

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

December 14-15, 2011

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

Open meetings will be audio cast on the Internet (as indicated) at: www.isbe.net

DECEMBER 14, 2011

- 2:00 p.m. Finance & Audit Committee of the Whole**
Board Room, 4th Floor
- *4:00 p.m. Ad Hoc Rules Committee of the Whole**
Board Room, 4th Floor
- *5:00 p.m. Board Operations Committee of the Whole**
Board Room, 4th Floor
- *5:30 p.m. Closed Session**

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

DECEMBER 15, 2011

- 8:45 a.m. Governmental Relations Committee of the Whole**
Board Room, 4th Floor
- *9:15 a.m. Education Policy Planning Committee of the Whole**
Board Room, 4th Floor
- *11:15 a.m. Break for lunch with guests of honor**
- *12:15 p.m. ISBE Plenary Session**
Board Room, 4th Floor

*** 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: 217-782-1900; Fax: 217-785-3972.

NOTE: Chairman Chico 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 Chico 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
100 North First Street, Springfield, Illinois

Plenary Session
Board Room, 4th Floor

December 15, 2011
12:15 p.m.

(or immediately following lunch)

I. Call to Order/Pledge of Allegiance (Gery J. Chico, Chairman)

- A. Consideration of and Possible Actions on Any Requests for Participation in Meeting by Other Means

II. Public Participation (up to 30 minutes)

III. Resolutions & Recognition

- A. Josh Stumpfenhorst – 2012 Teacher of the Year (*Plenary Packet p. 3*)
B. Bradley Abel – 2011 Milken Winner (*Plenary Packet p. 4*)
C. Shelly Marks, 2011 Burroughs Outstanding School Board President (*Plenary Packet p. 5*)
D. Christopher J. Ward – Former Member, Illinois State Board of Education (*under separate cover*)

IV. Consent Agenda

All action consideration items listed with an asterisk (*) below 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.

Superintendent's Report

- A. *Approval of Minutes: November 18, 2011 (*Plenary Packet pp. 7-15*)
B. *Rules for Initial Review
1. Part 30, Programs for the Preparation of Principals in Illinois (*Rules Packet pp. 2-9*)
C. *Rules for Adoption
1. Part 25, Certification (*Rules Packet pp. 10-38*)
2. Part 375, School Records (*Rules Packet pp. 39-63*)
3. Part 425, Voluntary Registration and Recognition of Nonpublic Schools (*Rules Packet pp. 64-80*)
D. *Contracts and Grants Over \$1 Million
1. Amendment to IBM Contract for Student Information System (SIS) (*Finance & Audit pp. 2-3*)
2. RFSP for Evaluator Pre-Qualification and Re-training Program (*tentative*)
3. Contract for Illinois Resource Center - Bilingual Professional Development (*Finance & Audit pp. 5-7*)
E. *Approval of 403b Plan Amendment (*Board Operations Packet pp. 8-31*)
F. *Approval of Charter School Report to the General Assembly (*Education Policy Packet pp. 2-8*)
G. *Board Notification, Review, and/or Approval for the Processing of Contracts and Grants (*Bd Ops pp. 32-35*)
H. *Board Review of Mandated Reports (*Board Operations Packet pp. 36-49*)

End of Consent Agenda

- I. Election to Fill ISBE Vice Chair Vacancy (*Plenary Packet p. 16*)
J. Approve Closed Session Minutes

V. New Business

VI. Announcements and Reports

- A. IBHE Liaison Report (*No report this month*)
B. P-20 Council Liaison Report (*No report this month*)
C. Superintendent's/Senior Staff Announcements
D. Chairman's Report
E. Member Reports

VII. Information Items

- A. ISBE Fiscal & Administrative Monthly Reports (*available online at www.isbe.net/board/fiscal_admin_rep*)

VIII. Adjourn

APPROVED

**Illinois State Board of Education Meeting
December 15, 2011
100 N. First Street
Springfield, IL**

ROLL CALL

Mr. Gery Chico, Chairman, called the meeting to order at 12:15 p.m. Chairman Chico asked Ms. Jean Ladage to call the roll. Dr. Christopher Koch, State Superintendent of Education, was in attendance in Springfield. A quorum was present.

Members Present

Mr. Gery Chico, Chairman
Dr. Vinni Hall, Secretary
Dr. Andrea Brown
Dr. David Fields
Mr. Steven Gilford
Ms. Lanita Koster
Ms. Melinda LaBarre

Members Present By Phone

Mr. James Baumann

**REQUEST FOR
PARTICIPATION
BY PHONE**

Chairman Chico announced that Board Member Jim Baumann who had requested to participate by phone was approved to do so during the roll call of the Governmental Relations Committee this morning.

**PUBLIC
PARTICIPATION**

Chairman Chico recognized Jane Quinlan from Regional Office of Education #9 Champaign-Ford Counties.

Chairman Chico thanked the choral students of Springfield High School Choir and their Music Directors, Mrs. Kathy Elmore and Mr. Damien Kaplan for the beautiful entertainment during lunch.

Ms. Erika Lindley of ED-RED acknowledged ISBE's efforts makes to get feedback on state budget priorities for the upcoming years. She noted that ED-RED's budget priorities have been the same over the last couple of years; prioritizing General State Aid (GSA) and mandated categoricals.

Ms. Lindley commented that she was encouraged by the conversation during the Finance & Audit Committee meeting about the State Board's approach to budgeting this year. There are a lot of areas where we can work together to better align resources; whether it be transportation or the PTELL adjustment. She credited Superintendent Koch for looking at the transportation line item and realizing that it is in everyone's best interest to address it from the front end and ED-RED looks forward to assisting on that work.

Ms. Lindley voiced concern over comments made during the committee hearing, about prioritizing some of the new state dollars for new programs. In past budget cycles line items for particular programs such as gifted education and the reading improvement block grant were targeted for removal with the philosophy that with reduced resources funds from those programs should be put into GSA to allow districts to put dollars into programs that make the most sense for their students. She stated that ED-RED looks forward to working with the State Board of Education and the General Assembly in this very challenging upcoming budget cycle.

**RESOLUTIONS &
RECOGNITION**

Dr. Brown moved that the Illinois State Board of Education adopt the resolutions recognizing Josh Stumpfenhorst 2012 ISBE Teacher of the Year, Bradley Abel 2011 Milken National Educator, Shelly Marks 2011 Burroughs Outstanding School Board President and Christopher J. Ward, Former Board Member of the Illinois

State Board of Education. Ms. Koster seconded the motion and it passed with a unanimous voice vote.

Josh Stumpenhorst talked about how appreciative and honored he was to be a teacher and how every single decision he makes as a teacher impacts a student. He thanked the Board for appreciating the work that is done by teachers and supporting the children of Illinois so that they can receive the best possible education.

Bradley Abel extended his sincere thanks to the Milken Family Foundation and State Board for honoring him. He commented that he does not look at his work as a teacher as a job; it is his life passion he hopes that energy will transfer to his students.

Shelly Marks thanked the Board for the honor to be named the 2011 Burroughs Outstanding School Board Member. She feels this award recognizes every single person in the district. Employees, management and board members are making challenging decisions in the best interest of children, even as resources are diminishing. The community showed support by passing a referendum last year and staff took a pay freeze to prevent staff lay offs. Ms. Marks said she is overwhelmed by the Burroughs award.

