

**ILLINOIS STATE BOARD OF EDUCATION
100 N. First Street
Springfield, Illinois**

October 21-22, 2008

NOTE: Staff presentations and detailed Board discussion typically take place during Committee meetings one month prior to State Board action in the plenary session.

All open meetings will be audio cast on the Internet at: www.isbe.net

Tuesday, October 21, 2008

9:00 a.m. Education Policy Planning Committee of the Whole
Board Room, 4th Floor

***10:15 a.m. Finance & Audit Committee of the Whole**
Board Room, 4th Floor

*** The meeting will begin at the conclusion of the previous session.**

Wednesday, October 22, 2008

8:30 a.m. Work-Study Session: Charter Schools
Board Room, 4th Floor

***10:30 a.m. Ad Hoc Rules Committee of the Whole**
Board Room, 4th Floor

***11:00 a.m. ISBE Plenary Session**
Board Room, 4th Floor

4:00 – 6:00 p.m. ISBE Budget Hearing
Location: Crowne Plaza Hotel, Plaza Room G
3000 S. Dirksen Parkway, Springfield, IL

*** The meeting will begin at the conclusion of the previous session.**

All State Board of Education meetings listed on this agenda will be accessible to persons with disabilities. Persons planning to attend who need special accommodations should contact the Board office no later than the date prior to the meeting. Contact the Superintendent's office at the State Board of Education, Phone: 217-782-2221; TTY/TDD: 17-782-1900; Fax: 217-785-3972.

NOTE: Chairman Ruiz may call to order the Board's plenary session early for the sole purpose of hearing a motion to go into closed session. In such case, the plenary session will reconvene for action items at the time posted. Chairman Ruiz may also call for a break in the plenary session on Thursday at which time the Board will go into closed session.

**ILLINOIS STATE BOARD OF EDUCATION
PLENARY SESSION
Board Room, 4th Floor
100 North First Street, Springfield, Illinois**

**Wednesday, October 22, 2008
11:00 a.m.**

(This meeting will begin immediately following the previous session.)

**NOTE: Staff presentations and detailed Board discussion typically take place during
Committee meetings one month prior to State Board action in the plenary session.**

All meetings will be audio cast on the Internet at www.isbe.net

A. Roll Call/Pledge of Allegiance

B. Resolutions & Recognition

11:00 – 11:05 a.m.

1. Dorothy Eulass, Center on Deafness, Northbrook, IL (*Plenary p. 4*)
2. Christina Meyer, Marsh Elementary School, Rockford, IL (*Plenary p. 5*)

C. Public Participation

11:05 – 11:35 a.m.

D. Superintendent's Report

*** Consent Agenda**

All action consideration items listed with an asterisk (*) are considered to be routine and will be enacted in one motion and vote. Any board member who wishes separate discussion on any item listed on the consent agenda may remove that item from the consent agenda, in which event, the item will be considered in its normal sequence.

Action Considerations

consent agenda items: 11:35 – 11:45 a.m.

- *1. Approval of Minutes:
 - a. (Correction) August 19-20, 2008 Retreat Debriefing (*Plenary pp. 6-11*)
 - b. September 17-18, 2008 Plenary Session (*Plenary pp. 12-30*)
 - c. September 17, 2008 Assessment Work Study (*Plenary pp. 31-52*)
- *2. Rules for Initial Review
 - a. Part 260 (Reading Improvement) (*Rules Packet pp. 5-13*)
- *3. Rules for Adoption
 - a. Part 75 (Incentive Grants for Agricultural Science Teacher Education) (*Rules Packet pp. 14-25*)
- *4. Contracts & Grants Over \$1 Million
 - a. Illinois Alternate Assessment Contract (*Finance & Audit Packet pp. 11-12*)
 - b. Special Education Database System (SEDS) Contract with Hupp (*Finance & Audit Packet pp. 13-14*)
 - c. Intergovernmental Agreement with University of Illinois for INTC work on Statewide New Teacher Induction & Mentoring (*Finance & Audit Packet pp. 15-16*)
 - d. RFSP for Illinois Virtual School (IVS) Administrative Agent (*Finance & Audit Packet pp. 17-34*)
- *5. Delegation of Right to Hold Public Hearing under the Grant Funds Recovery Act (*FAC Packet pp. 8-10*)
- *6. Preschool for All FY09 Funding Report (*Education Policy Planning Packet pp. 6-19*)
- *7. Consideration of Certification of Proviso Township High School District #209 as in Financial Difficulty (*Finance & Audit Packet pp. 35-40*)
- *8. 2008 Board Calendar Revision (*Plenary Packet pp. 53-54*)

End of consent agenda

9. Legislative Grants and other Special Initiatives (as needed)
10. Closed Session Minutes (*as needed, following closed session*)

E. New Business

11:45 – 11:50 a.m.

- | | |
|---|-------------------------|
| F. Announcements and Reports | 11:50 – 12:40 p.m. |
| 1. IBHE Liaison Report (<i>Dr. Proshanta Nandi</i>) | 11:50 a.m. – 12:00 p.m. |
| 2. Superintendent’s Announcements | 12:00 – 12:10 p.m. |
| 3. Chairman’s Report | 12:10 – 12:20 p.m. |
| 4. Committee Reports | 12:20 – 12:30 p.m. |
| 5. Member Reports | 12:30 – 12:40 p.m. |

- G. Information Items**
1. ISBE Fiscal & Administrative Monthly Reports (***Plenary pp. 55-82***)

H. Adjourn

NOTE: Chairman Ruiz may call to order the Board’s plenary session early for the sole purpose of hearing a motion to go into closed session. In such case, the plenary session will reconvene at the time announced. Chairman Ruiz may also call for a break in the plenary session at which time the Board will go into closed session.

**Illinois State Board of Education Meeting
 October 22, 2008
 Illinois State Board of Education
 100 North First Street
 Springfield, Illinois**

ROLL CALL/PLEDGE OF ALLEGIANCE	<p>Mr. Jesse Ruiz, Chairman, called the meeting to order at 10:45 a.m. Chairman Ruiz asked Ms. Jean Ladage, Assistant to the Board, to call the roll. A quorum was present. Dr. Christopher Koch, State Superintendent of Education, was also in attendance.</p> <p>The Board members, Dr. Koch and anyone who wished to join them faced the American flag and recited the Pledge of Allegiance.</p> <p>Chairman Ruiz announced that the Board meeting was being audio-cast live over the Internet.</p> <p><u>Members Present:</u> Mr. Jesse Ruiz, Chairman Dr. Christopher Ward, Vice Chairman Dr. Vinni Hall, Secretary Dr. Andrea Brown Mr. Dean Clark Dr. David Fields Ms. Brenda Holmes Ms. Joyce Karon Ms. Lanita Koster</p> <p><u>Members Absent:</u> None</p>
Recognition	<p>Dr. Koch introduced David Andel, the new Division Administrator for Special Education Services as of July 1, 2008.</p>
PUBLIC PATRICIPATION	<p><i>None</i></p>
SUPERINTENDENT'S REPORT	<p>Chairman Ruiz commented that all items listed with an asterisk (*) on the agenda are considered to be routine and will be enacted in one motion and vote. Any Board members who wish separate discussion on any item listed on the consent agenda may remove that item from the consent agenda, in which the event the item will be considered in its normal sequence.</p> <p>Superintendent Koch stated that the Illinois Alternate Assessment (IAA) Reading, Math and Science contract is currently funded at \$1,902,644.00 from federal IDEA discretionary funds and the IAA state-mandated writing is funded from General Revenue Funds at \$280,557.18.</p> <p>Dr. Koch noted that Section 2-3.117 of the School Code (School Technology Program) does not reference the words "high school," and therefore changing the name from Illinois Virtual High School to Illinois Virtual School is not problematic. Finally, the FY09 Preschool for All Funding Report now includes the FY09 appropriation amount. Dr. Koch also shared with each Board member a copy of a school report card from their area.</p> <p>Chairman Ruiz stated that consent agenda items D.4.c. Intergovernmental Agreement with University of Illinois for INTC Work on Statewide New Teacher Induction & Mentoring and D.5. Delegation of Right to Hold Public</p>

CONSENT AGENDA

Hearing Under the Grant Funds Recovery Act will be removed from the consent agenda and considered as separate items for discussion.

