions are filed to the report by any
28 district interested within 30 days after the date of filing, the
29 report shall be confirmed by the court absolutely. Any sum
30 awarded or debt apportioned by the report to any school district

1 shall be a legal and valid claim in its favor against the school
2 district charged therewith. Upon the report of the review board
3 being confirmed, the claims or indebtedness charged against any
4 school district may be collected in the same manner as a
5 judgment is collected against a school district. In case
6 exceptions are filed to the report of the review board, the
7 court shall dispose of the same, taking any testimony therein it
8 deems advisable. The decision of the court thereon shall be
9 final and binding on the several districts.

10 (c) Costs of proceedings.--The review board shall be paid
11 all necessary expenses and receive such fees as the court
12 determines. All costs and expenses of the proceeding shall be
13 apportioned by the court to and among the several school
14 districts as it shall deem proper.

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

26 (e) Jurisdiction of court.--In cases in which the districts
27 are situated in two or more counties, the court of common pleas
28 of the county in which the largest part in area of the land
29 annexed to or taken from any district is situated shall have
30 exclusive jurisdiction over the matter. If the review board is

1 to be appointed, the court may appoint the review board from any
2 one or more of the counties.

3 § 2539. Effective date of changes in districts.

4 If any new school district is created by combination of
5 existing districts or if the boundary lines of any school
6 district are changed, the change, so far as it related to school
7 districts or school affairs, shall take effect at the beginning
8 of the first fiscal year after the new district has been created
9 or the change in boundary lines is permanently effected.

10 SUBCHAPTER C

11 FIRST CLASS CITY HOME RULE DISTRICTS

12 Sec.

13 2551. Short title of subchapter.

14 2552. Definitions.

15 2553. Cities authorized to adopt home rule charters.

16 2554. Proceedings for appointment of charter commission.

17 2555. Examination and rejection of petitions.

18 2556. Objections in court to petitions.

19 2557. Appointment and organization of charter commission.

20 2558. Proposed charter provisions and ballot questions.

21 2559. Election on proposed charter provisions.

22 2560. Recording, filing and publication of charter provisions.

23 2561. Payment of expenses of proceedings.

24 2562. Status of approved charter provisions.

25 2563. Amendments to charter provisions.

26 2564. Limitations on frequency of proceedings.

27 2565. Powers and authority of city.

28 2566. Status and authority of home rule district.

29 2567. Penalties for violations of subchapter.

30 § 2551. Short title of subchapter.

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

3 § 2552. Definitions.

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

7 "Charter provisions." Either those sections which shall be
8 added to an existing home rule charter or those sections which
9 comprise a separate home rule charter for public education of a
10 city without a previously existing home rule charter.

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

12 "Commission." The commission authorized and appointed
13 pursuant to this subchapter.

14 "Home rule school district." A school district designated as
15 provided in this subchapter and brought into existence through
16 the exercise of powers contained in this subchapter.

17 "School district." Any school district or school districts
18 in existence within a city at the time the city exercises the
19 powers under this subchapter.

20 § 2553. Cities authorized to adopt home rule charters.

21 Any city of the first class may frame and adopt charter
22 provisions governing the administration of a separate and
23 independent home rule school district as provided in this
24 subchapter.

25 § 2554. Proceedings for appointment of charter commission.

26 (a) General rule.--The city council of any city of the first
27 class by a two-thirds vote of its elected members may, or upon
28 petition presented to the city council and filed in the form
29 prescribed by the city council signed by not less than 20,000
30 registered electors of the city shall, without undue delay,

1 provide, by ordinance, for the appointment of a commission to
2 frame charter provisions and for giving public notice of the
3 passage of the ordinance.

4 (b) Signatures on petition.--Each elector signing the
5 petition shall add to his signature his occupation and residence
6 and the date of signing. Signatures to the petition may be on
7 separate sheets but each sheet shall have appended to it the
8 affidavit of some person not necessarily a signer and not
9 necessarily the same person as on other sheets that to the best
10 of affiant's knowledge and belief, the signers are registered
11 electors of the city, that they signed with full knowledge of
12 the contents of the petition and that their residences are
13 correctly given.

14 (c) Filing and notice of ordinance.--The clerk of the city
15 council of the city shall file with the mayor of the city, the
16 secretary of the school district, the secretary of the board of
17 judges of the court or courts of common pleas located in the
18 city and the Secretary of the Commonwealth a copy of the
19 ordinance, certified by him, within the five days next following
20 its final passage, and shall also cause the public notice to be
21 given as provided in the ordinance.

22 § 2555. Examination and rejection of petitions.

23 (a) General rule.--When any petition is presented to the
24 city council of the city under the provisions of section 2554
25 (relating to proceedings for appointment of charter commission),
26 it shall be the duty of the clerk of the city council, with the
27 assistance and advice of the city solicitor or head of the
28 department of law of the city, to examine the petition. The
29 clerk of the city council shall be entitled to a reasonable time
30 in which to examine the petition and to summon and interrogate

1 the persons presenting the petition or any of the signers
2 thereof or any of the affiants to any of the appended or
3 accompanying affidavits and his retention of the petition for
4 the purpose of making the examination or interrogation shall not
5 be construed as the filing thereof.

6 (b) Rejection of petition.--Although not hereby required so
7 to do, the clerk of the city council may question the
8 genuineness of any signature or signatures appearing on the
9 petition and if he shall thereupon find that any signature or
10 signatures are not genuine, the signature or signatures shall be
11 disregarded by him in determining whether the petition contains
12 a sufficient number of signatures, as required by this
13 subchapter. The invalidity of any sheet of a petition shall not
14 affect the validity of the petition if a sufficient petition
15 remains after eliminating the invalid sheet. No petition shall
16 be permitted to be filed if it:

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

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

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

24 (c) Judicial review.--The action of the clerk of the city
25 council in rejecting and refusing to file any petition may be
26 reviewed by the court or courts of common pleas located in the
27 city, in an action of mandamus to compel its reception, as of
28 the tenth day next following the day it was presented to the
29 city council. Unless the complaint in mandamus shall be made and
30 filed in the court of common pleas within ten days after the

1 refusal of the clerk of city council to file the petition, the
2 court shall be without jurisdiction to entertain or consider any
3 action in mandamus or any other proceeding to compel the filing
4 of the petition.

5 § 2556. Objections in court to petitions.

6 (a) Filing and service.--Any petition presented to the city
7 council of the city under or pursuant to the provisions of
8 section 2554 (relating to proceedings for appointment of charter
9 commission), and if filed as provided in section 2555 (relating
10 to examination and rejection of petitions) shall be deemed to be
11 valid unless, within seven days after the filing of the
12 petition, a petition is presented to the court of common pleas
13 of the proper county by not less than 100 registered electors of
14 the city specifically setting forth the objections thereto and
15 praying that the petition be set aside. A copy of the petition
16 presented to the court of common pleas shall, within said
17 period, be served on the clerk of the city council of the city.

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

29 (c) Disposition of petition.--If the court shall find that
30 the petition is defective under the provisions of section 2555,

1 or does not contain a sufficient number of genuine signatures of
2 registered electors entitled to sign the petition under the
3 provisions of this subchapter, it shall be set aside. If the
4 objections relate to material errors or defects apparent on the
5 face of the petition or on the face of the accompanying or
6 appended affidavits, the court after hearing may, in its
7 discretion, permit amendments within such time and upon such
8 terms as to payment of costs as the said court may specify.

9 (d) Payment of costs of proceedings.--In case the petition
10 is dismissed, the court shall make such order as to the payment
11 of the costs of the proceeding, including witness fees, as it
12 shall deem just.

13 § 2557. Appointment and organization of charter commission.

14 (a) Appointment.--Within 30 days after the final passage of
15 the ordinance, the mayor of the city, the board of judges of the
16 court or courts of common pleas located in the city and the
17 Governor of the Commonwealth shall appoint a commission
18 consisting of nine registered electors of the city, three of
19 whom shall be appointed by the mayor, three by the board of
20 judges of the court or courts of common pleas located in the
21 city and three by the Governor of this Commonwealth.

22 (b) Vacancies.--Any vacancy in the membership of the
23 commission caused by death, resignation, removal from the city
24 or otherwise shall be filled by the remaining members of the
25 commission by appointing as a member of the commission a
26 registered elector of the city.

27 (c) Organization and meetings.--The mayor of the city shall
28 call the first meeting of the members of the commission so
29 appointed within 30 days after their appointment, to be held at
30 a time and place fixed by him in his call, and at the meeting

1 the commission shall organize by selecting from their number a
2 chairman and a secretary, adopt rules to govern its proceedings
3 and proceed to discharge the duties set forth in this
4 subchapter. All meetings of the commission shall be open to the
5 public subject to the provisions of the act of July 19, 1974
6 (P.L.486, No.175), referred to as the Public Agency Open Meeting
7 Law. All actions of the commission shall be by a majority vote
8 of all members.

9 § 2558. Proposed charter provisions and ballot questions.

10 (a) Filing and printing.--The charter provisions proposed by
11 the commission for submission to the qualified electors of the
12 city for their approval or disapproval shall be filed with the
13 city council which shall thereupon cause the proposal or
14 proposals, together with the form of the question or questions,
15 to be printed in pamphlet form in sufficient number for general
16 distribution.

17 (b) Distribution and publication.--The pamphlets shall be
18 made ready for distribution at least 28 days before the election
19 at which the proposals are to be voted upon the electors and the
20 proposals, together with the ballot questions, shall also be
21 published once a week for three weeks in at least two newspapers
22 of general circulation in the weeks immediately preceding the
23 election at which the vote is to be taken upon the proposals.

24 (c) Framing ballot questions.--Each ballot question shall be
25 framed in brief form of not more than 75 words by the
26 commission. The commission may require that the proposed charter
27 provisions be submitted in two or more parts, and may also
28 submit alternative charter provisions to supersede designated
29 portions of the proposed charter provisions, if adopted. In such
30 case, the commission shall prescribe the form of questions in

1 such a manner as will clearly indicate the effect of the
2 approval of such questions.

3 (d) Certification to board of elections.--The clerk of the
4 city council shall, within five days after the filing of the
5 charter provisions proposed by the commission, certify an exact
6 copy of the text of the charter provisions, together with the
7 necessary ballot questions, to the board of elections in the
8 county wherein the city is situate. The board of elections shall
9 cause the ballot questions to be properly printed on the ballots
10 or ballot labels.

11 § 2559. Election on proposed charter provisions.

12 (a) Time of election.--The proposed charter provisions shall
13 be submitted to the electors for approval or disapproval by the
14 use of the ballot questions at a special election occurring more
15 than 45 days after the proposed charter provisions are filed
16 with the city council of the city. The special election shall be
17 held on the day fixed and designated by the commission, which
18 day may be the day for holding any primary or regular November
19 election.

20 (b) Notice of election.--At least 30 days' notice of each
21 election shall be given by proclamation of the mayor of the
22 city. A copy of the proclamation shall be posted at each polling
23 place of the city on the day of the election and shall be
24 published in at least two newspapers of general circulation in
25 the city once a week for three consecutive weeks during the
26 period of 30 days prior to the election, which publications may
27 be included in the publication required to be made under the
28 provisions of section 2558 (relating to proposed charter
29 provisions and ballot questions).

30 (c) Conduct of elections and returns.--All elections shall

1 be conducted by the election officers for the city in accordance
2 with the act of June 3, 1937 (P.L.1333, No.320), known as the
3 "Pennsylvania Election Code." The election officers shall count
4 the votes cast and make return thereof to the board of
5 elections. The result of the election shall be computed by the
6 board of elections in the same manner as is provided by law for
7 computation of similar returns at any election. Certificates of
8 the result of the election shall be filed by the board of
9 elections with the city council of the city, with the secretary
10 of the board of public education of the school district and with
11 the Secretary of the Commonwealth.

12 § 2560. Recording, filing and publication of charter
13 provisions.

14 The clerk of the city council of the city shall forthwith
15 cause the charter provisions, as approved by the qualified
16 electors, to be recorded in the ordinance book of the city. He
17 shall also file certified copies thereof in the office of the
18 Secretary of the Commonwealth, the secretary of the board of
19 public education of the school district and the Director of the
20 Legislative Reference Bureau, and the text thereof shall be
21 published in the Pennsylvania Code.

22 § 2561. Payment of expenses of proceedings.

23 The expenses of the charter commission and the cost of
24 publishing, distributing and advertising the proposal or
25 proposals of the commission or of the city council of the city
26 or of electors and the proclamations as required by section 2559
27 (relating to election on proposed charter provisions), and all
28 other expenses of the commission and of the city council
29 incurred in connection with any proceedings under this
30 subchapter, when not otherwise provided for by law, may be paid

1 from the city treasury as the city council of the city may
2 provide.

3 § 2562. Status of approved charter provisions.

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

9 (b) Existing laws.--So far as the charter provisions are
10 consistent with the grant of powers and the limitations,
11 restrictions and regulations prescribed in this subchapter, they
12 shall supersede all statutes, or parts of statutes, local,
13 special or general, affecting the organization, government and
14 powers of the school district to the extent that they are
15 inconsistent or in conflict therewith. All existing statutes, or
16 parts of statutes, ordinances and resolutions affecting the
17 organization, government and powers of the school district, not
18 inconsistent or in conflict with the charter provisions so
19 adopted, shall remain in full force.

20 (c) Existing contracts.--No contract existing at the time of
21 the adoption of the charter provisions pursuant to this
22 subchapter shall be affected thereby, but the contract shall
23 have the same force and effect and be of the same validity as if
24 the charter provisions had not been adopted.

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

30 (e) Constitutional limitation.--Charter provisions adopted

1 or amended in accordance with this subchapter shall not be
2 inconsistent with the Constitution of the United States or of
3 this Commonwealth.

4 § 2563. Amendments to charter provisions.

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

9 § 2564. Limitations on frequency of proceedings.

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

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

28 § 2565. Powers and authority of city.

29 (a) General rule.--Any city of the first class taking
30 advantage of this subchapter and framing and adopting provisions

1 hereunder shall have, and may exercise, the following enumerated
2 powers:

3 (1) The power to establish and create a separate and
4 independent home rule school district, to be named: "The
5 School District of (name of the city of the
6 first class)....."

7 (2) The power to provide for a board of education of the
8 home rule school district which shall be charged with the
9 administration, management and operation of the home rule
10 school district.

11 (3) The power to:

12 (i) Set the term, number and qualifications of board
13 of education members.

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

16 (iii) Either to provide for a method of appointment
17 in case the power shall include the designation of the
18 appointing authority or to provide for a method of
19 election.

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

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

27 (2) A grant of authority to the city council of the city
28 of the first class to enact legislation regulating public
29 education or the administration thereof, except in respect to
30 the setting of maximum tax rates for school purposes as shall

1 be authorized by the General Assembly from time to time.

2 (3) A grant of authority to frame charter provisions
3 which contravene any statute applicable in every part of this
4 Commonwealth or applicable to all school districts of this
5 Commonwealth.

6 § 2566. Status and authority of home rule district.

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

10 (1) Succeed directly the school district for all
11 purposes including, but not limited to, the receipt of all
12 grants, gifts, appropriations, subsidies or other payments;
13 the school district to continue its operation until the
14 effective date of the charter provisions establishing the
15 home rule school district.

16 (2) Assume all assets, property, real and personal,
17 tangible and intangible, all easements and all evidences of
18 ownership, in part or in whole, and all records and other
19 evidences pertaining thereto.

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

23 (b) Bylaws, resolutions and regulations.--Any board of
24 education established pursuant to this subchapter may enact
25 bylaws, resolutions, rules and regulations necessary and proper
26 to carry into execution the powers under subsection (a) and all
27 other powers vested in the board of education under this title.

28 (c) Intergovernmental agreements.--The board of education
29 established pursuant to this subchapter may enter into
30 agreements including, but not limited to, joint tax collection,

1 joint purchasing of supplies, equipment and contractual
2 services, use of recreational and park equipment and facilities,
3 control and prevention of juvenile delinquency, city planning,
4 capital budgeting, capital programming and comprehensive
5 development planning, with any municipal or former county
6 department, agency, office, board or commission or any agency of
7 the Commonwealth or the United States Government, when, in the
8 opinion of the board of education or its authorized agents, the
9 agreement will further the efficient and effective
10 administration of public education.

