



Electric School Bus Guidebook

Guide 4: Financial Incentives



NEW
YORK
STATE

NYSERDA



Incentive programs enable fleet owners to buy ESBs for the same or less than ICE buses and benefit from operational cost savings.

Leveraging financial incentives to fund electric school buses (ESBs) and charging infrastructure can help you transition your diesel or gasoline powered buses to electric vehicles. Grants, rebates, vouchers, and tax credits can help mitigate the higher upfront vehicle costs and infrastructure investments. Several State and federal programs offer funding opportunities for both ESBs and chargers.

This chapter will answer the following questions:

- What do I need to consider when applying for financial incentives for ESBs and chargers?
- What types of financial incentives are available?
- What are the potential eligibility requirements for financial incentive programs?
- What State and federal funding opportunities are available?
- What are the benefits of stacking multiple incentive programs?

Finding the Right Financial Incentive for You

When researching and evaluating various financial incentives keep in mind that each has its own program requirements that may impact your eligibility to receive funding.

Types of Incentives

Programs have different ways in which each applicant will receive awards.

- **Tax Incentives** – A tax credit can come in the form of a deduction, exemption, or credit. Most tax incentive programs for school buses come in the form of a tax credit. A tax credit is a dollar-for-dollar amount that taxpayers can claim on their tax return to reduce the income tax they owe. Eligible taxpayers can use them to reduce their tax bill and potentially increase their refund.^{1,2}
- **Voucher** – A vehicle purchaser or lease operator agrees to purchase a piece of equipment from a vendor. The vendor will deduct the value of the voucher, like a coupon, from the total sale price. Once the piece of equipment is delivered, the vendor will receive a reimbursement for the voucher amount from the entity providing the incentive
- **Rebate** – Awards that are typically redeemed after a purchase (some programs offer rebates ahead of a purchase, usually upon presentation of a purchase order).
- **Grant** – Applications for grants are typically more extensive than for rebates and awards are typically made on a competitive basis

¹ <https://www.irs.gov/newsroom/tax-credits-for-individuals-what-they-mean-and-how-they-can-help-refunds#:~:text=A%20tax%20credit%20is%20a,and%20potentially%20increase%20their%20refund>

² In some cases, such as the Inflation Reduction Act tax rebates, a direct-pay option is included for tax-exempt organizations. This would apply for school districts applying for these incentives.

Key Activities

Initial actions you can take after reading this chapter include:

- Review the list of State and federal financial incentives.
- Note key dates, materials, and other information needed to apply for each funding opportunity.
- Start preparing your application(s).
- Investigate what financial incentive programs you can stack.



ESB Program Requirements

Programs to fund ESBs have differing eligibility requirements that may include the following:

Program Requirement	Description
Prioritization	This requirement can target fleets either parked or operated in certain jurisdictions, such as low-income areas, tribal lands, rural areas, areas with air quality challenges, and/or disadvantaged communities (DACs). Many funding programs prioritize fleets that serve historically marginalized communities and/or communities that do not have the financial resources to purchase new buses.
School District Type	Some programs focus solely on public schools, whereas others provide funding for public, charter, and/or private schools.
Ownership	Some programs only fund district-owned fleets, while others may fund third-party (contractor) fleets whose vehicles are either leased to schools or used under "transportation-as-a-service" (TaaS) contracts. ³ Some programs may require third parties to spread their awards amongst multiple districts that they serve.
Eligible Vehicles	Some programs target specific model years, weight and vehicle classes, and/or bus types (A, C, and/or D). Programs tend to favor replacing older buses, and some have weight requirements that only allow for the purchase of the larger Type C and D buses. Further, some programs may allow funding for bus repowering (i.e., converting a fossil fuel-powered bus to electric). Vehicle eligibility may also depend on domestic content and/or production requirements.
Scrapage Requirements	Some programs mandate that participating fleets destroy (scrap) vehicles that will be replaced. By ensuring that the replaced buses will not be sold, this requirement ensures fossil fuel-powered buses will no longer emit pollutants. While this approach devalues the old bus, the dollar value of the incentive typically outweighs the foregone resale value of the scrapped bus.
Purchase Mechanism	These requirements determine whether leased ESBs are eligible for funding in addition to purchased vehicles. For instance, if a school district is eligible for an incentive but the contractor it leases vehicles from is not, the school district may not be able to take advantage of incentive program funding.
Usage Requirements	Some funding programs require a minimum number of years in service and annual miles traveled, as well as ongoing data reporting.