Motion:

Dr. Hall moved that the State Board of Education approve the consent agenda items, excluding agenda item D.4.c. Intergovernmental Agreement with University of Illinois for INTC Work on Statewide New Teacher Induction & Mentoring and D.5. Delegation of Right to Hold Public Hearing Under the Grant Funds Recovery Act. Dr. Ward seconded the motion and it passed with a unanimous roll call vote.

The following motions were approved by action taken in the consent agenda motion:

Approval of Minutes

(Correction) August 19-20 2008 Retreat Debriefing

The State Board of Education hereby approves the (corrected) minutes for the meetings of August 19-20, 2008 Retreat Debriefing.

September 17-18, 2008 Plenary Session

The State Board of Education hereby approves the minutes for the meeting of September 17-18, 2008 Plenary Session.

September 17, 2008 Assessment Work Study

The State Board of Education hereby approves the minutes for the meeting of September 17, 2008 Assessment Work Study.

Rules for Initial Review

Part 260 (Reading Improvement)

The State Board of Education hereby authorizes the solicitation of public comment on the proposed rulemaking for Part 260 Reading Improvement Program (23 Illinois Administrative Code 260), including publication of the proposed rulemakings in the Illinois Register.

Rules for Adoption

Part 75 (Incentive Grants for Agricultural Science Teacher Education)

The State Board of Education hereby adopts the proposed rulemaking for Incentive Grants for Agricultural Science Teacher Education (23 Illinois Administrative Code 75). Further, the Board authorizes the State Superintendent of Education to make such technical and nonsubstantive changes as the State Superintendent may deem necessary in response to suggestions or objections of the Joint Committee on Administrative Rules.

Contracts and Grants over \$1 Million

Illinois Alternate Assessment Contract

The State Board of Education hereby authorizes agency staff to amend the Illinois Alternate Assessment contract to provide for the additional services and establish a total funding amount not to exceed \$7,050,083 through the current term of the contract (May 16, 2006 through December 1, 2009); and upon successful negotiations for a renewal year, further amend the contract for a one-year renewal through December 1, 2010 for a total maximum amount not to exceed \$10,688,742.

Special Education Database System (SEDS) Contract with Hupp

The State Board hereby authorizes agency staff to extend the contract with Hupp Information Technologies to June 30, 2009, which shall include

	<p>an increase in the maximum contract amount to \$1,092,510.</p> <p>RFSP for Illinois Virtual School (IVS) Administrative Agent The State Board of Education shall release a Request for Sealed Proposals in November 2008 for the administration and delivery of the Illinois Virtual School (IVS) and authorizes the Superintendent to enter into a contract with the successful bidder in accordance with Agency policy and procedures.</p> <p><u>Preschool for All FY09 Funding Report</u> The Illinois State Board of Education approves the (amended) Preschool for All FY09 Funding Report for submission to the Illinois General Assembly.</p> <p><u>Consideration of Certification of Proviso Township High School District #209 as in Financial Difficulty</u> The State Board hereby certifies that Proviso Township High School District 209 is in financial difficulty pursuant to the provisions of Section 1A-8 of the School Code.</p> <p><u>2008 Board Calendar Revisions</u> The State Board hereby adopts the motion that the location of the November 19-20, 2008 meeting of the State Board of Education shall be changed to Chicago, with a final schedule and agenda to be placed on the website by November 14.</p> <p>END OF THE CONSENT AGENDA</p>
<p>Intergovernmental Agreement with the University of Illinois for INTC Work on Statewide New Teacher Induction and Mentoring</p>	<p>Dr. Ward moved that the State Board hereby authorizes agency staff to amend the contract for an increase of \$523,629 with the University of Illinois for the Illinois New Teacher Collaborative for a maximum amount not to exceed \$1,244,253. Mr. Clark seconded the motion and it passed with a roll call vote. Dr. Brown, Dr. Fields and Dr. Hall “abstained” from the vote.</p>
<p>RFSP for IVHS Administrative Agent Delegation of Right to Hold Public hearing under the Grant Funds Recovery Act</p>	<p>Mr. Clark moved that the State Board hereby delegates to the State Superintendent the authority to make final determinations of grant funds recovery under the Illinois Grant Funds Recovery Act (GFRA), and further permits the State Superintendent to assign an individual or individuals [including, without limitation, Agency employee(s)] to preside over any hearing requested by a grantee pursuant to Sections 7 and 8 of such Act and to take any other action permitted under applicable law to see the funds are appropriately recovered.</p> <p>The State Board also directs that the State Superintendent shall report to the State Board regarding GFRA recovery determination prior to making such determinations.</p> <p>Dr. Field seconded the motion and it passed with a unanimous voice vote.</p>
<p>Legislative Grants and Initiatives</p>	<p><i>None at this time.</i></p>
<p>New Business</p>	<p><i>None at this time</i></p>
<p>ANNOUNCEMENTS AND REPORTS</p>	<p>Dr. Koch commented that in November he and Susie Morrison will be attending the Council of Chief State School Officers Meeting in Austin,</p>

<p>Superintendent's Announcements</p>	<p>Texas. Dr. Koch has also been invited to participate on a panel with Secretary Spellings on Early Childhood. Superintendent Koch stated that Susie Morrison attended the Those Who Excel Banquet on his behalf, and that he wanted to recognize and thank all the fine educators for the great work they do every day.</p> <p>Superintendent Koch commented that the Comptroller's office has reached a backlog of 42 days as of the end of September. This was a historical record for that point in the fiscal year. As of October 20, 2008, they are now 49 business days behind. The negative cash position and the number of days backlogged will only grow to more dangerous levels over the next few months. Going into the second quarter of FY09, the General Funds Cash position is weaker than it has ever been at this point in the year. As of the end of September, there were over \$1.8 billion in bills being held in the comptroller's office due to cash flow considerations that are to be paid from General Revenue Fund (GRF). Currently, \$2.3 billion in payments are on hold.</p> <p>By comparison, Illinois is not in quite as bad shape as California, Massachusetts, Maryland and Hawaii. California has been selling short term notes to keep schools from running out of money. In Massachusetts the Governor has ordered state agencies to cut more than \$1 billion to close a \$1.4 billion dollar deficit including \$3 million dollars from kindergarten expansion and \$1 million from Head Start Preschool Programs. Maryland's Governor was pushing a \$1 billion dollar deficit and that state may have to weigh reductions in local school aid provided under a formula that gives extra money to areas where the cost of education is high. Hawaii's state board approved \$46 million in cuts from its \$2.1 billion K-12 budget to meet the governor's direction that all state agencies trim spending by up to 20%. The financial situation across the country is very sobering and we need to be realistic about what we are facing when we go into budget planning.</p>
<p>Senior Staff</p>	<p>Linda Tomlinson reminded the Board members of the upcoming Induction Leaders Networking Breakfast on October 30, 2008, at the Kankakee Country Club from 8:00-10:30 a.m.</p> <p>Darren Reisberg stated that he attended the NASBE Conference for State Education Agency Attorneys', and he will be providing the Board with the materials he received at the meeting.</p>
<p>Chairman's Report</p>	<p>Chairman Ruiz reported that he participated in the following meetings since the last Board meeting:</p> <p>September 23 Attended the 4th Annual National Summit on the State of Latino Education & Legislative Hearing on Pre-K & the Early Grants in Washington, DC. (Paid for by National Association of Latino Elected and Appointed Officials)</p> <p>September 24 Participated in the Re-enrolling High School Dropouts Council.</p> <p>October 2 Participated in the 9th Annual Big Shoulders Fund Lend a Shoulder Day at St. Helen School in Chicago.</p> <p>October 7 Attended the ISBE Budget Hearing in Chicago at the Chicago Urban League.</p>