11 § 2567. Penalties for violations of subchapter.

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

14 (1) knowingly signs any petition provided for in this
15 subchapter without having the qualifications prescribed by
16 this subchapter or sets opposite a signature on the petition
17 a date other than the actual date the signature was affixed
18 thereto or sets opposite the signature on the petition a
19 false statement of the signer's place of residence or
20 occupation;

21 (2) knowingly makes a false statement in any affidavit
22 required by the provisions of this subchapter to be appended
23 to or to accompany a petition provided for in this subchapter
24 or fraudulently signs any name not his own to any petition or
25 affidavit or fraudulently alters any petition without the
26 consent of the signers;

27 (3) makes any wilful false statement under oath or
28 affirmation or in writing stating that it is so made although
29 the oath or affirmation may not have actually been made by
30 any persons regarding any material matter or thing relating

1 to any subject being investigated, heard, determined or acted
2 upon by the clerk of the city council or any other officers
3 of the city or by any court or judge thereof, in accordance
4 with the terms of this subchapter;

5 (4) wilfully defaces or destroys any petition provided
6 for in this subchapter or any part thereof or presents or
7 files or causes to be presented or filed any petition knowing
8 the same or any part thereof to be falsely made or suppresses
9 any petition or any part thereof which has been duly
10 presented or filed;

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

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

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

24 CHAPTER 27

25 INTERMEDIATE UNITS

26 Subchapter

27 A. General Provisions

28 B. Intermediate Unit Board and Staff

29 SUBCHAPTER A

30 GENERAL PROVISIONS

1 Sec.

2 2701. Status, purpose and component districts.

3 2702. Transfer of district to another unit.

4 2703. Merger of units.

5 § 2701. Status, purpose and component districts.

6 (a) Status and purpose.--Intermediate units are service
7 units designed to provide to component school districts
8 educational program services as adopted by the intermediate unit
9 board of directors or as determined by law.

10 (b) Assignment of districts to unit.--Each school district
11 of this Commonwealth shall continue to be assigned to the
12 intermediate unit to which it was assigned as of the effective
13 date of this title. A list of intermediate units and their
14 component school districts shall be maintained by the
15 department.

16 § 2702. Transfer of district to another unit.

17 Any school district may apply for transfer from one
18 intermediate unit to another intermediate unit with which its
19 boundaries are contiguous by submitting a written request for
20 such transfer to the State board with reasons for requesting the
21 transfer. If the State board approves the transfer, it shall be
22 effective the following July 1. In no event shall a transfer be
23 made unless:

24 (1) the boards of directors of two-thirds of the
25 component school districts within each intermediate unit vote
26 in favor of approving the said transfer; and

27 (2) the intermediate unit boards of directors involved
28 approve the transfer.

29 § 2703. Merger of units.

30 (a) Request for merger.--Two or more contiguous intermediate

1 units may submit a written request for merger to the State board
2 if:

3 (1) the boards of directors of all component school
4 districts involved approve the merger; and
5 (2) the intermediate unit boards of directors involved
6 approve the merger.

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

9 SUBCHAPTER B

10 INTERMEDIATE UNIT BOARD AND STAFF

11 Sec.

12 2711. Election and term of board members.

13 2712. Vacancies on board.

14 2713. Removal of directors and employees.

15 2714. Annual and special conventions.

16 2715. Election and compensation of officers.

17 2716. Staff of intermediate unit.

18 2717. Election of executive director and assistants.

19 2718. Powers and duties of board.

20 2719. Program services provided by board.

21 2720. Powers and duties of executive director.

22 2721. Intermediate unit advisory council.

23 2722. Budget.

24 2723. School district contributions to intermediate units.

25 § 2711. Election and term of board members.

26 (a) Election by districts.--The school directors of all
27 component school districts shall, at the annual convention,
28 elect intermediate unit board members as provided in this
29 section.

30 (b) Composition of board.--Each intermediate unit board

1 shall be composed of at least 13 members chosen from among the
2 members of the boards of school directors of the component
3 districts. Unless there are fewer than 13 school districts in
4 the intermediate unit, no more than one director from any school
5 district shall be elected to the intermediate unit board. Where
6 there are fewer than 13 component school districts, at least one
7 school director from each school district shall be elected to
8 the intermediate unit board. Where there are 13 or more
9 districts in an intermediate unit, each district, as far as
10 practicable, ~~shall~~ MAY have one member on the intermediate unit <—
11 board up to a maximum of 20 members IF THE INTERMEDIATE BOARD SO <—
12 DECIDES BY A MAJORITY VOTE OF THE LEGALLY CONSTITUTED COMPONENT
13 DISTRICTS AT THE ANNUAL CONVENTION.

14 (c) Terms of office.--At the initial election, the terms of
15 four directors shall be set to expire on June 30, 1972; four
16 directors on June 30, 1973; and five directors on June 30, 1974.
17 Thereafter, terms shall be for three years on the same staggered
18 basis. Terms of office shall begin on July 1.

19 (d) Election voting procedure.--The election of intermediate
20 unit directors shall be by proportionate ballot. The election
21 shall be determined on the basis of a majority of the
22 proportionate vote cast by the school board members present and
23 voting. Each school director of each component school district
24 shall be entitled to at least one vote and shall be entitled to
25 cast votes to be determined as follows:

26 (1) The weighted average daily membership of the school
27 district of the director shall be divided by the total
28 weighted average daily membership within the intermediate
29 unit.

30 (2) The quotient obtained under paragraph (1) shall be

multiplied by 1,000.

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

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

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

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

§ 2712. Vacancies on board.

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

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

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

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

(c) Vacancy of entire board.--In the event vacancies exist or occur in the membership of all of the members of an intermediate unit board of directors, a special convention

1 called by the department shall be held of the school directors
2 of all school districts comprising the intermediate unit for the
3 purpose of electing directors to fill the vacancies.

4 § 2713. Removal of directors and employees.

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

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

13 § 2714. Annual and special conventions.

14 (a) Annual convention.--The executive director of each
15 intermediate unit shall call a convention of the school
16 directors of the component districts to be held annually, no
17 later than May 1, for the purpose of:

18 (1) Electing members to the intermediate unit board in
19 accordance with section 2711 (relating to election and term
20 of board members).

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

22 (3) Considering and discussing matters pertaining to the
23 improvement of education in the public schools within the
24 intermediate unit.

25 (4) Conducting such other business as may properly come
26 before the convention.

27 Except as otherwise specified, action shall be taken by a
28 majority of those school directors present and voting.

29 (b) Special convention called by unit board.--The
30 intermediate unit board may call into special convention the

1 school directors of all school districts within an intermediate
2 unit at any time for the consideration of business which may
3 properly come before a special convention.

4 (c) Special convention requested by school boards.--The
5 majority of the member school boards within the intermediate
6 unit may petition the intermediate unit board to call a special
7 convention for a stated purpose relating to proper business of
8 the intermediate unit in which case the intermediate unit
9 executive director shall call into special convention the school
10 directors of all school districts within the unit for
11 consideration of the stated purpose. Notice to each district
12 director shall be given at least five days prior to the special
13 convention.

14 § 2715. Election and compensation of officers.

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

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

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

25 (d) Unit comprised of single district.--In the case of an
26 intermediate unit comprised of a single district, the
27 intermediate unit board at the regular school board election of
28 officers may designate, by a majority vote, the school board
29 officers of the intermediate unit or may elect separate officers
30 for intermediate unit operation in accordance with subsections

1 (a), (b) and (c).

2 (e) Compensation.--The secretary and treasurer shall be
3 compensated as the intermediate unit board shall deem
4 appropriate.

5 (f) Duties, removal and bond.--The provisions of Chapters 23
6 (relating to boards of school directors) and 31 (relating to
7 local finance) applicable to duties of board officers, removal
8 and bond shall apply to the intermediate unit board officers.
9 § 2716. Staff of intermediate unit.

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

14 (b) Employee rights.--All professional and other employees
15 of an intermediate unit shall have the same rights and
16 privileges as provided to similar employees of school districts
17 by this title.

18 (c) ~~Program~~ QUALIFICATIONS OF specialists.--~~Only~~ <—
19 ~~intermediate units may employ program~~ PROGRAM specialists ~~who~~ <—
20 shall satisfy minimum qualifications adopted by the State board.

21 (d) Membership in retirement system.--All eligible employees
22 of an intermediate unit shall, in accordance with the act of
23 June 1, 1959 (P.L.350, No.77), known as the "Public School
24 Employes' Retirement Code of 1959," be members of the Public
25 School Employes' Retirement System of this Commonwealth and
26 employees who are members of the State Employes' Retirement
27 System of this Commonwealth prior to employment by the
28 intermediate unit may elect to remain members of such retirement
29 system.

30 (e) Unit comprised of single district.--Where an

1 intermediate unit is comprised of a single school district, the
2 district superintendent shall serve as executive director of the
3 intermediate unit. The salaries of the executive director and
4 the assistants of the executive director shall be charged to the
5 intermediate unit budget only to the extent that they are
6 engaged in providing approved intermediate unit services as
7 determined by the executive director.

8 § 2717. Election of executive director and assistants.

9 (a) Election and compensation.--The intermediate unit board
10 by a majority vote of all members thereof shall elect and fix
11 the salary of a properly certificated executive director, and
12 upon the recommendation of the executive director may elect and
13 fix the salary of such properly certificated assistant executive
14 directors as it deems necessary.

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

21 § 2718. Powers and duties of board.

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

23 (1) Employ professional staff but only after the
24 intermediate unit board has requested from the executive
25 director one or more recommendations of a person to fill the
26 position.

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

29 (3) Provide for the proper education and training for
30 all exceptional children who are not enrolled in classes or

1 schools maintained and operated by school districts and who
2 are not otherwise provided for. When the intermediate unit
3 has contracted to provide transportation to exceptional
4 students and the exceptional student is so physically
5 incapacitated or mentally retarded as to be unable to use
6 free transportation as provided by the usual school bus, the
7 intermediate unit may, with the approval of the department,
8 purchase transportation equipment.

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

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

17 (6) Provide and conduct programs of services as
18 authorized by the State board and approved by the
19 intermediate unit board.

20 (7) Approve and advertise the intermediate unit budget
21 as provided for in sections 2722 (relating to budget) and
22 3112 (relating to public notice of proposed budget).

23 (8) Perform such other duties as may be required by
24 regulation of the State board to effectuate the purposes of
25 this chapter.

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

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

28 (2) Receive Federal, State, school district and other
29 moneys and expend the same to conduct the programs of
30 service.

1 (3) Contract for specialized services.

2 (4) Lease land and buildings in accordance with the
3 provisions of Chapter 49 (relating to physical plant and
4 construction) except that no contract to lease facilities for
5 intermediate unit administrative offices from one or more
6 constituent school districts shall be entered into without
7 the approval of the boards of school directors of all the
8 constituent districts.

9 (5) Lease equipment including motor vehicles.

10 § 2719. Program services provided by board.

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

14 (1) Curriculum development and instructional improvement
15 services.

16 (2) Educational planning services.

17 (3) Instructional materials services.

18 (4) Continuing professional education services.

19 (5) Pupil personnel services.

20 (6) State and Federal agency liaison services.

21 (7) Management services.

22 (8) Any other services approved by a majority of boards
23 of school directors comprising the intermediate unit.

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

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

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

1 centers.

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

4 § 2720. Powers and duties of executive director.

5 The executive director of an intermediate unit shall:

6 (1) Administer the intermediate unit program of
7 services.

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

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

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

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

20 (6) Provide the department with information and reports.

21 (7) Serve as the chief school administrator of an area
22 vocational-technical school if the intermediate unit board is
23 designated as the operating agent for the school or if the
24 executive director is appointed as chief school administrator
25 by the area vocational-technical board.

26 (8) Call the school directors of the component school
27 districts into an annual convention and into special
28 conventions as provided in this chapter.

29 (9) Call a convention of boards of directors of all
30 schools comprising the intermediate unit to discuss the

1 formulation of an area vocational-technical school.

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

4 (11) Perform such other duties as may be required by the
5 intermediate unit board and the regulations of the State
6 board.

7 § 2721. Intermediate unit advisory council.

8 (a) Composition and purpose.--Each intermediate unit shall
9 have an intermediate unit advisory council composed of all chief
10 school administrators within the intermediate unit. The purpose
11 of the intermediate unit advisory council shall be to serve in
12 an advisory capacity to the executive director of the
13 intermediate unit.

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

16 § 2722. Budget.

17 (a) Preparation.--The executive director of each
18 intermediate unit shall prepare a proposed general operating
19 budget for the intermediate unit board.

20 (b) Approval and advertising.--The intermediate unit board
21 shall:

22 (1) Approve a proposed budget.

23 (2) Advertise the availability of the budget for
24 inspection in accordance with section 3112 (relating to
25 public notice of proposed budget).

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

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

30 (1) a majority of the school districts comprising the

intermediate unit; and

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

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

§ 2723. School district contributions to intermediate units.

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

(1) Determine a per pupil deficiency figure by dividing the amount by which the budget exceeds the allocation by the weighted average daily membership, as defined in section 2921 (relating to definitions), of all the school districts within the intermediate unit.

(2) Determine the share of each school district by multiplying the per pupil deficiency figure computed in paragraph (1) by the weighted average daily membership of the particular school district.

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

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

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

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

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

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

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

SUBPART C

FISCAL AFFAIRS AND TAXATION

Chapter

29. Reimbursement

31. Local Finance

33. Accounting and Auditing

35. Taxation

CHAPTER 29

REIMBURSEMENT

Subchapter

A. General Provisions

B. Basic Instruction

1 C. Building Construction
2 D. Driver Education
3 E. Exceptional Students
4 F. Health Services
5 G. Homebound Instruction
6 H. Intermediate Units
7 I. Migrant Children
8 J. Poverty Children
9 K. Transportation
10 L. Tuition
11 M. Vocational Education
12 N. State School Fund

13 SUBCHAPTER A
14 GENERAL PROVISIONS

15 Sec.

16 2901. Statements for reimbursement.
17 2902. Determining amount of payments.
18 2903. Deduction from Commonwealth appropriations.
19 2904. Withholding payments for delinquent debt.
20 2905. Penalties for unauthorized employees.
21 2906. Payments for schools closed during emergencies.
22 2907. Verification of amounts to school entities.
23 2908. Verification of amounts to State Treasurer.
24 2909. Guaranteed payments and limitations.
25 2910. Time of payments.
26 2911. Method and use of payments.

27 § 2901. Statements for reimbursement.

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

30 (b) Filing.--Each school entity shall file statements with

1 the department. The department shall prescribe the content, form
2 and time of filing of the statements.

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

7 (d) Corrections.--If any error in any statement shall occur
8 whereby a school entity would receive more or less Commonwealth
9 money than is justly due, the chief executive officer of the
10 school entity shall forward immediately to the department a
11 corrected statement and the department shall make the corrected
12 statement the basis for the appropriation.

13 § 2902. Determining amount of payments.

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

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

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

20 (2) The definitions of section 2921 (relating to
21 definitions).

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

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

26 Subchapter B (relating to basic instruction).

27 Subchapter C (relating to building construction).

28 Subchapter E (relating to exceptional students).

29 Subchapter G (relating to homebound instruction).

30 Subchapter H (relating to intermediate units).

1 Subchapter K (relating to transportation).

2 § 2903. Deduction from Commonwealth appropriations.

3 (a) General rule.--The department may deduct from
4 Commonwealth appropriations to school entities the amounts due
5 and payable to the Commonwealth, political subdivisions and
6 other school entities. The exact amount deducted shall be
7 credited or paid to the appropriate government agency and the
8 school entity involved shall be properly notified.

9 (b) Extension class tuition.--If any school district in
10 which a pupil resides, who is entitled by law to attend an
11 elementary school or a high school for an extension class for
12 which extension class tuition has been approved by the sending
13 district for attendance in another district, neglects or refuses
14 to pay the tuition or any other charge, the department may
15 deduct from any moneys due the sending district out of any
16 Commonwealth appropriation the amount due from the sending
17 district to the district where the pupil attends and pay the
18 amount to the district entitled thereto.

