TO: Illinois State Board of Education
FROM: Robert E. Schiller, Superintendent
          Dave Wood, Director


Staff Contact(s): David Wood and Gary Ey

Purpose of Agenda Item

Mr. Richard Mark, Chairman of the East St. Louis Financial Oversight Panel, will make a presentation on the Panel’s accomplishments for the past year. His comments will go into detail on the progress the panel has made to ensure the financial stability of the East St. Louis School District #189 since its appointment in 1994. The board will have an opportunity to understand in greater detail the specific concerns and recommendations as presented in this Annual Report.

Expected Outcome(s) of Agenda Item

The State Board will understand the financial status of the East St. Louis district and the issues the Financial Oversight Panel work with.

Chairman Mark will reiterate his concerns as the ten year sunset of the panel approaches and will highlight the following issues with the Board:

- The scope and breadth of the $135 M state supported capital improvement program. At the conclusion of this capital program the district will have 3 new middle schools, 5 new elementary schools, 1 new early childhood center and addition to the high school and demolition of obsolete facilities.

- Need for more accountability particularly in the district’s employment and purchasing practices.

- Contract negotiation process concerns going forward.
• Appreciation for the ongoing ISBE support and particularly for the legal counsel of Mr. Gary Anderson.

• Strategy for transfer of financial accountability and oversight to a new governance structure to assure continued progress.

Background Information

Each September 1 the Financial Oversight Panel is required to file its Annual Report with the State Board. Chairman Mark’s presentation and dialogue with the board members will allow all to understand the importance of continued financial accountability for the East St. Louis School District #189.

Analysis and Implications for Policy, Budget, Legislative Action and Communications

Chairman Mark continues to be the champion for delivering the public message that the work of the Financial Oversight Panel is crucial to the fiscal continuity and compliance of this district.

Superintendent’s Recommendation

Accept the Annual Report and recognize the important and difficult work of the East St. Louis Financial Oversight Panel (Richard Mark, Vice President, Ameren UE, Saundra Hudson, CEO, Madison County Urban League and Ann Duncan, Retired Carlyle Superintendent).

Next Steps

The Board will review the financial and educational issues that remain and consider alternatives to the ten-year statutory sunset of the East St. Louis Financial Oversight Panel.