DECEMBER 12, 2012

11:00 a.m. – 12:30 p.m.  Tour of Lanphier High School, School Improvement Grant Recipient
                         1300 North 11th Street, Springfield

12:45 – 1:30 p.m.     Lunch
                       Board Conference Room, 4th Floor

1:30 – 5:00 p.m.      Convene Plenary Session
                       Board Room, 4th Floor

*5:00 p.m.            Closed Session (as needed)
                       Board Conference Room, 4th Floor

DECEMBER 13, 2012

8:30 a.m.             Closed Session (as needed)
                       Board Conference Room, 4th Floor

*8:30 a.m. – 12:00 p.m.  Reconvene Plenary Session
                          Board Room, 2nd Floor

12:00 – 1:00 p.m.     Lunch
                       Board Conference Room, 4th Floor

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

This meeting 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 for a break in the meeting as necessary in order for the Board to go into closed session.
Plenary Session

December 12, 2012
1:30 p.m.

I. Roll Call/Pledge of Allegiance
   A. Consideration of and Possible Actions on Any Requests for Participation in Meeting by Other Means

II. Discussion Items
   A. FY 14 Budget Development
      1. FY 14 Revenue Projections: Jim Muschinske and Dan Long, COGFA (p. 4)
      2. FY 14 Budget Development: Robert Wolfe, CFO
         i. Considerations for General State Aid Formula Changes (pp. 5-25)
         ii. FY 14 Budget Recommendation (pp. 26-37)

December 13, 2012
8:30 a.m.

III. Reconvene Plenary Session

IV. Public Participation

V. Resolutions & Recognition
   A. Illinois Teacher of the Year (p. 38)
   B. Introduction of Student Advisory Council

VI. 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.

A. *Approval of Minutes:
   1. Plenary Minutes: October 29-30, 2012 (pp. 39-46)

B. *Rules for Initial Review
   1. Part 25 (Certification) (pp. 47-378)
   2. Part 252 (Driver Education) (pp. 379-391)
   3. Part 425 (Voluntary Registration and Recognition of Nonpublic Schools) (pp. 392-402)

C. *Rules for Adoption
1. Part 24 (Standards for All Illinois Teachers) (*pp. 403-454*)

D. *Contracts and Grants Over $1 Million

E. *Draft Annual Report (p. 464*)


*End of Consent Agenda*

**VII. Discussion Items Continued**

A. Legislative Update (*pp. 473-475*)

B. Other discussion items to be determined

**VIII. Announcements**

A. IBHE Liaison Report *Dr. Proshanta Nandi*

B. P-20 Council Liaison Report *Joyce Karon*

C. Superintendent’s/Senior Staff Announcements

D. Chairman’s Report

E. Member Reports

**IX. Information Items**

A. ISBE Fiscal & Administrative Monthly Reports (*available online at http://isbe.net/board/fiscal_admin_rep.htm*)

**X. Adjourn**

This meeting 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 for a break in the meeting as necessary in order for the Board to go into closed session.
Wednesday, December 12, 2012

ROLL CALL
Mr. Gery Chico, Chairman, called the meeting to order at 1:55 p.m. Chairman Chico asked Ms. Amanda Elliott to call the roll. Dr. Christopher Koch, State Superintendent of Education, was in attendance. A quorum was present.

Members Present
Mr. Gery Chico, Chairman
Mr. Steven Gilford, Vice Chairman
Dr. Vinni Hall, Secretary
Mr. James Baumann
Mr. Curtis Bradshaw
Dr. Andrea Brown
Dr. David Fields
Ms. Melinda LaBarre

DISCUSSIONS
ITEMS

Revenue
Projections
Jim Muschinske, Revenue Manager and Dan Long, Executive Director from the Commission on Government Forecast and Accountability shared the FY 2013 Economic and Revenue Update and Preliminary FY 2014 Revenue Outlook. (A copy of the presentation is available upon request.)

Budget
Development
Jim Baumann thanked the board members and staff for their involvement to make the FY 2014 Budget Hearings a success throughout the state.

Mr. Bauman pointed out that the current fiscal year budget is at about $6.5 billion dollars and the majority of those dollars; 66% is focused on General State Aid (GSA) and 27% are focused on MCATs; which leaves only 7% for all our other programs including Early Childhood Education.

Mr. Wolfe reported that the FY 2013 appropriation for GSA was not sufficient to fund the General State Aid Claim at the Statutory Foundation Level of $6,119. The insufficient appropriation resulted in the necessity for the agency to prorate General State Aid Claims by 89%. The direction given to staff at the September Board Retreat was to develop models and report the results to the Board so that the Board could consider advocating formula changes in statute, based on the following premise:

- Prepare districts for the likelihood of a long-term state deficit environment,
- Ensure students most in need are prioritized, and
- Ensure that funding follows students.

Considerations for formula adjustments:

Consideration #1
Setting the Foundation Level at the amount supported by the appropriation.