19 § 2904. Withholding payments for delinquent debt.

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

25 § 2905. Penalties for unauthorized employees.

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

1 subjects which they teach, shall forfeit the sum of \$300 for
2 each teacher so employed or for each position so filled.

3 (b) Uncertificated professionals.--Any school entity which
4 has in its employ any person required by law to be certificated
5 in a teaching, specialist, supervisory or administrative
6 capacity for more than four consecutive months of any school
7 year who has not been certificated for the position by the
8 department shall forfeit an amount equal to the actual salary
9 being paid the employee for that school year.

10 (c) Substitutes employed in vacancies.--Any school entity
11 which has in its employ a substitute in a position where a
12 vacancy exists for a full year or more without the specific
13 written approval of the department shall forfeit an amount equal
14 to the actual salary being paid the employee for that school
15 year.

16 (d) Payment of penalty.--The department shall deduct the
17 forfeitures from the amount of the Commonwealth appropriation
18 otherwise due the school entity.

19 § 2906. Payments for schools closed during emergencies.

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

28 § 2907. Verification of amounts to school entities.

29 The department shall transmit to each school entity a
30 verification of the amount payable to the school entity.

1 § 2908. Verification of amounts to State Treasurer.

2 The department shall verify the amount payable to each school
3 entity to the State Treasurer who shall place the amounts to the
4 credit of the respective school entities.

5 § 2909. Guaranteed payments and limitations.

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

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

12 (2) the amount as determined in accordance with section
13 2922(a) and (b) (relating to amount of payments) for the
14 immediately preceding year.

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

22 § 2910. Time of payments.

23 The amount apportioned and allotted to each school district
24 shall be divided into three payments and the department shall
25 draw a requisition three times annually upon the State Treasurer
26 in favor of each school district for the amount to which it is
27 entitled. The first two payments shall be estimates based on but
28 not to exceed 30% of the total amount apportioned and allocated
29 to the school district during the previous fiscal year for the
30 same purposes. The final payment shall be the balance of the

1 apportionment due for the applicable fiscal year. Payment shall
2 be made to all school districts on October 1, February 1 and
3 June 1, except that any school district whose fiscal year and
4 calendar year are identical on the effective date of this
5 section shall continue to receive payments as now provided by
6 law. This section shall apply to payments to which a school
7 district is entitled under provisions of sections 2909(a)
8 (relating to guaranteed payments and limitations), 2922
9 (relating to amount of payments) and 2957 (relating to payments
10 for poverty children).

11 § 2911. Method and use of payments.

12 The annual Commonwealth appropriation apportioned and
13 distributed by the department to each school entity shall be
14 paid to the treasurer of the school entity. The appropriations
15 shall be used by each school entity through its governing board
16 for the purposes authorized by this title.

17 SUBCHAPTER B

18 BASIC INSTRUCTION

19 Sec.

20 2921. Definitions.

21 2922. Amount of payments.

22 § 2921. Definitions.

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

26 "Actual instruction expense per weighted average daily
27 membership." For each fiscal year, the department shall
28 calculate for each school district the actual instruction
29 expense per weighted average daily membership for each district
30 student. The actual instruction expense shall include all

1 general fund expenses of the school district except those for
2 health services, transportation, debt service, capital outlay,
3 homebound instruction and outgoing transfers to community
4 colleges. From this cost shall be deducted the amount received
5 from the Commonwealth for driver education, special class
6 operation, vocational education, area vocational-technical
7 schools, payment of tuition by district patrons, parents, other
8 school districts and the State and Federal Government and all
9 moneys received from the State and Federal Government under the
10 Federal Elementary and Secondary Education Act (Public Law 89-
11 10), Federal Economic Opportunity Act (Public Law 88-452) and
12 Federal Comprehensive Employment and Training Act of 1973
13 (Public Law 93-203) and for projects under section 3904
14 (relating to intensive classes for unemployed or underemployed
15 persons). The actual instruction expense so determined, when
16 divided by the weighted average daily membership for the
17 district, shall be the actual instruction expense per weighted
18 average daily membership.

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

22 (1) Divide the market value per weighted average daily
23 membership of the school district by the market value per
24 weighted average daily membership of this Commonwealth.

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

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

29 ~~AID RATIO = 1.0000 — DISTRICT MV/WADM~~

30 ~~_____ X .50~~

1 for the fiscal year 1969-1970 and each fiscal year thereafter
2 \$250, in excess of \$400, an amount to be determined by
3 multiplying the excess expenditures by the aid ratio or by
4 0.375, whichever is greater, and by the number of weighted
5 students, which amount shall be in addition to any other
6 payments for the students.

7 "District students." Students of a school district enrolled
8 in the public schools of this Commonwealth and of adjacent
9 states who are residents of a given school district.

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

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

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

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

1 other payment for the students. Any school district assigned
2 sparsity factor for any fiscal year prior to 1969-1970 or for
3 any subsequent fiscal year and any reorganized or merged school
4 district comprised of one or more component school districts any
5 of which had been assigned sparsity factor for any fiscal year
6 prior to 1969-1970 or any subsequent fiscal year which for any
7 fiscal year thereafter is determined by the department to have a
8 population of 50 per square mile or more shall, for the fiscal
9 year 1970-1971 and each fiscal year thereafter, qualify for a
10 modified sparsity payment which shall be the ratio of its
11 population per square mile to 50 subtracted from 2.00 and
12 multiplied by the amount to which it would have been entitled
13 had its population per square mile been less than 50.

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

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

28 "Weighted average daily membership" or "WADM." The average
29 daily membership for all resident students in the various levels
30 of instruction shall be multiplied by the weight for that level

1 as indicated in the definition of "weighted student" to obtain
2 the weighted average daily membership. The sum of the products
3 so obtained shall be the weighted average daily membership for
4 the district.

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

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

10 (2) Elementary, 1.00.

11 (3) Secondary, 1.36.

12 § 2922. Amount of payments.

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

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

23 (c) Density and sparsity payments.--For the fiscal year
24 1971-1972 and each fiscal year thereafter, each school district
25 so entitled shall be paid, in addition to any other subsidy to
26 which it is entitled, an amount for density or sparsity of
27 population. Except as otherwise provided, this amount shall be
28 paid on account of expenditures in excess of \$400 per weighted
29 average daily membership, not to exceed \$250 an amount to be
30 determined by multiplying the excess expenditures by the aid

1 ratio or by 0.375, whichever is greater, and by the number of
2 weighted average daily membership. The payment for density
3 factor for those qualifying school districts with a WADM in
4 excess of 50,000 shall be the actual cost of instruction per
5 WADM multiplied by 19% and by the WADM of the district.

6 SUBCHAPTER C

7 BUILDING CONSTRUCTION

8 Sec.

9 2931. Site costs.

10 2932. Building costs.

11 2933. Approval of leases and sinking fund charges.

12 2934. Payments on pre-1957 leases and contracts.

13 2935. Payments on other leases and contracts.

14 2936. Approved reimbursement.

15 2937. Change in rentals.

16 2938. Districts eligible under density factor.

17 2939. Method of payments on rentals.

18 2940. Payments on rentals of facilities for school use.

19 § 2931. Site costs.

20 Whenever any school district acquires a site for a school
21 building in advance of its need and in accordance with a long-
22 range development plan for school building construction approved
23 by the State board to the extent that the cost of the
24 acquisition shall be deemed reasonable by the department, the
25 Commonwealth shall pay, in the year of acquisition, 100% of the
26 reimbursement due the district under applicable statutes in
27 force at that time for the cost of acquisition. If the site is
28 not thereafter used by the district for school building purposes
29 within a period of ten years from date of purchase, the amounts
30 paid under this section shall be returned to the Commonwealth by

1 the district within two years of the end of the ten-year period
2 of non-use. If the amounts are not returned within the two-year
3 period, Commonwealth moneys due and payable to the district by
4 the department as a subsidy or reimbursement for any purpose
5 shall first be withheld in the amount of the moneys owed the
6 Commonwealth by the district under this section and credited as
7 returned in full hereunder before any part of the Commonwealth
8 reimbursement or subsidy is paid to the district.

9 § 2932. Building costs.

10 (a) Preliminary payments.--The Commonwealth shall pay to any
11 school district making a preliminary payment on account of the
12 approved building construction cost, as authorized by this
13 title, an amount determined by multiplying the district capital
14 account reimbursement fraction computed for the year 1967 or aid
15 ratio, whichever is greater, by the amount of the payment made
16 by the school district.

17 (b) Full payments.--Whenever any school district provides
18 the full payment on account of approved building construction
19 cost without incurring debt or without assuming a lease, the
20 Commonwealth shall pay to the school district an amount
21 determined by multiplying the district capital account
22 reimbursement fraction computed for the year 1967 or aid ratio,
23 whichever is greater, by the amount of the payment made by the
24 school district.

25 (c) Fiscal year of payment.--The payment required by this
26 section shall be made for the fiscal year in which the school
27 district made its payment on account of the approved building
28 construction cost.

29 § 2933. Approval of leases and sinking fund charges.

30 (a) General rule.--No payment shall be made to any school

1 district on account of any lease entered into with the State
2 Public School Building Authority or any municipal authority or
3 any profit or nonprofit corporation, partnership, association,
4 or person, or on account of sinking fund charges on indebtedness
5 for school buildings, unless the lease or sinking fund charge is
6 approved by the department in accordance with Chapter 49
7 (relating to physical plant and construction).

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

21 (c) Inspection prior to approval.--The department shall not
22 approve any project for which Commonwealth reimbursement is
23 sought unless an inspection has been made by the department of
24 the location and adequacy of existing school facilities and the
25 determination made that existing facilities are inadequate in
26 terms of prevailing educational standards.

27 § 2934. Payments on pre-1957 leases and contracts.

28 (a) Pre-1953 leases or contracts.--The Commonwealth shall
29 pay annually to each school district erecting or sharing in the
30 erection of a building or buildings or providing educational

1 equipment under the provisions of the act of July 5, 1947
2 (P.L.1217, No.498), known as the "State Public School Building
3 Authority Act," for every lease or contract entered into or
4 approved by the department prior to August 26, 1953, and to each
5 school district which shall have entered into a lease approved
6 by the department prior to August 26, 1953, with a municipality
7 authority or with a nonprofit corporation for the rental of a
8 school building or buildings or providing educational equipment,
9 an amount to be determined by multiplying the school district's
10 capital account reimbursement fraction computed for the year
11 1967 or aid ratio, whichever is greater, by the annual rental
12 charge as fixed by the State Public School Building Authority or
13 by the annual rental or share thereof provided for under its
14 lease with the municipality authority or nonprofit corporation,
15 as the case may be.

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

1 Building Authority or municipality authority or nonprofit
2 corporation, as the case may be, sufficient during the period of
3 the lease to pay the cost of acquiring or constructing the
4 school buildings, the cost of acquiring the land upon which the
5 school buildings are situated and the interest on the cost.

6 § 2935. Payments on other leases and contracts.

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

22 (b) Vocational-technical buildings.--The Commonwealth shall
23 pay annually to each school district which constructs, purchases
24 or leases with the approval of the department an area
25 vocational-technical school building or which shares in the
26 construction, purchase or lease of the building or buildings
27 under the provisions of the act of July 5, 1947 (P.L.1217,
28 No.498), known as the "State Public School Building Authority
29 Act," or the act of May 2, 1945 (P.L.382, No.164), known as the
30 "Municipality Authorities Act of 1945," or other agency, or

1 through the incurring of indebtedness by the issuance of general
2 obligation bonds, an amount to be determined by multiplying the
3 district aid ratio or 50%, whichever is greater, by the approved
4 reimbursable rental or approved reimbursable sinking fund charge
5 multiplied by the district proportionate share of the rental
6 sinking fund charge.

7 § 2936. Approved reimbursement.

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

29 (1) the cost of acquiring the land upon which the school
30 buildings are situated, the cost of necessary rough grading

1 to permit proper placement of the building upon the land and
2 the cost of sewage treatment plants, as required by the
3 Department of Environmental Resources, to the extent that the
4 costs are deemed reasonable by the Department of Education,
5 and the interest on the costs of acquisition, grading and
6 sewage treatment plants earned subsequent to the date the
7 construction contract is awarded; and

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

10 (b) New building construction cost.--For new school
11 buildings the approved buildings construction cost shall be the
12 lesser of:

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

17 (2) (i) for school buildings for which the general
18 construction contract is awarded prior to July 1, 1966,
19 and for approved school building projects for which a
20 lease was approved by the department prior to July 1,
21 1966, the product of the rated student capacity as
22 determined by the department at the time the project is
23 approved; and

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

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

26 (C) an amount in the case of combined

27 elementary-secondary schools obtained by multiplying

28 the rated elementary student capacity by \$1,100 and

29 the rated secondary student capacity by \$1,700 and

30 dividing the sum by the total rated student capacity;

1 or

2 (ii) for school buildings for which the general
3 construction contract is awarded subsequent to July 1,
4 1966 and for approved school buildings projects for which
5 the general construction contract was awarded but for
6 which a lease was not approved by the department prior to
7 July 1, 1966, the product of the rated student capacity
8 as determined by the department at the time the project
9 is approved; and

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

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

12 (C) an amount in the case of combined

13 elementary-secondary schools obtained by multiplying
14 the rated elementary student capacity by \$2,300 and
15 the rated secondary student capacity by \$3,000 and
16 dividing the sum by the total rated student capacity.

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

20 (1) the cost of constructing the additions or
21 alterations including the cost of essential fixtures and
22 equipment but excluding architect fees in excess of 6% of the
23 contract price; or

24 (2) (i) for all school building projects for which the
25 general construction contract is awarded prior to July 1,
26 1966, and for approved school building projects for which
27 a lease was approved by the department prior to July 1,
28 1966, the difference obtained by subtracting the
29 appraisal value of the existing buildings from the
30 product of rated student capacity of the altered or

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

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

4 (B) \$1,700 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 of the altered

8 or expanded building by \$1,100 and the rated

9 secondary student capacity of the altered or expanded

10 building by \$1,700 and dividing the sum by the total

11 rated student capacity of the altered or expanded

12 building; or

13 (ii) for school buildings for which the general

14 construction contract is awarded subsequent to July 1,

15 1966, and for approved school building projects for which

16 the general construction contract was awarded but for

17 which a lease was not approved by the department prior to

18 July 1, 1966, the difference obtained by subtracting the

19 appraisal value of the existing building from the product

20 of rated student capacity of the altered or expanded

21 buildings as determined by the department at the time the

22 project is approved; and

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

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

25 (C) an amount in the case of combined

26 elementary-secondary schools obtained by multiplying

27 the rated elementary student capacity of the altered

28 or expanded building by \$2,300 and the rated

29 secondary student capacity of the altered or expanded

30 building by \$3,000 and dividing the sum by the total

1 rated student capacity of the altered or expanded
2 building.

3 For the purposes of this subsection, "appraisal value" means the
4 valuation made immediately before the additions or alterations
5 are begun by three competent appraisers, one appointed by the
6 governing board or boards, one by the secretary, and the third
7 by the other two appraisers.

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

21 (e) Payments for joint projects.--For purposes of
22 calculating the amount of rental reimbursement, the approved
23 reimbursable rental for a school project constructed for two or
24 more school districts shall annually be apportioned among the
25 participating school districts on the basis of the proportion
26 which the valuation of each district as certified by the State
27 Tax Equalization Board during the preceding school year bears to
28 the total valuation of all participating districts. In special
29 cases where the best interests of the Commonwealth and of the
30 school districts will be better served by permitting the

1 districts to establish for themselves some method other than
2 market valuation as the basis for determining their respective
3 shares of the annual lease rental, the department may issue a
4 special order approving such method of sharing the rental and
5 authorizing that the rental reimbursement for that particular
6 project shall be calculated on the basis of the proportionate
7 share of rental actually paid by each school district.