	<p>October 17 Participated in the kick-off press conference for Principal for a Day with Mayor Daley which will be on October 30, 2008.</p> <p>Chairman Ruiz encouraged and invited anyone that would like to participate in Principal for a Day on October 30, 2008 to contact the website pfad@cps.k12.il.us. or call 773-553-4020.</p>												
<p>Member Reports</p>	<p>Mr. Clark talked about the Macomb and Chicago Urban League budget hearings. He noted that there is a budget hearing in Springfield tonight and three more budget hearing to be held. Listed are the dates, times and locations of the upcoming hearings.</p> <table data-bbox="537 573 1341 947"> <tr> <td data-bbox="537 573 755 621">October 22, 2008</td> <td data-bbox="755 573 917 621">Wednesday 4-6 p.m.</td> <td data-bbox="917 573 1341 646">SPRINGFIELD Plaza G, Crowned Plaza Hotel 3000 S. Dirksen Parkway, Springfield</td> </tr> <tr> <td data-bbox="537 674 755 722">October 27, 2008</td> <td data-bbox="755 674 917 722">Monday 4-6 p.m.</td> <td data-bbox="917 674 1341 747">BELLEVILLE St. Clair County Regional Office 1000 South Illinois Street, Belleville</td> </tr> <tr> <td data-bbox="537 774 755 823">November 6, 2008</td> <td data-bbox="755 774 917 823">Thursday 6-8 p.m.</td> <td data-bbox="917 774 1341 848">CHARLESTON Eastern Illinois University Effingham Room, MLK, Jr. University Union</td> </tr> <tr> <td data-bbox="537 875 755 924">December 3, 2008</td> <td data-bbox="755 875 917 924">Wednesday 6-8 p.m.</td> <td data-bbox="917 875 1341 949">WHEATON Learning Center, Briar Glen Elementary 1800 Briarcliffe Boulevard, Wheaton</td> </tr> </table> <p>Mr. Clark stated that he also attended the District #41 Legislative Breakfast on October 4, 2008 in Glen Ellyn. The breakfast was also attended by local Superintendent John Purdue, Regional Superintendent Darlene Ruscitti, Senator Cronin and Congressman Roskam.</p> <p>Ms. Holmes thanked Ann Muraro-Lacopo for the work she does to make the presentation of the Milken Teacher Awards a success, as well as the Teacher of the Year banquet. She also thanked the Student Advisory Council Members for their attendance at the meeting today. Ms. Holmes stated that she attended with Toni Waggoner the Illinois School Finance Adequacy Initiative Task Force Meeting on October 17, 2008 sponsored by National Louis University.</p> <p>Dr. Brown stated that she had the opportunity to attend Schoolmasters at John Logan College.</p> <p>Dr. Hall attended a Milken Award Presentation for Principal Cheryl Watkins at Pershing West School. Dr. Hall thanked Beth Hanselman and agency staff for the information that was provided to her on Rtl and the help she has extended to schools in Chicago that are having challenges. Dr. Hall attended the 2008 NASBE Annual Conference and 50th Anniversary Gala. She thanked fellow Board member Joyce Karon for the beautiful quilt she contributed to the NASBE silent auction on behalf of the Board. Dr. Hall said she will be sharing the information she received at the Career Tech portion of the conference "Learning to Work and Working to Learn". She commented that Dr. Ward has been elected to serve as a Central Area Region Director for NASBE and that Lowell Johnson is now the President-Elect for NASBE.</p>	October 22, 2008	Wednesday 4-6 p.m.	SPRINGFIELD Plaza G, Crowned Plaza Hotel 3000 S. Dirksen Parkway, Springfield	October 27, 2008	Monday 4-6 p.m.	BELLEVILLE St. Clair County Regional Office 1000 South Illinois Street, Belleville	November 6, 2008	Thursday 6-8 p.m.	CHARLESTON Eastern Illinois University Effingham Room, MLK, Jr. University Union	December 3, 2008	Wednesday 6-8 p.m.	WHEATON Learning Center, Briar Glen Elementary 1800 Briarcliffe Boulevard, Wheaton
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	<p>Chairman Ruiz shared with the Board members a folder from the Illinois Meth Project. There is a rising methamphetamine problem in Illinois and the founder, Thomas M. Sieble of the Montana Meth Project, has shared his information with Superintendent Koch and the Illinois Meth Project in hopes of bringing the success he has had in Montana to Illinois.</p> <p>Dr. Ward stated that he attended the Career Center Trade Day in Will County. He also attended the 2008 NASBE Annual Conference and the 50th Anniversary Gala. Dr. Ward had the opportunity to hear Ray Simon and former Virginia Governor Mark Warner speak at the conference. He also noted that there was much disappointment that education has not made it into the mainstream discussions of the upcoming presidential election.</p> <p>Ms. Karon said the Illinois Board of Higher Education has completed their Public Agenda Meetings and will have announcements of their hearings on the IBHE website. Dr. Nandi has been out of the country and will return to the meeting next month.</p> <p>Dr. Fields thanked Linda Tomlinson and her staff for the informational materials they provided for today's work-study. Dr. Fields also attended the AIDS Breakfast. AIDS is increasing greatly in the black communities and among the American people. NASBE is striving to create new policy language for members to review on this issue.</p> <p>Ms. Koster commented that she is looking forward to presenting the welcoming remarks at the Grow Your Own Illinois Statewide Learning Network Meeting in Chicago on November 13, 2008.</p>
Committee Reports	<i>Committee meeting summaries will now be presented at the end of each committee meeting.</i>
Resolutions of Recognition	<p>Dr. Ward moved that the Illinois State Board of Education adopt the resolutions on pages 4 & 5 recognizing Ms. Dorothy Eulass of the Center on Deafness in Northbrook, Illinois for her lifelong service to improve the lives of children with disabilities and Ms. Christina Meyer of Marsh Elementary School in Rockford, Illinois as an exemplary educator who has spent her career improving the lives of children. Mr. Clark seconded the motion and it passed with a unanimous voice vote.</p> <p>Ms. Eulass son, Andy Eulass, an employee of the State Board of Education, was present to accept the resolution on behalf of his mother, Ms. Dorothy Eulass.</p>
Information Items	Chairman Ruiz asked that the Board members read the Monthly Status Report on Rulemaking and the Fiscal and Administrative Monthly Reports printed in the Board meeting materials.
Chairman's Announcement Prior to Closed Session	Chairman Ruiz announced that following lunch and closed session, the Board will reconvene and may take action on Agenda Item D.10 (closed session minutes) prior to adjournment. Listeners will hear a music hold until the Board returns at approximately 3:00 p.m.
Closed Session	Ms. Holmes moved that the Board enter into closed session under the exceptions set forth in the Open Meetings Act of the State of Illinois as follows:

	<p>Section c 1 for the purpose of considering the appointment, employment, compensation, performance or dismissal of an employee;</p> <p>Section c11 for the purpose of considering pending or probable litigation against or affecting the Board.</p> <p>Section c21 for the purpose of discussing minutes of meetings lawfully closed under the Open Meeting Act.</p> <p>Ms. Holmes further moved that the Board might invite anyone they wish to have included in this closed session</p> <p>Dr. Hall seconded the motion and it passed with a unanimous roll call vote.</p> <p>The open meeting recessed at 11:40 a.m. and the Board went into closed session at 12:30 p.m. The open meeting reconvened at 3:07 p.m.</p>
Closed Session Minutes	<p>Dr. Hall moved that pursuant to the Open Meetings Act, the State Board of Education has reviewed the minutes of its closed sessions from June 2008 through September, 2008; and</p> <p>Whereas the Open Meetings Act allows for the destruction of the verbatim recordings of closed sessions (no less than 18 months after the completion of the meeting recorded);</p> <p>Therefore, the State Board of Education hereby certifies that the need for confidentiality still exists for the closed session minutes for the time period reviewed and approves the destruction of all closed session verbatim recordings prior to April 22, 2007.</p> <p>Ms. Karon seconded the motion and it passed with a unanimous voice vote.</p>
Motion for Adjournment	<p>Mr. Clark moved that the meeting be adjourned. Dr. Ward seconded the motion and it passed with unanimous voice vote. The meeting adjourned at 3:10 p.m.</p>

Respectfully Submitted,

Dr. Vinni Hall
Board Secretary

Mr. Jesse Ruiz
Chairman

ILLINOIS STATE BOARD OF EDUCATION
100 North First Street, Springfield, IL
Board Room

Education Policy Planning Committee of the Whole
Tuesday, October 21, 2008
9:00 a.m.

All open meetings will be audio cast on the Internet at: www.isbe.net

AGENDA *(timeframes are estimated for planning purposes)*

1. Roll Call
2. Board Member Participation by Other Means
3. Public Participation 9:00 – 9:15 a.m.
4. Minutes of the September Education Policy Planning Committee Meeting **(pp. 2-3)**
5. 2008-09 ISBE Student Advisory Council 9:15 – 9:30 a.m. **(pp. 4-5)**
- *6. Committee Consent Agenda
 - a. Preschool For All FY09 Funding Report *(Kay Henderson)* 9:30 – 9:35 a.m. **(pp. 6-19)**
7. Information Items
 - a. Report Card Information *(Gayle Johnson)* 9:35 – 9:50 a.m. **(pp. 20-62)**
 - b. Adequate Yearly Progress *(Joyce Zurkowski)* 9:50 – 10:10 a.m. **(pp. 63-68)**
8. Committee Agenda Planning/Additional Items
9. Adjourn

* Items listed with an asterisk (*) will be discussed in committee and Board action may be taken in the plenary session.