Charging Infrastructure Program Requirements

Programs to fund charging infrastructure have differing eligibility requirements that may include the following:

Program Requirement	Description
Prioritization	This requirement can target fleets that are parked or operated in certain jurisdictions. These jurisdictions can include low-income areas, tribal lands, rural areas, areas with air quality challenges, and/or disadvantaged communities (DACs). This requirement can also target charger location. Many funding programs prioritize fleets that serve historically marginalized communities and/or communities that do not have the financial resources to purchase new buses or chargers.
School District Type	Some programs focus solely on public schools, whereas others provide funding for public, charter, and/or private schools.
Ownership	Some funding programs may only be available to school-district owned chargers, while others may be available to chargers owned by service providers and utilities.
Eligible Charger Types	In some cases, only certain charger types (such as Level 2 or DCFC) are eligible. Some funding programs may also have specific requirements on certifications (i.e. UL or EnergyStar) or functionality (i.e. networked or vehicle-to-grid capable) of chargers.
ESB Procurement Pairing	Some charging infrastructure incentives can only be accessed as a follow-on or as a companion to a vehicle purchase incentive.
Eligible Infrastructure Components	Utility-side distribution upgrades, customer-side transformer, or other facility improvements, as well as soft costs such as permitting and administration, may not be covered under certain programs.
Usage Requirements	Some programs may require a minimum amount of time the charger must operate and require ongoing reporting on charging data to receive funding.



³ Chard, R., Espinoza, J., Hamilton, H., & Silver, F., (2021). "Zeroing in on Electric School Buses." <https://calstart.org/wp-content/uploads/2022/01/ZIO-Electric-School-Buses-2021-Edition.pdf>

Tips for Applying for Financial Incentives

- **Start early.** Sign up for email updates from the entity administering the incentive. Identify your team and key partners. These may include your bus dealer, your engineering/architecture firm, and district employees, such as your business official and grants coordinator (if applicable).
- **Get organized.** Note important deadlines and required documents (e.g., tax forms, vehicle registration info, etc.) Some programs may require you create an account to access their application portal.
- **Attend webinars/info sessions.** Use these opportunities to learn more about the application process, eligibility requirements, etc.
- **Educate voters.** By now, most school district voters are aware of the higher upfront costs of electric buses, but many may not know that these costs can largely be offset by funding programs. Educating voters can help pave the road to a successful budget vote.
- **Submit questions.** Most funding opportunities include a question-and-answer period.
- **Consider partnering.** For grant programs, your application may be stronger with a partner district, contractor, or dealer.



Financial Incentive Programs for ESBs and Charging Infrastructure

New York State, the Federal government, and utility providers have financial incentive programs in place that can help offset the upfront costs of ESBs and charging infrastructure. Access to these financial instruments depends on eligibility requirements. This section describes key State and federal funding programs, who can apply, and which types of buses are eligible. It also includes instructions on how to apply for funding and links to more information about each funding source.

ESB and Charging Infrastructure Funding Sources Available in New York State

Program Name*	Incentive Type	Funding Period	Funding Covers			
			Buses	Chargers	Customer-side	Utility-side
EPA Clean School Bus Program – Grant	Grant	Periodic between 2022–2026	Green	Green	Green	Red
EPA Clean School Bus Program – Rebate	Rebate	Periodic between 2022–2026	Green	Green	Green	Red
EPA Clean Heavy-Duty Vehicle Grant	Grant	2024 ⁴	Green	Green	Green	Red
DOE: Renew America’s Schools Prize	Grant	2024 ⁵	Green	Green	Green	Red
Joint Utilities of NY: Medium- and Heavy-Duty EV Make-Ready Pilot**	Rebate	First come, first serve	Red	Red	Red	Green
New York School Bus Incentive Program (NYSBIP)	Voucher	First come, first serve	Green	Green	Green	Red
2022 Inflation Reduction Act (IRA) Commercial Clean Vehicle Tax Credit – 45C	Tax Credit	Open	Green	Red	Red	Red
Alternative Fuel Vehicle Refueling Property Credit – 30C	Tax Credit	Open	Red	Red	Red	Red

* For program rules, announcements, and applications for each program, visit the linked websites.

