On January 12, 2004, the Illinois State Board of Education (ISBE) received a letter of appeal concerning the denial by Chicago School District 299 of the charter proposal submitted by Quality Behavioral Care, Inc. to establish a charter school pursuant to Section 27A-9 of the Illinois Charter Schools Law.

Section 27A-9(e) of the Illinois Charter Schools Law provides that:

The State Board may reverse a local board’s decision if the State Board finds that the charter school or charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve.

This memorandum serves to document the review of the proposal by ISBE staff and indicates the areas of noncompliance with the Illinois Charter Schools Law. ISBE staff also found in areas noted below where the information was insufficient to determine compliance. References to the relevant sections of the Illinois Charter Schools Law are included. While ISBE staff have tried to identify all areas of noncompliance or deficiencies, this memorandum may not contain all such areas; therefore, it should not be considered an exhaustive list.
Educational Program, Curriculum, School Year, School Days
The proposal fails to fully describe an educational program and curriculum that covers all required subject areas and demonstrates alignment with Illinois Learning Standards. The proposal fails to include pupil performance standards as required by Section 27A-7(a)(7) of the Illinois Charter Schools Law.

- The proposal describes a philosophical approach to education but does not provide a coherent educational plan.
- The curriculum appears to be a restatement of the Illinois Learning Standards with little specificity in the types of instruction or materials to be used.
- The science curriculum example actually describes health and social science.
- The physical education curriculum is centered on organized team sports and does not fully address the manner in which all students will participate and/or meet Physical Development/Health standards.
- No explanation is provided for the inclusion of the Pre-Vocational Track information nor its relevance since the employment data is from 1998.
- The basis for the U.S. Department of Labor providing “free technical assistance” to Learning Success is not explained; nor is there any explanation of the manner in which after graduation, “all students will be placed in full time apprenticeships that pay livable wages and lead to full time, permanent employment.”
- The school day was only partially described and the sample class schedule attachment was not included.
- Curriculum assessment is not adequately addressed.

Special Education
The proposal does not indicate the intent to provide special education services to all students identified or a realization of the needs of such students.

- The proposal states a full continuum of services will be provided per IDEA then lists which educational needs will be met: Speech/Language, LD, SED and presumably OHI. The proposal fails to address MR, Autism, TBI, deafness-blindness, emotional disturbance, HI, multiple disabilities, orthopedic impairment or visual impairment.
- Only students who are identified prior to attendance at this charter school are discussed in the proposal; described Child Find activities are not stated for students who have not been identified before enrolling in this charter school.
- Language used in the “Discipline of Students with Disabilities” does not reflect special education regulations as specified in 23 Illinois Administrative Code.
- Corporal punishment is described as a consequence of violations of the Code of Conduct though it is an illegal disciplinary measure in Illinois.
- The suspension steps do not address the special education student and timelines.
- The proposal fails to include special transportation as required by a special education student’s IEP.
- The proposal fails to include the discussion of Extended School Year for special education students.
Transportation
The proposal fails to describe a plan for addressing transportation needs of its pupils or for addressing transportation needs of low-income and at-risk pupils, as required by Section 27A-7(a)(13) of the Illinois Charter Schools Law.
- The transportation plan lacks sufficient detail to determine if it is adequate and reasonable and fails to include a means to address the transportation needs of low-income and at-risk pupils.

Goals, Objectives, and Pupil Performance Standards
The proposal fails to provide pupil performance standards to be achieved by the charter school as required by Section 27A-7(a)(5) of the Illinois Charter Schools Law.
- The academic achievement goals are confusing and do not address specific goals.
- The inclusion of the following as a goal: “Ensure that every child can read by First Grade,” is confusing as the proposal is for a school beginning with grade six.
- The description of monitoring student progress was merely an assurance that it would take place, that students would take the state-mandated tests and that scores would be used to determine annual yearly progress.
- The proposal does not include an explanation of how other grades and learning areas not covered by ISAT will be monitored.

Pupil Performance Evaluation Plan
The proposal fails to describe the plan for evaluating pupil performance or the procedures for taking corrective action in the event that pupil performance falls below the expected standards as required by Section 27A-7(a)(8) of the Illinois Charter Schools Law:
- Expected pupil performance standards are not included for all seven fundamental areas of learning.
- Procedures for taking corrective actions, timelines, or specific standards are not included.
- The proposal does not specify whether summer school is required or optional, including those students whose test scores are not sufficient for promotion to the next grade.

Enrollment
The proposal does not adequately describe the minimum number of pupils to be enrolled in the school or any other legal admission criteria to be used by a school district as required by Section 27A-8(a)(2) of the Illinois Charter Schools Law.
- The “planned number” for student enrollment is stated, but it is not clear that this is the required minimum number.
- A description of how all students will be accepted by the school is not addressed; therefore, it is not possible to determine compliance with the Illinois Charter Schools Law.
- The proposal does not include the provision for priority for siblings enrolled in the charter school in the event there are more eligible applicants than spaces available for enrollment.
• The requirement for applicant parents to attend interviews is not clearly specified, nor is the potential effect on admission for failure to do so; therefore, it is not possible to determine compliance with the Illinois Charter Schools Law in this area.
• Petitions of support are referenced, but not included with the proposal; therefore, it is not possible to determine compliance with the Illinois Charter Schools Law in this area.
• No evidence is presented that the applicant has taken steps to inform the community of the potential school in the form of petitions, public forums, fliers, or word of mouth.

Governance
The proposal fails to provide adequate details about governance and parental involvement as required by Section 27A-7(a)(10) of the Illinois Charter Schools Law.
• The description of the powers and duties of the board relevant to governance of the school is not clear.
• Membership on the board is not clear; although several potential board members are listed, specific board membership is not provided.
• The management structure of the school is not clearly defined and conflicts with personnel noted in the budget and job descriptions included in the proposal.
• An assurance to comply with the Freedom of Information Act and the Open Meetings Act is not provided.

Employees
At-will employment as described in the Terms of Employment does not meet the provisions of Section 27A-10(d) of the Illinois Charter Schools Law.

Employee Relationship
The proposal fails to comply with the requirement to provide an explanation of the relationship that will exist between the charter school and its employees, including evidence that the terms of employment have been addressed with affected employees, as required by Section 27A-7(a)(11) of the Illinois Charter Schools Law.
• The proposal references the Texas Education Code in the section describing criminal history checks. Texas statutes are not applicable in Illinois.
• The proposal includes reference to amending personnel policies to comply with the Illinois Charter Schools Law; however, such amendments should have taken place prior to submission.

Budget
The proposal fails to provide evidence that the terms of the charter are economically sound for both the charter school and the school district as required by Section 27A-7(a)(9) of the Illinois Charter Schools Law.
• The budget does not appear to reflect the number of staff required for the 10 classrooms identified in the proposal.
• No supporting materials are included, making it impossible to determine that costs are reasonable or accurate.
• The start-up grant for the period prior to school operation is overestimated by $75,000 to $100,000 thereby throwing the entire budget out of balance.
• The provision for an audit is not included.

**Facility Requirements**
The proposal must identify the site and facility of the charter school by the time it is to open, as required by Section 27A-7(a)(3) of the Illinois Charter Schools Law.

• The facility noted on the cover page of the proposal is currently being used as a school; therefore, it is not clear if a conversion of an existing public or private school is being proposed.
• The proposal does not contain the actual costs for building rental.
• The rebuttal contained in the appeal states that a facility has been obtained, but actual rental cost is not indicated.

The proposal appears to be incomplete. The applicant states throughout the appeal that revisions will be presented at the hearing when, in fact, ISBE may consider only the proposal submitted to the district, along with clarifying responses from the applicant.

The proposal fails to comply with the following as required by 27A-7(a) of the Illinois Charter Schools Law:

• Minimum enrollment.
• Facility.
• Goals, objectives and pupil performance standards.
• Description of educational program, pupil performance standards, curriculum, school day, hours of operation.
• Plan for evaluating pupil performance, types of assessments to be used, timeline for achievement, plan for corrective action.
• Evidence that the proposal is economically sound for the school.
• Inclusion of a description of audit process.
• Governance plan.
• Description of the relationship between the school and its employees.
• Transportation plan.

If you have any questions regarding any of the issues noted above, please contact Jo Ann Price at jprice@isbe.net or 217/782-2948.
STATE OF ILLINOIS
STATE BOARD OF EDUCATION

In the Matter of the Appeal of the Proposal to Establish the Learning Success Vocational Charter School

FINAL DECISION OF THE STATE SUPERINTENDENT

I. Introduction

On January 12, 2004, the Illinois State Board of Education (ISBE or State Board) received a letter of appeal concerning the denial by Chicago School District 299 (School District) of the charter proposal submitted by Quality Behavioral Care, Inc. to establish Learning Success Vocational Charter School (Learning Success) as allowed by Section 27A-9(e) of the Illinois Charter Schools Law. The State Board may reverse a local board's decision if the State Board finds that the charter school proposal (i) is in compliance with the Article, and (ii) is in the best interests of the students it is designed to serve. (See 105 ILCS 5/27A-9(e).)