8 (f) Vocational-technical projects.--

9 (1) For area vocational-technical school projects leased
10 subsequent to July 1, 1964, by or for lease to a board of
11 school directors authorized to operate the school, the
12 department shall calculate an approved reimbursable rental
13 charge. For area vocational-technical school projects
14 constructed or purchased subsequent to July 1, 1964, by a
15 board of school directors authorized to operate the school,
16 the department may calculate an approved reimbursable sinking
17 fund charge. Approved reimbursable rental or sinking fund
18 charge shall consist of that part of the annual rental or
19 sinking fund attributable to:

20 (i) The cost of acquiring land and preparing it for
21 use to the extent that the costs are deemed reasonable by
22 the department and the interest on the cost of
23 acquisition, cost of preparation and the cost of sewage
24 treatment and the interest on the cost.

25 (ii) Machinery, apparatus, furniture and equipment
26 and all other necessary expenses and interest charges,
27 but excluding architects fees in excess of 6% of the
28 construction cost.

29 (2) The approved building construction cost and the
30 interest on the construction cost shall not exceed the

1 product of the rated full-time student capacity, as
2 determined by the department at the time the project is
3 approved, and:

4 (i) the sum of \$2,200 for all school building
5 projects for which the general construction contract is
6 awarded prior to July 1, 1966, and for approved school
7 building projects for which a lease was approved by the
8 department prior to July 1, 1966; or

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

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

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

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

29 (2) (i) for the purchase of any building, the product of
30 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; and

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

§ 2937. Change in rentals.

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

§ 2938. Districts eligible under density factor.

Beginning with the school year 1965-1966 and in each school year thereafter, to districts eligible under the density factor, payments on leases or sinking fund charges shall be no less than 50% of the approved reimbursable rental or sinking fund charge

1 for a school building project. The payments shall be made as
2 required by the terms of any agreement entered into by the
3 school district with the approval of the department.

4 § 2939. Method of payments on rentals.

5 (a) General rule.--Payments to a school district shall be
6 determined and approved by the department. The amount approved
7 shall be included in and be payable from future appropriations
8 made to the department. Payments to school districts shall be
9 made semi-annually where the school district lease agreement
10 specifies that lease payments shall be paid semi-annually.

11 (b) Vocational-technical schools.--All payments due school
12 districts by the Commonwealth on account of obligations to the
13 State Public School Building Authority, sinking fund charges or
14 rentals under leases with municipality authorities, profit or
15 nonprofit corporations, partnerships, associations or persons
16 for building or educational equipment for area vocational-
17 technical schools, shall be paid to the area vocational-
18 technical school board operating the school. School districts
19 not originally parties to an agreement with the State Public
20 School Building Authority or a lease with a municipality
21 authority, a profit or nonprofit corporation, partnership,
22 association or person for buildings or educational equipment for
23 an area vocational-technical school but later electing to
24 participate in the operation of the school and agreeing to pay a
25 part of the annual payments due under the agreement or lease
26 shall be entitled to payments by the Commonwealth to the extent
27 as though they had originally been parties to the agreement or
28 lease. The amount thereof shall be paid to the area vocational-
29 technical school board. No payments shall be made on account of
30 obligations or rentals for buildings or educational equipment

1 for area vocational-technical schools unless the schools conform
2 to plans approved by the State Board for Vocational Education.

3 § 2940. Payments on rentals of facilities for school use.

4 (a) General rule.--The Commonwealth shall pay annually for
5 the school year 1972-1973 and each school year thereafter, to
6 each school district which leases, with the approval of the
7 department, buildings and facilities for school use under the
8 provisions of section 4943 (relating to lease of buildings for
9 school use) an amount to be determined by multiplying the
10 district's aid ratio by the approved reimbursable annual rental,
11 as computed by the department. In the case of districts eligible
12 under the density factor, the annual payment shall be no less
13 than 50% of the approved reimbursable annual rental.

14 (b) Reimbursable rental for constructed facilities.--The
15 approved reimbursable annual rental for approved leases of
16 buildings constructed for school use shall be the lesser of:

17 (1) the product of the annual rental payable under the
18 provisions of approved lease agreement times the ratio of the
19 pupil scheduled area to the architectural area; or

20 (2) the product of the rated pupil capacity as
21 determined by the department at the time of initial lease
22 times \$160 for elementary schools, \$220 for secondary schools
23 or \$270 for area vocational-technical schools.

24 (c) Reimbursable rental for altered facilities.--The annual
25 approved rental payable for approved leases of existing
26 facilities altered for school use shall be the lesser of:

27 (1) the product of the annual rental payable under the
28 provisions of the approved lease agreement times the ratio of
29 the pupil scheduled area to the architectural area; or

30 (2) the product of the rated pupil capacity as

determined by the department at the time of initial lease times \$112 for elementary, \$154 for secondary or \$189 for area vocational-technical schools.

SUBCHAPTER D

DRIVER EDUCATION

Sec.

2943. Payments for driver education.

§ 2943. Payments for driver education.

(a) Payments to school districts.--Every school district complying with the standardized driver education program established by the department shall be paid by the Commonwealth from the Motor License Fund an amount to be determined by multiplying the number of students who have completed the secondary school standardized driver education program conducted by any given school district by a basic figure of \$35 per student.

(b) Department administrative costs.--Annual expenditures of the department from the Motor License Fund for:

(1) salaries and expenses of employees of the department essential to the program;

(2) purchase of visual training aids and psychophysical testing equipment; and

(3) costs of preparation, publication and distribution of driver education instructional material, for assistance to the driver education programs;

shall not exceed 3% of the annual total amount paid by the Commonwealth to all school districts on account of standardized driver education programs.

SUBCHAPTER E

EXCEPTIONAL STUDENTS

1 Sec.

2 2945. Payments for special education personnel and equipment.

3 2946. Payments for special education courses.

4 § 2945. Payments for special education personnel and equipment.

5 (a) General rule.--The Commonwealth shall reimburse school
6 districts on account of special education for the cost of
7 readers, helpers, guides, aids, appliances, special school books
8 and supplies and devices for any student between 6 and 21 years
9 of age who is blind, partially sighted, deaf, hard of hearing or
10 afflicted with cerebral palsy and who is enrolled, with the
11 approval of the department, in any of the public schools of this
12 Commonwealth, an amount equal to the costs of the services and
13 equipment multiplied by the district's aid ratio.

14 (b) Maximum amount of payment.--The total expenditure by the
15 Commonwealth under this section shall not exceed 75% of a sum
16 which would have been expended for the tuition and maintenance
17 of the student in a residential school for the blind, including
18 partially sighted, deaf, hard of hearing or those afflicted with
19 cerebral palsy, that has been approved by the department.

20 (c) Establishment of standards.--The secretary shall
21 establish such necessary standards as he may deem necessary for
22 carrying out the provisions of this section.

23 § 2946. Payments for special education courses.

24 (a) General rule.--Every school district shall be paid by
25 the Commonwealth an amount to be determined by multiplying the
26 average daily membership in a course or courses for exceptional
27 students approved by the department as follows:

28 (1) At the elementary level, by an amount determined by
29 subtracting the "instruction cost per elementary student" as
30 defined in section 2972 (relating to determination of charge

1 for nonresident students) from the "instruction cost per
2 exceptional class student" as determined in this section for
3 the preceding fiscal year, or from the instruction expense
4 per exceptional class elementary student as approved for
5 reimbursement by the department in the budget for classes or
6 schools for exceptional students for the fiscal year in which
7 the class is operated, whichever is lesser.

8 (2) At the secondary level, by an amount determined by
9 subtracting the "instruction cost per secondary student" as
10 defined in section 2972 from the "actual instruction expense
11 per exceptional class student" as determined in this section
12 for the preceding school year, or from the instruction
13 expense per exceptional class secondary student as approved
14 for reimbursement by the department in the budget for classes
15 or schools for exceptional students for the fiscal year in
16 which the class is operated, whichever is lesser.

17 (b) Determining actual instruction expense.--"Actual
18 instruction expense per exceptional class student" is determined
19 as follows:

20 (1) (i) Salaries of directors and supervisors of special
21 education, public school psychologists, principals of
22 special schools and assistants, teachers of approved
23 classes for exceptional children, clerks and assistants
24 employed in the school district's program for special
25 education.

26 (ii) The school district's contribution to the
27 retirement fund on behalf of the persons listed in
28 subparagraph (i).

29 (iii) The cost of textbooks and supplies used in the
30 school district's special education classes or schools.

(iv) The cost of telephonic system equipment which enables handicapped children to remain in their homes and still participate in classroom activities.

(2) Divide the sum obtained under paragraph (1), or that part thereof which is approved by the department for reimbursement by the total number of students, including students who have available for use telephonic system equipment whereby they may remain at home and still participate in classroom activities, in average daily membership in the school district's approved classes for exceptional children. The quotient so obtained shall be the "actual instruction expense per special class student."

(c) Speech correction class daily membership.--The average daily membership of speech correction classes shall be calculated as follows:

(1) Multiply the average number of students in speech correction classes per week by:

- (i) the number of periods per week that speech correction is provided for the individual student; and
- (ii) the number of minutes per period in speech correction class.

(2) Divide the product obtained under paragraph (1) by the total number of minutes spent in all classes weekly by the average student. The quotient thus obtained will be the "average daily membership for students in speech correction classes."

(d) Amount of advance payment.--For the fiscal year 1972-1973 and for each fiscal year thereafter, the payments shall consist of an amount payable in two equal installments during the fiscal year with adjustments to be made during the next

1 services to students shall be reimbursed by the Commonwealth on
2 account of health services which conform to standards approved
3 by the Secretary of Health. Reimbursements shall be paid by the
4 Secretary of Health. The amount of reimbursement shall be the
5 actual cost of the medical and dental services and school nurse
6 services as certified to the Secretary of Health except that the
7 reimbursement:

8 (1) For medical services shall not for any fiscal year
9 exceed the sum of 80¢ multiplied by the average daily
10 membership of students enrolled for that fiscal year and for
11 whom the school entity maintains comprehensive health records
12 as defined in section 4341 (relating to school health
13 services program).

14 (2) For dental services shall not for any fiscal year
15 exceed the sum of 40¢ multiplied by the average daily
16 membership of students enrolled for that fiscal year and for
17 whom the school entity maintains comprehensive health records
18 as defined in section 4341 and section 4746 (relating to
19 confidentiality of student records and communications).

20 (3) For school nurse services shall not for any fiscal
21 year exceed the sum of \$3.50 multiplied by the average daily
22 membership of students enrolled for that fiscal year.

23 (b) Alternate reimbursement for dental hygiene services.--
24 Every school entity which employs one or more dental hygienists
25 for the purpose of dental hygiene services to students shall be
26 reimbursed by the Commonwealth on account of services which
27 conform to standards approved by the Secretary of Health.
28 Reimbursement shall be made by the Secretary of Health. The
29 amount of reimbursement shall be the actual cost of the dental
30 hygiene services as certified to the Secretary of Health, but

1 for any fiscal year shall not exceed the sum of \$1 multiplied by
2 the average daily membership of students enrolled for the school
3 year who receive the dental hygiene services. Reimbursement
4 under this subsection shall be in lieu of any reimbursement
5 provided in subsection (a) for dental services.

6 (c) Limitations on reimbursements.--No reimbursement shall
7 be made under this section for services for which the
8 Commonwealth reimburses, in whole or in part, under any other
9 section of this title. Reimbursement on account of the
10 employment of school nurses shall be made under the provisions
11 of this section. Reimbursement on account of health services
12 rendered by a school entity may be withheld by the Secretary of
13 Health unless the actual expenditures for the health services
14 are certified to the Secretary of Health within three months
15 after the end of the fiscal year during which the payment for
16 the service was made by the school entity.

17 (d) Additional local expenditures authorized.--Any school
18 entity may expend for health services amounts in excess of the
19 reimbursable amounts.

20 SUBCHAPTER G

21 HOMEBOUND INSTRUCTION

22 Sec.

23 2950. Payments for homebound instruction.

24 § 2950. Payments for homebound instruction.

25 Each school district shall be reimbursed by the Commonwealth
26 on account of instructing homebound students an amount
27 determined by multiplying the mandated minimum hourly rate for
28 instructing homebound students by the district aid ratio. The
29 mandated minimum hourly rate for instructing homebound students
30 is \$4.

1 SUBCHAPTER H

2 INTERMEDIATE UNITS

3 Sec.

4 2951. Allocation of Commonwealth funds.

5 2952. General operating subsidy.

6 2953. Capital subsidy.

7 § 2951. Allocation of Commonwealth funds.

8 In January of each year, the department shall allocate to
9 each intermediate unit a portion of the amount included in the
10 Governor's budget for the succeeding fiscal year for the support
11 of intermediate units. The allocation shall be made in the
12 following manner:

13 (1) Determine for each intermediate unit the total
14 weighted average daily membership for all school districts
15 comprising the intermediate unit.

16 (2) Compute an aid ratio for each intermediate unit in
17 the same manner as in the case of school districts.

18 (3) Determine a weight factor for each intermediate unit
19 by multiplying the total weighted average daily membership of
20 all school districts comprising the intermediate unit by the
21 aid ratio of the intermediate unit.

22 (4) Determine a Statewide value per weight factor by
23 dividing the amount provided in the Governor's budget for the
24 succeeding fiscal year for the support of intermediate units
25 by the total weight factor of all intermediate units.

26 (5) Determine the allocation to each intermediate unit
27 by multiplying its weight factor by the Statewide value per
28 weight factor except that no intermediate unit shall be
29 allocated less than the amount received during the 1968-1969
30 fiscal year by the offices of the county superintendents of

schools replaced by the intermediate unit from the Commonwealth and the estimated value of assistance from the respective counties, as determined by the department.

§ 2952. General operating subsidy.

(a) Annual submission of budget.--On or before May 1 of each year, each intermediate unit shall submit to the department for prior review and approval a budget statement estimating the cost of operating and administering the intermediate unit program of services for the ensuing fiscal year.

(b) Time of payment.--In May of each year the department shall estimate the amount to be paid by the Commonwealth to each intermediate unit based upon approved budgets. In July of each year the Commonwealth shall pay to each intermediate unit an advance payment equal to one-half of the estimated amount. In December of each year the Commonwealth shall pay to each intermediate unit the balance of the estimated amount less any Commonwealth funds paid in the previous fiscal year which were unexpended or unencumbered at the end of the previous fiscal year.

(c) Federal payments excluded in computations.--In computing approved amounts the department shall not consider Federal payments and payments by the Commonwealth on behalf of the Federal Government.

§ 2953. Capital subsidy.

All leases for office space, classrooms, buses, garages, warehouse space, equipment and similar facilities shall be pre-approved by the department. The Commonwealth shall pay to each intermediate unit on account of approved leases annually an amount computed by applying the intermediate unit aid ratio to the approved lease payment. The aid ratio computed initially

1 shall apply as a minimum for the duration of the lease and
2 payment is to be made from the Commonwealth allocation to the
3 intermediate unit.

4 SUBCHAPTER I

5 MIGRANT CHILDREN

6 Sec.

7 2956. Payments for migratory children.

8 § 2956. Payments for migratory children.

9 (a) Definition.--As used in this section "migratory child"
10 means any child domiciled temporarily in any school district for
11 the purpose of seasonal agricultural employment but not
12 acquiring residence therein and any child accompanying his
13 parents or guardian who are so domiciled.

14 (b) General rule.--Every school district shall be paid the
15 sum of \$1 per day not to exceed 40 days during any school year
16 for each migratory child attending any of its public schools.

17 SUBCHAPTER J

18 POVERTY CHILDREN

19 Sec.

20 2957. Payments for poverty children.

21 § 2957. Payments for poverty children.

22 (a) General rule.--Each school district shall be paid an
23 amount on account of children of low income families equal to
24 the sum of the following multiplied by \$165:

25 (1) The number of children 5 to 17 years of age,
26 inclusive, in the school district of families having an
27 annual income of less than \$2,000.

28 (2) The number of children 5 to 17 years of age,
29 inclusive, in the school district of families having an
30 annual income in excess of \$2,000 which receive Commonwealth

1 payments on account of dependent children under Title IV of
2 the Federal Social Security Act AS CERTIFIED BY THE
3 DEPARTMENT OF PUBLIC WELFARE.

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4 (b) Minimum number of children counted.--For the purpose of
5 this section, for the school year 1973-1974 and each school year
6 thereafter, in each school district not less than the number of
7 children shall be counted in each category as were counted for
8 the school year 1972-1973.