⁴ As of May 2024, EPA Clean Heavy-Duty Vehicle Grant Program is open with applications due on July 25, 2024.

⁵ As of May 2024, DOE: Renew America’s Schools Prize is open with applications due on June 13, 2024.



Competitive Opportunities

Securing funding for ESBs and infrastructure can be challenging, especially when the outcome is uncertain. In this section, funding opportunities are characterized by competitive selection processes or randomized lotteries, where success is not guaranteed. Applicants must navigate the risks inherent in these programs, recognizing that not every submission will result in funding. Nonetheless, these opportunities represent significant potential financial support for those who are successful. For school districts with robust applications, these programs offer a valuable chance to access crucial resources. Additionally, strategic partnerships with other districts, contractors, or associations can enhance the likelihood of success in certain funding endeavors.

[EPA Clean School Bus Program](#)

The Bipartisan Infrastructure Law of 2021 authorized EPA to create the five-year, \$5 billion Clean School Bus (CSB) Program. The CSB Program offers both rebate and grant funding opportunities to deploy the \$5 billion. Including both the grant and rebate funding opportunities, the EPA has awarded approximately \$1.84 billion nationally between 2022 and 2023. EPA Region 2, which includes New York State, has been awarded \$152 million across 56 school districts, totaling 409 buses to be replaced. Both the grant and rebate funding opportunities are closed for 2023 but are expected to open again in 2024.

[EPA Clean School Bus Program: Grants](#)

This grant program provides selectees with award funds prior to purchasing eligible buses and infrastructure. Because this is a grant program, the applications are generally longer and more detailed. Additionally, applications are evaluated based on scoring criteria. The 2023 program is closed and no longer accepting applications. There is an anticipated 2024 program. Check out the latest information at the Clean School Bus Grant webpage.

[EPA Clean School Bus Program Funding: Rebates](#)

This rebate program provides selectees with award funds prior to purchasing eligible buses and infrastructure. This rebate program operates as a lottery, where applicants receive a prioritization based on whether or not the applicant serves a prioritized school district. The 2023 program is closed and no longer accepting applications. There is an anticipated 2024 program. Check out the latest information at the Clean School Bus Rebate webpage.



EPA Clean Heavy-Duty Vehicles Grant Program – School Bus Sub-Program

The EPA anticipates awarding up to 70% of the \$932 million, from the IRA, to eligible owners to replace existing non-zero-emission Class 6 and 7 buses with ESBs. To support zero-emission vehicle adoption and deployment, funding may also be used for zero-emission vehicle refueling infrastructure, workforce development and training, project implementation costs. EPA Region 2 is anticipated to receive \$92 million.

Eligible Owners

- States and U.S. territories
- Municipalities, including public school districts
- Indian Tribes
- Nonprofit school transportation associations

Grant Amounts

Applicants are subject to a mandatory cost share, unless the eligible owner qualifies for a waiver.

Vehicle Type	EPA Cost Share Percentage of New Vehicle Price	Pre-Vehicle Funding-Cap (Vehicle + Infrastructure)
Battery-Electric School Bus	75%	\$280,000

U.S. Department of Energy (DOE): Renew America’s Schools Prize

The Department of Energy launched the \$500 million Renew America’s Schools Prize, funded by the Bipartisan Infrastructure Law, to assist school communities with implementing eligible energy efficiency and renewable energy projects, as well as alternative fueled vehicle purchases and infrastructure. In the first round funded improvement projects at over 90 school facilities. The second round of funding is now open, and will invest \$180M in school facilities that demonstrate the need for both energy improvements and financing, with a focus on support to schools that serve a high percentage of students eligible for free and reduced-priced lunch, and/or which qualify as rural.