The implementing charter school regulations provide a detailed process for appealing the local board decision. (See 23 Ill. Admin. Code § 650.60.) The appeal was received by the ISBE within the necessary timeframe and contained the reasons why the local school board's decision should be reversed. In doing so, Learning Success has complied with the requirements for filing an appeal.
II. Background Information

On December 24, 2003, ISBE received a letter via certified mail from Greg A. Richmond, Chief Officer, Department of New Schools Development, Charter Schools Office of the Chicago Public Schools. The letter stated that on December 17, 2003, in accordance with 23 Ill. Admin. Code § 650.30, the Chicago Board of Education approved its motion to deny the charter school proposal submitted by Learning Success. Enclosed with this letter were the following: 1) certification of publication and a copy of the printed notice of the public meeting on the applicant's proposal held on November 18, 2003; 2) the Motion from the December 17, 2003, meeting denying the Learning Success proposal; 3) the notice of the denial of the proposal to the applicant, including notice that the denial may be appealed to ISBE within fourteen days after the date the report is received by ISBE; and 4) the Proof of Service of the Report upon the applicant. Through this Motion, the School District informed the ISBE of its determination that the Proposal did not meet the requirements of the Illinois Charter Schools Law, 105 ILCS 27A-1 et seq., and that it was not in the best interests of the population served by the Chicago Public Schools that the proposal be granted.

On January 12, 2004, ISBE received a "Statement of Appeal" regarding the Learning Success Charter School Proposal submitted by Quality Behavioral Care, Inc. The appeal asked that "the State Board either approve a charter for Learning Success or move Learning Success from the category, 'Charter School Application Denied' to the category, 'Charter School Application Extensions.'"\footnote{There is no authority in the Illinois Charter School Law for ISBE to grant a charter school developer such an extension.}
ISBE prepared a memorandum to Learning Success Vocational Charter School in March, 2004, documenting the review of the proposal by ISBE staff, indicating the areas of noncompliance with the Illinois Charter Schools Law. ISBE staff also found areas where the information was insufficient to determine compliance.

III. Learning Success Charter School Proposal

The stated mission of the Learning Success Vocational Charter School is "to implement a comprehensive, wholistic and multicultural educational model that will inspire and support middle and high school students, their families, teachers, and other members of the school community in ways that allow students to mobilize, enhance and refine their innate multiple intelligences in order to be well adjusted, productive, and successful personally, socially, and vocationally." In developing "Culturally Correct" workbooks to supplement standard textbooks, Learning Success hopes to increase student attendance, promotions, and graduation rates and decrease mobility and dropouts.

The charter school proposal provides for grades 6th, 8th, 10th, and 11th for the 2004-05 school year, with a "planned" and "maximum" enrollment of 200 students. There was no provision for 7th or 9th grades even though grade levels for the subsequent four school years are 6th, 7th, 8th, 9th, 10th, 11th, and 12th, with a "planned" and "maximum" enrollment of 525 students. The anticipated first year operating budget shows revenues of $1,883,400 and expenses of $1,750,425. The address of the proposed location for a school is provided, as is the address of a back-up facility.
IV. **Board of Education of Chicago School District 299 report**

The reasons for the School District's denial are indicated in its Resolution and are summarized in the following:

1. **Educational Plan**

   Under Section 27A-7(a)(7) of the Illinois Charter Schools Law, a charter school must contain a description of the charter school's educational program, pupil performance standards, curriculum, school year, school days, and hours of operation. The School District asserts the proposal submitted by Learning Success is deficient in that the applicant has not presented enough detail in the application or the interview regarding how the apprenticeship program, which is a key element of the educational plan, will be implemented. It is unclear how the coordination, transportation, and funding for this program will be administered. The charter school's proposed relationship with the U.S. Department of Labor is unrealistically characterized.

   Corporal punishment has been approved by the charter school's Board of Directors as an appropriate consequence for all Code of Conduct violations, though this is an illegal means of discipline in Illinois.

   The philosophical approach to the school's education is not coherent, and how the multiple intelligences framework will be utilized is not made clear. The proposed plan to offer and administer a culturally familiar framework for education is too narrow and unrealistic. Strategies for monitoring the implementation of the curriculum are not described. There is no explanation of what "successful completion of the curriculum" means in order for students to be promoted, and promotion is heavily reliant on
standardized tests. The structure of the school day is vague, and a sample schedule is not attached.

2. Accountability

Under Section 27A-7(a)(8) of the Illinois Charter Schools Law, a charter school proposal must contain a description of the charter school's plan for evaluating pupil performance, the types of assessments that will be used to measure pupil progress towards achievement of the school's pupil performance standards, the timeline for achievement of those standards, and the procedures for taking corrective action in the event that pupil performance at the charter school falls below those standards. The School District claims that the goals and objectives are confusing and inconsistent with the school's mission. No goals are articulated regarding graduation, attendance, or retention. The school does not have an ongoing means of checking progress towards goals. Though measures appear to take place once per year, there is no plan for monitoring progress throughout the year. It is uncertain what procedures are in place for taking corrective measures regarding unsatisfactory progress towards its goals.

3. Management

Under Section 27A-7(11) of the Illinois Charter Schools Law, a charter school proposal must explain the relationship that will exist between the charter school and its employees, including evidence that the terms and conditions of employment have been addressed with affected employees and their recognized representative, if any. The School District claims the proposal presents contradictory management roles, contains an organizational chart that is confusing, names as Superintendent a person who resides in Texas, includes a job description for program director referenced by a model not described
or mentioned in the application, and has personnel policies that are copied verbatim from a Texas charter school that are not amended to reflect Illinois law.

4. **Governance**

The School District maintains that specific powers and duties of the proposed charter school board are not clear as required by Section 27A-7(a)(10) of the Illinois Charter Schools Law. The relationship between Quality Behavioral Care, Inc. and the Learning Success governing board is not clear, nor is the relationship between Learning Success and Two Dimensions, a charter school in Texas.

5. **Community**

Under 27A-7(a)(10) of the Illinois Charter Schools Law, the proposal should include the nature and extent of parental, professional educator, and community involvement in the governance and operation of the charter school. The School District claims that a petition by prospective students' parents mentioned in the application is not attached as indicated, that no evidence of an effort to inform the community of the school is provided, and that little information on the proposed school's community itself is provided.

6. **Finances**

Under 27A-7(a)(9) of the Illinois Charter Schools Law, a charter school proposal must contain evidence that the terms of the charter as proposed are economically sound for both the charter school and the school district. The School District claims that the financial information provided includes problematic budget assumptions, that the cash flow budget is weak, and that it is uncertain who is responsible for day-to-day oversight of financial systems.
7. **Facility**

Under Section 27A-7(a)(3) of the Illinois Charter Schools Law, a charter school proposal must contain a description of and address for the physical plant in which the charter school will be located, and should identify and name at least two sites that are potentially available as a charter school facility by the time the charter school is to open. The School District claims that no Letter of Intent or Memorandum of Understanding is provided by the owner of the space for the proposed location. The application states that, "a Letter of Intent for the site was executed with another Charter School and that the Archdiocese promised the space to Learning Success if Expansions was not awarded a charter." No evidence of this is in the application. There is a $27,800 fee for Construction Management, of which 20% is hard costs, and if payment is made, there could be a conflict of interest with A. Adkins and Associates due to a member being on the proposed school’s board of directors.

V. **Charter School Developers' Response to the School District**

The appeal by Learning Success, submitted by Quality Behavioral Care, Inc., attempts to explain or rebut each of the reasons for denial stated by the School District. The Statement claims it would have "most if not all of the issues raised by CPS resolved on or before the date that [they] appear for a hearing before the State Board regarding this appeal."

1. **Educational Plan**

In response to the School District's concern that the charter school proposal has not presented enough detail in the application or the interview regarding how the
apprenticeship program will be implemented, Learning Success claims it will provide more
detail in a written document that will be available at the hearing for the appeal. Learning
Success claims that a letter from their contact at U.S. Labor describing the anticipated
collaboration, including issues such as coordination, transportation, and funding will be
submitted to resolve the School District's concern regarding the proposed apprenticeship
program.

Learning Success claims it has no intention to use corporal punishment at the
school. Reference to it was in error, and will be removed from the Student Disciplinary
Code, with a corrected document to be presented at the appeal hearing.

Learning Success claims that the education plan will be rewritten to be more
coherent, and corrections and revisions will be submitted at the appeal hearing. Learning
Success also claims that the framework of multiple intelligences will be expanded and
made clearer. Revisions will be presented at the appeal hearing.

In response to the assertion that the proposed plan presents a culturally familiar
framework for education that is too narrow and unrealistic, Learning Success merely
maintains that the Culturally Correct model can be implemented "very realistically through
Culturally Correct workbooks".

