



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB4306

Introduced 1/28/2020, by Rep. Sonya M. Harper

#### SYNOPSIS AS INTRODUCED:

105 ILCS 5/27A-5

Amends the Charter Schools Law of the School Code. With respect to a charter school's retention of an outside, independent contractor to audit the charter school's finances, provides that the contractor shall not be an employee of the charter school or affiliated with the charter school or its authorizer in any way, other than to audit the charter school's finances. Effective July 1, 2020.

LRB101 15133 NHT 64272 b

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The School Code is amended by changing Section  
5 27A-5 as follows:

6 (105 ILCS 5/27A-5)

7 (Text of Section before amendment by P.A. 101-50)

8 Sec. 27A-5. Charter school; legal entity; requirements.

9 (a) A charter school shall be a public, nonsectarian,  
10 nonreligious, non-home based, and non-profit school. A charter  
11 school shall be organized and operated as a nonprofit  
12 corporation or other discrete, legal, nonprofit entity  
13 authorized under the laws of the State of Illinois.

14 (b) A charter school may be established under this Article  
15 by creating a new school or by converting an existing public  
16 school or attendance center to charter school status. Beginning  
17 on April 16, 2003 (the effective date of Public Act 93-3), in  
18 all new applications to establish a charter school in a city  
19 having a population exceeding 500,000, operation of the charter  
20 school shall be limited to one campus. The changes made to this  
21 Section by Public Act 93-3 do not apply to charter schools  
22 existing or approved on or before April 16, 2003 (the effective  
23 date of Public Act 93-3).

1 (b-5) In this subsection (b-5), "virtual-schooling" means  
2 a cyber school where students engage in online curriculum and  
3 instruction via the Internet and electronic communication with  
4 their teachers at remote locations and with students  
5 participating at different times.

6 From April 1, 2013 through December 31, 2016, there is a  
7 moratorium on the establishment of charter schools with  
8 virtual-schooling components in school districts other than a  
9 school district organized under Article 34 of this Code. This  
10 moratorium does not apply to a charter school with  
11 virtual-schooling components existing or approved prior to  
12 April 1, 2013 or to the renewal of the charter of a charter  
13 school with virtual-schooling components already approved  
14 prior to April 1, 2013.

15 (c) A charter school shall be administered and governed by  
16 its board of directors or other governing body in the manner  
17 provided in its charter. The governing body of a charter school  
18 shall be subject to the Freedom of Information Act and the Open  
19 Meetings Act. No later than January 1, 2021 (one year after the  
20 effective date of Public Act 101-291) ~~this amendatory Act of~~  
21 ~~the 101st General Assembly~~, a charter school's board of  
22 directors or other governing body must include at least one  
23 parent or guardian of a pupil currently enrolled in the charter  
24 school who may be selected through the charter school or a  
25 charter network election, appointment by the charter school's  
26 board of directors or other governing body, or by the charter

1 school's Parent Teacher Organization or its equivalent.

2 (c-5) No later than January 1, 2021 (one year after the  
3 effective date of Public Act 101-291) ~~this amendatory Act of~~  
4 ~~the 101st General Assembly~~ or within the first year of his or  
5 her first term, every voting member of a charter school's board  
6 of directors or other governing body shall complete a minimum  
7 of 4 hours of professional development leadership training to  
8 ensure that each member has sufficient familiarity with the  
9 board's or governing body's role and responsibilities,  
10 including financial oversight and accountability of the  
11 school, evaluating the principal's and school's performance,  
12 adherence to the Freedom of Information Act and the Open  
13 Meetings Act ~~Acts~~, and compliance with education and labor law.  
14 In each subsequent year of his or her term, a voting member of  
15 a charter school's board of directors or other governing body  
16 shall complete a minimum of 2 hours of professional development  
17 training in these same areas. The training under this  
18 subsection may be provided or certified by a statewide charter  
19 school membership association or may be provided or certified  
20 by other qualified providers approved by the State Board of  
21 Education.

22 (d) For purposes of this subsection (d), "non-curricular  
23 health and safety requirement" means any health and safety  
24 requirement created by statute or rule to provide, maintain,  
25 preserve, or safeguard safe or healthful conditions for  
26 students and school personnel or to eliminate, reduce, or

1 prevent threats to the health and safety of students and school  
2 personnel. "Non-curricular health and safety requirement" does  
3 not include any course of study or specialized instructional  
4 requirement for which the State Board has established goals and  
5 learning standards or which is designed primarily to impart  
6 knowledge and skills for students to master and apply as an  
7 outcome of their education.