9 ~~(c) Data for determining number of children. The department~~
10 ~~shall determine the number of children under subsection (a) from~~
11 ~~the most recent satisfactory data available in the same manner~~
12 ~~as provided under the Federal Elementary and Secondary Education~~
13 ~~Act of 1965.~~

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14 ~~(d)~~ (C) Formula for determining payment.--Each school
15 district shall be paid on account of low income families an
16 amount equal to the sum of the number of children of low income
17 families in the district multiplied by the grant per poverty
18 child fixed for the percentage category of poverty children;IN
19 AVERAGE DAILY MEMBERSHIP in the school district according to the
20 following table:

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Percentage Category of Poverty Children	Grant Per Poverty Child
15% - 19.9%	\$ 30
20% - 24.9%	\$ 60
25% - 29.9%	\$ 85
30% - 34.9%	\$135
35% and over	\$150

SUBCHAPTER K

TRANSPORTATION

Sec.

1 2961. Payments for transportation.

2 2962. Board and lodging in lieu of transportation.

3 2963. Exceptional students and institutionalized children.

4 2964. Migratory children.

5 § 2961. Payments for transportation.

6 (a) General rule.--Each school district shall be paid on
7 account of student transportation which has been approved by the
8 department an amount to be determined by multiplying the cost of
9 approved reimbursable student transportation incurred by the
10 school district by the district's aid ratio. In addition the
11 Commonwealth shall pay to each qualifying school district a
12 payment for excessive cost of transportation to be determined by
13 subtracting from the cost of the approved reimbursable
14 transportation the sum of the basic Commonwealth transportation
15 payment plus the product of one-half mill times the latest
16 market value of the school district as determined by the State
17 Tax Equalization Board provided such amount is not negative. In
18 addition, the Commonwealth shall pay to school districts which
19 own their own vehicles an annual depreciation charge of 10% to
20 be calculated on the basis of the approved cost at which the
21 school district acquired the vehicle for which depreciation is
22 claimed. The annual depreciation charge shall not exceed \$1,000
23 for each vehicle. The number of annual depreciation charges
24 shall be limited so that the total amount of payments shall not
25 exceed the cost of the vehicle as approved by the department at
26 the time of the purchase. In no case shall the Commonwealth pay,
27 in depreciation charges, more than \$15,000 for any one vehicle.

28 WITH RESPECT TO SCHOOL DISTRICTS THAT CONTRACT FOR
29 TRANSPORTATION SERVICES, NOTWITHSTANDING ANY PROVISION OF THIS
30 TITLE TO THE CONTRARY, THE COMMONWEALTH SHALL PAY AN ANNUAL

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1 DEPRECIATION CHARGE OF \$1,000 PER VEHICLE TO THE SCHOOL
2 DISTRICTS THAT CONTRACT FOR TRANSPORTATION SERVICES
3 SUBSTANTIATED BY THE PURCHASE INVOICE OF THE CONTRACTED VEHICLE.
4 THESE DEPRECIATION CHARGES SHALL NOT BE SUBJECT TO THE SCHOOL
5 DISTRICT'S AID RATIO. THE NUMBER OF ANNUAL DEPRECIATION CHARGES
6 SHALL BE LIMITED SO THAT THE TOTAL AMOUNT OF PAYMENTS SHALL NOT
7 EXCEED THE TOTAL COST OF THE VEHICLE OR \$15,000, WHICHEVER IS
8 THE LESSER, SO LONG AS THE CONTRACTOR OWNS SAID VEHICLE. IN NO
9 EVENT SHALL SUCH DEPRECIATION EXCEED THE LIMITS FOR DISTRICT
10 OWNED VEHICLES PROVIDED BY THIS SECTION. THE DEPRECIATION
11 CHARGES PAID TO SCHOOL DISTRICTS FOR EITHER DISTRICT OWNED BUSES
12 OR BUSES OPERATED UNDER CONTRACT SHALL BE SUBTRACTED FROM THE
13 BASIC ALLOWANCE OF THE REIMBURSEMENT FORMULA IN DETERMINING
14 APPROVED REIMBURSABLE TRANSPORTATION COSTS FOR THE SCHOOL
15 DISTRICT.

16 (b) Restrictions on payments.--Payments for student
17 transportation on account of the fiscal year 1972-1973 and every
18 fiscal year thereafter shall be made only in the following
19 cases:

20 (1) To all school districts for the transportation to
21 and from school of elementary students, including
22 kindergarten, residing one and one-half miles or more by the
23 nearest public highway from the school in which the students
24 are enrolled and to which transportation is authorized under
25 this title or residing in areas where there are no sidewalks
26 and the road or traffic conditions are such that walking on
27 the shoulder of the road constitutes a hazard to the safety
28 of the student when so certified by the Department of
29 Transportation. Elementary students include nonresidents who
30 are placed in the home of a resident or who are residents of

1 an orphanage or home or children's home or other institution
2 for the care and training of orphans or other children.

3 (2) To all school districts for the transportation to
4 and from school of secondary students residing two miles or
5 more by the nearest public highway from the school in which
6 the students are enrolled and to which transportation is
7 authorized under this title or residing in areas where there
8 are no sidewalks and the road or traffic conditions are such
9 that walking on the shoulder of the road constitutes a hazard
10 to the safety of the student when so certified by the
11 Department of Transportation. Secondary students include
12 nonresidents who are placed in the home of a resident or who
13 are residents of an orphanage or home or children's home or
14 other institution for the care and training of orphans or
15 other children.

16 (3) To all school districts for students transported to
17 and from approved consolidated schools or approved joint
18 consolidated schools living one and one-half miles or more
19 from the school of attendance or residing in areas where
20 there are no sidewalks and the road or traffic conditions are
21 such that walking on the shoulder of the road constitutes a
22 hazard to the safety of the student when so certified by the
23 Department of Transportation. Consolidated schools or joint
24 consolidated schools are limited to schools which are
25 approved as to organization, control, location, equipment,
26 course of study, qualifications of teachers, methods of
27 instruction, condition of admission, expenditures of money,
28 methods and means of transportation and the contracts
29 providing therefor.

30 (4) To all school districts for the transportation of

1 exceptional students regularly enrolled in exceptional
2 classes approved by the department or enrolled in a regular
3 class in which approved educational provisions are made for
4 them.

5 (5) To all school districts for students transported to
6 and from area vocational-technical schools.

7 (c) Nonpublic schools and hazardous conditions.--The
8 Commonwealth shall reimburse the school districts for the school
9 year 1973-1974 and for each year thereafter for the approved
10 reimbursable costs incurred in providing transportation under
11 section 4351 (relating to transportation of resident students)
12 for nonpublic school pupils and under section 4352 (relating to
13 transportation facilities and liability insurance) for hazardous
14 conditions except that no school district shall receive less
15 than 50% of the approved reimbursable costs.

16 § 2962. Board and lodging in lieu of transportation.

17 In any case where the Commonwealth is required to reimburse
18 any school district on account of student transportation and the
19 school district, in lieu of transportation, is authorized to and
20 does pay for suitable board and lodging for any student, the
21 Commonwealth shall pay to the school district an amount to be
22 determined by multiplying the cost of the board and lodging by
23 the district's aid ratio except that in no case shall the
24 Commonwealth's share of the cost exceed \$1 per day per student
25 for the actual number of days such student is in attendance at
26 school, not exceeding five days in any one week.

27 § 2963. Exceptional students and institutionalized children.

28 (a) General rule.--Annually, before July 1, every
29 intermediate unit shall submit for prior review and approval by
30 the department an estimate of the cost of operating and

1 administering classes or schools for exceptional students and
2 institutionalized children, including the cost of fiscal
3 controls and auditing and the necessary treasurer and secretary
4 bonds, to be operated by the intermediate unit during the
5 ensuing fiscal year, and for transportation of students to and
6 from classes and schools for exceptional students, whether or
7 not conducted by the intermediate unit. On or before August 1,
8 the Commonwealth shall pay to the intermediate unit a sum equal
9 to one-half of the approved estimated annual cost of operation
10 and administration of classes and schools for exceptional
11 students and institutionalized children and transportation for
12 exceptional students and, on or before January 1, shall pay an
13 equal sum, or a lesser sum as may be shown to be necessary by an
14 adjusted budget based upon expenditures during the first half of
15 the fiscal year.

16 (b) Unexpended funds and formula.--At the end of each school
17 year all unexpended funds shall be credited to the Commonwealth
18 payments due for the succeeding fiscal year on account of the
19 operation of the classes or, upon direction of the department,
20 shall be returned to the Commonwealth. The funds returned are
21 hereby specifically appropriated to the department for support
22 of schools and classes and transportation for exceptional
23 students. For each student enrolled in any special class or
24 school operated by an intermediate unit, the school district in
25 which the student is resident shall pay to the Commonwealth a
26 sum equal to the "tuition charge per elementary student" or the
27 "tuition charge per secondary student" as determined for the
28 schools operated by the school district, based upon the costs of
29 the preceding school year as provided for in this title. In the
30 event that any school district has not established a "tuition

1 charge per elementary student" or "tuition charge per secondary
2 student," the department shall fix a reasonable charge for the
3 school district for the year in question. In addition, the
4 school district shall pay on account of transportation by the
5 intermediate unit of students to and from classes and schools
6 for exceptional students, whether or not conducted by the
7 intermediate unit, an amount to be determined by subtracting
8 from the cost of transportation the reimbursement due the school
9 district on account of the transportation.

10 (c) Withholding funds.--In order to facilitate the payments
11 by the several school districts, the department shall withhold
12 from any moneys due to any district out of any Commonwealth
13 appropriation, except from reimbursements due on account of
14 rentals as provided in this title, the amounts due by school
15 districts to the Commonwealth. All amounts withheld are hereby
16 specifically appropriated to the department for the support of
17 public schools. The cost of operating and administering classes
18 and schools for institutionalized children, including the cost
19 of necessary fiscal controls, shall be paid by the Commonwealth.
20 § 2964. Migratory children.

21 (a) Costs of operation by school entity.--Annually every
22 intermediate unit planning to conduct summer classes or schools
23 for children of migrant laborers, and the extension of
24 established summer classes beyond the opening of school, which
25 extensions shall not be for more than 40 school days, shall
26 submit for prior review and approval by the department an
27 estimate of the cost of summer classes or schools for children
28 of migrant laborers to be operated by the intermediate unit
29 during the ensuing fiscal year and for transportation, in
30 conformity with existing law, of pupils to and from summer

1 classes and schools for children of migrant laborers whether
2 conducted by the intermediate unit or conducted by an
3 institution or school district employed by the intermediate unit
4 for that purpose.

5 (b) Operation by Commonwealth.--Where, in the judgment of
6 the secretary, the provisions of this title relating to the
7 proper education of children of migrant laborers have not been
8 complied with, the department may provide or arrange to have
9 provided transportation, classes or schools for the proper
10 education of children of migrant laborers as directed by this
11 title.

12 (c) Payments and unexpended funds.--On or before July 1, the
13 Commonwealth shall pay to the intermediate unit a sum equal to
14 the approved estimated annual cost of operation of the planned
15 summer classes or schools and transportation for children of
16 migrant laborers. At the end of each fiscal year, all unexpended
17 funds shall be credited to Commonwealth payments due for the
18 succeeding school year on account of the operation of such
19 classes or, upon direction of the department, shall be returned
20 to the Commonwealth.

21 SUBCHAPTER L

22 TUITION

23 Sec.

24 2971. Payments for nonresident students.

25 2972. Determination of charge for nonresident students.

26 2973. Sewer service charges for nonresident students.

27 2974. Payments for institutionalized children.

28 2975. Payment procedures for nonresident students.

29 2976. Special procedures for institutionalized children.

30 § 2971. Payments for nonresident students.

1 (a) General rule.--Each school district which accepts any
2 nonresident child in its schools under the provisions of section
3 4703 (relating to students residing in children's institutions)
4 or section 4704 (relating to nonresident student placed in home
5 of resident) shall be paid by the Commonwealth an amount equal
6 to the tuition charge per elementary student or the tuition
7 charge per secondary student or vocational or other extension
8 education student, as the case may be, as determined in this
9 subchapter, for each student so accepted.

10 (b) Liability of district of residence.--If the school
11 district of residence of the nonresident student can be
12 determined, the district shall be charged for tuition as
13 provided in this subchapter.

14 (c) Liability of Commonwealth.--If the school district of
15 residence of the nonresident student cannot be determined, the
16 Commonwealth shall pay the tuition in addition to any other
17 payments it may make to the school district.

18 (d) Proration for partial attendance.--When a nonresident
19 student attends the school district's public schools for less
20 than a full school year, the tuition charges shall be prorated
21 to the period of time during which the student actually attended
22 the district's school.

23 § 2972. Determination of charge for nonresident students.

24 A school district receiving elementary or secondary students,
25 vocational or other extension education students who are
26 residents of another school district, shall compute the tuition
27 charges as follows:

28 (1) General.--Add the salaries of offices of school
29 board secretaries and treasurers, salaries of offices of
30 educational and business administration, expenditures for

1 auditing services, costs of library books and supplies,
2 health services and operation and maintenance of school
3 plant, contributions to food services, insurance premiums and
4 the school district's contribution to funds on behalf of the
5 foregoing employees incurred for the fiscal year immediately
6 preceding. Divide the sum so obtained by the total average
7 daily membership of students in the receiving school
8 district's public schools during the fiscal year immediately
9 preceding. The quotient so obtained shall be designated the
10 "overhead cost per student."

11 (2) Elementary tuition charge.--Add the salaries of
12 principals, supervisors, teachers and other professional
13 instruction staff, instructional and noninstructional
14 assistants to instruction staff, directors and coordinators
15 of pupil services and guidance and psychological personnel
16 including clerical and nonprofessional assistants employed in
17 the receiving school district's elementary schools, the
18 school district's contribution to funds on behalf of their
19 employment in the school district's elementary schools, the
20 costs of textbooks, audio-visual aids and supplies used in
21 the school district's elementary schools incurred for the
22 fiscal year immediately preceding. Divide the sum so obtained
23 by the total average daily membership of students in the
24 receiving school district's elementary schools during the
25 fiscal year immediately preceding. The quotient so obtained
26 shall be designated as the "instruction cost per elementary
27 student." Add to the instruction cost per elementary student,
28 the overhead cost per student and a rental charge of \$8 per
29 student for the use of the receiving school district's school
30 plant. The cost so determined shall be the "tuition charge

1 per elementary student."

2 (3) Secondary tuition charge.--Add the salaries of
3 principals, supervisors, teachers and other professional
4 instruction staff, instructional and noninstructional
5 assistants to instruction staff, directors and coordinators
6 of pupil services and guidance and psychological personnel
7 including clerical and nonprofessional assistants employed in
8 the receiving school district's secondary schools, the school
9 district's contribution to funds on behalf of their
10 employment in the school district's secondary schools, the
11 cost of textbooks, audio-visual aids and supplies used in the
12 school district's secondary schools incurred for the fiscal
13 year immediately preceding. Divide the sum so obtained by the
14 total average daily membership of students in the receiving
15 school district's secondary schools during the fiscal year
16 immediately preceding. The quotient so obtained shall be
17 designated as the "instruction cost per secondary student."
18 Add to the instruction cost per secondary student the
19 overhead cost per student and a rental charge of \$18 per
20 student for the use of the receiving district's school plant.
21 The cost so determined shall be the "tuition charge per
22 secondary student."

23 (4) Vocational or other tuition charge.--Add the
24 salaries of educational administration, principals,
25 supervisors, teachers and other professional staff,
26 instructional and noninstructional assistants to instruction
27 staff, student services personnel, and custodians
28 specifically employed in the school district's annual program
29 of vocational or other extension education, and the school
30 district's contribution to funds on behalf of their

1 employment in the district's vocational extension programs,
2 the cost of textbooks, audio-visual aids and supplies issued
3 for the program incurred for the fiscal year immediately
4 preceding and a charge of 5¢ per student hour of instruction
5 for the district overhead and plant usage. Subtract from the
6 sum so obtained the amount of the Commonwealth appropriation
7 applicable. The remainder shall be designated as the
8 "district cost for vocational or other extension education."
9 Determine the total student hours of instruction during the
10 fiscal year immediately preceding and divide the "district
11 cost for vocational or other extension education" by the
12 total student hours of instruction. The cost so determined
13 shall be the "vocational or other extension tuition charge
14 per student hour of instruction."

