MEMBERS PRESENT:
Marjorie B. Branch    Marilyn McConachie    Janet Steiner
Ronald J. Gidwitz    Connie Rogers      Beverly Turkal
Judith A. Gold       *Richard Sandsmark

Robert E. Schiller, State Superintendent of Education

MEMBERS ABSENT:
Vincent Serritella

The meeting was called to order at 12:00 p.m. by the Chairman, Mr. Gidwitz who asked Alison Harbour, the staff secretary to the Board, to call the roll. Ms. Harbour called the roll of members. A quorum was present.

The Chairman indicated that Mr. Serritella was unable to attend the meeting due to conflicting business meetings, and *Mr. Sandsmark will participate by phone.

The Chairman called for a motion to go into closed session.

Mrs. Rogers moved that the State Board of Education go into a closed meeting under the exceptions set forth in the Open Meetings Act of the State of Illinois as follows:

- Section 2 (c) (1) for the purpose of discussing information regarding appointment, employment or dismissal of an employee.
- Section 2 (c) (11) for the purpose of discussing litigation.

She further moved that the Board be authorized to invite anyone else into the meeting as needed.

Ms. Branch seconded the motion.
The Chairman called for a roll call vote on the motion. The motion passed with the following votes recorded.

- Ms. Branch – yes
- Mrs. McConachie – yes
- Dr. Steiner – yes
- Mr. Gidwitz – yes
- Mrs. Rogers – yes
- Mrs. Turkal – yes
- Ms. Gold – yes
- Mr. Sandsmark – not available to vote

The public meeting recessed at 12:05 p.m., and the Board went into a closed meeting at 12:07 p.m. The closed meeting adjourned at 1:55 p.m., and the public meeting reconvened at 2:00 p.m.

The Chairman stated that Article XIII of the State Constitution requires that all prospective holders of offices created by that constitution “take and subscribe” to an oath of office. He indicated that the Board was very pleased to begin today’s meeting with the oath of office for new State Superintendent Robert E. Schiller. Justice Susan Myerscough, Illinois Appellate Court, 4th District, administered the verbal oath to Superintendent Schiller.

Chairman Gidwitz announced that the agenda had been modified to include an additional item – the petition for appointment of a financial authority for the Round Lake School District. He noted that the Board will discuss this issue later in the meeting and will take action to accept the petition during the Plenary Business meeting on August 22.

The Chairman also indicated that the agenda items had been grouped to align with the new committee structure – Education Policy/Planning Issues, Finance and Audit Issues, and Governmental Affairs Issues. He noted that he planned to appoint chairs and members to each of the new committees.

The Chairman Called for Agenda Item, 2002 Statewide Student Achievement Data.

The Superintendent reported that statewide student data results for the spring ISAT and PSAE have been analyzed in terms of achievement against the Illinois Learning Standards, achievement changes over time, and achievement results for income and racial groups. He noted that the analysis shows that more than half of Illinois students who took the tests are meeting the Standards, but there are still many students who are not achieving at the Illinois State Board of Education desired levels.
He said that there are clear upward trends in elementary mathematics and science achievement, and high school science achievement.

Superintendent Schiller reported that with the exception of 5th grade writing, which declined sharply this year, other subject areas for ISAT and PSAE have remained relatively stable over time. He commented that there are significant achievement gaps in all subjects and at all levels between low-income students, and between white and minority students. He noted that minority and low-income students improved their scores in most subjects and grades tested on the 2002 ISAT. He indicated that compared to the nation as a whole, Illinois is performing better in both reading and mathematics.

The Superintendent commented that his Task Force on Assessment and Accountability will be appointed in the near future. He noted that Board action on recommendations from this task force is planned for December 2002.

Staff member Lynne Haeffele Curry presented the data and policy implications for Board discussion (see Addendum II for PowerPoint Presentation) and assisted in responding to questions.

Policy issues associated with the findings from the analysis include the following:

- Improving achievement against the Standards;
- Closing the achievement gaps;
- Providing effective assistance to those schools with the most students not meeting standards;
- The lack of movement in reading achievement;
- Student access to strong teachers;
- Student access to rich, Standards-based curricula, especially at the high school level;
- The drop in 5th grade writing scores; and
- The need for consensus and support for the state testing program and accountability system.

Discussion followed for clarification purposes and Board members’ input.
The Chairman called for Agenda Item, No Child Left Behind (NCLB) Status Report.

Chairman Gidwitz indicated that NCLB will be a regular agenda item, allowing the Board to remain current on staff implementation efforts and to respond to policy issues as they arise.