8 A charter school shall comply with all non-curricular  
9 health and safety requirements applicable to public schools  
10 under the laws of the State of Illinois. On or before September  
11 1, 2015, the State Board shall promulgate and post on its  
12 Internet website a list of non-curricular health and safety  
13 requirements that a charter school must meet. The list shall be  
14 updated annually no later than September 1. Any charter  
15 contract between a charter school and its authorizer must  
16 contain a provision that requires the charter school to follow  
17 the list of all non-curricular health and safety requirements  
18 promulgated by the State Board and any non-curricular health  
19 and safety requirements added by the State Board to such list  
20 during the term of the charter. Nothing in this subsection (d)  
21 precludes an authorizer from including non-curricular health  
22 and safety requirements in a charter school contract that are  
23 not contained in the list promulgated by the State Board,  
24 including non-curricular health and safety requirements of the  
25 authorizing local school board.

26 (e) Except as otherwise provided in the School Code, a

1 charter school shall not charge tuition; provided that a  
2 charter school may charge reasonable fees for textbooks,  
3 instructional materials, and student activities.

4 (f) A charter school shall be responsible for the  
5 management and operation of its fiscal affairs, including, but  
6 not limited to, the preparation of its budget. An audit of each  
7 charter school's finances shall be conducted annually by an  
8 outside, independent contractor retained by the charter  
9 school. The contractor shall not be an employee of the charter  
10 school or affiliated with the charter school or its authorizer  
11 in any way, other than to audit the charter school's finances.

12 To ensure financial accountability for the use of public funds,  
13 on or before December 1 of every year of operation, each  
14 charter school shall submit to its authorizer and the State  
15 Board a copy of its audit and a copy of the Form 990 the charter  
16 school filed that year with the federal Internal Revenue  
17 Service. In addition, if deemed necessary for proper financial  
18 oversight of the charter school, an authorizer may require  
19 quarterly financial statements from each charter school.

20 (g) A charter school shall comply with all provisions of  
21 this Article, the Illinois Educational Labor Relations Act, all  
22 federal and State laws and rules applicable to public schools  
23 that pertain to special education and the instruction of  
24 English learners, and its charter. A charter school is exempt  
25 from all other State laws and regulations in this Code  
26 governing public schools and local school board policies;

1 however, a charter school is not exempt from the following:

2 (1) Sections 10-21.9 and 34-18.5 of this Code regarding  
3 criminal history records checks and checks of the Statewide  
4 Sex Offender Database and Statewide Murderer and Violent  
5 Offender Against Youth Database of applicants for  
6 employment;

7 (2) Sections 10-20.14, 10-22.6, 24-24, 34-19, and  
8 34-84a of this Code regarding discipline of students;

9 (3) the Local Governmental and Governmental Employees  
10 Tort Immunity Act;

11 (4) Section 108.75 of the General Not For Profit  
12 Corporation Act of 1986 regarding indemnification of  
13 officers, directors, employees, and agents;

14 (5) the Abused and Neglected Child Reporting Act;

15 (5.5) subsection (b) of Section 10-23.12 and  
16 subsection (b) of Section 34-18.6 of this Code;

17 (6) the Illinois School Student Records Act;

18 (7) Section 10-17a of this Code regarding school report  
19 cards;

20 (8) the P-20 Longitudinal Education Data System Act;

21 (9) Section 27-23.7 of this Code regarding bullying  
22 prevention;

23 (10) Section 2-3.162 of this Code regarding student  
24 discipline reporting;

25 (11) Sections 22-80 and 27-8.1 of this Code;

26 (12) Sections 10-20.60 and 34-18.53 of this Code;

1 (13) Sections 10-20.63 and 34-18.56 of this Code;

2 (14) Section 26-18 of this Code;

3 (15) Section 22-30 of this Code; and

4 (16) Sections 24-12 and 34-85 of this Code.

5 The change made by Public Act 96-104 to this subsection (g)  
6 is declaratory of existing law.

7 (h) A charter school may negotiate and contract with a  
8 school district, the governing body of a State college or  
9 university or public community college, or any other public or  
10 for-profit or nonprofit private entity for: (i) the use of a  
11 school building and grounds or any other real property or  
12 facilities that the charter school desires to use or convert  
13 for use as a charter school site, (ii) the operation and  
14 maintenance thereof, and (iii) the provision of any service,  
15 activity, or undertaking that the charter school is required to  
16 perform in order to carry out the terms of its charter.  
17 However, a charter school that is established on or after April  
18 16, 2003 (the effective date of Public Act 93-3) and that  
19 operates in a city having a population exceeding 500,000 may  
20 not contract with a for-profit entity to manage or operate the  
21 school during the period that commences on April 16, 2003 (the  
22 effective date of Public Act 93-3) and concludes at the end of  
23 the 2004-2005 school year. Except as provided in subsection (i)  
24 of this Section, a school district may charge a charter school  
25 reasonable rent for the use of the district's buildings,  
26 grounds, and facilities. Any services for which a charter



1 school contracts with a school district shall be provided by  
2 the district at cost. Any services for which a charter school  
3 contracts with a local school board or with the governing body  
4 of a State college or university or public community college  
5 shall be provided by the public entity at cost.