Dr. Chris Ward, former State Board Member was accompanied by his wife Katie, daughters Sarah and Meg, and his son Chris. Dr. Ward stated that he currently sits on the Board of Trustees at a local university in the Joliet area where he resides and he is looking forward to spending more time at home. Dr. Ward talked about his mother and what a driving force she was for him to go into education even though she only had a high school education. He is thankful he listened to his mother's advice; it has provided him and his family with an adequate living and a cherished group of fellow educators. He is most appreciative of his fellow board members; they worked hard together to make great strides for the students of Illinois and he relishes the friendships he has made through the years on the board.

**CONSENT
AGENDA**

Motion:

Ms. LaBarre moved that the State Board of Education hereby approves the consent agenda, with the exception of Agenda Item IV.D.2. (RFSP for the Evaluator Pre-Qualifications and Re-Training Program). Dr. Hall 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

The State Board of Education hereby approves the minutes for the November 18, 2011 Board Meeting.

Rules for Initial Review

Part 30 (Programs for Preparation of Principals in Illinois)

The State Board of Education hereby authorizes solicitation of public comment on the proposed rulemaking for Programs for Preparation of Principals in Illinois (23 Illinois Administrative Code 30, including publication of the proposed amendments in the Illinois Register).

Rules for Adoption

Part 25 (Certification)

The State Board of Education hereby adopts the proposed rulemaking for: Certification (23 Illinois Administrative Code 25), Further, the Board authorizes the State Superintendent of Education to make such technical and substantive changes as the State Superintendent may deem necessary in response to suggestions or objections of the Joint Committee on Administrative Rules.

Part 375 (School Records)

The State Board of Education hereby adopts the proposed rulemaking for: Student Records (23 Illinois Administrative Code 375), Further, the Board authorizes the State Superintendent of Education to make such technical and substantive changes as the State Superintendent may deem necessary in response to suggestions or objections of the Joint Committee on Administrative Rules.

Part 425

(Voluntary Registration and Recognition of Nonpublic Schools)

The State Board of Education hereby adopts the proposed rulemaking for Voluntary Registration and Recognition of Nonpublic Schools (23 Illinois Administrative Code 425), Further, the Board authorizes the State Superintendent of Education to make such technical and substantive 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

Amendment to IBM Contract for Student Information Systems (SIS)

The State Board of Education hereby authorizes the State Superintendent to amend the contract with IBM through Fiscal Year 2013 and to increase the maximum contract amount to \$21,433,500 for the purpose of expanding the capabilities and supporting the SIS System.

Contract for Illinois Service Resource Center Bilingual Professional Development

The State Board of Education hereby authorizes the State Superintendent to enter into a contract for the delivery of ELL Statewide Professional Development Services with the Illinois Resource Center for the amount of \$996,444 for the period of January 1 – June 30, 2012, with the option of up to four (4) one year renewal terms.

Approval of 403b Plan Amendment

The State Board hereby adopts the following resolution:

RESOLUTION TO AMEND § 403(b) PLAN

WHEREAS, the Board maintains a retirement plan qualified under Section 403(b) of the Internal Revenue Code of 1986, as amended (the "403(b) Plan").

WHEREAS, in order to maintain the 403(b) Plan's tax qualification, the Plan must be amended to comply with certain provisions of the Pension Protection Act of 2008 (the "PPA"), the Heroes Earnings Assistance and Relief Tax Act of 2008 (the "HEART Act"), and the Worker, Retiree, and Employer Recovery Act of 2008 ("WRERA") by the end of the Board's 2011 Plan Year, December 31, 2011.

WHEREAS, the Board desires to amend the 403(b) Plan in order to bring the Plan into documentary compliance with the PPA, the HEART Act, and WRERA.

NOW THEREFORE, BE IT RESOLVED, the Board hereby amends the 403(b) Plan as follows:

1. The following shall be inserted as a new paragraph at the end of Section 4.5 of the 403(b) Plan document:

"In addition, as provided under section 401(a) (37) of the Code, the Beneficiary of a Participant who dies after January 1, 2007 while performing qualified military service under section 414(u) of the Code shall be entitled to any additional benefits (other than benefit accruals or contributions relating to any period of qualified military service) provided under the Plan as if the Participant had resumed employment and then had a Severance of Employment on account of death."

2. The following shall be inserted as a new paragraph at the end of Section 6.3 of the 403(b) Plan document:

"Notwithstanding the foregoing, a Participant or Beneficiary who would have been required to receive the required minimum distributions as required under section 401(a)(9) of the Code for 2009 but for the enactment of section 401(a)(9)(H) of the Code ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will receive those distributions for 2009 unless the Participant or Beneficiary chooses not to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect not to receive the distributions described in the preceding sentence. In addition, notwithstanding the foregoing, and solely for purposes of applying the direct rollover provisions of Section 6.6 of the Plan, a direct rollover will be offered only for distributions that would be eligible rollover distributions without regard to section 401(a)(9)(H) of the Code."

3. The following shall be inserted as a new sentence at the end of Section 6.6(a) of the 403(b) Plan document:

"Effective January 1, 2008, a Participant, Beneficiary (whether a Participant's spouse, former spouse, or other non-spouse Beneficiary) or alternate payee may elect to have any portion of an eligible rollover distribution from the Plan paid directly to a Roth IRA described in section 408A of the Code, in addition to the other eligible retirement plans described above."

Approval of Charter School Report to the General Assembly

(No action needed)

Board Notification, Review and/or Approval for the Process of Contracts and Grants

The State Board of Education hereby authorizes the State Superintendent to implement the contract and grant approval process as discussed and recommended by the Board Operations Committee of the Whole.

Board Review of Mandated Reports

The State Board of Education hereby authorizes the State Superintendent to implement the process for Board review of reports as discussed and recommended by the Board Operations Committee of the Whole.

END OF THE CONSENT AGENDA

**ELECTION TO FILL
ISBE VICE CHAIR
VACANCY**

(At the request of Chairman Chico he asked that this agenda item be held for a later date so that all board members can be physically present to vote.)

**APPROVAL OF
CLOSED
SESSION
MINUTES**

Dr. Hall moved that Pursuant to Section 2.06(d) of the Open Meetings Act, the State Board of Education has reviewed the minutes of its closed sessions from December 2010 through October 2011; and the record shall show that no closed session was held in April, May, October and November 2011.

Therefore, she moved that the State Board of Education certifies that the need for confidentiality still exists for the closed session minutes for the time period reviewed. Further, the State Board of Education approves the destruction of all closed session verbatim recordings prior to June 15, 2010.

Dr. Fields seconded the motion and it passed with a unanimous voice vote.