Eligible Owners

- Schools
- Nonprofit organizations that have the knowledge and capacity to partner and assist with energy improvements
- For-profit organizations
- Community partners

Funding Amounts

Category	Phase 1: Prize	Phase 2: Cooperative Agreement	Phase 3: Cooperative Agreement
10-14 School	\$300,000	\$500,000	\$7 Million
15-19 Schools	\$300,000	\$750,000	\$10.5 Million
20+ Schools	\$300,000	\$1 Million	\$14 Million

⁴ <https://www.whitehouse.gov/cleanenergy/directpay/>

Inclusive Programs

In this section, while each program may come with its own set of restrictions, funding is awarded on a first-come, first-served basis until resources are allocated. Unlike competitive grants where success is not guaranteed, these opportunities provide a higher degree of certainty, ensuring funding for those who act promptly and meet the necessary criteria. **The funding opportunities outlined below are arranged in order of priority for optimal application timelines and stacking opportunities.**

[New York School Bus Incentive Program – School Bus Voucher](#)

The New York School Bus Incentive Program (NYSBIP) is a NYSEDA run program, funded through the Environmental Bond Act, which was passed by New York State voters in November 2022, and includes \$500 million to help school bus fleets transition to zero-emission buses. At this time, \$100 million is available for both ESBs and charging infrastructure. The program is broken into two different vouchers: School Bus Voucher and Charging Voucher. The program is on a first-come, first-served basis.

The School Bus Voucher is a point-of-sale voucher, meaning that the value of the voucher is discounted from the purchase price of the bus, so the school district or third-party operator only pays their cost share. Eligible dealers apply on behalf of the eligible owners and is reimbursed by NYSEDA once the school buses are placed in service.

Eligible Owners

- New York State public school districts or other public entities that provide pupil transportation services
- Third-party Operators under contract with a New York State public school district

Voucher Amounts

The base voucher amounts for NYSEDA intend to cover a large percentage of the incremental cost of a new or repowered zero-emission school bus. Voucher amounts are categorized by type of bus (e.g., Type A, Type C, Type D) and by whether the bus is purchased new or if it is an existing bus that is being repowered. Voucher amounts are subject to change and contingent on funding availability.

School Bus Type	Base Voucher	Priority District Bonus	Scrapage Bonus	V2G Add-On	Wheelchair Add-on
New Type A	\$114,000	\$28,5000	\$47,500	\$9,500	\$8,000
New Type C	\$147,000	\$36,750	\$61,250	\$12,250	\$8,000
New Type D	\$156,000	\$39,000	\$65,000	\$13,000	\$8,000
Repowered A	\$105,000	\$21,000	N/A	\$7,000	N/A
Repowered C	\$135,000	\$27,000	N/A	\$9,000	N/A





Joint Utilities of New York Medium- and Heavy-Duty EV Make-Ready Pilot

School bus operators that have approved applications for initial buses either through NYSBIP, The New York Truck Voucher Program, The EPA Clean School Bus Program, or the NYC Clean Truck Program, can apply for the Joint Utilities Medium- and Heavy-Duty EV Make-Ready Program (Make-Ready Program). School bus operators in the service areas of the Joint Utilities of New York (i.e., Central Hudson Gas and Electric Corp; Con Edison, NYSEG, National Grid; Orange and Rockland Utilities, Inc.; and RG&E) can access funding for charging infrastructure from their utility. Funds are limited, however, and available on a first-come, first-served basis. Each participating utility will accept applications until December 31, 2025, or until available incentive funding has been fully allocated, whichever comes first. Each of the utilities has unique requirements related to the pilot. Visit your utility’s program website for specifics on how to apply.

Eligible Owners:

- Publicly accessible sites
- Private sites participating in a voucher incentive program

Voucher Amounts

Under the Pilot, utilities can provide incentives up to 90% of the utility-side infrastructure costs and up to 50% of customer-side costs to qualifying projects. Customer-side incentives are subject to dollar per kW caps, which vary by utility.

Utility	Customer-Side Incentive Cap
Central Hudson	\$658.36/kW
Con Edison	\$980.76/kW
National Grid	\$440.96/kW
NYSEG	\$409.07/kW
Orange and Rockland	\$592.77/kW
RG&E	\$712.08/kW

Each utility has its own web page, where you can find information about how to apply:

- [Central Hudson](#)
- [Con Edison](#)
- [National Grid](#)
- [NYSEG](#)
- [Orange and Rockland Utilities](#)
- [RG&E](#)

New York School Bus Incentive Program – Charging Voucher

The charging voucher is a reimbursement on a per new ESB basis, which means that applicants can redeem their voucher after they have completed construction, installed the chargers, and paid for the equipment and installation. Eligible owners should apply for the NYSBIP charging voucher after utility-side upgrades are complete and they are preparing for customer-side upgrades.