Consideration #2
Eliminating Flat Grant Districts from GSA Formula Grant and Poverty Grant Eligibility.
Consideration #3  
Changes to the Poverty Grant Calculation and District Eligibility.

Consideration #4  
Imposing a Floor on the Property Tax Extension Limitation Law (PTELL) Equalized Assessed Valuation Amounts.

Superintendent Koch commented that the four considerations only redistribute existing money.

Jason Hall, Senior Policy Advisor for Budget and Financial Management discussed in detail the four considerations for General State Aid Formula changes.

Mr. Wolfe informed the Board that staff is developing a budget request which will provide sufficient spending authority to allow for disbursement of all federal grant funds, including those carried over from previous grant years. The intent is to meet all administrative needs; however, this is contingent on what occurs with sequestration. If Congressional leaders and the President cannot come to an agreement we could see a nearly $130 million reduction in federal funding.

Chairman Chico thanked all those involved in today’s budget presentation.

CLOSED SESSION

Dr. 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; and

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

I further move that the Board may invite anyone they wish to have included in this closed session. Dr. Fields seconded the motion and it passed with a unanimous roll call vote.

The Board entered into closed session at 4:25 p.m. and reconvened from closed session at 4:48 p.m.

RECESS MEETING

The board meeting recessed until 8:30 a.m. on Thursday, December 13, 2012.

Illinois State Board of Education Meeting  
December 13, 2012  
Thursday

RECONVENE/ROLL CALL

Mr. Gery Chico, Chairman reconvened the meeting at 8:35 a.m. All board members were present as recorded at the 1:55 p.m. roll call on Wednesday, December 12, 2012. Dr. Christopher Koch, State Superintendent of Education, was also in attendance.

Members Present

Mr. Gery Chico, Chairman
Mr. Steven Gilford, Vice Chairman
Dr. Vinni Hall, Secretary
Mr. James Baumann
Mr. Curtis Bradshaw
Dr. Andrea Brown  
Dr. David Fields  
Ms. Melinda LaBarre

**RESOLUTIONS & RECOGNITION**  
Chairman Chico announced that we are joined today by the members of the 2012-2013 Student Advisory Council. The Council is currently working to develop their research project for this school year, and will present their findings to the Board at the June Board Meeting. Chairman Chico asked the students and advisors to introduce themselves to the Board.

Tyler Bouslog, Paris Cooperative High School, Paris  
Cristal Cabral, Community High School, West Chicago  
Sabrina Flohr, Collinsville High School, Collinsville  
Alex Foster, Highland Park School, Highland Park  
Alexander Glowacki, Addison Trail High School, Addison  
Austin Hansen, Naperville North High School, Naperville  
Kristin Ishmael, Litchfield High School, Litchfield  
Cameron Jodlowski, Olympia High School, Atlanta  
Paige Logan, Altamont High School, Altamont  
Michael Lotspeich, Bureau Valley High School, Bradford  
Kashmir McElrath, North Chicago High School, North Chicago  
Morgan Rich, Deer Creek Mackinaw High School, Mackinaw  
Conor Reilley, Belvidere North High School, Belvidere  
Taylor Rossi, Porta High School, Petersburg  
Danielle Segerstrom, LeRoy High School, Leroy  
Jolie-Grace Wareham, Glenbard East High School, Lombard  
Daniel Williams, East St. Louis High School, Washington Park

Student Advisory Council Advisors  
Mike Hatfill  
Gwen Williams  
Carol Brooks

**Teacher of the Year**  
The Illinois State Board of Education hereby adopts the resolution recognizing Brian Curtian, the 2013 Teacher of the Year for his leadership and dedication to the field of Education.

Brian Curtin thanked the Board for the honor of being presented with the 2013 Illinois Teacher of the Year Award. He commented that he feels he was chosen because he has great passion and he represents a lot of outstanding teachers in Illinois that have the same passion. Mr. Curtin stated that he has education values that he holds dear to his heart, he believes in doing what is best for students all the time, every single day.

**PUBLIC PARTICIPATION**  
Zack Wichmann, Director of Governmental Relations for the Catholic Conference of Illinois and a board member of the Illinois Coalition for Nonpublic Schools addressed the Board on the concerns they have with the proposed rules for Part 425, Voluntary Registration and Recognition of Nonpublic Schools.

Cynthia Woods, Illinois Association of School Boards (IASB) commended the Board on their discussion yesterday of the budget, and their suggestion to work collaboratively with other groups. Ms. Wood offered any assistance or collaboration that the IASB could offer.

Patricia Nix-Hodes, Associate Director of the Law Project of Chicago Coalition for the Homeless requested that the ISBE recommend $3.0 million for homeless education funding in FY 2014.
John Moss, Glenbard School District commented that he was pleased to see Jolie-Grace Wareham, a student from Glenbard East High School on the Student Advisory Council. Mr. Moss discussed several issues including: district funding, bilingual education, and special education.