Learning Success does not address the School District's assertion that a strategy for
monitoring the implementation of the curriculum is not described. Rather, it states that,
"[t]he principal will have ultimate responsibility for monitoring the implementation of the
curriculum as specified in the charter school statutes. The Principal will develop a detailed
plan for effectively accomplishing the monitoring." No superintendent will be hired.
In response to the School District's concern that there is no explanation of what "successful completion of the curriculum" means and that promotion is heavily reliant on standardized tests, Learning Success claims that an attachment entitled "Criterion for Promotion and Graduation" has been provided. It will also provide a sample schedule to address the School District's concern that the structure of the school day is vague. A sample schedule is not attached.

2. Accountability

In response to the School District's concerns regarding accountability, Learning Success claims that this section of the proposal will be rewritten so that the school's goals and objectives are consistent with the school's mission. The Board of Directors will have ultimate responsibility for checking progress towards goals, a committee of the Board will develop ongoing means for checking progress towards goals, and checking progress toward goals will occur regularly, not just once per year. The Board of Directors will oversee the process of "corrective measures." The principal will share reports with the Board that indicate whether or not the school is making satisfactory progress towards its goals.

3. Management

Learning Success states that: clarifications of management staff will be available at the appeal hearing; the organizational chart will be corrected and resubmitted; a Superintendent will not be hired; the person named will not have any role or involvement in the planning or implementation period; the job description for program director will be corrected; and reference to "Audrey Cohen College School Reform Model" will be
removed. The school's personnel policies will be amended and the manual will be available at the appeal hearing.

4. Governance

In response to the School District's concern that specific powers and duties of the Board are not clear, Learning Success claims that the specific powers and duties of the Board will be clarified and presented at the appeal hearing, and that the board will hire the principal who in turn will hire all other staff. Learning Success states that there is no current or future relationship between Learning Success and Two Dimensions, a charter school in Texas, despite the references to this charter school in its charter school proposal.

5. Community

Learning Success claims that petitions signed by prospective students' parents will be submitted, evidence that steps to inform the community of this school have been taken will be provided, and information on the proposed school's community will be provided at the appeal hearing.

6. Finances

In response to the School District's assertion that the financial information provided includes problematic budget assumptions, that the cash flow budget is weak, and that it is uncertain who is responsible for the day-to-day oversight of financial systems, Learning Success simply states:

We are confident that we can raise substantial grant funding from federal and state government sources and from private foundations. ISBE has Charter School Revolving Loan Programs and funds for schools that provide services to homeless students. Loan repayment calculations will be corrected, dollars per square foot for rent will be verified, percentage of personnel funds spent for teachers will be adjusted, and sources of grants will be provided. The business manager is responsible for day-to-day oversight of financial systems.
This statement is insufficient to counter the School District's position as it does not address the concern about problematic budget assumptions.

7. **Facility**

Learning Success maintains that, "[t]wo letters were provided and are attached. A Letter of Intent was provided in the application, and is attached." Learning Success further states:

We will lease the Archdiocese school building since the school that secured a Letter of Intent from the Archdiocese for this building was not approved. The rent costs may be higher than what we budgeted. Although we did not negotiate rent costs, we understand that the other charter school applicant negotiated a fairly high rate. We believe we can negotiate a more reasonable rate than our colleagues.

There is no evidence for statement of belief as there is no documentation from the Archdiocese that it will negotiate a lower rate for a different prospective tenant.

In response to the School District's concern related to a possible conflict of interest with A. Adkins and Associates, Learning Success states that, "A. Adkins will be given a choice of serving on the Learning Success board or serving as architect but he will not do both."

**VI. Areas of Non-compliance with the Illinois Charter Schools Law**

The staff at ISBE reviewed the School District's report, the charter school developers' response and the charter school proposal. (See the attached Memorandum to the Learning Success Charter School detailing areas of non-compliance and areas of concern.)

The staff at ISBE is in agreement with all areas of concern cited by the School District. Furthermore, staff at ISBE believe that, as a matter of law, the Learning Success
proposal is not in compliance with the Illinois Charter Schools Law. In addition to and elaborating upon the areas of concern cited by the School District, the proposal fails to comply with the Illinois Charter Schools Law for, but not limited to, the following reasons:

1. **Educational Program, Curriculum, School Year, School Days**

   The proposal fails to fully describe an educational program and curriculum that cover all required subject areas demonstrating alignment with Illinois Learning Standards and fails to include pupil performance standards as required by Section 27A-7(a)(7) of the Illinois Charter Schools Law. The proposal describes a philosophical approach to education and does not provide a coherent educational plan.

   The curriculum contains no evidence of alignment to the Illinois Learning Standards, and appears to be a restatement of the Illinois Learning Standards with little specificity in the types of instruction or materials to be used. The science curriculum example actually describes health and social science, and the physical education curriculum is centered on organized team sports and does not fully address the manner in which all students will participate and/or meet Physical Development/Health standards. Curriculum assessment is not adequately addressed.

   No explanation is provided for the inclusion of the Pre-Vocational Track information nor its relevance since the employment data is from 1998. The basis for the U.S. Department of Labor providing “free technical assistance” to Learning Success is not explained; nor is there any explanation of the manner in which after graduation, “all students will be placed in full time apprenticeships that pay livable wages and lead to full time, permanent employment.”
The school day is only partially described and the sample class schedule attachment is not included.

2. **Special Education**

   The proposal does not indicate the intent to provide special education services to all students identified or a realization of the needs such students may demonstrate. Specifically, the proposal states a full continuum of services will be provided per IDEA then lists which educational needs will be provided: Speech/Language, learning disabilities, social emotional disorders and presumably other health impaired (attention deficit disorders). The proposal fails to address mental retardation, autism, traumatic brain injury, etc. Only students who are identified prior to attendance at this charter school are discussed in the proposal. Child Find activities are not stated for students who have not been identified before enrolling in this charter school.

   Language used in the proposed charter school handbook entitled “Discipline of Students with Disabilities” does not reflect special education regulations as presented in 23 Ill.Admin.Code 226. Corporal punishment is described as a consequence of violations of the Code of Conduct though it is an illegal disciplinary measure in Illinois, and the outline of suspension steps does not address the special education student and timelines.

   The proposal fails to include special transportation as required by a special education student's individualized education plan, and fails to include discussion of extended school year for special education students.

3. **Transportation**

   The proposal fails to describe a plan for addressing transportation needs of its pupils and a plan for addressing transportation needs of low-income and at-risk pupils, as
required by Section 27A-7(a)(13) of the Illinois Charter Schools Law. The transportation plan lacks sufficient detail to determine if it is adequate and reasonable and fails to include a means to address the transportation needs of low-income and at-risk pupils.

4. Goals, Objectives, and Pupil Performance Standards

The proposal fails to provide pupil performance standards to be achieved by the charter school as required by Section 27A-7(a)(5) of the Illinois Charter Schools Law. The academic achievement goals are confusing and do not address specific goals. The inclusion of the following as a goal: “[e]nsure that every child can read by first grade,” is confusing as the proposal is for a school beginning with grade six.

The description of monitoring student progress is merely an assurance that it will take place, that students will take the state-mandated tests and the scores will be used to determine annual yearly progress. The proposal does not include an explanation of how other grades and learning areas not covered by ISAT will be monitored.

5. Pupil Performance Evaluation Plan

The proposal fails to describe the plan for evaluating pupil performance or the procedures for taking corrective action in the event that pupil performance falls below the expected standards as required by Section 27A-7(a)(8) of the Illinois Charter Schools Law. Expected pupil performance standards must be included for all seven fundamental areas of learning. Procedures for taking corrective actions, timelines or specific standards were not included. The proposal does not specify whether summer school is required or optional, including those students whose test scores are not sufficient for promotion to the next grade.
6. **Enrollment**

The proposal does not adequately describe the minimum numbers of pupils to be enrolled in the school and any other admission criteria that would be legal if used by a school district as required by Section 27A-8(a)(2) of the Illinois Charter Schools Law. Specifically, the “planned number” for student enrollment is stated, but it is not clear that this is the minimum number as required. A description of how all students will be accepted at the school is not addressed; therefore, it is not possible to determine compliance with the Illinois Charter Schools Law. The proposal does not include the provision for priority for siblings enrolled in the charter school in the event there are more eligible applicants than spaces available for enrollment.

The stated requirement for applicants' parents to attend interviews is not clearly specified, nor is the potential effect on admission for failure to do so; therefore, it is not possible to determine compliance with the Illinois Charter Schools Law in this area. Petitions of support are referenced, but not included with the proposal; therefore, it is not possible to determine compliance with the Illinois Charter Schools Law in this area.

No evidence is presented that the applicant has taken steps to inform the community of the school in the form of petitions, public forums, fliers, and word of mouth.

