

TITLE 23: EDUCATION AND CULTURAL RESOURCES  
SUBTITLE A: EDUCATION  
CHAPTER I: STATE BOARD OF EDUCATION  
SUBCHAPTER c: FINANCE

PART 145  
TEMPORARY RELOCATION EXPENSES

Section

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145.TABLE A Accounting Entries (Repealed)

AUTHORITY: Implementing and authorized by Section 2-3.77 of the School Code [105 ILCS 5/2-3.77].

SOURCE: Adopted at 10 Ill. Reg. 15060, effective August 28, 1986; amended at 22 Ill. Reg. 19777, effective October 30, 1998; amended at 29 Ill. Reg. 10126, effective June 30, 2005; amended at 33 Ill. Reg. 7916, effective June 1, 2009; amended at 34 Ill. Reg. 6494, effective April 22, 2010.

**Section 145.10 Definitions**

“Qualifying event” means one of the situations enumerated in Section 2-3.77 of the School Code [105 ILCS 5/2-3.77].

“Relocation” means the movement of students, equipment necessary for temporary relocation purposes, personnel, and records to a facility other than that to which they were previously assigned, as a result of a fire, earthquake, tornado, other natural or man-made disaster, or condemnation pursuant to Section 3-14.22 of the School Code [105 ILCS 5/3-14.22].

“Temporary” means persisting only from the date of the qualifying event until permanent facilities are available for those students who have been displaced, as determined by the regional superintendent of schools responsible for the affected school district.

(Source: Amended at 34 Ill. Reg. 6494, effective April 22, 2010)

**Section 145.20 General Requirements**

- a) The school board of a district making initial application for a temporary relocation expense loan or grant shall adopt and submit to the State Board of Education along with its application:
  - 1) a resolution levying the tax provided for by Section 17-2.2c or 17-2.2d of the School Code [105 ILCS 5/17-2.2c or 17-2.2d] at the maximum rate permitted thereunder, in order to repay the State of Illinois for funds received pursuant to this Part; and
  - 2) a resolution encumbering all insurance proceeds and other resources (e.g., State, federal, local or private funding) payable to or received by the district for relocation expenses for the affected facility and providing that these proceeds shall be paid to the State Board of Education within 30 days after their receipt by the district.
- b) Each district shall remit to the State Board of Education all proceeds received by the district from the tax levied under Section 17-2.2c or 17-2.2d of the School Code no later than January 31 of the year following the calendar year to which the proceeds are attributable. Proceeds received by the district after that date may, at the district's discretion, be remitted at any time prior to the next January 31 deadline or may be held by the district and included with that payment. (That is, only one payment per year shall be required, but a district may make additional payments at its option.)
- c) Each application shall indicate:
  - 1) whether the application is for a loan, a grant, or both;
  - 2) the date and nature of the qualifying event leading to the application;
  - 3) that the school board has adopted a plan to house the displaced students permanently;
  - 4) the time required to effect the permanent solution described in the plan;
  - 5) an estimate of the necessary temporary relocation expenses to be incurred that have been determined to be allowable under Section 145.30(a) of this Part and a description of the necessity for them;

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- 6) an estimate of the amount of insurance proceeds to be received;
  - 7) an estimate of the amount of funds that can be raised through the levy of the tax called for in Section 17-2.2c or 17-2.2d of the School Code;
  - 8) an estimate of other anticipated revenue as described in subsection (a)(2) of this Section; and
  - 9) an agreement to comply with Section 2-3.77 of the School Code and this Part and to authorize the State Superintendent of Education to deduct from the district's general State aid any amount owed to the State Board under this Part which is in default.
- d) Initial applications shall be considered on a first come, first served basis based on the order of the date in which each is received as long as funds remain available.
  - e) Districts eligible but not receiving funding due to insufficiency of the appropriation shall receive first consideration in the subsequent fiscal year in accordance with subsection (d) of this Section, provided that funding is available. Expenditures incurred in a previous fiscal year that were not reimbursed in that year are not allowable in subsequent fiscal years.
  - f) No later than December 1 of each fiscal year, a renewal application shall be submitted with updated information about the expenditures estimated to be incurred in the subsequent year, as well as updated information about the anticipated funding to be received by the district in that year (see subsection (c) of this Section).
  - g) If the district later receives other funding to cover the expenses it had included in its initial or any renewal applications submitted for a loan or grant, then the district shall return to the State Superintendent of Education an amount equal to those covered expenses no later than 30 days after receipt of the funding.
  - h) Any amount that the district does not receive as previously expected from funds initially designated under subsections (c)(6) and (c)(8) of this Section and for which funding is requested, if any, shall be documented in subsequent renewal applications.
  - i) If the district's equalized assessed valuation increases during the loan repayment period, then the district shall levy the tax provided for by Section 17-2.2c or 17-2.2d of the School Code at the maximum rate permitted and the excess generated

shall be remitted to the State Board of Education for deposit into the State's Temporary Relocation Fund.