15 (5) Adjustment of tuition charges.--A school district
16 shall compute the tuition charges for students who are
17 residents of another school district for budgetary purposes
18 at the beginning of each fiscal year and shall use the
19 expenses of the preceding fiscal year as a basis for the
20 computation. At the end of each fiscal year, the tuition
21 charges shall again be computed and be based on the actual
22 expenses and the tuition charges for nonresident students
23 shall then be adjusted in accordance with this latter
24 computation.

25 § 2973. Sewer service charges for nonresident students.

26 When any school district receiving students from other school
27 districts is required by the city, borough or township within
28 which the school building or buildings are located, or any
29 municipality authority operating therein, to pay a service
30 charge for sewer connection or a sewer rental measured by the

1 number of students attending the school or schools, the
2 receiving school district shall include in its bill for tuition
3 charge to each sending school district, and the sending school
4 district shall pay, the prorated per student sewer service or
5 sewer rental charge for each student accepted from the sending
6 school district. The charge shall be in addition to the tuition
7 charge provided for by section 2972 (relating to determination
8 of charge for nonresident students). In cases where students are
9 sent and the tuition charges paid by the parents or other
10 persons to the receiving school districts, the parents or other
11 persons shall pay the per student sewer charge or sewer rental.

12 § 2974. Payments for institutionalized children.

13 The cost of tuition for institutionalized children accepted
14 pursuant to section 4703 (relating to students residing in
15 children's institutions) shall be fixed in accordance with this
16 subchapter except where, for the accommodation of the children,
17 it shall be necessary to provide a separate school or to erect
18 additional school buildings, in which cases the charge for
19 tuition for the children may include a proportionate cost of the
20 operating expenses, rental and interest on any investment
21 required to be made in erecting new school buildings. The
22 tuition shall be paid annually by the department or the
23 institution, as the case may be.

24 § 2975. Payment procedures for nonresident students.

25 The board of school directors in any school district
26 maintaining an elementary school or a secondary school or an
27 extension class which is attended by any students residing in
28 another district shall, upon admission of the students, properly
29 certify to the board of school directors of the school district
30 in which such students reside the names of the students and

1 whether they are attending an elementary school or a secondary
2 school or an extension class, together with a statement of the
3 tuition charge per elementary student and the tuition charge per
4 secondary student and the vocational or other extension tuition
5 charge per student hour of instruction. All tuition charges
6 shall be billed per student and paid monthly to the school
7 district of attendance.

8 § 2976. Special procedures for institutionalized children.

9 (a) Statement by institution.--In all cases, if a charge is
10 made by any school district for tuition for nonresident students
11 living in an institution, the officers of the institution shall
12 submit to the board of school directors a sworn statement
13 setting forth the names, ages and school districts liable for
14 tuition of all students who desire to attend public school in
15 the district, together with an acknowledgment or disclaimer of
16 residence signed by the secretary of the school district in
17 which the institution declares the legal residence of the child
18 to be.

19 (b) Inaction by resident district.--If the resident school
20 district shall fail to file the acknowledgment or disclaimer
21 with the institution within 15 days from the date it is sent to
22 the school district by the institution by registered mail, the
23 institution shall again notify the school district of its
24 failure to comply with the provisions of this section. If the
25 school district shall fail to comply within 15 days following
26 the second notice, the failure to return the acknowledgment or
27 disclaimer shall be construed as an acknowledgment of such
28 residence.

29 (c) Withholding funds from district.--The tuition of
30 students included in the sworn statement to the board of school

1 directors shall be withheld by the department from any moneys
2 due to the school district liable for the tuition upon receipt
3 of a sworn statement setting forth the names, ages, tuition
4 charges and school district liable for tuition of the students.
5 All money withheld shall be paid by the department to the school
6 district entitled to receive payment. The school district
7 charged with tuition may file an appeal with the secretary in
8 which it shall be the complainant and the institution the
9 respondent. The decision of the secretary as to which of the
10 parties is responsible for tuition shall be final.

11 (d) Institution liability for tuition.--If the students have
12 been received from outside this Commonwealth or if the
13 institution cannot certify as to their residence, their tuition
14 shall be paid by the institution having the care or custody of
15 said children.

16 (e) Commonwealth liability for tuition.--If the secretary
17 decides that the legal residence of any of the students is in
18 this Commonwealth but cannot be fixed in a particular district,
19 the Commonwealth shall pay the tuition of the students out of
20 moneys appropriated to the department by the General Assembly
21 for the maintenance and support of the public schools of this
22 Commonwealth.

23 SUBCHAPTER M

24 VOCATIONAL EDUCATION

25 Sec.

26 2981. Payments for programs.

27 2982. Payments for equipment.

28 2983. Payments for resident students.

29 2984. Payments for expenses for post-secondary education.

30 2985. Payments for approved travel.

1 2986. Payments for compensation for extension education.

2 2987. Payments for approved instructional equipment.

3 2988. Submission of estimates to General Assembly and
4 appropriations.

5 2989. Method of payment.

6 2990. Allocation of unencumbered State and Federal funds.

7 § 2981. Payments for programs.

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

11 "Vocational agricultural education." That form of vocational
12 education designed for agricultural, off-farm agribusiness,
13 renewal natural resources and environmental occupations
14 including the development of leadership, knowledge and skills in
15 each area.

16 "Vocational distributive education." That form of vocational
17 education designed to meet the needs of persons who have entered
18 or are preparing to enter a distributive occupation requiring
19 competency in one or more of the functions of marketing or
20 knowledge of products and services in reference to the
21 occupational objective of the student.

22 "Vocational home economics education." That form of
23 vocational education that focuses on preparing pupils for the
24 role of homemaker or wage earner including gainful programs that
25 are designed to prepare students for employment in occupations
26 which use the knowledge, skills and attitudes in the subject
27 matter areas of home economics and useful programs that are
28 designed to help individuals and families improve home
29 environment and the quality of family life.

30 "Vocational industrial education." Those forms of vocational

1 education designed to develop manipulative skills, safety
2 judgments, technical knowledge and related occupational
3 information to prepare individuals for initial employment or to
4 upgrade or retrain out-of-school youth and adult workers in
5 trade, technical and industrial occupations.

6 (b) General rule.--Every school entity shall be paid on
7 account of vocational or technical education programs approved
8 by the department:

9 (1) The sum of \$35 for each student in average daily
10 membership in vocational agriculture and vocational
11 industrial education.

12 (2) The sum of \$20 for each student in average daily
13 membership in vocational home economics education.

14 (3) The sum of \$50 for each student in average daily
15 membership in vocational distributive education.

16 § 2982. Payments for equipment.

17 Every area vocational-technical board operating approved
18 vocational or technical education programs shall be paid on
19 account of approved replacement and improvement of equipment and
20 on account of approved new or additional equipment up to 50% of
21 the cost of the improvements and additions.

22 § 2983. Payments for resident students.

23 (a) Definition.--As used in this section "current expenses"
24 includes all expenditures classified administration through
25 community services according to the Manual of Accounting and
26 Related Financial Procedures for Pennsylvania School Systems
27 published by the department.

28 (b) General Rule.--The Commonwealth shall pay every school
29 district for every fiscal year on account of resident students
30 enrolled in area vocational-technical schools as follows:

1 (1) For each full-time student in attendance, either the
2 difference between the per student cost as provided in the
3 approved budget or the per student cost for current expenses,
4 whichever is less, for current expenses in the area
5 vocational-technical school and the per student cost for
6 current expenses in the school district's high school or in
7 the high school which the student attends as a tuition
8 student or \$75, whichever is less.

9 (2) For each part-time student attending an area
10 vocational-technical school, the difference between the cost
11 per student as provided in the approved budget or the per
12 student cost for current expenses, whichever is less, for
13 current expenses in the area vocational-technical school and
14 an amount to be determined by multiplying the cost per
15 student for current expenses in the school district's high
16 school or in the high school which the student attends as a
17 tuition student by a fraction the numerator of which shall be
18 the number of hours per day the student attends an area
19 vocational-technical school and the denominator shall be six
20 hours, or by \$75, whichever is less.

21 § 2984. Payments for expenses for post-secondary education.

22 The Commonwealth shall pay every school district having out-
23 of-school youth or adults enrolled in an approved post-secondary
24 vocational or technical program for each student in equivalent
25 full-time membership one-third of the total current expenses per
26 student as provided in the approved budget, or the per student
27 cost for current expenses, whichever is less. The remainder of
28 the cost of total current expenses may be borne by the school
29 district of residence or by the school district of residence and
30 the student but in no event shall the student bear more than

1 one-third of the total current expenses per student.

2 § 2985. Payments for approved travel.

3 Every school district shall be paid by the Commonwealth, for
4 every fiscal year, on account of approved travel expenses in the
5 discharge of teaching and supervisory responsibilities of
6 teachers, coordinators, supervisors and directors in vocational
7 education, 80% of the sum expended by the school district for
8 the approved travel.

9 § 2986. Payments for compensation for extension education.

10 Every school district shall be paid by the Commonwealth for
11 every fiscal year, on account of approved adult vocational
12 extension classes and pre-employment training, 80% of the sum
13 which was expended by the district for the compensation of adult
14 vocational extension and pre-employment training teachers and
15 supervisors. For the purpose of computing reimbursement, the
16 maximum compensation shall be \$4 per hour and the amount
17 expended for supervisory salaries shall not exceed 20% of the
18 sum expended for teachers salaries. In special cases when travel
19 time or unusual preparation of instructional materials or other
20 factors result in an inadequate compensation, the department may
21 approve additional reimbursable employment time for such
22 additional services upon the submission of adequate
23 substantiating evidence from the responsible commissioned
24 officer.

25 § 2987. Payments for approved instructional equipment.

26 Every area vocational-technical board operating approved area
27 vocational-technical schools shall be paid by the Commonwealth,
28 annually, on account of instructional equipment approved by the
29 department, purchased and installed, a proportionate share of
30 Federal and State funds available and expendable for that

1 purpose. The department may make advanced payment of available
2 but unencumbered State and Federal funds to expedite the
3 purchase of equipment.

4 § 2988. Submission of estimates to General Assembly and
5 appropriations.

6 On or before the first Wednesday of January of each year, the
7 State Board for Vocational Education shall present to the
8 General Assembly an estimate of the amount of money necessary to
9 meet the expenditures to be incurred in the administration of
10 this subchapter for the ensuing fiscal year and the maintenance
11 of approved vocational schools or departments under the
12 provisions of this subchapter for the current fiscal year. On
13 the basis of the statement, the General Assembly shall make an
14 appropriation of such amounts as may be necessary to meet the
15 expense of administering this subchapter and of reimbursing
16 school districts.

17 § 2989. Method of payment.

18 (a) Advanced payment formula.--Every area vocational-
19 technical board composed of school districts and every
20 intermediate unit authorized to operate an area vocational-
21 technical school and desiring to utilize advance payment of
22 funds to operate area vocational-technical schools shall be
23 paid, on or before August 1 and on or before January 1, of each
24 fiscal year that area vocational-technical schools are operated,
25 in as nearly equal installments as possible, the amount of
26 estimated cost for the operation thereof including approved
27 vocational extension classes. Deductions to equal the
28 installments paid to the area vocational-technical board or the
29 intermediate unit shall be made from reimbursements due the
30 school districts of residence of students attending area

1 vocational-technical schools. The deductions shall be made on
2 the basis of the approved per student cost of the program,
3 including current expenses and capital outlay, multiplied by the
4 number of students in average daily membership.

5 (b) Post secondary payment formula.--On or before August 1
6 of each year, the Commonwealth shall pay to every area
7 vocational-technical board and every intermediate unit
8 authorized to establish and operate approved post-secondary
9 vocational technical programs a sum obtained by adding one-third
10 of the current expenses and one-half of the capital expenses as
11 shown in the budget filed by the board or the intermediate unit.
12 On or before January 1, the Commonwealth shall pay an equal sum
13 or a sum shown to be necessary by an adjusted budget based upon
14 expenditures made during the first half of the fiscal term and
15 approved by the department.

16 (c) Unexpended funds.--At the end of each fiscal year, all
17 unexpended funds shall be credited to Commonwealth payments due
18 for the succeeding year on account of the operation of such
19 schools or, upon the direction of the department, shall be
20 returned to the Commonwealth and credited to the accounts from
21 which they were paid.

22 (d) Payments by districts.--For each student enrolled in
23 such schools, the school district of residence shall pay to the
24 Commonwealth the proportionate district share of the expenses.
25 The school district share of expenses shall be deducted from
26 reimbursement due to the school district.

27 § 2990. Allocation of unencumbered State and Federal funds.

28 The State Board for Vocational Education shall administer the
29 allocation of Federal and State vocational education funds which
30 are otherwise unencumbered. Allocations shall be made for the

1 furtherance of the provisions of the State and Federal
2 vocational education laws with emphasis on the improvement of
3 facilities, reimbursement of teachers salaries, research and
4 projects which will contribute to the economic welfare of youth
5 and adults.

6 SUBCHAPTER N

7 STATE SCHOOL FUND

8 Sec.

9 2993. Property and money in fund.

10 2994. Refund of proceeds of escheated estates.

11 2995. Management of fund.

12 2996. Investment of moneys.

13 2997. Use of moneys.

14 2998. Reports of condition of fund.

15 § 2993. Property and money in fund.

16 The State School Fund of Pennsylvania shall include all
17 escheated estates in this Commonwealth and all other property or
18 money which shall in any way accrue to the fund, whether by
19 devise, gift or otherwise.

20 § 2994. Refund of proceeds of escheated estates.

21 Whenever it shall appear that a claimant is lawfully entitled
22 to all or any portion of the proceeds of any escheated estate
23 which have been credited to the State School Fund, the claimant
24 shall have the right to petition the Board of Finance and
25 Revenue for a refund in accordance with the procedure provided
26 in section 504 of the act of April 9, 1929 (P.L.343, No.176),
27 known as "The Fiscal Code," with the right of appeal as therein
28 provided. So much of the principal of the State School Fund as
29 may be necessary for refunds is hereby appropriated for that
30 purpose.

1 § 2995. Management of fund.

2 (a) State board as manager.--The State School Fund shall be
3 wholly under the control and management of the State board.

4 (b) State Treasurer as custodian.--The net receipts derived
5 from or on account of any real or personal property in the State
6 School Fund, and all other moneys accruing to the fund, shall be
7 promptly paid to the State Treasurer, to be kept in a separate
8 account, subject to disposition by the State board.

9 (c) Responsibility of State Treasurer.--The State Treasurer
10 and his bondsman shall be responsible for the safekeeping of,
11 and accounting for, receipts from the State School Fund in the
12 same manner and under the same penalties as for the safekeeping
13 of, and accounting for, other funds of the Commonwealth.

14 § 2996. Investment of moneys.

15 The State board shall invest the State School Fund in
16 accordance with the act of April 9, 1929 (P.L.343, No.176),
17 known as "The Fiscal Code." The investments shall be converted
18 into cash whenever necessary to make payments provided for in
19 section 2997 (relating to use of moneys) and to pay the
20 necessary and pertinent expenses of administration of the State
21 School Fund.

22 § 2997. Use of moneys.

23 (a) General rule.--The State board may expend moneys from
24 the State School Fund for any purpose reasonably related to the
25 promotion of efficient and quality education within this
26 Commonwealth subject to the following:

27 (1) Moneys shall be expended only for projects approved
28 by the State board.

29 (2) Application for moneys shall be made in a manner
30 prescribed by the State board.

(3) The State board has discretion to expend or not
expend moneys from the State School Fund.

(b) Guidelines for State board.--In exercising its
discretion the State board shall consider the following factors:

(1) The extent to which a project promotes equal
educational opportunity in this Commonwealth.

(2) The extent to which a project benefits education
throughout this Commonwealth.

(3) The extent to which a project is necessary to
protect the health and safety of students in a school in this
Commonwealth.

(4) The extent to which no other funds, local, State,
Federal or private, are available to finance the project.