7. **Governance**

The proposal fails to provide adequate details of governance and parental involvement as required by Section 27A-7(a)(10) of the Illinois Charter Schools Law. Specifically, the description of the powers and duties of the board relevant to governance of the school is not clear. Membership on the board is not clear; although several potential board members are listed, specific board membership is not provided. The management
structure of the school is not clearly defined and conflicts with personnel noted in the budget and job descriptions included in the proposal. An assurance to comply with the Freedom of Information Act and the Open Meetings Act is not provided.

8. **Employees**

At-will employment as described in the Terms of Employment does not meet the provisions of Section 27A-10(d) of the Illinois Charter Schools Law. The proposal fails to comply with the requirement to provide a description of how the terms and conditions of employment would be addressed with affected employees, as required by Section 27A-7(a)(11). The proposal references the Texas Education Code in the section describing criminal history checks. Texas statutes are not applicable in Illinois. The proposal includes reference to amending personnel policies to comply with Illinois law; however, such amendments should have taken place prior to submission.

10. **Budget**

The proposal fails to provide evidence that the terms of the charter are economically sound for both the charter school and the school district as required by Section 27A-7(a)(9) of the Illinois Charter Schools Law. Specifically, the budget does not appear to reflect the number of staff required for 10 classrooms as stated in the proposal. No supporting materials are included making it impossible to determine whether or not costs are accurate.

The start-up grant for the period prior to school operation is overestimated by $75,000 to $100,000 thereby throwing the entire budget out of balance. The description of the process by which the audit will be conducted is not included.
11. **Facility Requirements**

The proposal must identify the site to be used as a charter school facility by the time the charter school is to open, as required by Section 27A-7(a)(3) of the Illinois Charter Schools Law. The facility noted on the cover page of the proposal is currently being used as a school; therefore, it is not clear whether or not the proposal is a conversion of an existing public or private school. The proposal does not contain the actual costs for building rental as the rebuttal states the facility will be available, but the rent may be higher than anticipated.

VII. **Conclusion**

The review of the Learning Success proposal indicates it is not, as a matter of law, in compliance with the Illinois Charter Schools Law. No oral presentation will be scheduled.

Furthermore, the applicant states throughout the appeal that revisions will be presented at the hearing. As the applicant wishes to make numerous and substantial revisions or changes, it is the position of ISBE that this would make it an entirely different charter school proposal than the one reviewed by the school district. ISBE maintains the position that a charter school proposal so substantially different from the one the school district originally reviewed and denied cannot be submitted for appeal.
VIII. Final Decision

For the foregoing reasons, my determination is that the charter school proposal, as a matter of law, is not in compliance with the Illinois Charter Schools Law. I uphold the School District's decision to deny the charter school proposal. This decision may be subject to the Illinois Administrative Review Law. (See 735 ILCS 5/3-102.)

Learning Success may exercise the option to revise the charter school proposal to address the areas of non-compliance and submit a revised charter proposal to the School District for consideration.

Respectfully submitted,

Robert E. Schiller
State Superintendent
August 3, 2009

CERTIFIED MAIL

Ms. Donna Stevens  
Co-Chair  
Joliet Academy Charter School  
100 McDonough Street  
Joliet, Illinois 60436

Dr. Paul Swanstrom  
District Superintendent  
Joliet Township High School District 204  
201 East Jefferson Street  
Joliet, Illinois 60432

Re: Joliet Academy Charter School Appeal

Dear Ms. Stevens, and Dr. Swanstrom:


The Illinois Charter Schools Law in Section 27A-9(e) provides that:

The State Board may reverse a local board's decision if the State Board finds that the charter school or charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve.

In addition, Section 650.60 of the 23 Illinois Administrative Code states:

If the State Superintendent determines that the appeal is untimely or that the school or proposal, as a matter of law, does not comply with the Charter Schools Law, he shall issue a final decision to the parties containing his findings and denying the appeal.
ISBE staff reviewed the Proposal and found it to be out of compliance with Charter Schools Law. This letter serves to document the review of the Proposal by ISBE staff and identify areas of noncompliance. References to the relevant sections of the Illinois Charter Schools Law are included. While ISBE staff have tried to identify all areas of noncompliance or deficiencies, this letter may not contain all such areas; therefore, it should not be considered an exhaustive list. The following represents the five major areas of noncompliance.

I. Curriculum ILCS 5/27A-7(a)(7)
The Proposal is not in compliance as the information provided only describes a philosophical approach to educating students. The Proposal does not contain a description of the curriculum, such as specific details as to content, scope, or sequence.

II. Special Education ILCS 5/27A-7(a)(15)
The Individuals with Disabilities Education Act (20 U.S.C. § 1400 et seq.) requires a full continuum of services for special education students. The Proposal is not in compliance as it fails to provide a plan for the provision of special education services to students including, but without limitation, the following requisite areas are not included in the Proposal:

a. Child Find activities do not explain how such activities will be implemented to identify any students who may be eligible for special education services and how these activities are coordinated between the charter school and the district.
b. Referral system does not describe the steps for Initial evaluation and Reevaluation;
c. The process describing how required assessments for evaluations are determined is not included;
d. No description of how timelines will be met for
   i. tri-annual reevaluations,
   ii. yearly review or development of IEPs,
   iii. forwarding the required Notice and Consent forms to parents, or
   iv. reporting progress on IEP annual goals;
e. No definition of the provision for parent involvement in the Special Education process;
f. No indication of how the full range of Special Education services and related services in the Least Restrictive Environment will be provided;
g. No description of how Free Appropriate Public Education will be provided;
h. No description of the method of access to records, any access controls in place, the guidelines for appropriateness of special education documents in temporary files;
i. No description of Functional Assessments of Behavior;
j. No description of how Behavior Intervention Plans will be implemented;
k. No indication of how ISAT/PSAE/IAA testing is determined by the IEP team;
l. No indication of how ISAT/PSAE accommodations will be made for students with disabilities whose IEPs require accommodations;
m. No description of how extended school year services will be provided;
n. No description of the methods used, agencies involved, participation of agencies, tracking post-graduation implementation for transition planning;
o. No description of the provisions for special transportation;
p. No indication of parent education, notification and involvement in all the above areas.
q. No description of how the charter school will perform background checks as well as credential verification of the prospective special education personnel.
r. No description of how all services and resources required by a student’s IEP will be provided.
s. No written plans for school staff and/or persons outside the school.
t. No indication of the name/title of the person responsible for oversight/coordination of all areas.

III. Financial 105 ILCS 5/27A-7 (9)
The Proposal also failed to provide evidence that the charter terms will be economically sound for the district and the charter school. Specific examples of this deficiency include:

a. The Proposal states that enrollment will increase from 100 to 400 students within the next four years and that class size will be limited to 25 students; however, other than the second year of operation, the budget does not allow for any additional instructional staff.
b. The Proposal indicates that there will be a significant emphasis on professional development, however, a very small amount of funds are budgeted for these activities.
c. The district indicates that the building proposed to house the school will require modification to bring it up to code, however, no funds are budgeted for this expense.
d. The proposed budget is unrealistic as to how the student population increases by 100 students each year but the increase in the expenditure level does not reflect the enrollment numbers especially if class sizes are to remain at 25.
e. The Charter School’s operating expense for student in year three is only 50% of the year one operating expense.

In addition, it should be noted that ISBE is concerned that, according to the ILEARN system, Joliet overspent during the FY08 budget period and therefore, the charter may not be economically sound for the district.

IV. Transportation 105-ILCS 5/27A-7 (13)
The Proposal fails to describe any type of plan for transportation for students considered to be low-income and/or at-risk. In general, the description of transportation contained in the Proposal lists plans used by other schools but does not state what plan this school will use to meet the transportation needs of any of its students.
V. Minor violations of the contract 105 ILCS 5/27A-6 (c-5)

The Proposal fails to provide a description of how both parties will address minor violations of the contract. While it is mentioned that the charter school Director will work with a district representative to address minor violations of the charter contract, there is no plan that describes how minor violations of the contract will be addressed if working with each other does bring about resolution.

For the foregoing reasons, the Proposal, as a matter of law, is not in compliance with the Illinois Charter Schools Law. I uphold the District’s decision to deny the Proposal. This decision is subject to the Illinois Administrative Review Law. (See 735 ILCS 5/3-101 et seq.)

Respectfully submitted,

Christopher A. Koch, Ed.D.
State Superintendent of Education

cc: John E. Fester
March 28, 2006

CERTIFIED MAIL

Ms. Bernadette Anderson  
Director of Community Education  
Academic Development Institute  
3131 State Street  
East St. Louis, IL 62205

Re: Appeal of ADI Charter School Denial

Dear Ms. Anderson:

Pursuant to 105 ILCS 5/27A-9 of the Illinois School Code, on January 13, 2006, the Academic Development Institute ("ADI") submitted an appeal to the Illinois State Board of Education ("ISBE") of the denial of its charter school proposal ("Proposal") by the Cahokia Unit School District ("District") on January 9, 2006. ISBE may reverse a local board's decision if the State Board finds that the proposal (i) is in compliance with the Charter Schools Law; and (ii) is in the best interests of the students it is designed to serve. (See 105 ILCS 5/27A-9(e).) ISBE staff have reviewed the appeal and Proposal and determined the following areas are not in compliance with the Charter Schools Law:

A. Economically Sound

The District determined the Proposal does not comply with the Charter Schools Law because there is no evidence that the terms of the charter as proposed are economically sound for both the charter school and the school district. (See 105 ILCS 5/27A-7(a)(9)). ISBE concurs with this determination.