Eligible Owners

- New York State public school districts or other public entities that provide pupil transportation services
- Third-party Operators under contract with a New York State public school district

Voucher Amounts

The base charging voucher amounts are intended to cover all or most of the cost of a low-voltage (e.g., Level 2) charger as well as some of the customer-side make-ready equipment and installation costs. Charging Voucher amounts are determined by Priority District status, and whether eligible owner has conducted a Fleet Electrification Plan.

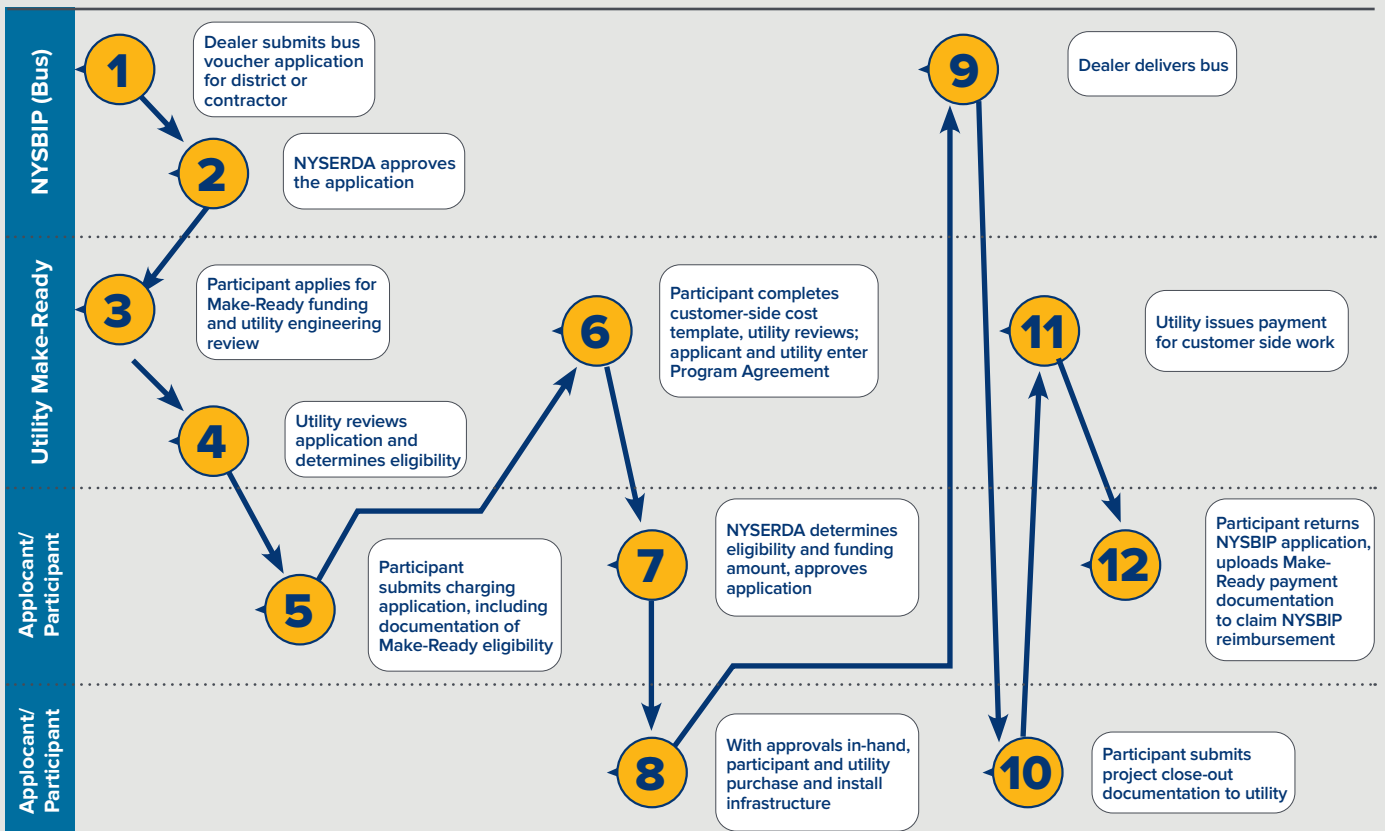
Type	Base Voucher Amount	Fleet Electrification Plan Bonus
Non-Priority District	\$25,000	\$55,000
Priority District	\$35,000	\$65,000