**EDUCATION POLICY PLANNING COMMITTEE OF THE WHOLE
MINUTES**

Tuesday, October 21, 2008
9:00 a.m. – 10:30 a.m.
Board Room, 4th Floor
Springfield, Illinois

Committee Members Physically Present

Andrea Brown
Dr. David Fields, Chair
Vinni Hall
Joyce Karon

Other Board Members Physically Present

Dean Clark
Brenda Holmes
Chris Ward

Committee Members Participation Via Phone

None

Board Members Absent

Jesse Ruiz

ISBE Staff

Superintendent Chris Koch
Elizabeth Hanselman
Susie Morrison
Darren Reisberg
Linda Tomlinson
Matt Vanover
Connie Wise

The Education Policy Planning Committee (EPPC) meeting convened at 9:00 p.m.

1. **ROLL CALL:** Committee Chair, Dr. David Fields, requested a roll call. See above for detailed listing.
2. **BOARD MEMBER PARTICIPATION BY OTHER MEANS:** None.
3. **PUBLIC PARTICIPATION:**

Illinois Parent Leadership Council (PLC) – Sheila Stocks-Smith and Brad Hemingway gave a report on the Illinois Parent Leadership Council.

Dr. Koch asked about the national Parent Teacher Association (PTA) standards and how they fit into the PLC process. Ms. Stocks-Smith stated that the PLC felt that a policy for Illinois needed to be set first. While the PTA framework was reviewed, it was not included in the PLC work.

Dr. Fields and Brenda Holmes recognized Ms. Stocks-Smith for her work on the African American Student Achievement and Success report developed with the City of Springfield. Copies of the report have been sent to Board members previously.

Dr. Koch asked if the PLC will be bringing policy to the Board in the future. Ms. Stocks-Smith stated that they are recommending that the Board create a policy based on the work done by the PLC.

4. **MINUTES OF THE SEPTEMBER 2008 EPPC MEETING:** Joyce Karon moved to approve the minutes from the September 18, 2008 Education Policy Planning Committee Meeting. Dr. Hall seconded the motion and it passed unanimously.
5. **2008-09 ISBE Student Advisory Council**

Dr. Fields announced that members of the Student Advisory Council (SAC) are joining the Committee for this the meeting. Members then introduced themselves and thanked the Board for the opportunity

to participate in the meeting. A complete list of the SAC members is included in the Committee packet.

The SAC is working on a new and exciting project involving health classes in Illinois. The students discussed looking at other states' health programs to see what is working, and to make today's health classes more pertinent to students' lives.

Dr. Koch asked the students what they think the State Board does – responses included that ISBE “runs the show” for Illinois and that ISBE gives guidelines to schools in Illinois.

Dr. Koch requested that the students be included in any Lincoln Bicentennial events planned by the agency.

Dr. Fields asked students who have been on the SAC for a few years what they have learned working together. Students responded that they have appreciated the opportunity to network with students from across the state – including discussions on school policies and applying new techniques at their own schools. Some of the ideas that have been most helpful to the students were fundraising ideas and opportunities for community outreach.

Brenda Holmes thanked ISBE staff members Andrea Wingo, Ann Muraro-Lacopo and Jean Ladage for their work with the SAC.

6. COMMITTEE CONSENT AGENDA

a. Preschool for All FY09 Funding Report (Kay Henderson)

Kay Henderson reminded the Committee that ISBE must submit a Preschool for All FY09 Funding Report to the General Assembly each year by November 1. The report covers children in Category I, Category II and Category III. For the third year in a row, 100% of the funding is covering Category I students. Seventy-nine new programs were funded out of 200 applications received. Ten new Prevention Initiative programs were also funded.

Dr. Hall asked specifics about the new funds being received. Kay gave a detailed breakout for Committee members. CPS receives thirty-seven percent of the total funds that go to early childhood each year to fund preschool for the Chicago area.

Ms. Henderson reported that individuals are hired on a regional basis to monitor and conduct site visits. She noted that Birth to 3 is not currently monitored. Monitors are trained by ISBE staff, and they meet once a month.

Ms. Karon stated that she would like to see these children tracked to see how they do as they go through the system and where they end up. Ms. Henderson reported that this year, for the first time, preschoolers are being enrolled in SIS and connections will be able to be made down the road.

Brenda Holmes reported that she recently attended a meeting where it was stated as fact that those students who have had preschool services are more successful as they move forward. Ms. Henderson noted that these reports reflect results from high quality, closely monitored programs and that since Early Childhood Education has been continuously funded in Illinois since 1985, twenty years of evidence is available. Ms. Henderson clarified, however, that it cannot be definitively determined that children in preschool programs have more success.

Dr. Brown complimented the monitoring device for Early Childhood programs. She mentioned a survey from Great Lakes that she would like Board members to review. Susie Morrison reported that the while initial work from Great Lakes is done, it is not yet ready to be shared with the Board. She also noted that ISBE staff from all areas are being included in Great Lakes process.

Dr. Koch shared concern regarding sustaining quality programs. He asked Ms. Henderson her opinion as the Board moves forward with preparing this year's budget, and Ms. Henderson provided information on the history of Preschool for All.

After further discussion, Dr. Ward and Dr. Hall recommended a work study session on early childhood.

7. INFORMATION ITEMS

a. Report Card Information (Gayle Johnson)

Ms. Johnson and Dr. Richard Yong presented information on report cards and reviewed what was given to members prior to the meeting.

Ms. Karon asked about the dropout rate and whether anything has changed. Ms. Johnson responded that there are new changes being proposed, but nothing has been implemented.

Ms. Holmes asked that a copy of a report card from a school in each Board member's area be provided to them.

b. Adequate Yearly Progress (Joyce Zurkowski)

Ms. Zurkowski and Shuwan Chiu reviewed report information provided to members previously.

Board members commented that as the federal government's artificial targets continue to increase, more schools will not make AYP. It was suggested that there is a continued need to look at schools that do not receive supports.

Mr. Vanover reported that successful schools and districts are being listed on the ISBE website in order that other schools can learn from what they are doing.

8. COMMITTEE AGENDA PLANNING/ADDITIONAL ITEMS

- Preschool for All work study session
- Charter Schools Annual Report
- Reading Improvement Block Grant Report
- Draft 2008 State Board of Education Annual Report
- AYP Appeals Information
- Educator Supply & Demand Report – informational item'
- Partnership for 21st Century Skills - information

9. ADJOURNMENT: Joyce Karon moved to adjourn the meeting; the motion was seconded and the meeting adjourned at 10:30 a.m.

ILLINOIS STATE BOARD OF EDUCATION
100 North First Street, Springfield, IL
Board Room

Finance & Audit Committee of the Whole
Tuesday, October 21, 2008
10:15 a.m.

(This meeting will begin immediately following the previous session.)

All open meetings will be audio cast on the Internet at: www.isbe.net

AGENDA *(timeframes are estimated for planning purposes)*

1. Roll Call
2. Board Member Participation by Other Means
3. Public Participation 10:15 – 10:30 a.m.
4. Minutes of the September Finance & Audit Committee Meeting **(pp. 2-7)**
- *5. Committee Consent Agenda 10:30 – 10:40 a.m.
 - a. Delegation of Right to Hold Hearing under the Grant Funds Recovery Act *(Darren Reisberg)* **(pp. 8-10)**
 - b. Contracts & Grants Over \$1 Million
 - 1) Illinois Alternate Assessment Contract with NCS Pearson *(Joyce Zurkowski)* **(pp. 11-12)**
 - 2) Special Education Database System (SEDS) Contract with Hupp *(David Andel)* **(pp. 13-14)**
 - 3) Intergovernmental Agreement with University of Illinois for INTC work on Statewide New Teacher Induction & Mentoring *(Patrick Murphy)* **(pp. 15-16)**
 - 4) RFSP for Illinois Virtual School (IVS) Administrative Agent *(Marica Cullen)* **(pp. 17-34)**
- *6. Consideration of Certification of Proviso Township High School District #209 as in Financial Difficulty **(pp. 35-40)** *(Deb Vespa)* 10:40 – 11:10 a.m.
7. Information Items
 - a. Update on Districts Certified as in Financial Difficulty *(Deb Vespa)* 11:10 – 11:30 a.m. **(pp. 41-56)**
 - b. Status of Districts Impacted by Flooding *(Deb Vespa)* 11:30 – 11:50 a.m. **(pp. 57-60)**

BREAK FOR LUNCH

8. ISBE Budget Discussion *(Linda Mitchell, Ronny Wickenhauser)* *(following lunch)* **(pp. 61-)**
- *9. Legislative Grants and other Special Initiatives *(as needed)*
10. Committee Agenda Planning/Additional Items
11. Adjourn

* Items listed with an asterisk (*) will be discussed in committee and Board action may be taken in the plenary session.

