

No. 1982-1

AN ACT

HB 33

Amending the act of March 10, 1949 (P.L.30, No.14), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," authorizing taxation for the purpose of paying interest and principal on certain indebtedness; further providing for reopening of district budgets; increasing the amount of work of any nature which can be performed on property owned by any school district without advertising and without competitive bids; further providing for contracts; providing for professional employes when programs or classes are transferred; providing for quarterly budget reports in school districts of the first class; and further providing for personal income valuation information.

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

Section 1. Subsection (b) of section 672, act of March 10, 1949 (P.L.30, No.14), known as the "Public School Code of 1949," amended December 10, 1974 (P.L.914, No.302) is amended to read:

Section 672. Tax Levy; Limitations.—* * *

(b) Boards of school directors of districts of the second, third, and fourth classes are hereby authorized to levy annually, a tax on each dollar of the total assessment of all property assessed and certified for taxation therein, (1) to pay up to and including the salaries and increments of the teaching and supervisory staff, (2) to pay rentals due any municipality authority or nonprofit corporation or due the State Public School Building Authority, (3) to pay **[sinking fund charges incurred in connection with school building projects approved by the Department of Public Instruction] interest and principal on any indebtedness incurred pursuant to the act of July 12, 1972 (P.L.781, No.185), known as the "Local Government Unit Debt Act," or any prior or subsequent act governing the incurrence of indebtedness of the school district, which tax shall be unlimited**, and (4) to pay for the amortization of a bond issue which provided a school building prior to the first Monday of July, 1959.

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Section 2. Section 687 of the act is amended by adding a subsection to read:

Section 687. Annual Budget; Additional or Increased Appropriations; Transfer of Funds.—* * *

(f) For the fiscal year 1980-1981, a school district may, by a majority vote of the board of school directors, reopen its budget for the purpose of reallocating any surplus funds in the district budget for the retirement of any outstanding indebtedness of the district or for the reduction of property taxes for the fiscal year 1980-1981.

Section 3. Subsections (a) and (b) of section 751 of the act, amended July 13, 1979 (P.L.94, No.41), are amended to read:

Section 751. Work to be Done Under Contract Let on Bids; Exception.—(a) All construction, reconstruction, repairs, maintenance or work of any nature, including the introduction of plumbing, heating and ventilating, or lighting systems, upon any school building or upon any school property, or upon any building or portion of a building leased under the provisions of section 703.1, made by any school district, where the entire cost, value, or amount of such construction, reconstruction, repairs, maintenance or work, including labor and material, shall exceed **[two thousand five hundred dollars (\$2,500)]** *four thousand dollars (\$4,000)*, shall be done under separate contracts to be entered into by such school district with the lowest responsible bidder, upon proper terms, after due public notice has been given asking for competitive bids. Whenever a board of school directors shall approve the use of a prefabricated unit, complete in itself, for a school building or other proper structure to be erected upon school property, the board of school directors may have prepared appropriate specifications detailing the size and material desired in a particular prefabricated unit, including all utilities such as plumbing, heating and ventilating, and electrical work, and may advertise for a single bid on all the work and award the contract therefor to the lowest responsible bidder: Provided, That if due to an emergency a school plant or any part thereof becomes unusable competitive bids for repairs or replacement may be solicited from at least three responsible bidders, and upon the approval of any of these bids by the Secretary of Education, the board of school directors may proceed at once to make the necessary repairs or replacements in accordance with the terms of said approved bid or bids.

(b) The board of school directors in any school district either may perform any construction, reconstruction, repairs, or work of any nature, where the entire cost or value, including labor and material, is less than five thousand dollars (\$5000), by its own maintenance personnel, or may have any such construction, reconstruction, repairs, or work performed by contract after soliciting bids from at least three responsible bidders: Provided, That the board of school directors in any school district may authorize the secretary of the board or other executive to award contracts for construction, reconstruction, repairs, or work of any nature, where the entire cost or value, including labor and material, is **[two thousand five hundred dollars (\$2,500)]** *four thousand dollars (\$4,000)* or less, without soliciting competitive bids.

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Section 4. Section 807.1 of the act, amended October 4, 1978 (P.L.1040, No.236), is amended to read:

Section 807.1. Purchase of Supplies.—All furniture, equipment, textbooks, school supplies and other appliances for the use of the public schools, costing **[two thousand five hundred dollars (\$2,500)]** *four thousand dollars (\$4,000)* or more shall be purchased by the board of

school directors only after due advertisement as hereinafter provided. Supplies costing [two thousand five hundred dollars (\$2,500)] *four thousand dollars (\$4,000)* or more shall be purchased by the board of school directors only after public notice has been given by advertisement once a week for three (3) weeks in not less than two (2) newspapers of general circulation. In any district where no newspaper is published, said notice may, in lieu of such publication, be posted in at least five (5) public places.