6 (i) In no event shall a charter school that is established  
7 by converting an existing school or attendance center to  
8 charter school status be required to pay rent for space that is  
9 deemed available, as negotiated and provided in the charter  
10 agreement, in school district facilities. However, all other  
11 costs for the operation and maintenance of school district  
12 facilities that are used by the charter school shall be subject  
13 to negotiation between the charter school and the local school  
14 board and shall be set forth in the charter.

15 (j) A charter school may limit student enrollment by age or  
16 grade level.

17 (k) If the charter school is approved by the State Board or  
18 Commission, then the charter school is its own local education  
19 agency.

20 (Source: P.A. 100-29, eff. 1-1-18; 100-156, eff. 1-1-18;  
21 100-163, eff. 1-1-18; 100-413, eff. 1-1-18; 100-468, eff.  
22 6-1-18; 100-726, eff. 1-1-19; 100-863, eff. 8-14-18; 101-81,  
23 eff. 7-12-19; 101-291, eff. 1-1-20; 101-531, eff. 8-23-19;  
24 101-543, eff. 8-23-19; revised 9-19-19.)

25 (Text of Section after amendment by P.A. 101-50)

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18 a cyber school where students engage in online curriculum and  
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19 effective date of Public Act 101-291) ~~this amendatory Act of~~  
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21 her first term, every voting member of a charter school's board  
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23 of 4 hours of professional development leadership training to  
24 ensure that each member has sufficient familiarity with the  
25 board's or governing body's role and responsibilities,  
26 including financial oversight and accountability of the

1 school, evaluating the principal's and school's performance,  
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3 Meetings ~~Act Acts~~, and compliance with education and labor law.  
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21 Offender Against Youth Database of applicants for  
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18 (14) Section 26-18 of this Code;

19 (15) Section 22-30 of this Code; ~~and~~

20 (16) Sections 24-12 and 34-85 of this Code; and

21 (17) ~~(16)~~ The Seizure Smart School Act.

22 The change made by Public Act 96-104 to this subsection (g)  
23 is declaratory of existing law.

24 (h) A charter school may negotiate and contract with a  
25 school district, the governing body of a State college or  
26 university or public community college, or any other public or

1 for-profit or nonprofit private entity for: (i) the use of a  
2 school building and grounds or any other real property or  
3 facilities that the charter school desires to use or convert  
4 for use as a charter school site, (ii) the operation and  
5 maintenance thereof, and (iii) the provision of any service,  
6 activity, or undertaking that the charter school is required to  
7 perform in order to carry out the terms of its charter.  
8 However, a charter school that is established on or after April  
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10 operates in a city having a population exceeding 500,000 may  
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12 school during the period that commences on April 16, 2003 (the  
13 effective date of Public Act 93-3) and concludes at the end of  
14 the 2004-2005 school year. Except as provided in subsection (i)  
15 of this Section, a school district may charge a charter school  
16 reasonable rent for the use of the district's buildings,  
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20 contracts with a local school board or with the governing body  
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1 agreement, in school district facilities. However, all other  
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5 board and shall be set forth in the charter.

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9 Commission, then the charter school is its own local education  
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11 (Source: P.A. 100-29, eff. 1-1-18; 100-156, eff. 1-1-18;  
12 100-163, eff. 1-1-18; 100-413, eff. 1-1-18; 100-468, eff.  
13 6-1-18; 100-726, eff. 1-1-19; 100-863, eff. 8-14-18; 101-50,  
14 eff. 7-1-20; 101-81, eff. 7-12-19; 101-291, eff. 1-1-20;  
15 101-531, eff. 8-23-19; 101-543, eff. 8-23-19; revised  
16 9-19-19.)

17 Section 95. No acceleration or delay. Where this Act makes  
18 changes in a statute that is represented in this Act by text  
19 that is not yet or no longer in effect (for example, a Section  
20 represented by multiple versions), the use of that text does  
21 not accelerate or delay the taking effect of (i) the changes  
22 made by this Act or (ii) provisions derived from any other  
23 Public Act.

24 Section 99. Effective date. This Act takes effect July 1,  
25 2020.