FINANCE AND AUDIT COMMITTEE OF THE WHOLE

Illinois State Board of Education
100 N. First Street
Springfield, Illinois
October 21, 2008

<p>ROLL CALL</p>	<p>Chairman Clark called the meeting to order.</p> <table border="0"> <tr> <td><u>Members Present</u></td> <td><u>Members Absent</u></td> </tr> <tr> <td>Mr. Dean Clark, Chairman</td> <td>None</td> </tr> <tr> <td>Dr. Vinni Hall</td> <td></td> </tr> <tr> <td>Mr. Jesse Ruiz</td> <td></td> </tr> <tr> <td>Dr. Chris Ward</td> <td></td> </tr> <tr> <td>Dr. Andrea Brown</td> <td></td> </tr> <tr> <td>Dr. David Fields</td> <td></td> </tr> <tr> <td>Ms. Brenda Holmes</td> <td></td> </tr> <tr> <td>Ms. Joyce Karon</td> <td></td> </tr> <tr> <td>Ms. Lanita Koster</td> <td></td> </tr> </table>	<u>Members Present</u>	<u>Members Absent</u>	Mr. Dean Clark, Chairman	None	Dr. Vinni Hall		Mr. Jesse Ruiz		Dr. Chris Ward		Dr. Andrea Brown		Dr. David Fields		Ms. Brenda Holmes		Ms. Joyce Karon		Ms. Lanita Koster	
<u>Members Present</u>	<u>Members Absent</u>																				
Mr. Dean Clark, Chairman	None																				
Dr. Vinni Hall																					
Mr. Jesse Ruiz																					
Dr. Chris Ward																					
Dr. Andrea Brown																					
Dr. David Fields																					
Ms. Brenda Holmes																					
Ms. Joyce Karon																					
Ms. Lanita Koster																					
<p>BOARD MEMBER PARTICIPATION BY OTHER MEANS</p>	<p>None</p>																				
<p>PUBLIC PARTICIPATION</p>	<p>None</p>																				
<p>MINUTES OF THE SEPTEMBER FINANCE AND AUDIT COMMITTEE MEETING</p>	<p><u>Motion:</u> Ms. Karon moved that the minutes of the September Finance and Audit Committee be accepted. Dr. Fields seconded the motion. Motion passed by unanimous voice vote.</p>																				
<p>CONSENT AGENDA</p>	<p><u>Contracts and Grants Over \$1 Million</u> The following contracts and grants were submitted to the Committee for approval:</p> <ul style="list-style-type: none"> o Illinois Alternate Assessment Contract with NCS Person o Special Education Database System (SEDS) Contract with Hupp o Intergovernmental Agreement with University of Illinois for INTC work on Statewide New Teacher Induction & Mentoring o RFSP for Illinois Virtual School (IVS) Administrative Agent <p>Ms. Holmes requested that the motion on page 10 of the Finance & Audit Committee packet be changed to reflect that the Superintendent <u>shall</u> report to the State Board regarding any final grant fund recovery determination. Dr. Koch agreed to that change.</p> <p>Ms. Holmes asked if they need a statutory change to change the name of the school (from IVS to IVHS). Ms. Cullen indicated she would check, and explained that the reason for requesting the change was to help address the Virtual School's mission and goal for educator professional development.</p> <p>Ms. Holmes asked if the fees stayed with IMSA and asked how much the teachers in the Virtual High School are paid. Ms. Cullen said that the fees are in an income fund and, in accordance with the intergovernmental agreement, (the income from) those fees follow</p>																				

	<p>the virtual school wherever it may be administered. Ms. Cullen said that IVHS teachers are paid on a sliding scale depending on the number of students in the section. It ranges anywhere from \$1,100 per course to \$10,000 a course per semester.</p> <p>Dr. Hall asked if IMSA will be the filter by which these on-line courses will be developed. Ms. Cullen explained that IMSA is the current administrative agent for the virtual high school; at this time she is not sure if they are planning to bid to continue in that role. Whoever has the contract through the bidding will be responsible for working with ISBE to apply both the Illinois Learning Standards and On-line Technology Standards.</p> <p>Ms. Koster asked if Ms. Cullen was comfortable with the on-line courses. Ms Cullen responded that the contractor will be responsible for the standards and making sure they meet ISBE's needs.</p>
<p>CONSIDERATION OF CERTIFICATION OF PROVISO TOWNSHIP HIGH SCHOOL DISTRICT #209 AS IN FINANCIAL DIFFICULTY</p>	<p>Ms Mitchell introduced Deb Vespa and the representatives from Proviso: Dr. Nettie Collins-Hart, Superintendent, and Board President Chris Welch.</p> <p>Ms. Mitchell stated that staff have been working very closely with Proviso in recent months. Deb Vespa, John Perkins and Ms. Mitchell have all been there several times. Proviso has had some problems with deficits in the past, but had a large fund balance. That situation is changing.</p> <p>Ms. Vespa said that the school budget submitted to ISBE for FY08 showed continued deficit spending. By FY2011, the district is projected to have negative fund balances of \$47M. Proviso administrators have been working with their board, and in June 2008, the administration submitted a revised deficit reduction plan that indicated improvement to 2009 and a deficit of only \$3.6M. The local board voted on October 20 to give Proviso's Superintendent the authority to seek approval from the State Board for a financial oversight panel.</p> <p>Mr. Chris Welch, Proviso Board President and Superintendent Nettie Collins-Hart spoke about the school district's financial situation.</p> <p>Mr. Clark asked about next steps. Ms. Vespa responded that staff will work with Superintendent Collins-Hart to develop a Financial Plan and possibly return to the State Board to formally request a Financial Oversight Panel (FOP). If and when that is approved, ISBE will seat a FOP. We would then get a financial administrator to help them. Mr. Clark asked if that panel can be in place before the end of the year or early next year. Ms. Vespa responded that the FOP has to be in place 10 days after the State Board approves the panel.</p> <p>Dr. Fields asked if he heard correctly that the district's central office consists of just two people, the Superintendent and the business manager. Dr. Collins-Hart said in terms of administrators yes. They have no curriculum and administrative staff, however they also have</p>

	<p>a Technology Administrator, and jobs have been posted</p>
<p>INFORMATION ITEMS</p>	<p><u>Update on Districts Certified as in Financial Difficulty</u> Ms. Vespa stated that ISBE has four school districts that are identified as being in Financial distress. Cahokia School District #187, Harrisburg School District #3, Winthrop Harbor School District # 1 and Divernon School District # 13.</p> <p>Divernon: Ms. Vespa said that Divernon is no longer an independent district. ISBE just needs to take action to decertify them because they annexed into Auburn School District.</p> <p>Winthrop Harbor: Since the district was certified in financial distress, it has hired a new Superintendent and passed a referendum. The district now has surpluses. ISBE staff recommends decertifying the district as it is no longer in financial difficulty.</p> <p>Harrisburg School District: Ms Vespa recommended monitoring the district for another year or two to ensure progress continues.</p> <p>Cahokia School District: Although there have been some modest improvements, Ms. Vespa recommends continuing to monitor the district.</p> <p>Dr. Brown asked if SIU-Edwardsville is working on a study about Financial Oversight Panels. Ms. Vespa indicated that she had seen an article on that topic.</p> <p>Ms. Karon asked if Ms. Vespa was hearing anything from districts in light of our economic conditions. Ms. Vespa said that she will be preparing financial profiles to share with the Board with and without the impact of delayed payments.</p> <p><u>Status of Districts Impacted by Flooding.</u> Ms. Deb Vespa stated that there were heavy rains and flooding in June and September. Insurance covered most of the damage; however, there were a few districts that had to access emergency health life safety funds to get children back in school quickly.</p> <p>Martinsville School District in June had part of the school building closed. They have been working with FEMA, because FEMA is going to condemn that building. It is believed that they will pay for 75% of the replacement of the building, so we need to make sure the district has the other 25% at capacity. Ms. Vespa was hoping that the local board would have taken action regarding whether the district wanted to utilize temporary relocation assistance at this time. However, FEMA has brought in a team and they are starting over reassessing the situation.</p> <p>ISBE has also been working with Proviso 209. There was significant flooding in the Proviso East High School building. Their boiler started leaking fuel and children were out of school for a week. If the district's insurance company does not come forward, it may further impact their finances.</p>
<p>ISBE BUDGET DISCUSSION</p>	<p>Ms. Mitchell talked about the FY09 Budget. The Department of</p>