The school budget includes $100,000 from the Federal Charter School grant. This grant is not currently available through ISBE. Without this amount, the Proposal's budget displays a deficit for Fiscal Year 2007. Further, the District has experienced serious financial problems which have existed for several years. The District is currently classified as a "financial watch" district by ISBE. The deficit in the District's operating funds grew from $6.3 million to $7 million during Fiscal Year 2005. The cumulative effect of the per-capita tuition rate for the charter school, as well as potential financial responsibility for special education and other ancillary services, would exacerbate the District's existing financial problems. The Proposal is therefore not economically sound for either the charter school or the District.
B. **Special Education**

The Proposal must demonstrate the ability of the charter school to act in compliance with all federal and state laws including, but not limited to, the Individuals with Disabilities Education Improvement Act ("IDEIA") (20 U.S.C. § 1400 et seq.) and federal and state laws addressing discrimination. (See 105 ILCS 5/27A-7 (a)(7), (a)(15).) ISBE staff have determined the Proposal fails to accurately and completely address special education rules and regulations, including, but not limited to, requirements governing: (i) the referral, identification and evaluation of students with disabilities; (ii) the content of Individualized Education Plans ("IEPs"); and (iii) IEP team membership.

For the foregoing reasons, my determination is that the Proposal is not in compliance with the Illinois Charter Schools Law. Because of my determination that the Proposal is not in compliance with the Illinois Charter Schools Law, I am not making a determination as to whether the Proposal is in the best interests of the students it is designed to serve.

Further, please be advised that under the Charter Schools Law, the State Board has discretionary authority to reverse a local board’s decision. ("The State Board may reverse a local board’s decision...." 105 ILCS 5/27A-9(e) (emphasis added).) In this case, reversal of the District’s decision would require the State Board to grant a charter for the school, and directly oversee its operations. Even if the Proposal were in compliance with the Illinois Charter Schools Law, I would not reverse the District’s decision to deny the Proposal due to the available agency resources for overseeing the operations of the proposed charter school.

I therefore uphold the District’s decision to deny the Proposal. This decision may be subject to the Illinois Administrative Review Law. (See 735 ILCS 5/3-102.) ADI may exercise the option to revise the Proposal to address the areas of non-compliance and submit another revised charter proposal to the District for consideration.

Respectfully submitted,

Randy J. Dunn  
State Superintendent of Education

cc: Jana Bechtold
TO: Aurora Academic-Technology Charter School
FROM: ISBE Charter School Review Team
COPY TO: East Aurora School District 131
DATE: May 20, 2004
RE: Charter School Proposal

On April 5, 2004, the Illinois State Board of Education (ISBE) received a letter of appeal concerning the denial by East Aurora School District 131 of the charter proposal submitted by Aurora Academic-Technology Charter School, Inc. (AATCS) to establish a charter school pursuant to Section 27A-9 of the Illinois Charter Schools Law.

The Illinois Charter Schools Law in Section 27A-9(e) provides that:

    The State Board may reverse a local board’s decision if the State Board finds that the charter school or charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve.

This memorandum serves to document the review of the proposal by ISBE staff and indicates the areas of noncompliance with the Illinois Charter Schools Law. In addition, ISBE staff found areas noted below where the information was insufficient to determine compliance. References to the relevant sections of the Illinois Charter Schools Law are included. While ISBE staff have tried to identify all areas of noncompliance or deficiencies, this memorandum may not contain all such areas; therefore, it should not be considered an exhaustive list.
Budget
The proposal lacks enough definition to ensure compliance with Section 27A-7(a)(9) of the Illinois Charter Schools Law.

1. The budget provides no evidence of funding for special education services.
2. The transportation plan lacks detail; therefore, it is not possible to determine whether or not the costs included in the budget are accurate and reasonable.
3. The proposal contains very little documentation supporting the budget assumptions; therefore, it is impossible to determine whether or not many of the amounts included in Occupancy of Facilities, Physical Plant, or Other sections of the budget are accurate and reasonable.
4. No costs for the PLATO curriculum are designated in the budget.
5. The budget contains food service costs that are approximately two to three times more than the average rate; without additional information, it is not possible to determine whether these costs are accurate and reasonable.
6. The budget does not include any offsetting revenue for food service.
7. The amounts for building renovations cited in the budget are not accompanied by a description of any required renovations to bring the building up to health/life safety code requirements; therefore, it is not possible to determine if these costs are sufficient.
8. The Letter of Intent to Lease indicates a total cost of $50,000 although this is not the amount reflected in the budget.
9. The budget assumptions rely on a four-year old news story from St. Louis to predict the number of nonpublic school students in the north suburban area that will enroll in the charter school. Documentation of support for the school should be more current and show more research for the specific geographical area in which the school will be located.
10. The budget assumptions state that students will perform much of the custodial work; however, no explanation of how the remainder will be completed is included.
11. The proposal does not contain a budget reflecting minimum enrollment numbers.
12. The letter of agreement for the special education teacher indicates that she resides 200 miles from the school, yet no funds have been reserved for her travel in order to perform the functions outlined.
13. The proposal fails to describe how mandatory summer sessions for special education students with IEP requirements or for those students who require additional support to achieve grade level performance will be incorporated in the school’s budget.

Educational Program, Curriculum, School Year, School Days
The proposal fails to comply with the requirements of Section 27A-7(a)(7) of the Illinois Charter Schools Law.

1. The proposal includes multiple curricula but does not provide an explanation of how they will correlate into one seamless delivery system. Core Knowledge does not address health or foreign language requirements. The proposal does not provide an explanation of how the PLATO computer-based system will fit with the components of Core Knowledge. The Governor French Academy structure submitted with the proposal is unclear, as not all required subject areas are included in these documents.
2. The proposal fails to describe how the summer session will be incorporated in the school’s schedule.

**Pupil Performance Evaluation Plan**
The proposal fails to provide a description of the charter school’s pupil performance plan as required by Section 27A-7(a)(8) of the Illinois Charter Schools Law.

1. No pupil performance standards were found in the proposal; therefore, it is not possible to determine how students move from one grade to another.
2. Reference to various types of assessments are made in the proposal, i.e. portfolios, maintenance of rubrics, anecdotal descriptions, computer assisted assessments, time-management studies, peer reviews, faculty reviews, and oral presentations; however, their use is not specified.
3. The proposal indicates that students will be tested weekly in every subject but fails to include information such as what tests will be used or what the expected performance levels on these tests will be.
4. The accountability plan does not indicate what standards will be achieved by the school; it merely indicates the scores required to attain a superior, satisfactory, or unsatisfactory rating.

**Special Education**
The proposal fails to provide a complete description regarding the provision of special education services to students.

1. The proposal indicates that students will be serviced through inclusion, "...the preferred method of providing services through the least restrictive environment as prescribed by law." The law requires a full continuum of services for special education students.
2. The proposal does not demonstrate alternate means of providing services should District 131 not agree to provide them as noted in the District’s denial.
3. Procedures and policies intended to address the provision of special education are not included in the proposal.
4. The letter of intent from the proposed outside vendor does not provide an estimated dollar amount for services.
5. The letter of intent is based solely on the inclusion model and fails to provide for the rest of the continuum of services that could possibly be required.
6. The proposal does not address personnel required for related services
7. The proposal does not contain procedures and policies for the discipline of special education students.
8. The proposal did not describe how appropriate personnel will be obtained in order to complete the evaluation process, i.e., psychologist, social worker, special education teacher certified in the area being evaluated, related service personnel.

**Facility**
The proposal is not in compliance with Section 27A-7 of the Illinois Charter Schools Law.

1. The proposal does not name two sites as required. The Spruce Street site is questionable due to whether or not it is still being considered due to the presence of mold. The letter of intent for the second facility does not include adequate information to indicate its potential availability.
Transportation
It is not possible to determine compliance with the provisions of Section 27A-7(a)(13) of the Illinois Charter Schools Law.

1. The proposal indicates the charter school will contract with the district or local transportation provider if necessary; however, the local district does not provide bus service and no letter of intent regarding a possible contract with a transportation provider was submitted.

2. It is not possible to determine the transportation needs of the school due to the uncertainty of the facility’s location.

Governance
The proposal does not comply with the provisions of Sections 27A-5(a), 27A-7(b), or 27A-7(a)(10) of the Illinois Charter Schools Law.

