

August 4, 2008

President or Superintendent  
School District  
Address  
City, State Zip

Dear John Smith:

A relatively new Illinois School Code (105ILCS5/10-20.40), which applies to your school district, took effect in January 2008. I am writing to make sure you are aware of this regulation so that you do not find your school district in noncompliance. I also write to let you know about the work the Illinois Policy Institute has taken up in the last few months, which may help you understand what steps you must take in order to fulfill the requirements of this Illinois School Code.

Under the requirements of Illinois School Code (105ILCS5/10-20.40), school boards must report on their existing websites all contracts over \$25,000. The following explains the law in full:

< Sec. 10-20.40. Report on contracts.

(a) This Section applies to all school districts, including a school district organized under Article 34 of this Code.

(b) A school board must list on the district's Internet website, if any, all contracts over \$25,000 and any contract that the school board enters into with an exclusive bargaining representative.

(c) Each year, in conjunction with the submission of the Statement of Affairs to the State Board of Education prior to December, 1 provided for in Section 10-17, each school district shall submit to the State Board of Education an annual report on all contracts over \$25,000 awarded by the school district during the previous fiscal year. The report shall include at least the following:

(1) the total number of all contracts awarded by the school district;

(2) the total value of all contracts awarded;

(3) the number of contracts awarded to minority owned businesses, female owned businesses, and businesses owned by persons with disabilities, as defined in the Business Enterprise for Minorities, Females and Persons with Disabilities Act, and locally owned businesses; and

(4) the total value of contracts awarded to minority owned businesses, female owned businesses, and businesses owned by persons with disabilities, as defined in the Business Enterprise for Minorities, Females and Persons with Disabilities Act, and locally owned businesses.

The report shall be made available to the public, including publication on the school district's Internet website, if any. >

The Illinois Policy Institute has been working to bring more transparency to school districts throughout the state of Illinois with the great help of volunteers, including Adam Andrzejewski of For the Good of Illinois. A large part of this effort involves asking school boards to post all expenditures online in an itemized, easily searchable database. Just as you can open your personal bank account online and look up your spending activity, the database would provide the details of every tax dollar spent. The site would provide a complete, itemized, and clear description of all expenditures, including but not limited to all contracts, vendors, and grants. All expenditures would have a detailed account of the payment's purpose and who authorized the payment.

For example, the Collage of DuPage, the largest single-campus community college in the Midwest with an annual budget of nearly \$140 million, posts its check register online. Other, smaller school districts, like Huntley D158, Carpentersville D300, and Elmhurst D205, post their check register and understand how it benefits both the school and community. As Huntley Superintendent John Burkey put it, "Posting promotes transparency about what we're spending taxpayers' money on, and we have had absolutely no problems with public inquiries."

Illinois School Code (105ILCS5/10-20.40) demands school districts post all contracts over \$25,000. However, the Illinois Policy Institute thinks school districts should post all expenditures. Why stop at 25K? Clearly, you must post your school district's contracts exceeding 25K according to the law, but we ask you to take a step beyond what you're required to do. Make all your expenditures open to the taxpayers who make the operation of your district possible. Posting a check register costs nothing, takes little time, and restores the community's trust in public officials.

If you have any questions about posting your check register online, please feel free to contact us. You can check this link to see how other school districts in Illinois are already posting: <http://www.illinoispolicyinstitute.org/news/article.asp?ArticleSource=410>. You can also check [www.forthegoodofillinois.org](http://www.forthegoodofillinois.org) for more information about posting online. Please let us know whether you are in compliance with Illinois School Code (105ILCS5/10-20.40), and if not, your plans to meet (or go beyond) the requirements. I look forward to hearing from you.

Sincerely,

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cc: Adam Andrzejewski, Director, For the Good of Illinois