	<p>Revenue has lowered the tax revenue estimate by \$200M. Ms. Mitchell said that rather than revenue growing by 3.3% it is going to grow only by 1.2%. The Commission noted that gross personal income taxes were down by 3.6% in March for the first time since December 2006. Ms. Mitchell stated that the original budget for the state before the Governor's veto of \$1.4 billion would have resulted in a deficit of \$2.1 billion and the budget we have been working with overall for the state has really been a \$700M deficit. The Department of Revenue has estimated a revenue shortfall of \$200M, so that puts them at \$900M. ISBE is working with the Comptroller's Office to ensure that payments to school districts are adequately paid. Today, the Comptroller's Office has a 49 business day backlog in payments, which equates to about 75 calendar days. General State Aid payments to districts are of the highest priority to the Comptroller's Office, second only to debt service payments.</p> <p>Ms. Mitchell stated that ISBE is half way through the budget hearings, and ISBE staff have also been attending the General Assembly budget hearings. Ms. Mitchell stated that ISBE staff was in the process of working with Division Administrators to gather program effectiveness information. There will be a schedule with information for the Board to review for each of the programs. This year the Board and staff will be looking at each line item in the budget and will discuss the effectiveness of those programs and a number of resources that are required to support them.</p>
LEGISLATIVE GRANTS AND OTHER SPECIAL INITIATIVES	None
COMMITTEE AGENDA PLANNING AND ADDITIONAL ITEMS	<p>Mr. Clark asked that the Superintendent and staff look over the line items in terms of effectiveness in putting together some recommendations relative to this list and ISBE's budget. No budget decision will be made until after the December 3rd budget hearing.</p> <p>Dr. Andrea Brown asked how Representative Smith's hearings were going. Mr. Wickenhauser stated that Representative Smith's hearings are for Education Reform and ISBE's hearings are for the Fiscal 2010 budget.</p> <p>Mr. Clark stated that at the January meeting the Board needs to be prepared to approve a budget.</p>
ADJOURNMENT	<p><u>Motion:</u> Dr. David Fields moved for adjournment of the Finance and Audit Committee of the Whole. Ms. Lanita Koster seconded the motion. Motion passed by unanimous voice vote.</p>

ILLINOIS STATE BOARD OF EDUCATION
100 North First Street, Springfield, IL
Board Room

Ad Hoc Rules Committee of the Whole
Wednesday, October 22, 2008
10:30 a.m.

(This meeting will begin immediately following the previous session.)

All open meetings will be audio cast on the Internet at: www.isbe.net

AGENDA *(timeframes are estimated for planning purposes)*

1. Roll Call
2. Board Member Participation by Other Means
3. Public Participation 10:30 – 10:45 a.m.
4. Minutes of the September Ad Hoc Rules Committee Meeting **(pp. 2-4)**
- *5. Rules for Initial Review 10:45 – 10:50 a.m.
 - a. Part 260 (Reading Improvement) *(Marica Cullen)* **(pp. 5-13)**
- *6. Rules for Adoption 10:50 – 10:55 a.m.
 - a. Part 75 (Incentive Grants for Agricultural Science Teacher Education) **(pp. 14-25)**
(Mark Williams, Patrick Murphy)
7. Committee Agenda Planning/Additional Items
8. Adjourn

* Items listed with an asterisk (*) will be discussed in committee and action may be taken in the plenary session.

Ad Hoc Rules Committee of the Whole

Wednesday, October 22, 2008

10:30 a.m.

State Board of Education Office
100 North First Street
Springfield, Illinois

Committee Members Present

Jesse Ruiz
Andrea Brown
Dean Clark
David Fields
Vinni Hall
Brenda Holmes
Joyce Karon
Lanita Koster
Chris Ward

Absent

Others

Christopher Koch
Darren Reisberg
Beth Hanselman
Linda Riley Mitchell
Susie Morrison
Linda Tomlinson
Matt Vanover
Connie Wise
Sarah McCusker
Winnie Tuthill

Chairman Ruiz called the meeting to order at 10:20 a.m. After the roll call, he announced that all members were present and therefore no members would be participating by other means. Further, no one had signed up for public participation.

4. APPROVAL OF MINUTES

Board member Brenda Holmes moved approval of the minutes of the Committee's meeting of September 18, 2008, and Board member Dean Clark seconded the motion. It was adopted unanimously, and the minutes were approved as presented.

5. RULES FOR INITIAL REVIEW

Chairman Ruiz turned the meeting over to General Counsel Darren Reisberg, who indicated that there were two rulemakings presented for the Board's action.

PART 260 (Reading Improvement Block Grant Program)

Mr. Reisberg noted the meeting would be short, noting only one rulemaking for initial, Part 260. Mr. Reisberg asked if any Board member had comments or questions concerning the amendments to Part 260, which set forth the requirements for receiving grants for professional development under the Reading Improvement Block Grant Program. There were none.

6. RULES FOR ADOPTION

PART 75 (Incentive Grants for Agricultural Science Teacher Education)

Mr. Reisberg pointed out that one set of rules are ready for adoption, Incentive Grants for Agricultural Science Teacher Education (Part 75). Mr. Reisberg noted that the Board initially considered this proposed rulemaking a couple months ago at its August retreat. He added that the proposed rules were being brought back to the Board quickly in order for grants to be awarded as soon as possible this fiscal year. Two letters of public comment were received, and Mr. Reisberg indicated that Sally Vogl and Winnie Tuthill worked closely with staff in the divisions of Career and Technical Education and Educator and School Development to address the concerns raised.

On a related note, State Superintendent Christopher Koch told the Board that he had received comments from regional offices of education (ROEs) about their ability to apply for grant funding. For instance, Superintendent Koch noted that for one of the programs authorized under Part 260, ROEs would not be eligible to apply. He said staff are looking at the issue carefully, and that ROEs recently approached the agency about working with them to address their concerns.

Dr. Koch asked Mr. Reisberg to discuss the issues involved in determining the eligibility of ROEs to apply for grants. For many programs, ROEs are not included as eligible applicants in the statutes authorizing the grant programs. Mr. Reisberg added that while the School Code defines ROEs as local education agencies (LEAs) for the purpose of applying for grants that are available to LEAs, the term "LEA" is not the same as "school district" but rather is a broader term. ROEs, therefore, would not be eligible to apply in instances where only school districts are the eligible applicants.

Mr. Reisberg also told the Board that the School Code does allow other entities (area vocational centers, approved university laboratory schools and charter schools) to apply for grants on the same basis as school districts. When the law authorizing the grant program indicates that school districts may apply for grants competitively, then these entities may also apply. Mr. Reisberg reiterated that the ROEs have asked for staff's help in drafting legislation that would allow ROEs to be considered as "school districts" for purposes of grant application, and that staff would be meeting with the ROE association's legislative committee after the Board meeting to discuss this further.

Board member Andrea Brown then asked whether ROEs could apply for federal grants. Mr. Reisberg said they often could since eligible applicants under many federal programs are LEAs; therefore ROEs would be eligible regardless of whether state law is changed. On the other hand, if federal guidance for a particular program defines only school districts as eligible, then as LEAs, ROEs would not be eligible to apply.

Dr. Brown then asked specifically about the state "Grow Your Own" Teachers program. Dr. Linda Tomlinson, assistant superintendent for School Support Services, indicated that it had been determined that ROEs were not eligible to serve as part of a consortium but that staff has discussed the possibility of changing the statute for that program.