1. The corporate by-laws contain the statement, “the corporation is a mutual benefit corporation.” The intent of the developers is not clear in this instance, as this type of corporation is usually set up to benefit its own members as a matter of right.

2. The proposal contains a draft of a charter school contract that does not contain specific information relating to the nature and extent of parental, professional educator, or community involvement.

Legal liability and insurance
The proposal fails to provide documentation of responsibility for insurance coverage as required by Section 27A-7 (a)(12) of the Illinois Charter Schools Law.

1. Correspondence from the insurance company submitted in the proposal does not provide sufficient detail as there are no cost estimates or limits of liability included.

Evidence of Support
The proposal did not contain petitions of support as required by Section 27A-8(b).

1. Although the applicant states that the petitions indicating intent to enroll were signed by parents of 95 students, only 22 children are identified on the petition, some are already out of school, in college, or 17 years of age.

2. The district maintains that at least 33 of the individuals who signed the petition of support do not reside in the district.

Major areas of the proposal fail to comply with the provisions of the Illinois Charter Schools Law: inadequate provisions for special education requirements; lack of sufficient proof of insurance coverage; noncompliance with facilities requirement; potential governance problems; lack of community support for the school; and an admitted negative financial impact on the District.

If you have any questions regarding any of the issues noted above, please contact Jo Ann Price at jprice@isbe.net or 217/782-2948.
STATE OF ILLINOIS
STATE BOARD OF EDUCATION

In the Matter of the Appeal of the Proposal to Establish the Aurora Academic-Technology Charter School, Inc.)

FINAL DECISION OF THE STATE SUPERINTENDENT

I. Introduction

On April 5, 2004, the Illinois State Board of Education ("ISBE" or "State Board") received a letter of appeal concerning the denial by East Aurora School District No. 131 ("District") of the Charter Proposal ("Proposal") submitted by Aurora Academic-Technology Charter School ("AATCS") to establish a charter school pursuant to Section 27A-9(e) of the Illinois Charter Schools Law. The State Board may reverse a local board's decision if the State Board finds that the charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve. (See 105 ILCS 5/27A-9(e).)

The implementing charter school regulations provide a detailed process for appealing the local board decisions. (See Section 650.60 of the 23 Ill. Admin. Code.) The appeal was received by ISBE within the necessary timeframe and contained the reasons why the local school board's decision should be reversed. In doing so, AATCS has complied with requirements for filing an appeal. Pursuant to Section 650.70 of the 23 Ill. Admin. Code, AATCS also has requested an opportunity to make an oral presentation in support of its appeal.

The Illinois Charter Schools regulations on scheduling an oral presentation include this provision:
Staff at the State Board of Education will schedule the presentation after giving no less than seven days' notice to each party unless the State Superintendent can determine from the school board's report that the school or proposal as a matter of law does not comply with the Charter Schools Law. (See Section 650.60(c)(3) of the 23 Ill. Admin.Code.) (Emphasis provided in bold.)

The staff at the ISBE has reviewed the charter school proposal to determine whether it is complete and compliant with the provisions of Article 27A of the Illinois School Code.

II. Background Information

On March 22, 2004, ISBE received a letter via certified mail from Dawn M. Hinkle, the District's attorney, stating that the District was submitting its report on its decision to deny the AATCS a charter. Enclosed with this letter were the following documents: 1) the Proposal; 2) a copy of a petition submitted to the District on March 1, 2004; 3) a copy of a letter tendered to the District on March 8, 2004; 4) the Board's Resolution denying the Proposal; 5) a copy of the meeting notice required by Section 27A-8(d) of the Illinois Charter Schools Law (105 ILCS 5/27A-8(d).); 6) a copy of the Certificate of Publication of the meeting notice, including the published notice; 7) a copy of the Notice of Appeal rights provided to the applicant; and 8) Proof of Service of the report upon the applicant.

The District convened a public meeting on March 1, 2004, to discuss the AATCS. Appropriate notice of the meeting was published and posted in compliance with Sections 27A-8(c) and (d) of the Illinois Charter Schools Law (See 105 ILCS 5/27A-8(c) and (d).) The District voted to deny a charter to AATCS on March 19, 2004.¹

¹ The charter school developers alleged that although the District convened a public meeting, the opportunity for public discussion on the charter school proposal was severely limited by the school board. ISBE sent a letter to the District asking for a response to this allegation. The District response provided a copy of the board minutes and a statement that the charter school developers had a full and fair opportunity
On April 5, 2004, pursuant to Section 27A-9(e) of the Illinois Charter Schools Law, ISBE received an appeal from Frank Hill, President of AATCS. ISBE prepared a memorandum to AATCS in May of 2004, documenting the review of the Proposal by ISBE staff indicating the areas of noncompliance with the Illinois Charter Schools Law. ISBE staff also found areas where the information provided was insufficient to determine compliance.

III. Aurora Academic-Technology Charter School Proposal

The Aurora Academic-Technology Charter School, Inc., an Illinois not-for-profit corporation, proposes to establish a charter school in partnership with Charter Consultants. The mission of AATCS, Inc. is "to provide for the world-class education of urban school children, and be an intervention for those at-risk, especially those of low-income and minority status, by preparing the children through the utilization of the rigorous college-preparatory, high technology curriculum of the PLATO© Learning System." The stated core philosophy is to provide a positive climate for each student that invites learning while it supports positive child development.

Enrollment will be open to all students residing within the District's geographical area. During its first year of operation, AATCS seeks to enroll a minimum of 50 and a maximum of 100 students in grades 9 and 10. Through the addition of one grade each year, AATCS anticipates that total enrollment by the third year will be 225 students.
serving grades 9-12, and 275 students by the fifth year for the same grades. The proposed school would be housed in a building leased at 221 Spruce Street, in Aurora, Illinois. The Proposal contained estimates of total expenses the first year to be $699,355, with yearly increases leading to total expenses of $1,640,796 the fifth year.

IV. Board of Education of East Aurora School District No. 131 Report

In the District's judgment, the Proposal does not conform fully with the standards and requirements of the Illinois Charter Schools Law for granting a charter. The following rationale was presented to support the denial of a charter:

1. Facility

The Proposal does not adequately describe and identify two sites potentially available as a charter school facility, as required by Section 27A-7(a)(3) of the Illinois Charter Schools Law. (See 105 ILCS 5/27A-7(a)(3).) After submission of the Proposal, a representative of the Applicant informed the School District that the facility identified in the Proposal (i.e. 221 Spruce Street) was no longer being considered, due to the presence of mold. Subsequently, during the public comment portion of the March 8, 2004 committee meeting, the Applicant contended that the Spruce Street site is, in fact, still being considered, despite the mold. Also during the March 8, 2004 committee meeting, the Applicant submitted a letter indicating that the Applicant has been in negotiations regarding the possibility of leasing another site. The letter does not describe the facility, other than stating the address and the approximate square footage. The committee agreed to review the letter, despite the fact that it was tendered after the March 1, 2004 petition to review the Proposal. Given the conflicting and sparse information regarding the proposed facilities, the District claims it is impossible to
determine whether the Applicant has proposed any facility which will be available in August and which would be an appropriate charter school site.

2. Curriculum

The District believes the proposed curriculum is inadequate in that it consists exclusively of a seven-hour-per-day computer-based program. This program fails to provide for sufficient direct instruction, lacks extensive college preparatory courses, fails to adequately address the State goals and standards established pursuant to Section 2-3.64 of the Illinois School Code, fails to promote creativity and critical thinking skills, and lacks sufficient materials and supports for Spanish and limited-English speakers. Such support is necessary because of the District's large Hispanic student population.

3. Educational Program

The District maintains that the Proposal does not include a sufficient description of the charter school's educational program, as required by Section 27A-7(a)(7) of the Illinois Charter Schools Law, in that it fails to adequately define and explain instructional strategies. (See 105 ILCS 5/27A-7(a)(7).) The educational program identified in the Proposal does not provide for support services for at-risk students, such as counseling, health and tutorial services. It also does not include provisions for sports and other extra curricular activities.

4. Evidence of Economic Soundness

The District states the Proposal does not contain evidence that the terms of the charter are economically sound for both the charter school and the District, as required by Section 27A-7(a)(9) of the Illinois Charter Schools Law. (See 105 ILCS 5/27A-7(a)(9).) Based upon the financial information included in the Proposal, the School District
estimates that by the end of the four-year period, the adverse financial impact to the School District will range from $1,100,000 to $1,500,000. Because the School District is subject to tax caps, revenue is limited, and expenditures are increasing in all areas. Such added costs will divert limited resources from other crucial programs.

5. Governance

The District believes the Proposal does not provide sufficient information regarding the qualifications of the proposed charter school leadership as required in Section 27A-7(a)(10) of the Illinois Charter Schools Law. (See 105 ILCS 5/27A-7(a)(10).)

