



Re: HB 17-1375 Reporting Requirements effective July 1, 2018

In accordance with the Public School Financial Transparency Act (Financial Transparency Act), C.R.S. 22-44-301 et seq., as amended by House Bill 17-1375 (Mill Levy Equalization Bill of 2017), all charter schools have the following new reporting requirements commencing July 1, 2018:

- 1. Posting of the federal form 990 and any associated schedules;*
- 2. Posting of automatic waivers; and*
- 3. Posting of a name and contact information for additional information about automatic waivers.*

A charter school can meet the second and third reporting requirements by posting the Automatic Waivers for Charter Schools PDF attached to this alert to its Financial Transparency Webpage as shown in the July 1, 2018 Webpage Template attached to this alert. Please note that prior to posting the Automatic Waivers for Charter Schools PDF to its website, a charter school must add a name and contact information to the file by printing the file, writing the information on the document, scanning the document and uploading it as a PDF to a computer.

What is the applicable statutory requirement?

C.R.S. 22-44-304(1)(e) provides that “commencing July 1, 2018, . . . each charter school shall post on its website for free public access an easily accessible link to the federal form 990, 990-EZ, or 990-PF and any associated schedules that the . . . charter school files, if any.”

C.R.S. 22-44-305(1)(b) provides that “[c]ommencing on July 1, 2018, each charter school shall post, in a location and format that can be easily accessed and downloaded, for free public access on its website the standardized description and rationale created pursuant to subsection (2) of this section for each of the automatic waivers that its invokes. Each charter school shall post with the list of automatic waivers the name of and contact information for a person employed by the charter school and available during regular school hours who can provide additional information concerning the charter school’s automatic waivers.”

Weren’t charter schools required to comply with a similar reporting requirement last year?

Yes. Beginning on July 1, 2017, the Financial Transparency Act required each charter school to post a list of state waivers and a copy of the plan that explains the manner in which the charter school will meet the intent of the law for each state waiver that is not an automatic waiver.



When must charter schools comply with the new reporting requirements?

Charter schools must comply with the new reporting requirements by July 1, 2018.

Where should a charter school post this information?

A charter school should post its federal form 990, list of automatic waivers, and contact information for automatic waivers on its Financial Transparency Webpage as these reporting requirements are set forth in the Financial Transparency Act. For additional guidance, see the July 1, 2018 Webpage Template for Charter Schools PDF attached to this alert.

Where can I find a charter school's federal form 990?

A charter school's business manager should maintain a copy of the school's federal form 990 and/or know where the file is maintained. In addition, these forms are typically made available on public websites, such as GuideStar.org.

Are all charter schools required to file a federal form 990?

Only those organizations that normally have \$50,000 or more in gross receipts and that are required to file an exempt organization information return must file either a Form 990, *Return of Organization Exempt from Income Tax*, or Form 990-EZ, *Short Form Return of Organization Exempt from Income Tax*. For more information, a charter school should consult with its legal counsel and/or auditor.

What if a charter school is not required to file a federal form 990?

If a charter school is not required to file a federal form 990, the charter school should list the form on its Financial Transparency Webpage and indicate the charter school is not required to file the form.

Are charter schools required to create its own standardized description and rationale for each of the automatic waivers it invokes?

No. Section 22-44-305(2) of the Financial Transparency Act required the Colorado Department of Education (CDE) and the Charter School Institute, in partnership with the Colorado League of Charter Schools, to develop a standardized description for each statute that the State Board of Education includes in the list of automatic waivers for charter schools and the rationale for including the statute on the list. See the Automatic Waivers for Charter Schools PDF attached to this alert. Charter schools should add a name and contact information to the PDF, tailor the list to reflect the automatic waivers that the school has invoked, and post the PDF on its website.



Where can a charter school find a list of its automatic waivers?

A charter school can find a list of its automatic waivers in its charter contract. A charter school may also find a list of its automatic waivers on the State Board of Education's BoardDocs electronic agenda page at <http://www.boarddocs.com/co/cde/Board.nsf/Public>.

Who can a charter school contact for additional information and/or questions related to the reporting requirements and automatic waivers?

Please contact Elizabeth Anzalone in CDE's Schools of Choice Unit at Anzalone_E@cde.state.co.us or (303) 866-6848.