Mr. Reisberg summed up the discussion by pointing out the importance of ROEs becoming involved in the legislative debate when new programs are under consideration to ensure that the regional offices are included as eligible applicants. If ROEs are not specified as eligible in the statute, then a Request for Proposals (RFP) cannot be written more broadly than statute to allow them to do so.

After some discussion, Board member Brenda Holmes said that she is not certain that she agrees with a "blanket, overall opening up" of grant opportunities to entities other than school districts. She noted that the approved university laboratory schools fought "long and hard" to change the law to enable them to access grant money. She said that at the time, she disagreed with that change, noting that some grants are more specific to school districts. At the same time, Ms. Holmes acknowledged that it was the prerogative of the legislature to make the final determination. In conclusion, Mr. Reisberg said it is important for the agency to understand whether ROEs want to apply for grants to provide services or rather, only to serve as an administrative or fiscal agent, which potentially could be less of a concern.

7. COMMITTEE AGENDA PLANNING/ADDITIONAL ITEMS

Mr. Reisberg noted that no items are anticipated for Board action in November, as a meeting of Rules Committee may not be scheduled. For the December meeting, four parts of rules are likely to come back to the Board for adoption. These are Part 130 (Special Education Per Capita

Tuition Charge), Part 235 (Early Childhood Block Grant), Part 245 (Education of Homeless Children and Youth State Grant Program), and Part 525 (Regional Offices of Education and Intermediate Services). In addition, the Board also could consider three parts of rules proposed for repeal: Part 110 (Program Accounting Manual), Part 125 (Student Activity Funds and Convenience Accounts) and Part 500 (Replacement of Required Rules).

8. ADJOURNMENT

Board member Vinni Hall moved that the meeting be adjourned. The motion was seconded by Board member Dean Clark, and the meeting was adjourned at 10:40 a.m.

**ILLINOIS STATE BOARD OF EDUCATION
100 North First Street, Springfield, IL
Board Room**

**Work-Study Session: Charter Schools
Wednesday, October 22, 2008
8:30 a.m.**

All open meetings will be audio cast on the Internet at: www.isbe.net

AGENDA

1. Roll Call
2. Board Member Participation by Other Means
3. Charter Schools (*Linda Tomlinson, Patrick Murphy, JoAnn Price*)
 - Cover Memo (**pp. 2-7**)
 - Appendix A: Staff Summary of Literature Reviews (**pp. 8-13**)
 - Appendix B: Published Review – National Charter School Research Project (**pp. 14-60**)
 - Appendix C: Published Review – Consortium Policy Research (**pp. 61-97**)
 - Appendix D: Published Review- Rand Corporation Technical Report (**pp. 98-136**)
 - Appendix E: Published Review - The Politics of Charter Schools (**pp. 137-162**)
 - Appendix F: Illinois Network Charter Schools (INCS) Review (**pp. 163-169**)
 - Appendix G: Legislation/School Code (**pp. 170-182**)
 - Appendix H: Comparison of Laws from Other States (**p. 183**)
 - Appendix I: Recent Legislative Efforts (**pp. 184-187**)
 - Appendix J: Illinois Charter School Location and Description (**pp. 188-193**)
 - Appendix K: Ethnic Enrollment Data (**pp. 194-195**)
 - Appendix L: Performance Data (*Not for Public Release*)
 - Appendix M: Finance Information (**p. 207**)
 - Appendix N: Special Education (**pp. 208-212**)
4. Adjourn

ILLINOIS STATE BOARD OF EDUCATION

WORK STUDY: CHARTER SCHOOLS

October 22, 2008
Springfield, Illinois

Members Physically Present

Andrea Brown, Board Member
Dean Clark, Board Member
David Fields, Committee Member
Vinni Hall, Committee Member
Brenda Holmes, Board Member
Joyce Karon, Committee Member
Lanita Koster, Board Member
Jesse Ruiz, Committee Member
Chris Ward, Committee Chair

Staff Present

Christopher Koch	Linda Tomlinson
Susie Morrison	Beth Hanselman
Connie Wise	Darren Reisberg
Matt Vanover	Patrick Murphy
Linda Mitchell	Jo Ann Price
	Richard Loman
	David Andel
	Patricia Folland (by phone)

Others Present

Elizabeth A. Evans, Executive Director
Illinois Network of Charter Schools

Chairman Ruiz called the Work Study Session on Charter Schools to order at 8:30 a.m. See above listing for roll call. There was no need for Board member participation by other means.

Linda Tomlinson began by indicating that staff are available as the Board has questions. Ms. Tomlinson indicated that staff have attempted to provide enough information to broaden the discussion. The packet contains literature as well as research. It is difficult to conduct and obtain the research that policy decisions are dependent upon.

According to Article 27A of the School Code (105 ILCS 5/Art. 27A), charter schools were designed to meet eight purposes:

- (1) To improve pupil learning by creating schools with high, rigorous standards for pupil performance.
- (2) To increase learning opportunities for all pupils, with special emphasis on expanded learning experiences for at-risk pupils, consistent, however, with an equal commitment to increase learning opportunities for all other groups of pupils in a manner that does not discriminate on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, marital status, or need for special education services.
- (3) To encourage the use of teaching methods that may be different in some respects than others regularly used in the public school system.
- (4) To allow the development of new, different, or alternative forms of measuring pupil learning and achievement.
- (5) To create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site.
- (6) To provide parents and pupils with expanded choices within the public school system.
- (7) To encourage parental and community involvement with public schools.
- (8) To hold charter schools accountable for meeting rigorous school content standards and to provide those schools with the opportunity to improve accountability.

Ms. Tomlinson commented that charter schools do offer flexibility for parents. Parents have indicated they feel charter schools are safe schools. There has been a rigorous external review process at CPS charter schools. Charter schools at the elementary level are performing well according to the performance data. It is more difficult to compare performance at the high school level. Charter schools are easier to close, when necessary. There does seem to be some transfer of methods from charter schools to traditional schools within Chicago Public Schools. There is also flexibility in curriculum. One school might focus on college prep, others on music, healthy activities, alternative scheduling (more classroom hours), community involvement, foreign language, etc.

Policy considerations for potential Board discussion:

- Should the cap be removed?
- Should charter schools test scores be part of the district report card?
- Should teachers & administrators be certified?
- Is there a need for more charters outside of Chicago?
- Should we focus on Academic Watch or Academic Early Warning schools as a place new start charters?
- Is there a need for multiple-district charters?

Dr. Fields asked if innovative techniques that have proven to increase student outcomes have been shared with traditional public schools in the state. Ms. Tomlinson indicated that in all the research she has seen, there has been no evidence that techniques are being transferred from charter schools to traditional school settings.

Chairman Ruiz asked Elizabeth Evans of the Illinois Network of Charter Schools to please speak up if she has information on an issue that the Board is discussing relative to charter schools. Mr. Ruiz indicated that he does not believe that one size fits all from the north side of Chicago to the south side, and from east to west. There are communities that face extreme violence issues, others that have English as a Second Language barriers.

Dr. Hall asked how the Board, as a public body, is mediating private monies for our traditional public schools. Does it cost ISBE more for charter schools? Rich Loman commented that charter schools, in most cases, operate a little less expensively. Most of the revenues come from the public school district and they receive a percentage of the per capita tuition charge, which is less than the actual operating expense of the traditional school. In looking at financial reports from charter schools, they operate approximately \$2,000 to \$3,000 less than the traditional school. He indicated that he could look further into the annual financial reports to provide additional data if the Board would like.

Elizabeth Evans commented that a Civic Commission study, excluding Chicago, found that there could be some indication that districts operating charter schools show a pattern of increased financial efficiency and financial health after a charter school began. The study found that charter schools certainly don't place additional financial cost the district. However, it is difficult to make conclusions based on the limited downstate charter schools. Chicago Public Schools, is the number one district in the country to receive philanthropic dollars, not just to charter schools, but to the entire CPS district. In the case of charter schools, the charter is deliberately thinking about what they need to feed back (in terms of practice and oversight) in return for those philanthropic dollars.

Dr. Fields recalled that the original purpose for alternative schools within the City of Chicago was to deter middle class families from leaving Chicago for outlying suburbs. He is concerned that those specialized schools have become a source for desegregation. Dr. Hall commented that Chicago neighborhoods, like other urban areas, are primarily racially and linguistically identifiable. With schools as the anchor in those communities, the school tends to become representative of the residents of the neighborhood.