6. Transportation

The District claims the Proposal fails to comply with Section 27A-7(a)(13) of the Illinois Charter Schools Law in that it lacks an adequate description of how the charter school plans to meet the transportation needs of its pupils, and fails to include a comprehensive plan for addressing the transportation needs of low-income and at-risk pupils. (See 105 ILCS 5/27A-7(a)(13).) Both the original site and the alternative site first identified by the Applicant are located outside the boundaries of School District 131. Although the Proposal suggests that transportation will be secured via a contract with the School District, the School District does not provide general bus service. The Proposal does not contain an adequate alternative plan for transporting School District residents to an out-of-District facility.

7. Evidence of Support

Finally, the District states the Proposal fails to comply with Section 27A-8(b) of the Illinois Charter Schools Law which requires evidence of sufficient support to fill the
identified number of student seats, as demonstrated by a petition in support of the charter school, signed by parents and guardians of students eligible to attend the charter school, or other evidence and information presented at the required meeting. (See 105 ILCS 5/27A-8(b).) During the meeting held on March 1, 2004, the Applicant attempted to comply with this requirement by submitting a petition containing 95 entries. However, at least 33 of those individuals do not reside in the School District and would not be eligible to enroll their children in the charter school. After reviewing the remaining entries, the District has determined that only four (4) age-eligible children are represented.

V. Charter School Developers' Response to the School District

AATCS believes that none of the alleged reasons stated above justify denial of the Proposal or provide a basis for ISBE to affirm the District's decision. AATCS requests that ISBE reverse the decision of the District for the following reasons:

1. Facility

AATCS believes the Proposal does adequately describe one primary site at 221 Spruce Street. AATCS states that, "though there may be evidence of mold in one section of the proposed building, mold can be mitigated and the site has not been eliminated from consideration." AATCS contends that a second alternative site has been proposed by a letter of intent from DAN Development Ltd., dated February 26, 2004, and that a third potential site was addressed during a presentation on behalf of AATCS to the District at the hearing on March 1. AATCS states that it began exploration of facilities at the Copley Medical Center Complex, but no arrangements have been formalized.
2. Curriculum

AATCS claims that within the Proposal, the PLATO System is provided and will be used as the "core" curriculum, around which all other components will be organized. AATCS believes that, though the extensive use of the PLATO System will be very attractive to many students, it will not be an appropriate program format for all students. AATCS states that students who are not attracted to independent study through electronic presentation and production will not be drawn to such a school, and "such is the nature of school choice." AATCS believes the Proposal provides extensive information regarding how the school would address all State goals and standards, including fine arts, four years of Spanish language training for all students, and ample opportunity for direct instruction to complement the computer based 'core' curriculum."

AATCS claims that the District review failed to discover its inclusion of its Spanish Language standards, the Character/Work Ethic Curriculum Goals and Objectives, the Physical Development and Health Curriculum Goals and Objectives, the Fine Arts Curriculum Goals and Objectives that are in addition to the State Learning Standards based Academic Goals and Objectives for Mathematics, English, Science, and Social Science. It is further claimed that AATCS will comply with all Illinois State Learning Goals and Standards, and that its students will participate in all state mandated tests. "Minimum standards of achievement on the PSAE will be accomplished by providing a well-rounded and fully compliant curricular program."

AATCS believes that the program does not lack extensive college preparatory courses in that the entire program, including the PLATO Learning System core curriculum and The Governor French Academy Learning Strategies, Curriculum
Structure and Principles, is college preparatory in nature. AATCS states that, "even
PLATO admits that the curriculum lacks writing and other direct instruction components"
which would be provided as needed.

3. Educational Program

AATCS claims that, regarding Section 27A-7(a)(7) of the Illinois Charter Schools
Law and instructional strategies being defined and explained, each of the components has
been fully addressed in the Proposal under the various subheadings dedicated to each
component, especially the Addenda and Exhibit 7-2.

AATCS states that, "Illinois Charter Schools Law does not require provisions for
the Illinois High School Athletic Association and/or co-curricular activities." Regarding
support services for at-risk students, AATCS believes that the Proposal provides all
components as required by the Illinois Charter Schools Law. Students with special
educational needs will be welcomed through primary delivery of their special services by
inclusion in the regular classroom. Each student will have an Individual Performance
Plan. AATCS will propose to the District to provide identified special education services
to Aurora Academic-Technology Charter School students through the "Chicago Charter
School Model."

4. Evidence of Economic Soundness

AATCS claims that the District financial Impact Statement estimates that the per-
student tuition cost of the Charter School over the five-year period will be $1,460,250.
AATCS does not minimize the impact of any potential loss of revenue from the district's
educational fund. However, AATCS states that, "revenue loss to the district is
inescapable under the Illinois Charter Schools Law, but is necessary to serve the law's goal."

5. Governance

Regarding the qualifications of the proposed charter school leadership, AATCS states that it dedicated Addenda Nine and Ten, plus Exhibit 1 of its Proposal, to provide the information required, adding that, "under Illinois Charter Schools Law, the only information requirement regarding the leadership qualifications is the organization's current not-for-profit corporation status."

6. Transportation

AATCS claims to be aware that the District does not currently provide general bus service, but AATCS "deemed it most appropriate to grant the District first opportunity to be the transportation provider." AATCS believes it has complied with Illinois Charter Schools Law by providing a transportation plan, with several contingencies, as documented in Addendum Twelve of the Proposal.

7. Evidence of Support

AATCS believes that the Proposal does comply with Section 27A-8(b) of the Illinois Charter Schools Law (See 105 ILCS 5/27A-8(b).) which requires evidence of sufficient support to fill the number of pupil seats set forth in the Proposal, as demonstrated by petitions in support of the charter school, signed by parents and guardians of students eligible to attend the charter school. AATCS finds that upon verification, some of the individuals on the petitions do not reside in the School District and would not be eligible to enroll their children in the charter school. AATCS claims that at least fifty-two of the individuals do have District addresses and are eligible to
enroll their children, exceeding the minimum of 50 students as addressed in the Proposal.

Of that number, no one is counted who stated that their children were of an age that would have them be ineligible to attend.

VI. **Areas of Non Compliance with the Illinois Charter Schools Law**

The staff at ISBE reviewed the District's report, AATCS's response and the Proposal. ISBE staff agrees in general with the District and believes that as a matter of law, the Proposal is not in compliance with the Illinois Charter Schools Law for the following reasons:

1. **Budget**

   The Proposal lacks enough definition to ensure compliance with Section 27A-7(a)(9) of the Illinois Charter Schools Law. The Proposal contains very little documentation supporting the budget assumptions; therefore, it is impossible to determine whether or not many of the amounts included in Occupancy of Facilities, Physical Plant, or other sections of the budget are accurate and reasonable.

   Second, no costs for the PLATO curriculum are designated in the budget. Similarly, the budget provides no evidence of funding for special education services. The letter of agreement for the special education teacher indicates that she resides 200 miles from the school, yet no funds have been reserved for her travel in order to perform the functions outlined. The Proposal fails to describe how mandatory summer sessions for special education students with IEP requirements or for those students who require additional support to achieve grade level performance will be incorporated in the school’s budget.
Third, the amounts for building renovations cited in the budget are not accompanied by a description of any required renovations to bring the building up to health/life safety code requirements; therefore, it is not possible to determine if these costs are sufficient. The Letter of Intent to Lease indicates a total cost of $50,000 although this is not the amount reflected in the budget. The budget assumptions state that students will perform much of the custodial work; however, no explanation of how the remainder will be completed is included.

Fourth, the Proposal does not contain a budget reflecting minimum enrollment numbers. The budget assumptions rely on a four-year old news story from St. Louis to predict the number of nonpublic students in the north suburban area that will enroll in the charter school. Documentation of support for the school should be more current and show more research for the specific geographical area in which the school will be located.

Fifth, the budget contains food service costs that are approximately two to three times more than the average rate; without additional information, it is not possible to determine whether these costs are accurate and reasonable. The budget does not include any offsetting revenue for food service.

Finally, the transportation plan lacks detail; therefore, it is not possible to determine whether or not the costs included in the budget are accurate and reasonable. Therefore, it would appear that at the very least, the Proposal is not economically sound for a charter school and it is questionable as to whether it is economically sound for the school district.
2. **Educational Program, Curriculum, School Year, School Days**

The Proposal fails to comply with the requirements of Section 27A-7(a)(7) of the Illinois Charter Schools Law. The Proposal includes multiple curricula but does not provide an explanation of how they will correlate into one seamless delivery system. For example, the Core Knowledge curriculum does not address health or foreign language requirements. The Proposal does not provide an explanation of how the PLATO computer-based system will fit with the components of Core Knowledge curriculum. The Governor French Academy structure submitted with the proposal is also unclear as not all required subject areas are included in these documents. The Proposal states that the school “expects parent participation by signing a contract to be instrumental in their child’s or children’s success.” The terms of this contract are not specified, nor are the consequences for parents who choose not to sign. According to Illinois Charter Schools Law, there can be no signature requirement for admission to a charter school.