ANNOUNCEMENTS

**IBHE Liaison
Report**

Chairman Chico stated that Dr. Phoshanta Nandi from the Illinois Board of Higher Education (IBHE) was not present today but he did send in his written summary of the IBHE meeting to share. Dr. Vinni Hall also reported on the Illinois Board of Higher Education (IBHE) meeting held on December 6, 2011 at Moraine Valley Community College in Palos Hills. These are the highlights presented by Dr. Nandi and Dr. Hall of that meeting:

- Discussion on the proposed Higher Education Performance Funding Model: The new performance funding law - Public Act 97-320 requires IBHE to develop a new approach that will reward colleges and universities based on progress in raising educational attainment levels for the Illinois citizens. The approach is to begin with next year's Fiscal Year 2013 budget.
- Those presenting included Lieutenant Governor Shelia Simon, Julie Smith, the Governor's Deputy Chief of Staff for Education; State Senator Ed Maloney and State Representative Bob Pritchard who sponsored the enabling legislation.
- The Board was briefed by several members of the Performance Funding Steering Committee on the progress being made on developing a funding model for community colleges and public universities based upon degree completion. Dr. Hall noted that the steering committee is having a difficult time when it comes to performance metrics and finding a common scale to measure each of the universities because they have different missions. They ultimately decided to compare their progress from one year to the next on certain indicators; Dr. Hall felt this was something we might want to consider.
- Dr. Rita Cheng, Chancellor, Southern Illinois University Carbondale presented *Recommendations of Principles* adopted by the steering committee which met five times since July 2011. IBHE Deputy Director Alan Phillips, Illinois Community College President Geoffrey Obrzut, and the Chief Financial Officer Ellen Andres presented the recommendation of the Metrics Formula. Michael Baumgartner, Vice President of Complete College America and a consultant to the steering committee, offered observations on how Illinois' progress compares to the efforts of other states also implementing performance funding. The focus on student success and meeting the goals of *the Illinois Public Agenda* continue to drive the metrics formulation efforts. This is an important way for meeting the "60 X 25" goal shared by the P-20 Education Committee in Illinois of having 60% of adult Illinoisans with college degrees or marketable postsecondary certificates by 2025.

- Dr. Hall stated that IBHE has been meeting with the advisory groups and it has been a very interesting experience. Chairwoman Hightman said that IBHE is looking forward to a scheduled date that the ISBE and IBHE can meet and talk about our joint education efforts. Chairman Chico also recommended inviting the different advisory councils to attend one of our board meetings.
- Dr. Nandi noted in his report that the IBHE authorized their Executive Director to enter into the Illinois Pathway Initiative Intergovernmental Agreement with ISBE, the Illinois Community College Board, Illinois Department of Commerce and Economic Opportunity, the Student Assistance Commission, and the Illinois Department of Employment Security.
- Dr. Nandi shared his appreciation for the joint education partnerships, such as Illinois Pathway Initiatives, to improve educational attainment as an important goal of the *Illinois Public Agenda for College and Career Success*.

The next IBHE Meeting will be held on February 7, 2012 at Kendall College in Chicago.

**P-20 Council
Liaison Report**

(No P-20 Council report this month.)

**Superintendent's
Announcements**

Superintendent Koch commented that in December at the 35th Annual Statewide Conference for Teachers Linguistic and Culturally Diverse Students, Don Evans was recognized for his commitment to leadership.

Dr. Koch stated that he met with the Council of University Presidents, for the first time to discuss basic skills and the need to ensure that our workforce is properly prepared. The entire reform agenda was shared and the Council was very receptive and supportive. Dr. Koch commented that a valuable open channel with the university presidents has been established.

Superintendent Koch attended the Education Commission for the States meeting in Denver, Colorado with the focus being on higher education. Dr. George W. Reid from the Illinois Board of Higher Education and Kathy Payne from State Farm Insurance also attended the meeting.

He added that he will be attending the PARCC Governing Board Meeting in Washington, D.C. on Friday.

Chairman's Report

Chairman Chico visited the National Teachers Training Academy on the south side of Chicago along with Darren Reisberg and Kathleen Barnhart having an opportunity to observe students using iPads in the classroom made possible through a state grant. Ms. Barnhart commented that the grant is from the Governor's office and is under Illinois bond money. The grant was written in a way that middle school students would not only receive iPad devices but there would be instructional changes in the classroom. There are districts that are now opening their networks so that students can bring their own iPads to school, and helping students get iPads if they do not own one. Ms. Barnhart stated that there are 17 districts including CPS that are using iPads in the classroom.

Member Reports

Dr. Brown pointed out that she serves on a committee at Southern Illinois University and they have been discussing the requirements for teacher preparation including teaching content and the amount of college hours for teacher preparation. She also attended a meeting where Lieutenant Governor Shelia Simon spoke on Rural Education, School Improvement Initiatives, Classroom First and Equity.

Dr. Brown asked that the Board be provided an update on the Technology Hubs/regional technology centers. Dr. Brown also mentioned a program in Missouri that is available to teachers for the students that is called eMINTS-METS which they are aligning with the Common Core.

Ms. Koster, Ms. LaBarre, Dr. Hall and Superintendent Koch reported that they attended the World Class Colloquium Series where Pasi Stahlberg, Director General of Finland's Ministry of Education spoke on Finland's Education System. Ms. Koster commented that Dr. Stahlberg has written a book titled *Finnish Lessons* which talks about the changes they have made since the 1970's. Ms. Koster said that Finland has made great educational leaps since the 70's and that we can all learn a few lessons from them. Ms. Koster shared with the Board copies of the Poverty Commission's Annual Report. She also noted that she and Dr. Hall will be attending the NASBE Study Group on Common Core and Social Emotional Health.

Ms. LaBarre voiced appreciation for the opportunity to meet several agency staff from agricultural education, technology, business, and health services. She also attended a webinar yesterday on the PARCC Assessment.

Dr. Fields thanked Jean Ladage for inviting the Springfield High School Choir to sing during the lunch break. He also thanked former board member Chris Ward and his family for attending the meeting today.

Mr. Gilford commented that he had the opportunity to present the Thomas Lay Burroughs Award at the IASB/IASA/IASBO Joint Annual Conference. He said he was amazed at volume of attendees and praised the work of the three associations to improve the effectiveness of their board members. Mr. Gilford stated that he feels we should spend a little more time helping these boards manage their school districts and use that as a vehicle to better impact what is happening in the classroom.

Mr. Baumann commented that it has been a pleasure to serve with Dr. Ward on the State Board as he has always been impressed with Dr. Ward's humility and commitment to the children of Illinois and wished him the best.

Dr. Hall along with the other Board members thanked Superintendent Koch and the ISBE staff for their tireless work and wished everyone Happy Holidays.

Informational Items ISBE Fiscal & Administrative Monthly Reports are available online at www.isbe.net/board/fiscal_admin_rep.

MOTION FOR ADJOURNMENT Dr. Hall moved that the meeting be adjourned. Dr. Fields seconded the motion and it passed with a unanimous voice vote. The meeting adjourned at 1:25 p.m.

Respectfully Submitted,

Dr. Vinni Hall
Board Secretary

Mr. Gery J. Chico
Chairman

ILLINOIS STATE BOARD OF EDUCATION

BOARD OPERATIONS COMMITTEE OF THE WHOLE
Board Room, 4th Floor

December 14, 2011

5:00 p.m.

(Or immediately following previous committee discussion.)

- A. Board Operations Committee Chairmanship
- B. *Discussion of Election to Fill Vice Chair Vacancy **(p. 2)**
- C. Review Nominations for Recognition **(pp. 3-7)**
- D. *Recommendation for Amending 403b Working Plan Document (Don Evans) **(pp. 8-31)**
- E. *Board Notification, Review, and/or Approval for the Processing of Contracts and Grants **(pp. 32-35)**
(Darren Reisberg)
- F. *Board Review of Mandated Reports *(Darren Reisberg)* **(pp. 36-49)**
- G. Board Operations
 - 1. Board Operations Budget Review *(Robert Wolfe)* **(p. 50)**
 - 2. Board Operations Efficiency *(Chris Koch, Jean Ladage)* **(pp. 51-57)**
- H. Additional Items
- I. Motion for Closed Session

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

APPROVED

BOARD OPERATIONS COMMITTEE OF THE WHOLE
December 14, 2011
Springfield, Illinois

Members Present

Gery Chico, Board Chair
Andrea Brown
David Fields
Steve Gilford
Vinni Hall
Lanita Koster
Melinda LaBarre

Members Absent

Staff Present

Superintendent Koch
Jean Ladage
Marsha Moffett
Darren Reisberg
Susie Morrison
Don Evans
Reyna Hernandez
Linda Mitchell
Melissa Oller
Matt Vanover

Members Participating by Phone:

Jim Baumann

CALL TO ORDER: Mr. Chico called the meeting to order at 5:20 p.m. and acknowledged that the Roll Call taken earlier committees remained accurate. (See roll call above.) Jim Baumann continued to participate by phone as per the vote taken at the outset of this two-day meeting.