Make-Ready Mid-Point Review

The New York State Public Service Commission (PSC) initiated a mid-point review for the statewide Make-Ready Program in August 2022, assessing all elements of the program—including the Medium- and Heavy-Duty EV Make-Ready Pilot. Department of Public Service (DPS) staff filed the Midpoint Review Whitepaper in March 2023 recommending modifications to the Medium- and Heavy-Duty Make-Ready Pilot to increase the budget by \$30 million, make customer-side costs eligible for funding, and add the EPA Clean School Bus Program to the list of qualifying voucher programs for fleets to be eligible for funding. The Midpoint Review Whitepaper also recommends that utilities should identify existing load serving capacity at school bus depots, and that existing Fleet Assessment Services be adapted to a standardized program to serve needs of school transportation operators.

Timeline for NYSBIP and Utility Make-Ready Programs

Many programs, such as the Make-Ready initiative, require verification that you have applied for other related incentives. The image below outlines the steps to effectively apply for both the New York State Bus Incentive Program (NYSBIP) and Make-Ready grants, ensuring that all necessary documentation and applications are completed.



2022 Inflation Reduction Act Commercial Clean Vehicle Tax Credit (45W)

The Inflation Reduction Act (IRA) was signed into law on August 16, 2022. Section 13403 of the Act creates a new tax credit for qualified commercial clean vehicles, including some ESBs. These credits (or any other federal subsidies) are available in addition to any rebates or grants received.

Eligible Owners

- Businesses
- Tax-exempt organizations

Tax Credit Amounts

For electric vehicles, the potential tax credit is the lesser of 30% of the purchase cost or the incremental costs increase for the new vehicle compared to a comparable internal combustion vehicle. There is also a limitation of \$40,000 for vehicles weighing greater than 14,000 pounds and \$7,500 for vehicles weighing less than 14,000 pounds.

Alternative Fuel Vehicle Refueling Property Credit (30C)

The Alternative Fuel Vehicle Refueling Property credit is an extension of the IRA. If you install qualified vehicle refueling and recharging equipment in your business, you may qualify for the alternative fuel refueling property tax credit.

Eligible Owners

School districts located in low-income community census tracts or non-urban census tracts that place qualified refueling property into service during the tax year. Qualified property includes electric vehicle charging infrastructure that was placed in service during the tax year.

Tax Credit Amount

The credit for each item of property is generally the lesser of 6% (or 30% if certain prevailing wage and apprenticeship requirements are met) of the property's cost or \$100,000.

NY State Education Department Aid

Transportation aid from the New York State Education Department (NYSED) supports school districts in safe and efficient student transportation, covering expenses like fuel, maintenance, and driver salaries. It also caters to specialized transportation needs for students with disabilities, ensuring fair access to education. By easing financial burdens, NYSED helps districts allocate resources effectively, prioritize safety, and maintain reliable transportation services crucial for student attendance and academic success.

The State Aid Ratio, a key part of New York's educational funding, shows the percentage of a district's budget covered by State aid. The average State aid ratio is around 70%. A higher ratio means more of the budget is subsidized by State aid, easing the burden on local taxpayers. Factors like demographics, property values, and enrollment numbers influence this ratio. Lower property wealth and higher student needs often result in higher ratios, reflecting the State's commitment to equitable funding and ensuring all students access quality education. In addition to electric school buses, State aid can also support many site upgrades for charging electric buses. For more information, see NYSED's [Zero Emission Bus Charging Infrastructure Q&A](#) document.

The FY 2024-2025 New York State Budget included a change to how transportation aid is calculated for districts receiving NYSBIP incentives. The incentive amount is included as an eligible expense, meaning that districts now receive additional aid when utilizing NYSBIP. The effect, as depicted in the Stacking Scenarios section, is a significant reduction in the local cost of an ESB, and in many cases, districts will be fully reimbursed for their out-of-pocket costs over the reimbursement period.