Erika Lindley, ED-RED thanked the Board for hosting the statewide budget hearings. Ms. Lindley stated that she has concerns over eliminating the flat grant because it will remove flexible state funding for 8% of our public schools.

Diane Rutledge, Large Unit District Association thanked the Board for visiting Lanphier High School yesterday as one of the recipients of the School Improvement Grant (SIG) schools. She also reported that her organization could not come to a consensus on the GSA considerations. Dr. Rutledge asked that we create a task force to examine the GSA Funding Formula.

CONSENT AGENDA

Motion:
Dr. Fields moved that the State Board of Education hereby approves the consent agenda, as presented. Dr. Hall seconded the motion and it passed with a unanimous roll call vote. 8-0

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 December 12-13, 2012 board meeting.

Rules for Initial Review
Part 25 (Certification)
Part 252 (Driver Education)
Part 425 (Voluntary Registration and Recognition of Nonpublic Schools)

Rules for Adoption

Part 24 (Standards for All Illinois Teachers)

Contracts and Grants Over $1 Million
Recommendation Approval
Illinois Early Learning Project (IELP)
The State Board hereby authorizes the State Superintendent to enter into a grant agreement with the Board of Trustees of the University of Illinois in an amount not to exceed $1,575,000. The initial term for FY 2013 will be no greater than $175,000. The grant will have four potential renewals for a term to end no later than June 30, 2017.

Request for Sealed Proposals
Illinois Early Childhood Asset Map Project
The State Board hereby authorizes the State Superintendent to release a Request For Sealed Proposals (RFSP) for the purpose of entering into a contract for the continuing development and maintenance of the Illinois Early Childhood Asset Map Project funded under the Early Childhood Block Grant. The contract will extend from the date of the contract’s execution until June 30, 2018, and not
exceed $2,500,000.

Approval of Amendment to the Illinois Interactive School Report Card Intergovernmental Agreement FY2013

The State Board hereby authorizes the State Superintendent to amend the agreement with Northern Illinois University through June 30, 2013, and to increase the contract’s amount by $14,999 such that the total amount of the contract will be $1,194,999; for the refinement and maintenance of the Illinois Interactive Report Card (IIRC) and to include the support of the benchmarking tool used by the 21st Century Community Learning Center (21st CCLC) grantees.

Draft Annual Report


Capital Needs Assessment Biennial Report

The State Board of Education moves to approve the attached Capital Needs Assessment Survey to be submitted to the General Assembly by January 1, 2013.

END OF THE CONSENT AGENDA

DISCUSSION ITEMS CONTINUED

Legislative Update

Cynthia Riseman, Governmental Relations Liaison, reported that fall veto session concluded on December 6. She updated the board on various education-related legislation.

Superintendent Koch informed the Board that Ms. Riseman will be leaving the agency for a position with the Illinois Federation of Teachers. He thanked Cynthia for her service to the State Board and wished her well.

ANNOUNCEMENTS

Chairman Chico introduced Dr. Proshanta Nandi from the Illinois Board of Higher Education (IBHE). The IBHE held its last meeting on December 4, 2012 at Adler School of Professional Psychology in Chicago. Dr. Nandi shared highlights of the meeting.

The next IBHE meeting will be February 5, 2013 at Kendall College in Chicago.

Superintendent’s Report

Superintendent Koch recognized and welcomed Jane Quinlan from Regional Office of Education # 9 Champaign-Ford Counties.

Member Reports

Andrea Brown reminded the Board that the Rural Affairs Commission meets four times a year. Dr. Brown also noted that she participated in an ECS phone conference on Early Learning.

Vinni Hall reported attendance at the Fuel Up to Play 60 Event at Ridge Family Learning Center, Elk Grove Village on November 6, 2012. Dr. Hall also mentioned her meeting with the Kazakh Delegation on November 6, 2012 in Chicago.

Melinda LaBarre distributed a handout from the Ball Foundation Luncheon she attended on December 4, 2012.

David Fields reported on his tour of Urbana School District 116, a 21st Century Grant Recipient on December 6, 2012.

Jim Baumann participated in assemblies in Elmhurst School District 205 for 2 schools that were designated as Blue Ribbon Schools and also toured the Palatine
Opportunity Center, an early childhood block grant recipient.

Chairman Chico commented on his tour of the Noble-Pritzker College Prep Charter School in North Chicago.

Chairman Chico wished everyone a Happy Holiday and thanked everyone for their hard work.

INFORMATION ITEMS

ISBE Fiscal & Administrative Monthly Reports *(available online at http://isbe.net/board/fiscal_admin_rep.htm)*

MOTION FOR ADJOURNMENT

Dr. Fields moved that the meeting be adjourned. Mr. Bauman seconded the motion and it passed with a unanimous voice vote. The meeting adjourned at 11:40 a.m.

Respectfully Submitted,

Dr. Vinni Hall
Board Secretary

Mr. Gery J. Chico
Chairman