- A. BOARD OPERATIONS COMMITTEE CHAIRMANSHIP:** Chairman Chico announced that with the resignation of Chris Ward, Steve Gilford has agreed to accept an appointment as Chairman of the Board Operations Committee.
- B. DISCUSSION OF ELECTION TO FILL VICE CHAIR VACANCY:** Mr. Chico indicated that the Board would discuss the election of a Vice Chair during plenary session on Thursday. He then turned the meeting over to the new Board Operations Committee Chair, Steve Gilford.
- C. REVIEW NEW NOMINATIONS FOR RESOLUTIONS OF RECOGNITION:** Mr. Gilford indicated that there are four nominations for recognition before the Board during plenary session on Thursday. He commented that at least one or more of the Board members had met each of the nominees and they are all extraordinary individuals. Hearing no edits or corrections to the resolutions, they would be moved forward to plenary session for adoption.
- D. RECOMMENDATION FOR AMENDING 403B WORKING PLAN DOCUMENT:** Mr. Don Evans indicated that periodically, the IRS requires plan sponsors (such as ISBE) to amend their qualified retirement plans to memorialize certain regulatory changes. These changes are required to be made on or before December 31, 2011. In order for the Illinois State Board of Education to comply with the IRS regulations, a resolution must be passed which will serve to make the necessary changes to the current written plan document. Aside from the amendments contained in the resolution, the 403B written plan document will remain unchanged. This agenda item will be moved forward to plenary session on Thursday.
- E. BOARD NOTIFICATION, REVIEW, AND/OR APPROVAL FOR THE PROCESSING OF CONTRACTS AND GRANTS:**
- Under \$1 million:** Chairman Chico suggested that staff simply provide Board members a website or send members via email, all RFSPs (for contracts) and RFPs (for grants) issued and awards/contracts made under \$1 million.
- Over \$1 million:** Chairman Chico indicated his preference would be for final Board approval of the issuance of a contract. Other members voiced preference for being able to have input at the outset of the RFSP process.

Superintendent Koch clarified the Board would have more latitude at the beginning of the RFSP process. The Board could encourage staff to include specific requirements into the rubric to be released. Typically there are two to three over \$1 million RFSP's brought to the Board per Board meeting and in January through June there are often four or five per month.

It was agreed that (1) the Board would continue to discuss and authorize the release of RFSPs for contracts, and RFPs for grants, of over \$1 million at the outset of the process and that (2) staff would bring to the Board for approval the awards of contracts or grants of over \$1 million. The Board's approval of the awards, though, will appear only on the plenary consent agenda, not for committee discussion—and the Superintendent or a Board member can ask to have a particular award removed from the consent agenda to be addressed separately. At the point of approval of the RFSP or RFP release, staff can get direction from the Board as to whether they desire a special video-conference meeting if timelines dictate.

- F. BOARD REVIEW OF MANDATED REPORTS:** Superintendent Koch indicated that as noted in Board materials, there are a number of statutorily required reports generated from this agency. He asked that the Board reaffirm their desire for which reports they wish to be aware of and which reports are to be brought to committee meetings for discussion. There are a few reports that have been statutorily eliminated and a new list has been presented in this month's materials. The Board agreed that the Persistently Dangerous Schools Report and the Educator Supply and Demand Report be added for Board meeting discussion.

G. BOARD OPERATIONS:

- 1. BUDGET REVIEW:** Mr. Gilford indicated that the Board Operations Budget Review was a priority for the prior chairman and the chart on page 50 of the Board materials indicates it was very effective. Staff indicated that the Board has indicated a desire to take Board meetings to alternate meeting sites across the state, and that would once again increase expenses for Board meetings. Chairman Chico suggested that having one to three Board meetings at alternate sites would increase the familiarity of the Board with members of the public and with area legislators, at perhaps a minimal cost of approximately \$15,000 per year.

Mr. Vanover suggested that rather than having full Board meetings in alternate locations, with perhaps the same minimal public attendance, perhaps an alternative plan would be for one or two members to make more frequent visits in strategic areas of the state. He added that would allow Board members to find out about what is going on in their areas or other areas of the state and provide a more effective vehicle for public relations.

Mr. Gilford suggested that this is more a public relations/governmental relations issue rather than a cost issue, and he asked that at a future meeting, staff provide an outline of costs and four or five options for Board visits and/or alternative meeting sites for the Board's review.

- 2. BOARD OPERATIONS EFFICIENCY:** Chairman Chico suggested there might be a way to some months conduct the Board's business within a one-day timeframe, say 10:00 – 3:00. That would allow people to arrive in the morning and return home that evening.

Mr. Gilford summarized the Board's comments by indicating that starting at 1:00 for a two-day meeting would be more desirable than starting at 2:00 for a two-day meeting, but most important is the utilization of time. Overnight accommodations can be made for members who wish to drive in the day before or stay the evening following a late meeting. He also asked the Board members receive earlier notification of the start and end time of the meetings so members can plan meetings and travel times accordingly.

Ms. Ladage asked for clarification of agenda composition and suggested that for the one-day meetings, the agenda be handled as is done for the video conference meetings where discussion of action items is conducted within the plenary agenda rather than committee sessions. Board members agreed to move in that direction when the agenda content provides the opportunity.

Staff will begin transitioning agendas accordingly, acknowledging that January's budget discussion will require a two-day session.

Chairman Chico reminded members to use any extra time they might have over the next few months to make visits to members of the General Assembly to promote ISBE's budget recommendation.

Dr. Hall suggested the Board follow IBHE's lead in networking with the Board's advisory councils over lunch during their meetings; it provides valuable time for gathering effective support.

- H. ADDITIONAL ITEMS:** Chairman Chico suggested the Board needs one staff person to handle research assignments and serve as a direct liaison to the Board. Mr. Chico commented that he appreciates the logistical assistance of the current Board Services Coordinator, but he has never been associated with a public organization where the Board members did not have a group of staff. He commented that the Board is separate from the Superintendent and from his past experience there has been a separate office supporting the needs of board members. Mr. Chico added that the person he's suggesting would not countermand the Superintendent's role, but rather be available to provide research on policy topics, coordinate Board/Chairman visits, talk to Board members to get opinions, etc.

Superintendent Koch was asked to comment and he indicated that anytime Board members need something they should call on him and he should get it turned around; on the other hand, the agency currently doesn't have a "deep bench" so staff capacity for research purposes is a problem. Dr. Koch added that in the past there were three agency employees employed by the Superintendent and dedicated to the Board: an Executive Assistant to the Board, Secretary to the Board, and a clerical staff person to the Executive Assistant.

It was suggested that a new research person is still going to have to get policy information from agency staff, and deliver it to the Board, so she's not sure it is saving current staff efforts.