Stacking Incentives

Applying for multiple incentive programs, when permitted, can drive down the upfront costs of converting to electric school buses. Though additional effort is required, combining various incentives such as tax credits, grants, rebates, and financing options, also known as 'stacking,' can substantially reduce costs and expedite cost-recovery. The following scenarios provide examples of how different incentives can be stacked.

Elective Pay for Federal Tax Credits

Elective pay allows applicable entities, including tax-exempt and governmental entities that would otherwise be unable to claim certain credits because they do not owe federal income tax, to benefit from some clean energy tax credits. Eligible entities would claim and receive an elective payment by making an elective payment election on Form 990-T along with any form required to claim the relevant tax credit. Review the [IRS guidance for tax-exempt organization](#) for details on how to make the elective payment election.



Stacking Considerations

The following scenarios consider the impact of upfront incentives and the district’s Transportation Aid ratio. However, a few key caveats are necessary before reviewing these Scenarios:

- For simplicity, interest on Aid repayment is not included.
- The recent change to the Transportation Aid calculation that enables districts to receive aid on NYSBIP Vouchers is included. As a result, the amounts shown apply the aid ratio to the eligible amount. NYSED is providing resources to help districts [estimate the impact of this aid calculation change](#).
- Lastly, while the upfront cost is the most widely considered cost, operating costs are another area where electric school buses typically outperform diesel and gas-powered buses. These operating cost savings can vary depending on electricity rates, vehicle use, and other factors. However, a good rule of thumb is that operating an electric school bus can cost between \$4,000 and \$11,000 less per year than a diesel or gas bus.

Stacking Scenario 1

In Scenario 1, a hypothetical school district has an aid ratio of 50%, which is below the average aid ratio of roughly 70%. This school district applies for a NYSBIP School Bus Voucher and chooses to scrap their old bus and selects a vehicle-to-grid (V2G) capable ESB. After the NYSBIP Voucher, the district also opts to receive the IRS Commercial Clean Vehicle Credit (45W), which is available to all school districts. These incentives reduce the cost of a Type D ESB from \$425,000 to \$151,000, which is **\$14,000 less than a comparable Type D diesel bus**. Following State Aid reimbursement, the cost to the district will be \$0, based on the aid calculation changes for Environmental Bond Act funding included in the FY 2024-2025 New York State Budget.

District Actions	ESB Initial Cost	Diesel Initial Cost
Purchases Type D bus	\$425,000	\$165,000
Applies for NYSBIP voucher (\$156,000)	\$269,000	\$165,000
Scraps old bus (\$65,000)	\$204,000	\$165,000
Selects V2G-capable bus (\$13,000)	\$191,000	\$165,000
Applies for 45W tax credit on remaining cost (\$40,000)	\$151,000	\$165,000
Upfront cost to district	\$151,000	\$165,000
District aid ratio applied	50%	50%
Final cost to district after reimbursement	\$0	\$82,500

Stacking Scenario 2

In Scenario 2, a hypothetical school district has an aid ratio of 25%, which is below the average aid ratio of roughly 70%. This school district applies for the EPA Clean School Bus Program and a NY School Bus Incentive Program (NYSBIP) “Stacking” Bus Voucher. After the NYSBIP Voucher, the district also opts to receive the IRS Commercial Clean Vehicle Credit (45W), which is available to all school districts. These incentives reduce the cost of a Type C ESB from \$385,000 to \$45,000, which is **\$97,000 less than a comparable Type C diesel bus**. Following State Aid reimbursement, the cost to the district would be approximately \$8,750 as compared to roughly \$106,500, based on the aid calculation changes for Environmental Bond Act funding included in the FY 2024-2025 New York State Budget.

District Actions	ESB Initial Cost	Diesel Initial Cost
Purchases Type C bus	\$385,000	\$142,000
Receives EPA Non-priority award (\$200,000)	\$185,000	\$142,000
Applies for NYSBIP stacking voucher (\$100,000)	\$85,000	\$142,000
Applies for 45W credit on remaining cost (\$40,000)	\$45,000	\$142,000
Upfront cost to district	\$45,000	\$142,000
Aid ratio applied	25%	25%
Final cost to district after reimbursement	\$8,750	\$106,500