(c) Method of payment.--Payments may be made as
advancements, subject to reconciliation, as proposed uses are
approved, or as reimbursements to school districts.

§ 2998. Reports of condition of fund.

(a) By the State Treasurer.--The State Treasurer shall
report to the State board at such time as the State board
requests, the condition of the State School Fund and shall in an
annual report make an itemized statement of the receipts,
disbursements and amount on hand of the State School Fund and
its income.

(b) By the State board.--The State board shall annually make
to the Governor and to the Auditor General a complete detailed
report of the condition of the State School Fund including its
receipts, expenditures and investments.

CHAPTER 31

LOCAL FINANCE

Subchapter

1 A. General Provisions
2 B. Budget
3 C. Receipts
4 D. Purchasing
5 E. Payment
6 F. Expenditures
7 G. Investment of Funds
8 H. Indebtedness
9 I. Protection of Funds and Property
10 J. Miscellaneous Provisions

11 SUBCHAPTER A

12 GENERAL PROVISIONS

13 Sec.

14 3101. Definitions.

15 § 3101. Definitions.

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

19 "Authorized depository." A Pennsylvania bank, bank and trust
20 company, savings bank, savings and loan association or community
21 credit union chartered under Federal or State banking laws.

22 "Official depository." Any authorized depository so
23 designated by the governing board of any school entity.

24 SUBCHAPTER B

25 BUDGET

26 Sec.

27 3111. Preparation and submission of budget.

28 3112. Public notice of proposed budget.

29 3113. Adoption of budget.

30 3114. Amendment of current budget.

1 3115. First class city home rule districts.

2 § 3111. Preparation and submission of budget.

3 (a) General rule.--Except as otherwise provided in section
4 3115 (relating to first class city home rule districts), the
5 chief executive officer of each school district shall submit a
6 proposed general operating budget for the succeeding fiscal year
7 to the board of school directors no later than the fifteenth day
8 of the tenth month of the current fiscal year. The form shall be
9 prescribed by the department and shall list by function the
10 expected receipts and expenditures of the governing board, the
11 expected Commonwealth appropriations and the proposed tax levy,
12 if any.

13 (b) Limitation on expenditures.--The total of estimated
14 expenditures shall not exceed the amount of estimated funds
15 available for school purposes in the school entity.

16 § 3112. Public notice of proposed budget.

17 The governing board of each school entity shall, at least 20
18 days prior to the date final action is to be taken on the
19 budget, provide public notice that the proposed budget has been
20 prepared and is open to public inspection at the office of the
21 governing board.

22 § 3113. Adoption of budget.

23 (a) School districts.--The board of school directors of each
24 school district shall adopt a budget for the following fiscal
25 year not later than the last day of the twelfth month of the
26 current fiscal year.

27 (b) Intermediate units.--Each intermediate unit budget shall
28 be adopted for the following fiscal year not later than the last
29 day of the tenth month of the current fiscal year. The adoption
30 procedures shall be in accordance with section 2722 (relating to

1 budget).

2 (c) Area vocational-technical schools.--Each area
3 vocational-technical school budget shall be adopted for the
4 following fiscal year not later than the last day of the
5 eleventh month of the current fiscal year. The adoption
6 procedures shall be in accordance with section 3915 (relating to
7 adoption of annual budget).

8 (d) Limitation on amount.--The total amount of the budget
9 shall not exceed the amount of funds available for school
10 purposes in the school entity.

11 (e) Filing with department.--Within 15 days after the
12 adoption of the budget, the governing board of each school
13 entity shall file a copy of the budget with the department.

14 § 3114. Amendment of current budget.

15 (a) Transfer of funds between functions.--The governing board
16 of any school entity may by a two-thirds vote of its legally
17 qualified membership transfer any unencumbered balance or
18 portion thereof from one major function to another. The transfer
19 may be made only during the last nine months of the current
20 fiscal year or one month after the end of the fiscal year.

21 (b) Addition of unanticipated revenue.--The governing board
22 of any school entity may by a two-thirds vote of its legally
23 qualified membership add any unanticipated revenue to the
24 existing budget at any time in the fiscal year. The decision to
25 add the funds to the budget shall be deemed a regulation for the
26 purposes of section 103 (relating to rule-making procedure).

27 § 3115. First class city home rule districts.

28 In home rule school districts in cities of the first class,
29 the budget shall be prepared, submitted, advertised, amended and
30 adopted in accordance with the provisions of the home rule

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

5 SUBCHAPTER C

6 RECEIPTS

7 Sec.

8 3121. Designation of official depositories.

9 3122. Deposit of school funds with official depositories.

10 § 3121. Designation of official depositories.

11 (a) General rule.--The governing board of each school entity
12 shall, after SOLICITING THREE QUOTATIONS AND AFTER following the <—
13 procedures of section 3132(b) (relating to solicitation for
14 quotations for certain purchases), at least annually designate
15 one or more authorized depositories as the official depository
16 or depositories.

17 (b) Protection of funds.--Each official depository shall
18 pledge assets or provide insurance for the protection of all
19 school funds in accordance with section 3181 (relating to
20 insurance on deposits of funds).

21 § 3122. Deposit of school funds with official depositories.

22 The treasurer of each school entity shall promptly deposit or
23 cause to be deposited upon receipt all school funds into an
24 official depository in the name of the school entity.

25 SUBCHAPTER D

26 PURCHASING

27 Sec.

28 3131. General requirements for purchasing.

29 3132. Solicitation for quotations for certain purchases.

30 3133. Formal bidding for certain purchases.

1 3134. Contracts and payments for purchases.

2 3135. Joint purchases with government agencies.

3 3136. Bulk purchases through the Commonwealth.

4 § 3131. General requirements for purchasing.

5 (a) Duty of governing board.--The governing board of each
6 school entity shall provide for purchases necessary to carry out
7 the purposes and duties set forth in this title.

8 (b) Approval of purchases.--The governing board of each
9 school entity shall give prior approval to each purchase, except
10 those purchases resulting from a contract previously approved by
11 the governing board or those purchases \$1,500 or under approved
12 by any person authorized by the governing board to make
13 purchases without prior approval.

14 (c) System of purchase procedures.--The governing board of
15 each school entity shall provide for a system of purchase
16 procedures subject to section 3303 (relating to standards for
17 accounting system) and the limitations imposed under this
18 subchapter.

19 (d) Circumvention of bidding requirements.--No officer or
20 official of any school entity shall circumvent the provisions of
21 this subchapter by making partial or piecemeal purchases as
22 evidenced by a pattern of purchasing.

23 (e) Requiring bonds.--The governing board may require bid
24 bonds and performance bonds in accordance with sections 3184
25 (relating to bids accompanied by security) and 3185 (relating to
26 performance and payment bonds).

27 § 3132. Solicitation for quotations for certain purchases.

28 (a) General rule.--All purchases of more than \$1,500 but
29 less than \$7,500 shall be purchased from the lowest responsible
30 vendor after soliciting quotations BY TELEPHONE OR OTHERWISE

<—

1 from three or more firms, manufacturers or dealers.

2 (b) Records of quotations.--The quotations received shall be
3 noted in the records of the school entity along with any
4 relevant information about the product, quotation and vendor. If
5 the school entity is unable to obtain three quotations, a
6 statement of the reasons why more quotations were not obtained
7 shall be included in the records of the school entity.

8 (c) Authorized advertisements and notices.--Advertisements
9 or notices may be placed in trade journals and newspapers as an
10 inducement to competitive pricing.

11 (d) Exemptions.--The following shall be exempt from the
12 provisions of this section:

13 (1) School library and other media resources, textbooks
14 and other copyrighted material as may be defined in the
15 Department Accounting Manual.

16 (2) Transportation, personal or professional services
17 and food supplies.

18 (3) Purchases made in accordance with section 3136
19 (relating to bulk purchases through the Commonwealth).

20 EXEMPTIONS FROM THE PROVISIONS OF THIS SECTION DO NOT APPLY TO <—
21 INSTRUCTIONAL SOFTWARE DEVICES, MACHINES AND EQUIPMENT WHICH
22 REQUIRE SERVICING, PARTS, WARRANTY WORK, TRADE-INS OR
23 MAINTENANCE WORK OTHER THAN THAT PROVIDED FOR IN THE MAINTENANCE
24 CONTRACT OF THE MANUFACTURER OR PRIMARY PRODUCER.

25 § 3133. Formal bidding for certain purchases.

26 (a) General rule.--All purchases of \$7,500 or more shall be
27 made only after bids are solicited by due advertisement as
28 provided in this section.

29 (b) Advertisement for bids.--Public notice shall be given by
30 advertisement once a week for three weeks in not less than two

1 newspapers of general local circulation. If there are less than
2 two newspapers of general local circulation in the service area
3 of the school entity, the notice shall be published in one
4 newspaper of general local circulation and shall be posted in at
5 least five separate public places. In addition advertisements or
6 notices may also be placed in trade journals and other
7 newspapers as an inducement to competitive bidding.

8 (c) Submitting and opening bids.--All bids shall be in
9 writing and placed in an envelope bearing words indicating that
10 it is a sealed bid with reference to the bid subject. The
11 governing board or its designate shall open and record the bids
12 at the time and public place specified in the advertisement for
13 bids.

14 (d) Acceptance of bids.--The governing board shall accept
15 the bid of the lowest responsible bidder, kind, quality and
16 material being equal, but shall have the right to reject any and
17 all bids, waive minor irregularities or select a single item
18 from any bid.

19 (e) Exemptions.--

20 (1) The following shall be exempt from the provisions of
21 this section:

22 (i) School library and other media resources,
23 textbooks and other copyrighted material as may be
24 defined in the Department Accounting Manual.

25 (ii) Transportation, personal or professional
26 services and food supplies.

27 (iii) Purchases made in accordance with section 3136
28 (relating to bulk purchases through the Commonwealth).

29 (2) When, because of an emergency, time is of the
30 essence and the provisions of this section cannot be complied

1 with, the governing board may request the department for an
2 exemption from this section and upon approval shall follow
3 the procedure in section 3132 (relating to solicitation for
4 quotations for certain purchases).

5 (3) EXEMPTIONS FROM THE PROVISIONS OF THIS SECTION DO <—
6 NOT APPLY TO INSTRUCTIONAL SOFTWARE DEVICES, MACHINES AND
7 EQUIPMENT WHICH REQUIRE SERVICING, PARTS, WARRANTY WORK,
8 TRADE-INS OR MAINTENANCE WORK OTHER THAN THAT PROVIDED FOR IN
9 THE MAINTENANCE CONTRACT OF THE MANUFACTURER OR PRIMARY
10 PRODUCER.

11 § 3134. Contracts and payments for purchases.

12 (a) General rule.--The governing board of any school entity
13 may enter into contracts for executing the provisions of this
14 title and the laws of this Commonwealth.

15 (b) Execution of contracts.--All contracts shall be
16 authorized by the governing board and executed by the proper
17 officers.

18 (c) Payments.--Payments for work performed or services or
19 goods received shall be made in accordance with Subchapter E
20 (relating to payment).

21 (d) Performance bonds.--The governing board may require
22 performance bonds in accordance with section 3185 (relating to
23 performance and payment bonds).

24 (e) Contracts subject to bidding procedures.--Contracts for
25 purchases as defined in section 3131 (relating to general
26 requirements for purchasing), for expenditures as provided in
27 section 3151 (relating to authority to make expenditures) and
28 for construction, reconstruction, repairs or work as defined in
29 section 4951 (relating to general requirements for work
30 performed on school property) shall be subject to bidding

1 procedures provided in this subchapter.

2 § 3135. Joint purchases with government agencies.

3 Any school entity may join with any other school entity or
4 political subdivision in purchasing subject to the provisions of
5 this title.

6 § 3136. Bulk purchases through the Commonwealth.

7 Any school entity may participate in the bulk purchases
8 program as offered by the Commonwealth in accordance with
9 section 2403 of the act of April 9, 1929 (P.L.177, No.175),
10 known as "The Administrative Code of 1929."

11 SUBCHAPTER E

12 PAYMENT

13 Sec.

14 3141. System of payment procedures.

15 3142. Payments to be made on payment orders.

16 3143. Payroll obligations as preferential claims.

17 3144. Liability of officials for improper payment orders.

18 3145. Authorizing use of facsimile signatures.

19 3146. Transfer of funds between accounts or institutions.

20 § 3141. System of payment procedures.

21 (a) General rule.--The governing board of each school entity
22 shall provide for a system of cash disbursement procedures
23 subject to the provisions of sections 3122 (relating to deposit
24 of school funds with official depositories) and 3302 (relating
25 to accounting system to be maintained).

26 (b) Approval of payments.--No payment shall be made without
27 prior approval of the governing board except for the payment of:

28 (1) Amounts owing under contracts previously approved by
29 the board and by the prompt payment of which the school
30 entity will receive a discount or other advantage. All such

orders shall be presented to the board at its next meeting.

(2) Obligations incurred as a result of purchases made in accordance with section 3131(b) (relating to general requirements for purchasing).

§ 3142. Payments to be made on payment orders.

(a) General rule.--All payments made by a school entity shall be on a proper payment order drawn on the appropriate account and signed and certified by the proper officers.

(b) Payment orders for payroll.--The payroll may be included on one or more orders, which may be made payable to the order of such person or persons, and distributed in such manner as the governing board may determine.

(c) Limitation on expenditures.--No payment order shall be executed:

(1) for expenditures for purposes not provided for in the budget; or

(2) which will cause the sums appropriated to specific major functions in the budget to be exceeded.

(d) Designation of function affected.--The payment order shall state for each payment item the particular function of the annual budget upon which the same is drawn.

§ 3143. Payroll obligations as preferential claims.

(a) General rule.--The payroll obligations of each school district shall be preferential claims. It shall be the duty of the board of school directors of each district to provide for the payment of payroll obligations before authorizing the payment of any other current expense except for fuel, water, electric service or such supplies as are actually essential for keeping the schools in session.

(b) Short term loans.--In order to meet payroll requirements

1 the board shall, if necessary, negotiate such short term loans
2 as are necessary and possible in accordance with the law
3 governing the borrowing powers of the district.

4 (c) Interest on unpaid salaries.--In the event the payment
5 of salaries of employees of any school district is not made when
6 due, the school district shall be liable for the payment of the
7 salaries, together with interest at 6% per annum from the due
8 date, except that no school district shall be required to pay
9 interest on unpaid salaries if the failure to pay salaries is
10 occasioned by the failure of the Commonwealth to make timely
11 payment of allotment of appropriations due.

12 § 3144. Liability of officials for improper payment orders.

13 (a) General rule.--Any director, appointee or employee
14 acting on behalf of any school entity who either votes for or
15 approves a payment order for any other purpose, or drawn in any
16 other manner, than that provided for in this title, shall,
17 together with the surety or sureties on their bond, in addition
18 to any penalty imposed, be individually liable to the school
19 entity for the amount thereof.

20 (b) Discretion of court on appeal.--On appeal from an
21 auditor's report, it shall be within the discretion of the court
22 having jurisdiction of the matter to sustain or not to sustain a
23 surcharge where it appears that the appellant acted honestly and
24 in good faith for the best interest of the school entity and
25 where no loss or damage to the school entity resulted from the
26 action of the appellant.

27 § 3145. Authorizing use of facsimile signatures.

28 The governing board of any school entity may authorize the
29 use of a facsimile signature subject to the provisions of the
30 act of July 25, 1961 (P.L.849, No.367), known as the "Uniform

1 Facsimile Signature of Public Officials Act."

2 § 3146. Transfer of funds between accounts or institutions.

3 Lateral transfer of funds from one type of account to another
4 or from one bank to another for the purpose of facilitating
5 investments, debt service or for any other lawful purpose
6 wherein no expenditure is involved shall not be subject to
7 provisions of this subchapter provided adequate protection of
8 the funds is maintained in accordance with section 3181
9 (relating to insurance on deposits of funds).

10 SUBCHAPTER F

11 EXPENDITURES

12 Sec.

13 3151. Authority to make expenditures.

14 3152. Authorization of travel and reimbursement of expenses.

15 § 3151. Authority to make expenditures.