Superintendent Schiller and staff members Chris Koch and Gail Lieberman informed the Board about the following issues:

- The Illinois Consolidated Plan for NCLB and the Homeless Education Grant application were approved in July. The Homeless Education grant award has been received, as have all of the awards for consolidated plan programs.
- Approval of the Illinois Reading First application is pending, pursuant to several discussions with the United States Department of Education (USDE) and modifications to the original application.
- The agency has notified all districts which have schools that must offer “choice” this year and provided guidance for choice-related local actions.
- Discussions with the USDE regarding Supplemental Education Service requirements are ongoing; meanwhile, an application to select vendors is being prepared.
- The state education agency has made a number of changes to its data collection and reporting vehicles to address NCLB requirements; this includes modification of the state report card and the End-of-Year Report.
- A two-part Request for Sealed Proposal (RFSP) will be disseminated this fall for a total redesign of the state report card, development of an interactive website, and refinement and updating of the Illinois School Improvement Website (ILSI).
- A contract has been awarded for a feasibility study of a Student Identification System. An RFSP for a feasibility study of a data warehouse is in the development stage.
- Staff is developing a comprehensive RFSP for the evaluation of Reading First, 21st Century Community Learning Centers, Comprehensive School Reform and Learning Technologies. The goal is to coordinate efforts so that federal reporting requirements can be met while minimizing the data burden on school districts and eliminating redundant site visits.
The Board and staff also discussed the implications of these issues for the agency, local school districts, and the legislative session.

Discussion followed for clarification purposes and Board members’ input.

2002-2007 State Technology Plan Status Report

The Chairman called for Agenda Item, 2002-2007 State Technology Plan Status Report.

The Chairman reported that the State Board has been working toward the development of a new state technology plan for about two years. He noted that the last complete draft plan was presented to the Board in December 2001. He explained that at that time the Board indicated that the analysis of accomplishments and unmet goals provided a strong foundation for additional refinement of the plan itself. He said that the additional work on the plan was to include strategies for addressing new federal requirements, which were at that time still in draft form.

Chairman Gidwitz commented that in May of this year, the Board discussed the NCLB requirements and adopted the International Society for Technology in Education (ISTE) National Education Technology Standards (NETS). He indicated that the Board also asked staff to bring the full state plan back to them in August.

The Superintendent reported that the draft plan has been built on previous drafts and work that resulted in the State Board’s NCLB application. He noted that the plan is considerably more succinct than previous documents, with limited background and a tight focus on priority actions for the next five years.

Discussion followed for clarification purposes and Board members’ input. Staff members Chris Koch, Dick Miguel, and Rich DeHart assisted in responding to questions.

Due Process Evaluation

The Chairman called for Agenda Item, Annual Evaluation of Illinois’ Due Process Procedures.

Chairman Gidwitz reported that Illinois law requires the State Board to conduct an annual evaluation of the state due process system. He explained that this was the fourth evaluation report.
The Superintendent indicated that he was asking the Board to accept the report and authorize its distribution to the parties stipulated in the law.

Discussion followed for clarification purposes and Board members’ input. Staff members Chris Koch, Anthony Sims (who was officially introduced to the Board), and Bobbie Reguly assisted in responding to questions.

**President's Commission on Special Education**

Chairman Gidwitz reported that in October 2001, President Bush appointed the Commission on Excellence in Special Education. He noted that this group has now finished its work.

The Board discussed the findings and recommendations of the President’s Commission, as well as their implications for Illinois.

The Chairman indicated that this report will be considered by Congress during the reauthorization of IDEA. He noted that the report findings will also be discussed by the Illinois State Advisory Council on the Education of Children with Disabilities.

Discussion followed for clarification purposes and Board members’ input. Staff members Chris Koch and Anthony Sims assisted in responding to questions.

**Middle Level Certification Study Survey**

Chairman Gidwitz reported that when the Board last discussed the middle level certificate issue, staff was asked to survey various stakeholder groups to get a better handle on their concerns.

Discussion followed for clarification purposes and Board members' input. The Board asked staff to distribute the survey again to garner additional feedback on the issues, with particular attention to stakeholders underrepresented in the first survey (e.g., teachers and local board members). Staff members Chris Koch and Mike Long assisted in responding to questions and agreed to report back to the Board regarding this agenda item in October 2002.
The Chairman called for Agenda Item, Rules for Adoption, Part 375: Student Records and Part 50: Evaluation of Certified School District Employees in Contractual Continued Service.

Chairman Gidwitz indicted that these two sets of rules needed the Board’s consideration at this time, and he noted that both sets of rules will be presented tomorrow for final Board action.

Discussion followed for clarification purposes and Board members’ input. Staff member Sally Vogl assisted in responding to questions.

Chairman Gidwitz called for Agenda Item, Chicago Public Schools FY03 Public Supplemental General State Aid Plan (SGSA).

The Chairman reported that the next agenda item pertains to an annual Board responsibility – approval of the Chicago District 299 plan for use of supplemental general state aid funds.

The Superintendent and staff described the plan and responded to Board member questions.

The Chairman called for Agenda Item, FY04 Budget.

Chairman Gidwitz reported that this was the first of many discussions leading to the State Board’s FY04 Budget proposal.