Ms. Holmes recalled when the charter school law was written and passed, school management groups as well as both teacher unions were concerned and had a major role in writing the legislation. Ms. Holmes supports alternative schools, but has never been sure that charter schools are the answer to alternative learning options for students. However, if a specific focus group has worked for a charter school to be developed and approved, and as long as the district is not purposefully trying to encourage or discourage certain students to attend, then from a policy standpoint, is there anything that can be done?

Ms. Koster commented that these are great conversations. She asked two questions: I've been hearing from districts outside of Chicago that there would be a charter developed locally refused, but that the state would move forward and overturn the district's decision. Always been troubled by the notion that you don't have to have a certificate to teach or be an administrator in charter schools. Do you have any information on the numbers.

Ms. Elizabeth Evans stood up to respond to the question. She indicated that every teacher in a charter public school in the state of Illinois has to meet NCLB requirements for a highly qualified teacher. Between 50-75% in Chicago in every charter school must be certified. The teaching pool is quite varied. There are NASA scientists teaching physics. Native language speakers teaching Russian to Spanish speaking students. Many go through alt cert programs, continued professional development and a focus on more collaborative prof dev activities.

Jo – in November the Board will receive the draft report and there will be a section indicating how many at each school are certified and administrators are certified. Ms. Tomlinson indicated that to meet the NCLB highly qualified requirement, the charter school teachers take the Content Test, not all tests that are required for certification.

Darren – commented that at the NASBE conf – missour had local districts that are loathed to approve charters and then it would fall to the state to administer the charter school. There is a concern that the Missouri Department of Education does not have the staff capacity to do so.

Jesse – CTU was to begin a charter school. Ms. Koster indicated that the Illinois Federation of Teachers and the Service Employees are working on a contract school. He also commented that prior to serving on this board he served on CPS Desegregation Monitoring Commission. The constant struggle was how 90% African American and Hispanic. How do you disaggregate a district like that? How do you make a school that will not be diverse, but it will give them the same high quality education that students at Gwendolyn Brooks and North Side College Prep. Mr. Ruiz commented that it is also a fear for a child's life that parents often make the decision to send their child to a charter school. The charters and the virtual charter school, and other alternative schools provide a portfolio of options for parents within the district and perhaps throughout the state.

Dr. Hall commented that there should be no school where a student is fearful for his/her life. I don't know what those answers are. We need to come up with some way to create safe environments, robust learning environments in every school. Dr. Fields added that it is a sad

commentary we're talking in 2008 about students fearful to go to school. I also realize that there are charter schools that share space with a traditional public school, so it is not all about safety. Dr. Hall added that there are also charter schools that are not safe.

The Virtual School also provided for some children an option that met their needs better than how they were being met in the schools they previously attended. Particularly those whose learning styles were not geared for the classroom.

JoAnn – Regarding the safety issue – not just safety – they can control their number of enrollment. They can control class size, and can control the culture of their school.

Holmes Why aren't there more charter schools outside of Chicago? That is as much of an issue as the issues within Chicago. In the last several years, the mood of the IASB and IASA has been very negative toward the development of charter schools. A particular district superintendent I heard recently touted all sorts of options for their students. I don't know what our role should be in terms as promotion of charter schools. It is there as an option and districts can see it is an option.

Koster – Not a major concern on the part of parents that they are dissatisfied with local school. Jesse – It is a local decision. Chicago is a huge proponent. This is how they wish to run their district.

Elizabeth We've seen an increasing number of parents, school board members, superintendents, downstate mayors and civic leaders calling us. We've developed a program and raised private funds to work on capacity building outside Chicago. Chartering is a complex endeavor and managing a portfolio of schools in one system is a challenge. Send a chart to Linda.

Federal policy – there is a growing national consensus that charters have an important role in a broader context of education. We don't proclaim to be the silver bullet, however, you need to meet the needs of each child. There is more and more federal money to support states activities to make sure communities have the resources to broaden their portfolios of schools. The local governing bodies of Rockford, Peoria, South Holland are considering how to bring charters to their communities.

Supt Koch: NCLB's passage was based in part by the promise of choice and has been a huge disappointment in that respect.

Darren – contract school and performance schools still subject to all of the requirements of the school code. Charter schools are exempt from a number of the provisions of the school code.

Holmes – I hope we have gotten away from the emotion issue of vouchers in Illinois. In public education, we need to make sure what the charter school is as opposed to what the vouchers are.

Fields – but it seems there is an underlying push toward privatization of public schools. From NCLB to voucher discussion. I think if the charter schools have some good things going, then for the greater number of students in Illinois, we need to try to get those innovations into the traditional schools.

Dr. Fields commented that he appreciates the discussion and feels the need for an ongoing discussion of these issues. The State Board should be providing a mechanism for the

transference of ideas and techniques to traditional schools. All public school students should be provided the same education and same atmosphere in their education setting.

Hall – Look at the last article in Appendix E. Page 22, the two coalitions How do we fold in private money into a public entity and get the best benefit? Can we have a policy to transfer innovative techniques?

Brown – I'm not sure we're here to promote or to not promote charter schools. I think we are here to ensure a quality education. I think there are a lot of things that we are not doing that can reflect back on governance – from the state board, the legislature, the governor, and the local school board. All those level of governments have a lot to do with what indicators are coming out of the school. The philanthropic and private money is coming for a lot of different reasons from a lot of places. When you have a high school of 200 students, you don't have a residency or an extensive vocational program. Those schools exist outside of us. They exist in collaboration with this board and economic opportunity. We have to measure on outcomes – not on inputs.

One new charter school that I've heard about – in California. It is a union school based on surveys and governed by union members and it is based on what they want their students to know and be able to learn – I believe it's near San Francisco.

We need to facilitate whatever is needed in education.

Ruiz – It just occurred to me the lines even in our country are being blurred where public interest and private interest end and begin as we are now all shareholders in almost every major bank in this country.

Next steps – look at capturing our intellectual capital that is being created that our taxpayer dollars are funding. We need to be innovative and should be creating models that are transferable and able to be used elsewhere in the district or across the state.

Jo – Put the request in the information for the annual report – what is it you are doing that works? Have they shared information and techniques with their local district?

Lanita – catalog of CPS schools. Now is the time for parents to be applying for different schools within Chicago. You have charters, contract, performance, magnet, gifted, gifted clusters,

Holmes complimented the staff who put the information together. It is perfectly labeled, we had it in advance, and it was anything we needed to know.

Linda T. – it was a group effort and went across divisions and across centers.

Ruiz – thanks to Elizabeth Evans who chimed in with key information at the appropriate time.

Hall – What about special education in charter schools?

Beth – we have worked collaborative with Linda, Jo Ann and Rich, in looking the approval of the applications, The monitoring particularly for Chicago charter schools is bound by the Corey H agreement. Focus for special ed does follow that agreement. Downstate is a little different, but we are hitting on the points of inclusion, performance, etc.

Are we able to meld the services? It is a challenge to ensure that they have the opportunity for those services, but through the application process, we are looking at the continuum of services are available, the placement options are available and the process of how the charter will be contracting those services when the students come.

Karon – District 300 approved their charter, correct? It is in its second year of operation. Are they pulling from across, or still limited to the subdivision? I'm interest in knowing if they are doing something innovative since the impetis was from the builders and I would be interested in knowing who is writing the educational plan for that charter?

Charter school data does not currently appear on school report cards. Given the uniqueness, the data would skew the district data – class size, teaching staff, performance. Each charter school is treated as a district unto itself.

Jesse – that district should be accountable for those schools as well.

Elizabeth – CPS does do a charter report. They do look at kids in the schools nearby. Weighted average – where those students would have gone, and how are they performing compared to the students in that school. So the CPS, as the authorizer is ultimately responsible through the charter agreement. As one of the nationally-best authorizers, they do take that responsibility seriously. Dist. 186, same thing. They have a very close relationship with the Ball Charter School.

Dave Fields would like to see that report.

Lanita asked Mr. Reisberg to comment on the statement of responsibility.

Reisberg – Ultimately the district is responsible contractually. As a policy matter, it would concern me to absolve the district of the responsibility of the performance of those students. In terms of how they are accounting for that responsibility, whether the information is integrated with the district report card, or a separate report card, that would be a policy matter.

Koch – In CPS has an interest in seeing this integration. That would be less of an issue once it goes in the wash, with that many buildings.

The Work Study Session adjourned at 10:10 a.m.