



## NEW LAWS REQUIRE DISCLOSURE REGARDING SCHOOL EMPLOYEE COMPENSATION PACKAGES

Governor Quinn recently signed two new laws passed by the General Assembly which require greater disclosure of teacher and administrator compensation in Illinois.

Public Act 96-266 adds §10-20.46 to the *School Code* and requires school boards to annually report to ISBE by July 1<sup>st</sup> the base salary and benefits of all administrators and teachers employed by the school district. For now, "benefits" include vacation and sick days, bonuses, annuities and retirement enhancements. The law does not expressly grant ISBE the authority to issue regulations further defining benefits, but we expect ISBE will prepare model forms for school districts to use. This law is effective January 1, 2010, meaning the first report must be submitted before July 1, 2010.

The law does not make public any information that was not previously subject to a *Freedom of Information Act* request since the Illinois Supreme Court announced this year in *Stern v. Wheaton Warrenville Community School District 200* that administrator employment contracts are subject to disclosure under *FOIA*. However, the law does create a central location from which to request data concerning teacher and administrator contracts. As a result, individuals may now choose to redirect to ISBE certain *FOIA* requests that were previously made to the local school district.

In addition to the state-level disclosure requirements, the General Assembly also passed Public Act 96-434, which adds local publication requirements to the new §10-20.46 of the *School Code*. Under this new provision, before October 1 of each year school districts must post on their website (if any): (1) collectively bargained contracts entered between the School District and an exclusive bargaining representative; and, (2) an itemized salary compensation report for every employee who holds an administrator's certificate and works in an administrative capacity. The report must include all forms of compensation, including but not limited to base salary, bonuses, pension contributions, retirement increases, health and life insurance benefits costs and paid sick and vacation day payouts. In addition to posting the report on the District's website, the new law requires the report to be presented at a regular board meeting and submitted to the District's regional superintendent of schools, who shall make copies available to the public. The law does not specify a form for the report, leaving that decision to each school district.

This new law is effective **immediately**, thus requiring the immediate posting of collective bargaining agreements to the District's website. Additionally, the report on administrator compensation packages must be posted on the website by October 1, 2009. The new law does not proscribe a particular format for the report. If you would like assistance in preparing the compensation report, please do not hesitate to contact our firm to discuss content and formatting options.

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