(Source: Amended at 34 Ill. Reg. 6494, effective April 22, 2010)

**Section 145.30 Allowable and Nonallowable Expenses**

- a) Allowable temporary relocation expenses are the costs incurred by the board of education directly responsible for implementing the temporary relocation and may include, but are not limited to, the following.
- 1) Lease: Leases include contracts for the purpose of providing attendance centers for displaced students; for securing any necessary equipment for operating such attendance centers; and for providing pupil transportation services to such attendance centers.
  - 2) Rental: Rental may include the items in subsection (a)(1) of this Section when a rental agreement may be more advantageous to the school district than entering into a lease contract. For example, this may occur where the rental agreement covers a period of time that will be less than that obtainable through a lease contract.
  - 3) Renovation of leased or rental educational facilities: Renovation expenses shall be allowed only to the extent necessary to bring a leased or rented facility into compliance with the applicable requirements of the Health/Life Safety Code for Public Schools (23 Ill. Adm. Code 180).
  - 4) Transportation: Transportation expenses shall be allowed only to the extent that they exceed the normal transportation expenses incurred by the district in the year immediately preceding the qualifying event.
  - 5) Salaries: Salaries shall be allowed only to the extent that they exceed normal operating salaries of the school district in the year prior to the qualifying event and shall be documented as necessary for relocation.
  - 6) Architect fees: Architect fees shall be allowed only to the extent that they are documented as necessary for relocation. Such fees shall not be allowable for planning, design, or construction for any replacement facility, nor for alteration of a damaged facility.
  - 7) Attorney fees: Attorney fees shall be allowed only to the extent that they are documented as necessary for relocation, including for filing the levy authorized by Section 17-2.2c or 17-2.2d of the School Code and filing any insurance claim arising out of a qualifying event.
  - 8) Utilities: Utility expenses will be allowed only to the extent that they exceed the normal utility expenses of the school district in the year prior to the qualifying event.

- 9) Interest: Interest expense is allowable if incurred due to borrowing in anticipation of the receipt of funds pursuant to this Part.
  - 10) Other expenses: A school district may apply for other expenses (e.g., insurance, equipment maintenance, sanitary services, property services, or supplies) only to the extent that they exceed the normal expenses of the school district in the year immediately preceding the qualifying event and are documented as being directly necessitated by the cause for relocation.
- b) A school district shall not include in its application submitted pursuant to Section 145.20(c) any otherwise allowable expense under the following circumstances:
- 1) payment for the expense will be made by another entity;
  - 2) the district has received or anticipates receiving revenue whose use is restricted to payment of the expense incurred (i.e., cannot be used to pay back the temporary relocation loan); and
  - 3) in-kind contributions are received by the district for services or materials to offset the cost of expenses that otherwise would have been allowable under subsection (a) of this Section (e.g., the use of a facility rent-free, provision of free legal or architectural services).

(Source: Amended at 34 Ill. Reg. 6494, effective April 22, 2010)

**Section 145.40 Documentation (Repealed)**

(Source: Repealed at 22 Ill. Reg. 19777, effective October 30, 1998)



**Section 145.50 Accounting and Reporting Requirements**

- a) When money appropriated for temporary relocation expenses or other funding as provided in Section 145.20(a)(2) is received by a school district, the money shall be deposited in a Capital Projects Fund established pursuant to 23 Ill. Adm. Code 100.50 (Intra-Fund and Inter-Fund Transactions), and shall be accounted for in accordance with the applicable provisions of 23 Ill. Adm. Code 100 (Requirements for Accounting, Budgeting, Financial Reporting, and Auditing).
- b) Proceeds from the tax levied under Section 17-2.2c or 17-2.2d of the School Code and the subsequent loan repayments made to the State Board of Education shall be recorded in a Debt Service Fund, established pursuant to 23 Ill. Adm. Code 100.50 (Intra-Fund and Inter-Fund Transactions), and shall be accounted for in accordance with the applicable provisions of 23 Ill. Adm. Code 100.
- c) Expenses shall be subject to audit by the State Board of Education in accordance with Section 2-3.32 of the School Code [105 ILCS 5/2-3.32] and this Part.
- d) Each recipient of a temporary relocation loan or grant shall submit to the State Superintendent or designee no later than July 30 a final expenditure report for the fiscal year just concluded.

(Source: Amended at 34 Ill. Reg. 6494, effective April 22, 2010)

**Section 145.60 Determination of Loan and Grant Amounts**

- a) The amount of each loan provided pursuant to this Part shall be based on allowable expenses identified in the district's application, the estimated insurance proceeds and other funds to be realized, and the yield from the tax levied as provided in this Part.
- b) The amount of each grant provided pursuant to this Part shall be based on the amount by which allowable expenses identified in the application exceed the total of the estimated insurance proceeds, the estimated other funds received, and the estimated yield of the tax over a seven-year period.

(Source: Amended at 34 Ill. Reg. 6494, effective April 22, 2010)

**TABLE A (Repealed)**

(Source: Repealed at 22 Ill. Reg. 19777, effective October 30, 1998)