The board of school directors shall accept the bid of the lowest responsible bidder, kind, quality, and material being equal, but shall have the right to reject any and all bids, or select a single item from any bid. The board of school directors in any district may authorize or appoint the secretary of the board or other executive as purchasing agent for the district, with authority to purchase supplies costing less than [two thousand five hundred dollars (\$2,500)] *four thousand dollars (\$4,000)*.

The following shall be exempt from the above provisions: maps, music, globes, charts, educational films, filmstrips, prepared transparencies and slides, pre-recorded magnetic tapes and disc recordings, textbooks, games, toys, prepared kits, flannel board materials, flash cards, models, projectuals and teacher demonstration devices necessary for school use.

Section 5. The act is amended by adding sections to read:

Section 1113. Transferred Programs and Classes.—(a) When a program or class is transferred from one or more school entities to another school entity or entities, professional employes who are classified as teachers and are suspended as a result of the transfer and who are properly certificated shall be offered employment in the program or class by the receiving entity or entities when services of a professional employe are needed to sustain the program or class transferred, as long as there is no suspended professional employe in the receiving entity who is properly certificated to fill the position in the transferred class or program.

(b) Transferred professional employes shall be credited by the receiving entity only for their sick leave accumulated in the sending entity and also for their years of service in the sending entity, the latter for purposes of sabbatical leave eligibility and placement in the salary schedule: Provided, however, That such employes shall not utilize the sabbatical leave until they have taught in the receiving entity for a period of three (3) years. Such employes shall transfer their accrued seniority in the area of certification required for the transferred program or class only.

(c) Nothing contained in this section shall be construed to supersede or preempt any provision of a collective bargaining agreement negotiated by a school entity and an exclusive representative of the employes in accordance with the act of July 23, 1970 (P.L. 563, No. 195), known as the "Public Employe Relations Act."

(d) As used in this section, the term "school entity" or "school entities" shall mean an intermediate unit and its participating school districts or an area vocational-technical school and its sending school districts.

Section 2133. Budget Reports.—(a) *All school districts of the first class shall prepare a quarterly budget of revenues and expenditures. Such budget shall be compared to actual expenditures on a quarterly basis. Quarterly budgets shall cover the specific months: 1st quarter—July, August, September; 2nd quarter—October, November, December; 3rd quarter—January, February, March; 4th quarter—April, May and June.*

(b) *A budget shall also be prepared showing quarterly anticipated programmatic revenues and expenditures within the school district of the first class. Such budget shall be compared to actual expenditures quarterly.*

(c) *The ledgers in the books of accounts shall be organized on a basis to achieve the above objectives in a timely and accurate manner.*

(d) *Districts of the first class shall send reports containing the quarterly budgets to the chairmen and minority chairmen of the Education Committees of the House of Representatives and the Senate, the Philadelphia City Council President, and the Mayor of Philadelphia thirty (30) days after the close of each quarter.*

Section 6. Section 2514.1 of the act, added June 30, 1980 (P.L.279, No.80), is amended to read:

Section 2514.1. Personal Income Valuation Information and Determinations.—(a) The Secretary of Revenue shall, on or before January 31 of each year commencing in 1981, supply to each school district a listing of the *names and* addresses of each person who has filed a State income tax return with the Department of Revenue for the tax year preceding the immediate prior year and has designated thereon a code or identification number indicating that the taxpayer was a resident of the school district at the close of the tax year for which the return was filed. Within twenty (20) days of receipt of the list, each school district shall report to the Secretary of Revenue in writing in such form as the secretary shall prescribe any claimed corrections to the list as of December 31 of the tax year for which the returns were filed, specifying the basis for each claim. Should the school district claim that any address listed properly should be carried upon the list of another school district, the reporting school district shall notify the other school district of its claim, and a copy of the notice shall accompany the report hereby required. Within ten (10) days of receipt of the notice, the other school district may notify the Secretary of Revenue in writing in such form as the secretary shall prescribe of its nonconcurrence with the claim made by the reporting school district, specifying the basis for its nonconcurrence. Failure to report or notify the Secretary of Revenue of any claimed correction or nonconcurrence as herein provided shall be deemed a concurrence.

(b) Upon receipt of the reports and notices provided for in subsection (a), the Secretary of Revenue, with the cooperation of the Secretary of Education, shall cause them to be reviewed, make such adjustments or corrections as he may deem necessary and appropriate, and based upon the corrected list, shall make his determination of the valuation of total taxable income to be certified to the Secretary of Education. The certi-

fied determination shall be final and not subject to further review or appeal with respect to the tax year involved.

(c) Provision by the Department of Revenue of the list of *the names and* addresses and school identification code or number to the school districts and use thereof by the school districts for the purposes of this section shall be deemed an official use and not a violation of subsection (f) of section 353 of the act of March 4, 1971 (P.L.6, No.2), known as the "Tax Reform Code of 1971," but the use or disclosure of the contents of any list by any person for any purpose other than that set forth by this section or as otherwise permitted by law shall be unlawful and in violation of section 353(f) of the "Tax Reform Code of 1971."

Section 7. This act shall take effect immediately.

APPROVED—The 4th day of February, A. D. 1982.

DICK THORNBURGH