Superintendent Koch added that there is no question that additional staff at the agency are needed. Chairman Chico indicated that he has urged Superintendent Koch to seek more staff where the resources are needed. Mr. Gilford added that it seems to be something that needs to be part of the budget discussion.

I. MOTION FOR CLOSED SESSION:

Dr. Vinni Hall 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:

Section c 1 for the purpose of considering the appointment, employment, compensation, performance or dismissal of an employee;

Section c 11 for the purpose of considering pending or probable litigation against or affecting the Board

and

Section c 21 for the purpose of discussing minutes of meetings lawfully closed under the Open Meetings Act.

She further moved that the Board may invite anyone they wish to have included in this closed session.

Mr. Chico seconded the motion and it passed with a unanimous voice vote.

The Board went recessed it's meeting at 6:40 p.m. and announced they would reconvene at 8:45 a.m. on Thursday, December 15 for Governmental Relations discussions.

ILLINOIS STATE BOARD OF EDUCATION

EDUCATION POLICY PLANNING COMMITTEE OF THE WHOLE
Board Room, 4th Floor

December 15, 2011

9:15 a.m.

(immediately following previous committee discussion)

- A. Board Member Participation by Other Means
- B. Public Participation
- C. *Charter Schools Report to the General Assembly (*Darren Reisberg*) **(pp. 2-8)**
- D. *Draft State Board of Education Annual Report (*Matt Vanover, Susie Morrison*) **(pp. 9-74)**
- E. Discussion of Draft Race To The Top Phase 3 Application **(pp. 75-84)**
(Superintendent Koch, Darren Reisberg)
- F. Strategic Agenda Update (verbal update) (*Superintendent Koch, Susie Morrison*) **(pp. 85-102)**
 - 1. ESEA Waiver
 - 2. Early Learning Challenge
- G. Discussion of State Model for Principal Evaluation (*Linda Tomlinson, Vicki Phillips*) **(pp. 103-___)**
- H. District Oversight – Monthly Update (verbal update) (*Superintendent Koch*)
- I. Information Item – Bilingual Advisory Council Report (*Reyna Hernandez*)
- J. Additional Items

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

APPROVED

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

Thursday, December 15, 2011
9:15 a.m. – 11:15 a.m.
Board Room, 4th Floor
Springfield, Illinois

Members Present

Dr. David Fields, Chair
Mr. Jim Baumann (by phone)
Dr. Andrea Brown
Mr. Steven Gilford
Dr. Vinni Hall
Ms. Lanita Koster
Ms. Melinda LaBarre
Mr. Gery Chico

Members Absent

None

The Education Policy Planning Committee (EPPC) meeting convened at 9:15 a.m.

A. BOARD MEMBER PARTICIPATION BY OTHER MEANS: Committee Chair, Dr. David Fields, stated that Jim Baumann was participating by phone per a vote taken at the outset of this two-day meeting. See above for detailed listing.

B. PUBLIC PARTICIPATION:

Ryan Swift, Vice President of EverFi, Inc., spoke to Committee members regarding an online learning platform that teaches, assesses, and certifies high school students in financial education. The online tool is a six-hour course designed to support and supplement what is being taught in the class and is user friendly for both teacher and student. Illinois banks and savings institutions can partner with their local high schools to bring this important program into the schools at no cost to the school.

C. CHARTER SCHOOLS REPORT TO THE GENERAL ASSEMBLY: Darren Reisberg, General Counsel, spoke to the Board regarding 2012 Illinois Charter School Report. The 2012 report will be similar in format to the 2011 report due to insufficient time to promulgate rules and collect appropriate data from the charter schools. The charter schools did receive a form from ISBE (copy provided in the board packet) to provide data to make appropriate changes to the 2012 report. Mr. Reisberg also discussed the Charter Commission meeting on November 15, 2011.

D. DRAFT STATE BOARD OF EDUCATION ANNUAL REPORT: Matt Vanover, Director of Public Information, presented the Board with the Draft of the 2011 State Board of Education Annual Report. There will be additional data added after the first of the year.

E. DISCUSSION OF DRAFT RACE TO THE TOP PHASE 3 APPLICATION: Superintendent Koch spoke to the Board regarding the draft Race To The Top Phase 3 application and indicated that if Illinois receives the \$42.8 million, half of the money will go to local school districts looking to move aggressively in the implementation of ISBE's reform agenda.

F. STRATEGIC AGENDA UPDATE (verbal update)

1. **ESEA WAIVER:** Superintendent Koch indicated there is a very aggressive timeline for the waiver application and briefly spoke about the adoption of a proposal on Growth Model. Susie Morrison and Pooja Agarawal will provide more information on the Growth Model at the January Board Meeting.

Ms. Morrison updated the Board on timelines associated with the application.. She also indicated staff are seeking input from stakeholders regarding indicators other than math and reading scores, Ms. Morrison spoke about disaggregating ACT reading and math scores, adding the third component of WorkKeys and using Explore and Plan as part of the growth model. She suggested rewarding high performing schools with recognition.

Chairman Chico recognized Matt Vanover for the communications aspect to the ESEA Waivers.

2. Superintendent Koch mentioned that the Early Learning Challenge (part 2 of this topic) would be discussed on Thursday.

G. DISCUSSION OF STATE MODEL FOR PRINCIPAL EVALUATION: Linda Tomlinson indicated that the draft model is being developed and will be presented to the PEAC group for feedback before bringing it to the State Board. Vicki Phillips provided additional information on the model and spoke regarding the rubric being aligned to the standards.

H. DISTRICT OVERSIGHT – MONTHLY UPDATE: Superintendent Koch indicated that discussions with the Navy continue regarding a North Chicago charter school. He informed the Board about his meetings with the local union leadership in both East St. Louis and North Chicago.

I. INFORMATION ITEM – BILINGUAL ADVISORY COUNCIL REPORT: Dr. Reyna Hernandez provided the Board with a copy of the Bilingual Advisory Council Report that is has been delivered to the Governor, General Assembly, State Superintendent pursuant to Public Act 97-305.

J. ADDITIONAL ITEMS: Hearing no request for additional items to be discussed, the meeting adjourned at 10:54 a.m.

ILLINOIS STATE BOARD OF EDUCATION

FINANCE & AUDIT COMMITTEE OF THE WHOLE
Board Room, 4th Floor

December 14, 2011
2:00 p.m.

I. Omnibus Roll Call for December 14, 2011

- A. Consideration of and Possible Actions on Any Requests for Participation in Meeting by Other Means
- B. Public Participation
- C. *Contracts Over \$1 Million
 - 1. Amendment to IBM Contract for Student Information System (SIS) **(pp. 2-3)**
(Terry Chamberlain, Susie Morrison)
 - 2. RFSP for Evaluator Pre-Qualification and Re-Training Program *(Vicki Phillips)* **(handout)**
 - 3. Contract for Illinois Resource Center - Bilingual Professional Development **(pp. 5-7)**
(Robin Lisboa)
- D. Commission on Government Forecasting and Accountability **(p. 8)**
(Dan Long and Jim Muschinske)
- E. Discussion of FY13 Budget Recommendation **(pp. 9-24)**
(Superintendent Koch, Linda Mitchell, Scott Taylor)
 - 1. Update on Budget Hearings
 - 2. Budget Discussion Points
- F. Transportation Formula – Discussion Item **(pp. 25-30)**
(Superintendent Koch, Linda Mitchell, Tim Imler)
- G. Additional Items

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

APPROVED

FINANCE AND AUDIT COMMITTEE OF THE WHOLE

Illinois State Board of Education
100 North First Street
Springfield, Illinois
December 14, 2011

Members Present

Mr. Gery J. Chico, Board Chairman
Dr. Andrea Brown
Dr. David Fields
Mr. Steven Gilford
Dr. Vinni Hall
Ms. Lanita Koster
Ms. Melinda LaBarre

Members Absent

Staff Present

Dr. Chris Koch, Superintendent
Linda Mitchell
Scott Taylor
Robin Lisboa
Tim Imler
Terry Chamberlain

Members Participating by Phone

Mr. Jim Baumann, Committee Chairman

ROLL CALL: Board Chairman Mr. Gery Chico called the meeting to order and announced that Dr. Christopher Ward has stepped down as a board member.