16 (a) General rule.--The governing board of any school entity
17 may make expenditures for the purposes authorized by this title.

18 (b) Limitation on expenditures.--No services shall be
19 secured, no materials purchased and no contracts executed by any
20 governing board which will cause the sums appropriated to a
21 major function in the budget to be exceeded.

22 § 3152. Authorization of travel and reimbursement of expenses.

23 (a) General rule.--The governing board of any school entity
24 may authorize any member, officer, appointee, employee or
25 student to travel for purposes authorized by this title and may
26 reimburse them for their expenses. Prior authorization to incur
27 expenses must be given by the governing board.

28 (b) Reimbursable expenses.--Expenses actually and
29 necessarily incurred in going to, attending and returning from
30 meetings, conferences, conventions or other sessions at which

1 attendance is authorized by the governing board may be
2 reimbursed. The expenses may include travel, travel insurance,
3 lodging, meals, registration fees and other incidental expenses
4 necessarily incurred.

5 (c) Advances on expenses.--The governing board may authorize
6 the proper officers to make an advance upon presentation of an
7 estimate of expenses to be incurred. Advances will be applied
8 against a final itemized statement of actual expenses and any
9 funds advanced in excess of actual expenses incurred shall be
10 immediately refunded to the treasurer of the school entity. Upon
11 failure to submit an itemized statement with required
12 documentation, the entire amount of the advance shall be
13 returned.

14 (d) Documentation of expenses incurred.--Final settlement,
15 including reimbursement and refund, if any, and approval of the
16 itemized statement of travel expenses shall not be made until
17 adequate documentation in support of such statement is certified
18 and filed with the business administrator or with such other
19 person as may be designated by the governing board.
20 Documentation may be in the form of receipted hotel bills,
21 mileage records and such other receipts as the governing board
22 may require.

23 (e) Rate of reimbursement.--Reimbursement for expenses
24 incurred in accordance with this section shall ~~establish~~ BE
25 ESTABLISHED as follows:

26 (1) The governing board of the school entity shall
27 establish rates for the reimbursement of expenses authorized
28 by this section incurred by officers who are not members of
29 the governing board, appointees, employees and students.

30 (2) Reimbursement for expenses of members of governing

boards for expenses incurred in accordance with this section shall not exceed the greater of the following amounts:

(i) The sum of \$40 per day for food and lodging and 15¢ per mile for travel by automobile.

(ii) Amounts for traveling expenses determined by the Commissioner of Internal Revenue under the authority of section 274 of the Internal Revenue Code of 1954 and regulations promulgated thereunder as not requiring substantiation by adequate records or other sufficient evidence.

SUBCHAPTER G

INVESTMENT OF FUNDS

Sec.

3161. Investment of school funds required.

3162. Authorized investments for funds.

3163. Joint purchase of investments.

3164. Capital reserve fund for construction projects.

§ 3161. Investment of school funds required.

(a) General rule.--The governing board of each school entity shall invest school funds to the maximum extent consistent with sound business practice.

(b) Investment program.--The governing board of all school entities shall provide for an investment program and may designate the proper officers or employees to administer the program subject to this title or other statute and the rules and regulations adopted by the governing board.

(c) Quotations from investment dealers.--Investments shall be made so as to receive the highest possible return after soliciting quotations from three or more dealers in authorized investments.

1 § 3162. Authorized investments for funds.

2 (a) General rule.--Authorized types of investments for
3 school funds include:

4 (1) United States treasury bills.

5 (2) Direct short term obligations of the United States
6 Government.

7 (3) Deposits in time accounts, open time accounts, share
8 accounts and all other investments in authorized depositories
9 for which collateral is secured by the pledging of assets in
10 accordance with section 3181 (relating to insurance on
11 deposits of funds).

12 (b) Special funds.--Any devise, bequest, grant, endowment,
13 gift or donation of any property, real or personal, which may be
14 made to a school entity may be invested as provided in
15 subsection (a) and in investments declared to be legal
16 investments in Chapter 73 of Title 20 (relating to fiduciaries
17 investments).

18 § 3163. Joint purchase of investments.

19 (a) Purchases from own funds.--The governing board of any
20 school entity may make joint purchase of investments from among
21 the school funds accounts under its jurisdiction. The earnings
22 from the investments shall be separately and individually
23 computed and recorded and credited to the accounts from which
24 the investment was purchased. The investments shall be subject
25 to section 3132 (relating to solicitation for quotations for
26 certain purchases).

27 (b) Purchases with other agencies.--The governing board of
28 any school entity may join with any other government agency,
29 political subdivision or municipal authority for the purpose of
30 making joint purchase of investments. The earnings from the

1 investments shall be separately and individually computed,
2 recorded and credited to the accounts of the governing body from
3 which the investment was purchased. The investments shall be
4 subject to section 3132.

5 § 3164. Capital reserve fund for construction projects.

6 (a) Creation of fund.--Any school district may create a
7 special capital reserve fund and accumulate moneys therein to be
8 expended during a period not to exceed five years for the
9 purpose of constructing a school building project under a long-
10 term project program approved by the department in accordance
11 with Chapter 49 (relating to physical plant and construction).
12 The proposed project program may include the cost of acquiring
13 suitable sites for school buildings, the cost of constructing
14 new school buildings or the cost of providing needed additions
15 or alterations to existing buildings.

16 (b) Methods of payment from fund.--Moneys accumulated in the
17 district's capital reserve fund may be paid as a lump sum at the
18 time that construction of the project or projects is begun or
19 payment of the accumulated sums may be spread over a period of
20 years as a part of the annual rental or sinking fund charge
21 approved by the department for the proposed project or projects.

22 (c) Special tax to support fund.--The capital reserve fund
23 shall consist of receipts from a special tax which each board of
24 school directors is hereby authorized to levy in accordance with
25 the provisions of this title. The tax levy may not exceed three
26 mills in any one year nor may the tax be levied, on account of
27 any one project program, for a period of more than five years.
28 The tax may be levied only for the purpose of financing a school
29 building project or projects which have been approved by the
30 department for construction within five years from the date of

1 the approval given by the department. Upon the total and final
2 completion of a project program which, for the purpose herein
3 contemplated, may include the construction, reconstruction or
4 renovation of more than one building, the board of school
5 directors may proceed to set up a new project program for later
6 construction and may establish a new capital reserve fund to
7 finance such project program.

8 (d) Authorized expenditures from fund.--The moneys in any
9 such capital reserve fund may be expended by the school district
10 singly or jointly:

11 (1) with the Commonwealth or any department or agency
12 thereof;

13 (2) with the Federal Government or any department or
14 agency thereof; or

15 (3) with one or more other school districts;
16 only during the period of time for which the fund was created,
17 and only for capital improvements approved by the department and
18 for no other purpose.

19 (e) Disposition of unnecessary funds.--If for any reason the
20 project program for which the capital reserve fund was
21 established fails to materialize, the moneys accumulated in the
22 fund shall revert to the district's general fund in equal
23 amounts spread over a period of five years.

24 SUBCHAPTER H

25 INDEBTEDNESS

26 Sec.

27 3171. Authorization for temporary borrowing.

28 3172. Authorization to issue bonds.

29 3173. Withholding Commonwealth funds for unpaid indebtedness.

30 § 3171. Authorization for temporary borrowing.

1 The governing board of any school entity may authorize
2 temporary borrowing as it deems necessary to execute the duties
3 described in this title subject to the provisions and
4 limitations of the act of July 12, 1972 (P.L.781, No.185), known
5 as the "Local Government Unit Debt Act."

6 § 3172. Authorization to issue bonds.

7 The board of directors of any school district may issue bonds
8 for the purpose of executing duties described in this title
9 subject to the provisions and limitations of the act of July 12,
10 1972 (P.L.781, No.185), known as the "Local Government Unit Debt
11 Act."

12 § 3173. Withholding Commonwealth funds for unpaid indebtedness.

13 In all cases in which the board of directors of any school
14 entity fails to pay or to provide for the payment of the
15 principal of and the interest on any debt incurred in accordance
16 with the provisions of this subchapter, when and as due, or the
17 payment of any lease rental debt as defined in the act of July
18 12, 1972 (P.L.781, No.185), known as the "Local Government Unit
19 Debt Act," the department shall withhold out of any Commonwealth
20 appropriations due the school entity an amount equal to the
21 amount so due and shall pay the same to the bondholders or
22 noteholders or their respective trustees or paying agents.

23 SUBCHAPTER I

24 PROTECTION OF FUNDS AND PROPERTY

25 Sec.

26 3181. Insurance on deposits of funds.

27 3182. Bonding of officials for performance of duties.

28 3183. Authorization for insurance contracts.

29 3184. Bids accompanied by deposit.

30 3185. Performance and payment bonds.

1 § 3181. Insurance on deposits of funds.

2 (a) General rule.--All school funds held in any authorized
3 depository shall be fully insured with the Federal Deposit
4 Insurance Corporation or the Federal Savings and Loan Insurance
5 Corporation or the National Credit Union Administration, or by
6 the pledging of assets in accordance with the act of November
7 30, 1965 (P.L.847, No.356), known as the "Banking Code of 1965."

8 (b) Pooling pledged assets.--The governing board of any
9 school entity may permit assets pledged as collateral in
10 subsection (a) to be pooled in accordance with the act of August
11 6, 1971 (P.L.281, No.72), relating to pledges of assets to
12 secure deposits of public funds.

13 § 3182. Bonding of officials for performance of duties.

14 (a) General rule.--The governing board of any school entity
15 may require any officer, employee or appointee to furnish,
16 before entering upon the duties of his office, to the governing
17 board a proper bond conditioned upon the faithful performance of
18 his duties, in such amount and with such corporate surety as the
19 governing board shall determine. The amount of the bond shall be
20 re-examined each year by the governing board for sufficiency and
21 increased if insufficient. The school entity shall pay the
22 premium on the bond for any officer or employee.

23 (b) Persons required to furnish bond.--The secretary,
24 treasurer and business administrator shall be required to
25 furnish bond in accordance with subsection (a).

26 (c) Personal collateral bond.--In lieu of furnishing a bond
27 under subsection (a), the persons may file their own collateral
28 bond, in the amount determined by the governing board in
29 accordance with the procedure described in subsection (a),
30 secured by an actual deposit with the governing board or with

1 any bank or bank and trust company within this Commonwealth
2 which may be agreed upon, of any of the securities which
3 depositories may use to secure the deposit of school funds. The
4 total market value of the securities thus deposited shall equal
5 the amount of the collateral bond. The collateral bonds shall be
6 conditioned upon the faithful performance of their duties. The
7 securities thus deposited shall constitute a trust fund to be
8 available for the satisfaction of any liability accruing upon
9 the collateral bond. The securities shall be accompanied by a
10 proper assignment or power of attorney for their transfer. In
11 the event of a decline in the market value of the securities,
12 additional securities shall be added to the trust deposit
13 sufficient to equal the amount of the collateral bond if
14 requested in writing by the governing board. The sufficiency of
15 the amount shall be reviewed annually by the governing board as
16 described in subsection (a). The governing board may permit the
17 director, officer or employee to substitute for any one or more
18 bonds or obligations included in any such securities, other
19 bonds or obligations that meet the requirements of this section.

20 (d) Refusal to furnish bond.--In case any director, officer
21 or employee shall refuse or fail to furnish a proper bond with
22 the proper sureties or securities within 15 days of notice to do
23 so, the governing board shall elect or employ another suitable
24 person to perform such duties in his place.

25 (e) Financial institution as treasurer.--In cases where the
26 treasurer is a bank or trust company, a surety bond shall not be
27 required.

28 § 3183. Authorization for insurance contracts.

29 (a) General rule.--The governing board of any school entity
30 may make and enter into any insurance contract it may deem

1 proper and desirable with any person, firm or corporation
2 (including any mutual insurance company) authorized to transact
3 business relating to insurance in this Commonwealth, for the
4 benefit of the governing board, school entity, its school
5 property, employees and their spouses and dependents, retired
6 employees and students. ~~The insurance may include, but need not~~ <—
7 ~~be limited to, fire or casualty insurance, liability insurance,~~
8 ~~flood insurance, pension annuity plans and travel and accident~~
9 ~~insurance.~~ THE INSURANCE FOR THE BENEFIT OF THE SCHOOL ENTITY <—
10 AND ITS SCHOOL PROPERTY MAY INCLUDE, BUT NEED NOT BE LIMITED TO,
11 FIRE AND CASUALTY INSURANCE, LIABILITY INSURANCE AND FLOOD
12 INSURANCE. THE INSURANCE FOR THE BENEFIT OF THE EMPLOYEES SHALL
13 BE LIMITED TO LIFE, HEALTH, INCOME PROTECTION, TRAVEL ACCIDENT,
14 GENERAL LIABILITY AND PENSION ANNUITY PLANS. COVERAGE FOR
15 SPOUSES AND DEPENDENTS, IF ANY, SHALL BE LIMITED TO HEALTH
16 BENEFITS INSURANCE. COVERAGE FOR RETIRED EMPLOYEES, IF ANY,
17 SHALL BE LIMITED TO GROUP LIFE INSURANCE AND HEALTH BENEFITS.

18 (b) Joint contracts with other agencies.--The governing
19 board of any school entity may contract for insurance jointly
20 with one or more other school entities, government agencies,
21 political subdivisions and municipality authorities, and provide
22 for the proportionate share of the premium to be paid by each
23 school entity and for the escrowing of funds by each school
24 entity on account of any deductible amounts included in the
25 contract of insurance.

26 (c) Payroll deductions for premiums.--The act of June 22,
27 1931 (P.L.844, No.274), relating to contracts for benefits for
28 government employees, and the act of July 19, 1951 (P.L.1074,
29 No.231), relating to payroll deductions by government agencies
30 for insurance premiums, shall be followed with respect to

1 employee wage deductions for payment of premiums on insurance
2 policies.

3 § 3184. Bids accompanied by deposit.

4 (a) General rule.--The governing board of any school entity
5 may provide that all bids advertised for shall be accompanied by
6 cash or by a certified check or cashier's good faith check in an
7 amount required by the governing board.

8 (b) Deposit forfeited as liquidated damages.--In the event
9 any bidder shall, upon award of contract to him, fail to comply
10 with the requirements of the act of December 20, 1967 (P.L.869,
11 No.385), known as the "Public Works Contractors' Bond Law of
12 1967," as to guaranteeing the performance of the contract, the
13 good faith deposit, to the extent it does not exceed 10% of the
14 bid, shall be forfeited to the governing board as liquidated
15 damages.

16 § 3185. Performance and payment bonds.

17 All governing boards of any school entity shall comply with
18 the provisions of the act of December 20, 1967 (P.L.869,
19 No.385), known as the "Public Works Contractors' Law of 1967,"
20 governing public performance and payment bonds on public works
21 contracts.

22 SUBCHAPTER J

23 MISCELLANEOUS PROVISIONS

24 Sec.

25 3191. Disposal of personal property.

26 § 3191. Disposal of personal property.

27 (a) Sale to educational institutions.--Whenever the
28 governing board of any school entity other than a district of
29 the first class or first class A shall by resolution declare any
30 books, furniture, supplies or equipment to be unused,

1 unnecessary, surplus or obsolete, the board shall first offer
2 the property to other school entities, nonpublic schools or
3 other nonprofit educational institutions at auction or by
4 solicitation of two or more bids.

5 (b) Other methods of disposal.--Any property which has not
6 been purchased by other schools or educational institutions may
7 be disposed of by any one or more of the following methods:

8 (1) Public auction after such notice as the board shall
9 fix.

10 (2) Solicitation of bids from two or more persons
11 engaged in a business related to the nature of the items to
12 be disposed of.

13 (3) Offer to the general public at prices fixed by
14 resolution of the board.

15 (4) Offer to suppliers of similar items who shall be
16 required to state their bid for the same as a dollar discount
17 against items they may be proposing to sell to the district.

18 (5) Such other method as the board may adopt by
19 resolution, which other method shall not be implemented
20 sooner than five days after the public meeting.

21 (c) Purchases by officers.--No member of the governing board
22 nor any officer, appointee or employee of any school entity may
23 purchase or cause to be purchased on his behalf any property
24 except under the procedure prescribed in subsection (b)(1).