Superintendent Schiller and staff commented on the proposed calendar, the list of potential issue papers, and the proposed schedule for budget hearings.

The Chairman called for Agenda Item, Round Lake Financial Oversight Panel.

Chairman Gidwitz reported that legislation passed during the spring Legislative Session permits the creation of school finance authorities when an existing financial oversight panel petitions the State Board to do so and when that petition meets certain criteria. He indicted that during the June State Board meeting, the Board heard such a petition from the Round Lake School District Financial Oversight Panel but took no action. He explained that at tomorrow’s meeting, the Board will be asked to accept the petition.
Discussion followed for clarification purposes and Board members’ input. Staff members David Wood and Gary Ey assisted in responding to questions.

**Finance, Audit & Agency Operations Status**

The Chairman called for Agenda Item, Finance, Audit, and Agency Operations Status.

Chairman Gidwitz said that to assist the Board in fulfilling its financial oversight responsibility, the Superintendent and staff will be providing the Board with regular reports on various aspects of agency operation. He noted that the Board will be asked to formally approve each of these reports.

Superintendent Schiller indicated that the following reports are scheduled on an annual or quarterly basis:

- Budget/Annual Report (annually in January)
- Comptroller SEA Report (annually in February)
- Board Goals (annually in November)
- Business Plans at the Director Level (quarterly)

The Superintendent reported that the following reports will be provided on a monthly basis:

- Personnel Transactions
- Agency Headcount
- End-of-Month Staffing Detail
- Contract and Grants Detail
- Appropriations and Expenditures

Superintendent Schiller commented that the first set of monthly reports provides baseline data on which to gauge agency progress over time.

Discussion followed for clarification purposes and Board members’ input.

**Rules, Part 155**

The Chairman called for Agenda Item, Rules for Adoption, Part 155: Electronic Transfer of Funds.

Chairman Gidwitz reported that this set of rules received public comment and he asked staff member Sally Vogl to comment on the proposed rules and the recommended changes.

Discussion followed for clarification purposes and Board members’ input.
The Chairman called for Agenda Item, AFSCME Agreement.

Chairman Gidwitz reported that staff has completed its negotiations with the AFSCME bargaining unit and are presenting the agreement to the Board for final approval.

Discussion followed for clarification purposes and Board members’ input.

The Chairman called for a motion to go into closed session.

Mrs. Rogers moved that the State Board of Education go into a closed meeting under the exceptions set forth in the Open Meetings Act of the State of Illinois as follows:

- Section 2 (c) (1) for the purpose of discussing information regarding appointment, employment or dismissal of an employee.
- Section 2 (c) (11) for the purpose of discussing litigation.

She further moved that the Board be authorized to invite anyone else into the meeting as needed.

Ms. Branch seconded the motion.

The Chairman called for a roll call vote on the motion. The motion passed with the following votes recorded.

Ms. Branch – yes   Mrs. McConachie – yes   Dr. Steiner – yes
Mr. Gidwitz – yes   Mrs. Rogers – yes   Mrs. Turkal – yes
Ms. Gold – yes   Mr. Sandsmark – yes

The public meeting recessed at 5:15 p.m., and the Board went into a closed meeting at 5:30 p.m. The closed meeting recessed at 6:30 p.m. and reconvened on Thursday, August 22 at 8:00 a.m. The closed meeting adjourned at 9:15 a.m. and the open meeting reconvened at 9:30 a.m.
The Chairman called for Agenda Item, State Legislative Status Report and 2002-2003 Schedule.

The Chairman indicated that during yesterday’s meeting the Board began its discussions about the development of the FY04 budget. He indicated that during today’s meeting, the Board will begin a parallel discussion about the FY04 legislative agenda.

The Superintendent and staff reviewed the status of bills adopted during the spring General Assembly Session, discussed possible issues for the fall Veto Session, and reviewed the schedule for the spring Legislative Session.

Superintendent Schiller indicated that the Board’s Governmental Affairs Committee will provide leadership for the development of legislative priorities and specific proposals.

Discussion followed for clarification purposes and Board members’ input.

The Chairman called for Agenda Item, Federal Legislation Status Report.

The Superintendent and staff discussed the following federal legislative issues with the Board:

- The pending reauthorization of Individuals with Disabilities Education Act (IDEA) is expected to create a major policy debate in Washington in the months ahead. The Board will need to establish its policy positions in regard to special education and work with the new Governor to establish state positions and priorities that can be communicated to the Illinois congressional delegation.

- The FY03 federal appropriations will have numerous implications for the agency’s budget development. Of particular importance will be the appropriation levels for No Child Left Behind (including SEA administrative and leadership funds) and for IDEA.

Discussion followed for clarification purposes and Board members’ input.
An audio tape of the meeting is available through the State Board office in Springfield (217/782-9560).

Adjournment  The Chairman adjourned the meeting at 9:55 a.m.

Respectfully submitted,

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Connie Rogers, Secretary

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Ronald J. Gidwitz, Chairman