§ 3625. Contracts. 1. Form of transportation contracts. Every contract for transportation of school children shall be in writing or in an electronic form approved by the commissioner when available, and before such contract is filed with the department as required by subdivision two of this section, the same shall be submitted for approval to the superintendent of schools of said district and such contract shall not be approved and filed by such superintendent unless he or she shall first investigate the same with particular reference to the type of conveyance, the character and ability of the driver, the routes over which the conveyances shall travel, the time schedule, and such other matters as in the judgement of the superintendent are necessary for the comfort and protection of the children while being transported to and from school. Every such contract for transportation of children shall contain an agreement upon the part of the contractor that the vehicle shall come to a full stop before crossing the track or tracks of any railroad and before crossing any state highway.

2. Filing of transportation contracts. Every transportation contract shall be filed with the department within one hundred twenty days of the commencement of service under such contract. No transportation expense shall be allowed for a period greater than one hundred twenty days prior to the filing of any contract for the transportation of pupils with the education department. No contract shall be considered filed unless it bears an original signature, in the case of a written document, or a certification, in the case of an approved electronic form, of the superintendent of a school district or the designee of the superintendent and the sole trustee or president of the board of education of the school district. The final approval of any such contract by the commissioner shall not, however, obligate the state to allow transportation expense in an amount greater than the amount that would be allowed under the provisions of this part. The state, acting through the department of audit and control, may examine any and all accounts of the contractor in connection with a contract for the transportation of pupils, and every such contract shall contain the following provision: "The contractor hereby consents to an audit of any and all financial records relating to this contract by the department of audit and control."

3. Allowable expense for transportation contracts. The allowable transportation expense for any school district contracting for the use of a bus or buses for the transportation of any or all the pupils attending school in such school district, other than a contract with a public service facility for such transportation operated on routes under franchise or operated by a municipality or public authority, shall be determined in the same manner as though such bus or buses were district owned, except that the amount computed for such bus or buses used in the computation of the transportation expense may not exceed the amount of the contract or contracts for such bus or buses.

4. No transportation aid or other public moneys shall be apportioned and paid as provided in this chapter to any district furnishing transportation for pupils until the contract for transportation shall also have been approved by the commissioner. In defraying any expense incurred in providing transportation of any pupils or children under any provision of this chapter, public moneys apportioned to the district in which such pupils or children reside may be used therefor.

5. Transportation contract penalties. a. All acts done and proceedings heretofore had and taken, or caused to be had and taken, by school districts and by all its officers or agents relating to or in connection with a transportation contract, to be filed with the department, where such contract was not timely executed and/or filed within one hundred twenty days of the commencement of service under such contract pursuant to subdivision two of this section and/or where the advertisement for bids for such contract did not meet the requirements set forth in paragraph a of subdivision fourteen of section three hundred five of this chapter, and all acts incidental hereto are hereby legalized, validated, ratified and confirmed, notwithstanding any failure to comply with such filing and/or advertising provision or provisions, provided that the conditions in subparagraphs one, two, three, and four of paragraph b of this subdivision are met.

b. The department is hereby directed to consider the aforementioned contracts for transportation aid as valid and proper obligations and

shall not recover from such school districts any penalty arising from the failure to execute and/or file a transportation contract in a timely manner and/or meet such advertisement requirements, provided that any amounts already so recovered shall be deemed a payment of moneys due for prior years pursuant to paragraph c of subdivision five of section thirty-six hundred four of this article and shall be paid to the school district pursuant to such provision, provided that:

(1) such school district submitted the contract to the commissioner and such contract is for services in the two thousand twelve--two thousand thirteen school year or thereafter;

(2) such contract is approved by the commissioner;

(3) all state funds expended by the school district were properly expended for such transportation as approved by the commissioner; and

(4) the failure to execute or file such contract in a timely manner and/or meet such advertisement requirements was an inadvertent administrative or ministerial oversight by the school district or due to extenuating circumstances, and there is no evidence of any fraudulent or other improper intent by such district, as determined by the commissioner.