- A. BOARD MEMBER PARTICIPATION BY OTHER MEANS:** Dr. Vinni Hall moved that Committee Chairman Jim Baumann be allowed to participate by phone. Dr. Fields seconded the motion and it passed with a unanimous roll call vote.
- B. PUBLIC PARTICIPATION:** State FFA Officer Team (Clayton Carley; Mike Shively; Christopher Steppig; Jim Tobin; Jacob Meisner; Bill Schreck) spoke about how FFA has helped them in areas such as career leadership, personal growth, and career success. Agricultural Education provides opportunities to learn through applying knowledge to solve real-world problems and improves understanding of subjects like math and English. It also provides a number of students experience in business management and finance. This line item also provides educator resources. They requested the Board give consideration to funding for Agricultural Education for FY 2013.
- C. CONTRACTS & GRANTS OVER \$1 MILLION:**
- 1. Amendment to IBM Contract for Student Information System (SIS):** Mr. Terry Chamberlain indicated the amendment would increase the original cost \$1.3 million, with five components being added. The first component changes data used to track cohort graduation rates especially among highly mobile students. Superintendent Koch indicated that the amendment would be used to add an identifier to data in the existing Special Education system, so that data could be linked to the Student Information System (SIS) and expand to include Early Childhood data, ultimately so that SIS could be used in the Longitudinal Data System (LDS). Dr. Koch indicated that the data could be used at the district level to identify and complete necessary interventions for at-risk students in a more timely manner; and at a state policy level to develop compelling measures to support continued public investment in programs. Linking the Special Education System to SIS could also reduce system maintenance costs. Dr. Koch added that this generation of the system may not provide all the data for students in foster care or in the juvenile justice system, but ultimately the systems being built will serve these students better. He also indicated that the Department of Juvenile Justice was starting to use virtual learning environments to help provide these mobile students with instructional continuity. When asked about how collecting summative profiles supported academic planning to drive instruction, Dr. Koch conceded that summative profiles were presently being used for accountability but that staff strongly support growth models for use in accountability measures and he gave specific examples of how data were being used at schools which had qualified for School Improvement Grants to prevent

students from disengaging and dropping out and even identifying families which could be engaged before the start of the academic year. Dr. Fields indicated that it was extremely important to understand the respective situations of students outside of school, and the school's position in the context of the surrounding community. Without this understanding, even with all of the data, policymakers would continue to struggle with school reform.

Mr. Chico asked if ISBE owned SIS given that IBM had been the vendor for nine years and over \$21 million had been invested and asked about the methodology used to determine the cost. Mr. Chamberlain confirmed that ISBE owns the system and that if a different bidder won the contract in the next RFSP process, SIS expansion and support could be passed to that vendor, though transition time would be required, particularly in the area of district support. He also explained this was a fixed bid which had been re-negotiated based on previous costs for similar coding, documentation, training and support. The contract was moved to the plenary session for consideration.

2. **RFSP for Evaluator Pre-Qualification and Re-Training Program:** Dr. Koch stated that there was no action required, but that staff wanted to update the Board. There was a lengthy discussion regarding the timing of Board approval of the RFSP and the awarding of the contract. The Board felt that because this was such a large contract that would have a substantial impact on educators, it was important for the Board to have input before the awarding of the contract. Given that development of the evaluation tools and training in evaluating needed to occur within an abbreviated time-table, there was a sense of urgency in awarding the contract. It was decided that staff would review the timetable of the contract and if the awarding of the contract could wait until the regular January meeting, it would be best. If not, a special meeting via- Vtel would be called prior to the regularly-scheduled meeting to award the contract. The Board would discuss when contracts would be brought to the Board for approval, for example at the stage of issuing an RFSP or at the stage of awarding the contract, or both in the Board Operations Committee. The monetary threshold for Board approval, which is presently \$1 million, would also be discussed.
3. **Contract for Illinois Resource Center – Bilingual Professional Development:** Mr. Chico inquired whether the contract would be paid from the Bilingual line item which was providing pro-rated bilingual grants to districts. Ms. Robin Lisboa confirmed that the contract was being paid from this line, but that it was important to build capacity, particularly in light of the ESEA waiver. Services from this contract will be used to increase instructional capacity, professional development, technical assistance, parental contact including the parent summit, and regional workshops. Mr. Chico asked about the sufficiency of the Bilingual Education in relation to need. Ms. Lisboa indicated there was never enough funding, but in light of the present fiscal condition, they were grateful for funding received. Mr. Chico asked for an estimate of the amount needed. Ms. Lisboa indicated that districts use portions of GSA, and federal Title III funding if they are eligible, but that Bilingual grants are being pro-rated at 80 percent. It was discussed that need for Bilingual education continues to grow, expanding into additional districts, and Early Childhood Education while the appropriation has declined from a peak of \$75.6 million in FY 2009 to \$63.4 million in FY 2012. The contract was moved to the plenary session for consideration.

- D. COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY:** Mr. Dan Long, Director of the CGFA stated that FY 2013 is going to be another very difficult budgetary year based on present financial forecasts. He presented national Gross Domestic Product (GDP) and unemployment data. Forecasts for GDP indicate that growth in GDP will likely be insufficient to reduce unemployment rates, which are projected to remain above nine percent through FY 2013. He then presented Illinois employment data which showed one percent growth in calendar year 2011. He then discussed FY 2011 revenue indicating that the tax increase and tax amnesty contributed to revenue growth in FY 2011, but the latter was considered accelerated revenue and would be expected to lessen in out years. This increase was offset partially by a decline in federal sources primarily due to the phase out of the federal stimulus package. He then indicated that the FY 2012 State General Funds budget was one percent lower than the FY 2011 Budget, and that present CGFA estimates indicated nearly \$900 million could be available to pay down the current back log of

bills. Mr. Long explained that approximately \$3.4 billion had been borrowed in FY 2010 and \$3.6 billion had been borrowed in FY 2011 to make pension contributions so that funding could be allocated to shoring up social services. The State will be paying approximately \$1 billion annually through FY 2019 to service this debt. Additionally, about \$4 billion was taken from the increased tax revenue to pay FY 2012 pension contributions. Thus, despite the tax increase, it is currently projected that the State will end FY 2012 with a \$6 billion deficit, which is higher if \$1 billion contribution for employee group insurance and another \$1 billion needed to control the Medicaid payment cycle to leverage additional federal funding are considered. He explained that the tax rate increase passed last year is temporary and will begin to decline in FY 2015. Since Illinois will still be paying \$1 billion annually for the pension obligation debt, it is projected that funding available in FY 2016 could be down by about \$4.8 billion. Thus, Illinois cannot increase program funding now because it is not structurally supported in the future. He reiterated that it is a grim look ahead to FY 2013. The national economy will continue to struggle. The European economic crisis could affect the U.S. detrimentally. Although CGFA's current unofficial projection of revenue growth of three to four percent could yield between \$900 million and \$1.3 billion in additional funding state funding in FY 2013, pensions would likely consume this growth.

Mr. Chico indicated that if revenue available for programs would not be expected to increase in FY 2013, ISBE would have to advocate for getting a larger share of existing revenue.

- E. DISCUSSION OF FY13 BUDGET RECOMMENDATION:** Mr. Baumann thanked staff for the work done on the Budget Hearings and stated that advocates had shown remarkable passion and civility at the hearings even with the difficult economic times. Ms. Linda Mitchell stated that there were approximately 1,400 people who submitted information either at the budget hearings or via email to request FY 2013 funding - approximately 80 attended the hearings and testified in person and another 1,300 submitted requested online. Fiscal Years 2007 and 2008 were very good years in education, however the ISBE appropriation peaked in FY 2009 and we have been playing catch up in many of the categories since then. Dr. Koch stated that the reductions were not made by ISBE but by the legislature. Ms. Mitchell stated that in previous years, ISBE was given a lump sum and ISBE had to make the decisions. In these past two years the Governor was given discretionary funding to add to the lump sums appropriated to individual agencies.

Ms. Mitchell indicated that staff is seeking guidance as to whether the Board wishes to present a higher budget recommendation as aggressive advocates or a lower budget recognizing fiscal constraints. She stated that the \$250 million increase presented in the discussion materials is based on statements made when the tax increase was being debated last January. She highlighted the fact that a number of ISBE programs, including some which had once been considered core programs had been eliminated since FY 2009. Ms. Mitchell stated that GSA and Categoricals now represent more than 90 percent of the ISBE state budget. She stated that advocates for some of the eliminated programs had appeared at the budget hearings such as advocates for homeless education.

The Board made the following suggestions:

- ISBE dollars should focus in areas that directly help students and teachers.
- Clarify how the Board's request would be consistent with Budgeting for Outcomes.
- Be aggressive but develop a strong plan for advocacy.
- Leverage support from associations.
- Highlight the return on investment of education and how investments in education could enhance economic development.
- Consider/highlight out of school factors; instances where education and social service needs overlap such as early childhood education.
- Looking at the lines other than GSA and Categoricals and highlight the impact these programs had on students' lives.
- Recommending a budget that was effective to sell rather than aspirational.

Dr. Koch stated that staff would also likely be making examination of distribution formulas such as Transportation and Special Education in the budget process, even though changes in formula often lead to winners and losers. He expressed optimism that focusing on the notion of what is best for the common good may make these conversations possible. There is also the possibility if a program cannot be designed to encourage efficiencies, it may simply be eliminated. Ms. Mitchell indicated that one example of highlighting components of a formula is to show the cost of the PTELL adjustment and the GSA Poverty grants as separate components of GSA. Ms. Koster indicated that the recently-released Poverty Report showed one-third of Illinois classified as low-income, that at least one-tenth of the population live in poverty in 85 of Illinois' 102 counties and that more than 320,000 Illinois children live in extreme poverty.

It was noted again that support for programs outside of GSA highlights the impact on students' lives, whereas, with GSA it is more difficult to account for the impact of the dollars. The Board discussed how the state needs to have confidence in the ability of local boards to manage funding, including GSA, and the need to maintain flexibility at the district level to allocate funding based on specific needs of a community which could differ significantly across the state. Boards are locally elected officials and the vast majority spend much time and effort on their budget. There are, however, instances when local boards have not been effective stewards and there needs to be some accountability system in place for GSA.

Mr. Baumann stated that staff should present an increase of 3 to 4 percent in January. Mr. Chico stated that he felt the 3.7 percent increase over the FY 2012 budget represented by the \$250 million increase may not be aggressive enough and that an increase that represents four percent would be more desirable. The Superintendent and Ms. Mitchell requested additional input from individual board members before the January meeting.

F. TRANSPORTATION FORMULA: Dr. Koch stated that the Board packet contained, in part, the 1997 task force recommendations and certain breakouts as to how funding would change with different proposals. The Board agreed with Dr. Koch to further research the transportation formula. Mr. Chico would like for ISBE to research the formula to come up with the best outcome to generating efficiencies should funding for transportation not increase and even decline. Ms. Mitchell stated that the Classroom First Commission is looking into this also. Mr. Gilford suggested the grids include the number of districts per pupil expenditure or total operating fund. Mr. Chico stated that staff will further research and return with a proposal that makes the transportation line more rational.

G. ADJOURNMENT: Mr. Chico adjourned the meeting.

ILLINOIS STATE BOARD OF EDUCATION

**GOVERNMENTAL RELATIONS COMMITTEE OF THE WHOLE
Board Room, 4th Floor**

**December 15, 2011
8:45 a.m.**

I. Reconvene/Roll Call

8:45 a.m.

- A. Board Member Participation by Other Means
- B. Public Participation
- C. Legislative Update (*Darren Reisberg, Nicole Wills, Cynthia Riseman*) (**pp. 2-5**)
- D. Additional Items

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

APPROVED

GOVERNMENTAL RELATIONS COMMITTEE OF THE WHOLE

Thursday, December 15, 2011

Springfield, Illinois

Committee Members Present

Lanita Koster, Chair
Gery Chico
Steve Gilford
David Fields
Andrea Brown
Vinni Hall
Melinda LaBarre

Committee Members

Participating By Other Means

Jim Baumann

Staff Present

Superintendent Chris Koch
Cynthia Riseman
Nicole Wills
Darren Reisberg
Susie Morrison
Beth Hanselman
Don Evans
Reyna Hernandez
Jean Ladage
Linda Tomlinson
Melissa Oller
Marsha Moffett
Matt Vanover

Roll Call: See above.

A. Board Member Participation by Other Means: Jim Baumann participated by phone, per the vote taken at the outset of this two-day meeting. .

B. Public Participation: None

C. Legislative Update

Cynthia Riseman and Nicole Wills provided updates on legislation acted upon by the General Assembly during the fall veto session, including:

- HB 605 - amends the statute concerning school district and school report cards. Staff explained that in the Education Policy and Planning Committee members will be updated on the Race to the Top Award and budget, which includes \$1 million proposed for school report card changes.
- HJR 44 – the waiver resolution denying or limiting certain waivers transmitted by the Board in the fall waiver report.
- SB 1795 – transfers jurisdiction of Private Business & Vocational Schools from ISBE to the Illinois Board of Higher Education.
- SB 2412 – supplemental appropriations bill that contains several requests from ISBE for ARRA Longitudinal Data System funds, appropriation authority for the State Charter School Commission, transfer authority to pay FY 12 Mandated Categorical payments from the Educational Assistance Fund and federal appropriation authority for Race to the Top Three funds Early Learning Challenge funds.
- SB 1311 – budget implementation bill.

Spring 2012 Legislative Initiatives:

Darren Reisberg provided an update on potential spring 2012 legislative issues that have been discussed since the September Board retreat. These issues include a potential trailer bill to SB 7, the major education reform initiative from the spring, creation of an ISBE foundation in order to accept and expend private donations outside of the standard procurement process, changes and alignment of the state's school construction program, and a "clean up" bill to remove obsolete and duplicative provisions of the Code and to streamline bureaucratic requirements on ISBE and school districts. Staff also discussed the current transportation reimbursement formula and potential changes for how it could incent efficiencies.

Other education related issues:

- Senator Susan Garrett has convened a group of stakeholders to discuss driver's education. ISBE, the Secretary of State, Department of Transportation and other education-stakeholders have been discussing certification of commercial driving school instructors, determining costs of driver's education on the Annual Financial Report, standards for courses taught in public schools and waivers of driver's education fees and mandates in the School Code and ISBE rules. Senator Garrett would like the discussions to lead to legislation to introduce during the spring session.
- The Governor has convened a work group to discuss the Illinois School for the Deaf (ISD) and the Illinois School for the Visually Impaired (ISVI). Numerous entities, including ISBE have begun participating in this group, which is looking at topics like family support, educational outcomes, budget and governance. In particular, staff at ISBE have been involved in the topics of budget and governance.
- Per a request from Board member Fields, Linda Mitchell gave an updated on the Classrooms First Commission. The Lieutenant Governor, who chairs the Commission, has split the group up in to four subcommittees on 1) in district alignment, 2) shared education services, 3) procurement and 4) district realignment. Linda Mitchell told committee members that she is the chair of the district realignment subcommittee and that the full committee has been meeting over the last several months and has held several hearings throughout the state.
- Linda Tomlinson and Reyna Hernandez provided the Committee an update of the hearing that took place in Chicago on the test of Basic Skills and Alternative Certification requirements. Both provided an overview of the three hour hearing, topics discussed and individuals attending. In addition, the Committee was informed that the cumulative test results from September 2010 to July 2011 showed that of 15,217 test takes a cumulative pass rate of 41%. The Committee also discussed the cost of online tests and how staff would be contacting the testing company to see about reducing the cost of the online basic skills test.

D. Additional Items: None

The Governmental Relations Committee of the Whole adjourned at 9:47a.m.

ILLINOIS STATE BOARD OF EDUCATION

AD HOC RULES COMMITTEE OF THE WHOLE
Board Room, 4th Floor

December 14 2011

4:00 p.m.

(Or immediately following previous committee discussion.)

- A. Board Member Participation by Other Means
- B. Public Participation
- C. *Rules for Initial Review
 - 1. Part 30, Programs for the Preparation of Principals in Illinois (*Vicki Phillips*) **(pp. 2-9)**
- D. *Rules for Adoption
 - 1. Part 25, Certification (*Linda Jamali, Vicki Phillips*) **(pp. 10-38)**
 - 2. Part 375, School Records (*Darren Reisberg*) **(pp. 39-63)**
 - 3. Part 425, Voluntary Registration and Recognition of Nonpublic Schools **(pp. 64-80)**
(*Mark Williams*)
- E. Additional Items

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

g plenary session.

APPROVED

Ad Hoc Rules Committee of the Whole
Wednesday, December 14, 2011
4 p.m.

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

Committee Members Present

Gery Chico
James Baumann
Andrea Brown
David Fields
Steven Gilford
Vinni Hall
Lanita Koster
Melinda LaBarre

Absent

Others

Chris Koch
Darren Reisberg
Don Evans
Beth Hanselman
Susie Morrison
Melissa Oller
Matt Vanover

ROLL CALL

Chairman Gery Chico called the meeting to order at 5:10 p.m. He noted that all Board members were present.

A. BOARD MEMBER PARTICIPATION BY OTHER MEANS

Board member Baumann participated by telephone, per the vote taken at the outset of the two-day meeting.

B. PUBLIC PARTICIPATION

There was no public participation.

C. RULES FOR INITIAL REVIEW

Board Chairman Chico asked for a summary of the proposal that the Board would be considering for initial review.

Part 30 (Programs for the Preparation of Principals in Illinois): Shelley Helton, agency rules coordinator, noted that the proposed amendments to Part 30 were minor. Section 30.20(d) is being amended in response to P.A. 97-607, effective August 26, 2011, which changed the sunset date in Section 21-7.6 of the School Code (105 ILCS 5/21-7.6) for the issuance of the general administrative certificate from June 30, 2014, to August 31, 2014. A second change is proposed in Section 30.45(a)(2) to incorporate by reference the most recent version (2011) of standards to be considered when addressing staff development.

D. RULES FOR ADOPTION

Each of the proposed amendments being presented for the Board's adoption was initially considered by the Board in September.

- 1. Part 25 (Certification):** Proposed changes to Part 25 require that educator preparation programs incorporate the State Board's social and emotional learning standards into their curricula; allow "accreditation candidate status" of the Council on Academic Accreditation in Audiology and Speech Language Pathology to be considered as "approved" for purposes of a student's completion of a program; and incorporate changes necessitated by two public acts that address school service personnel and chief school business official.

Ms. Helton indicated that the proposal generated several letters of public comment, notably addressing the implementation date for institutions to incorporate the social and emotional learning standards. Due to the concerns expressed about immediate implementation, staff recommended that programs be given until July 1, 2014, to meet the new requirement.

2. **Part 375 (Student Records):** General Counsel Darren Reisberg stated that this set of proposed amendments are designed to clarify the responsibilities of school districts for the retention, maintenance and transfer of a student's school records and provide consistency with the federal records act, the Family Educational Rights and Privacy Act, or FERPA. The proposed amendments resulted, in part, from concerns expressed by members of the Illinois Council of School Attorneys regarding the clarity of several provisions in Part 375. Additionally, Mr. Reisberg stated that five letters of public comment were received and in response, staff are recommending several changes:

- That records of social workers, counselors and psychologists not be considered "school records" as they potentially are subject to the Mental Health and Developmental Disabilities Confidentiality Act rather than the Illinois School Student Records Act (ISSRA);
- That an erroneous reference to an attorney signing a court order be removed; and
- That the responsibilities of the official records custodian be confined to only those areas stipulated in the ISSRA.

Mr. Reisberg also reminded the Board of a concern raised in September about the release of directory information and parental consent. He noted that the agency received no comments about this particular amendment to the rules and therefore no changes are being made in the proposal.

Regarding staff's recommendations relative to the records of social workers, counselors and psychologists, Board Secretary Vinni Hall asked whether those records would be available to a teacher who may have a troubled student in his or her classroom. Mr. Reisberg indicated that advocates of the Mental Health and Developmental Disabilities Confidentiality Act submitted public comment to ensure that records that are subject to the provisions of the Act are not placed in a student's temporary record, creating the potential for their release in conflict with the Act's restrictions. Staff assured the Board, however, that a teacher ideally would have access to information about a particular student in his or her class, if the information had been shared by the parents with the school, although not all school personnel working with the student would have access to the information. Mr. Reisberg acknowledged, however, that the Act is new and that questions remain about how the provisions are being interpreted.

Mr. Reisberg also confirmed that information in student records is not available to businesses and other entities for commercial or other purposes, noting that the exemptions contained in the law regarding who can receive student record information are very limited.

3. **Part 425 (Voluntary Registration and Recognition of Nonpublic Schools):** These proposed amendments change several deadlines for applications procedures and status retention to enable nonpublic schools registering with the State Board or renewing recognition to receive consideration sooner in the school year. This earlier consideration will result in schools not losing their "approved" status while waiting for approval of any renewal applications. No public comment was received relative to the proposed changes, and the version of the rules to be adopted by the Board is identical to the version it considered in September.

The Ad Hoc Rules Committee of the Whole adjourned at 5:25 p.m.