The Proposal fails to describe how the summer session will be incorporated in the school’s schedule. The Proposal, therefore, fails to provide an adequate and necessary description of the charter school's educational program or curriculum as required in the Illinois Charter Schools Law.

3. **Pupil Performance Evaluation Plan**

The Proposal fails to provide a description of the charter school’s pupil performance plan as required by Section 27A-7(a)(8) of the Illinois Charter Schools Law. No pupil performance standards were found in the Proposal; therefore, it is not possible to determine how students move from one grade to another. Reference to various types of assessments are made in the Proposal, i.e. portfolios, maintenance of rubrics,
anecdotal descriptions, computer assisted assessments, time-management studies, peer reviews, faculty reviews, and oral presentations; however, their use is not specified.

The Proposal indicates that students will be tested weekly in every subject but fails to include information such as what tests will be used or what the expected performance levels on these tests will be. The accountability plan does not indicate what standards will be achieved by the school; it merely indicates the scores required to attain a superior, satisfactory, or unsatisfactory rating. Staff at ISBE believes this area should be described with more specificity and in greater detail before a charter is issued.

4. Special Education

The Proposal fails to provide a complete description regarding the provision of special education services to students. The Proposal indicates that students will be serviced through inclusion, …” the preferred method of providing services through the least restrictive environment as prescribed by law.” The Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) require a full continuum of services for special education students.

The Proposal does not demonstrate alternate means of providing services should District 131 not agree to provide them as noted in the District’s denial. Procedures and policies intended to address the provision of special education are not included in the proposal.

The letter of intent from the proposed outside vendor does not provide an estimated dollar amount for services. The letter of intent is based solely on the inclusion model and fails to provide for the rest of the continuum of services that could possibly be required.
The Proposal does not address personnel required for related services. The Proposal does not contain procedures and policies for the discipline of special education students. The Proposal did not describe how appropriate personnel will be obtained in order to complete the evaluation process, i.e., psychologist, social worker, special education teacher certified in the area being evaluated, related service personnel. The charter school proposal also does not describe in its special education services section: functional assessments of behavior and intervention plans; participation in state and local assessments; provision of the extended school year; transition planning; and provision of special transportation;

5. Facility

The Proposal is not in compliance with Section 27A-7(a)(3) of the Illinois Charter Schools Law. First, the Spruce Street site is questionable as to its availability due to the possible presence of mold. Second, the letter of intent for the second facility does not include adequate information to indicate its potential availability. As the proposal must identify and name at least 2 sites that are potentially available as a charter school facility, the charter school proposal is not in compliance with the law.

6. Transportation

It is not possible to determine compliance with the provisions of Section 27A-7(a)(13) of the Illinois Charter Schools Law. The Proposal indicates the charter school will contract with the district or local transportation provider if necessary. However, the local district does not provide bus service and no letter of intent regarding a possible contract with a transportation provider was submitted. It is not possible to determine the transportation needs of the school due to the uncertainty of the facility's location. The
proposal, therefore, fails to describe a plan for addressing the transportation needs of its pupils, including a plan for addressing the transportation needs of low-income and at-risk pupils, as required.

7. Governance

The Proposal does not comply with the provisions of Sections 27A-5(a), 27A-7(b), or 27A-7(a)(10) of the Illinois Charter Schools Law. The corporate by-laws contain the statement, “the corporation is a mutual benefit corporation.” The intent of the developers is not clear in this instance as this type of corporation is usually set up to benefit its own members as a matter of right. The Proposal contains a draft of a charter school contract that does not contain specific information relating to the nature and extent of parental, professional educator, or community involvement.

8. Legal liability and insurance

The Proposal fails to provide documentation of responsibility for insurance coverage as required by Section 27A-7 (a)(12) of the Illinois Charter Schools Law. Correspondence from the insurance company submitted in the proposal does not provide sufficient detail as there are no cost estimates or limits of liability included. An agreement between the parties regarding respective legal liability and applicable insurance coverage must be included in the Proposal.

9. Evidence of Support

The Proposal did not contain petitions of support as required by Section 27A-8(b) (See 105 ILCS 5/27A-8(b).) Although the applicant states that the petitions indicating intent to enroll were signed by parents of 95 students, only 22 children are identified on the petition, some of whom are already out of school, in college, or 17 years of age. The
district maintains that at least 33 of the individuals who signed the petition of support do not reside in the district. Therefore, the Proposal lacks evidence of sufficient support to fill the number of pupil seats set forth in the Proposal, and has failed to demonstrate that the charter school has received the support necessary to establish a charter school.

VII. Conclusion

For all of the above-referenced reasons, the review of the Proposal indicates it is not, as a matter of law, in compliance with the Illinois Charter Schools Law. No oral presentation will be scheduled.

VIII. Final Decision

For the foregoing reasons, my determination is that the Proposal, as a matter of law, is not in compliance with the Illinois Charter Schools Law. I uphold the District's decision to deny the charter school proposal. This decision may be subject to the Illinois Administrative Review Law. (See 735 ILCS 5/3-102.)

AATCS may exercise the option to revise the charter school proposal to address the areas of non-compliance and submit another revised charter proposal to the District for consideration.

Respectfully submitted,

[Signature]

Robert E. Schiller
State Superintendent
April 27, 2007

CERTIFIED MAIL

Andrea Carter
ANDC Enterprise
603 West Columbia Avenue
Champaign, IL 61821

Arthur Culver
Superintendent
Champaign CUSD 4
703 New Street
Champaign, IL 61820

Re: BOLA Charter School for Males

Dear Ms. Carter and Mr. Culver:

Pursuant to 105 ILCS 5/27A-9 of the Illinois School Code, on January 24, 2007, Andrea Carter, Director of ANDC Enterprise, submitted an appeal of the denial of a charter school proposal to the Illinois State Board of Education (ISBE). This appeal was a result of the denial by Champaign CUSD 4 (District) of the BOLA Charter School for Males Charter Proposal (Proposal) submitted by 21st Century Educators to establish a charter school pursuant to Section 27A-9(e) of the Charter Schools Law.

The Illinois Charter Schools Law in Section 27A-9(e) provides that:

The State Board may reverse a local board's decision if the State Board finds that the charter school or charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve.

This memorandum serves to document the review of the proposal by ISBE staff and identify areas of noncompliance with the Illinois Charter Schools Law. In addition, ISBE staff found areas where the information was insufficient to determine compliance with statutory requirements. References to the relevant sections of the Illinois Charter Schools Law are included. While ISBE staff have tried to identify all areas of noncompliance or deficiencies, this memorandum may not contain all such areas; therefore, it should not be considered an exhaustive list.
Special Education (IL.CS5/27A-7(a)(15))

The proposal fails to provide a complete description regarding the provision of special education services to students:

1. References to “BOLA policy manual procedures” and various forms (SP 1, 3, 100, MET Reevaluation Summary Form, etc.) to be used by staff are not found and it cannot be determined if either set of documents meets the requirements stated in the charter’s proposal.

2. The grade range of the school cannot be determined as some pages refer to K-5, other pages to preschool and 16 year olds in another section.

3. The Child Find description on page 100 indicates that all kindergarten and new students will be screened within 45 days of enrollment. This is acceptable only if it is actually done prior to the start of school year in order for evaluations and services to begin ASAP. Also, the statement, “Form SP 100 (screening) will be kept in each student’s permanent school file,” is incorrect – all special education and/or assessment documents must be kept in the temporary file.

4. On page 100, the referral system indicates that referrals will be channeled through a case manager for possible evaluation; however, in the next section, the LEA describes the pre-referral team. This inconsistency requires clarification.

5. Response to Intervention (RtI) procedures required by IDEA2004 prior to referral and evaluation are not found.

6. This statement on page 102, “The (evaluation) team also will provide the parent a copy of the procedural safeguards and written notice of the district’s refusal to evaluate within 60 calendar days of the date of the referral,” is not acceptable. Notice of refusal to evaluate must be provided within 10 days.

7. The Evaluation Timelines for assessments section is inaccurate. The correct timeline is 60 school days, not calendar days, from parent permission to evaluate and MDC/IEP completion. Also, extension of this timeline happens only with written parent agreement.

8. Page 109 should state 60 school days from parent permission to evaluate, not from written request for an evaluation. In addition, on page 104, the statement: “If English is not the primary language of the student’s home, the evaluator should include an adaptive behavior assessment.” This instrument is unknown and obviously incorrect.

9. Please note that for outside evaluations (page 109), the primary evaluator may not decide prior to the IEP meeting whether or not an evaluation is adequate. The IEP team must review whatever is presented and make decisions accordingly.

10. The primary evaluator for outside evaluations may not decide prior to the IEP meeting if an evaluation is adequate. The IEP team must review whatever is provided and make decisions based on that.

11. Eligibility criteria is not presented as required.

12. “Legal Definitions” of special education terms are provided but most are not compliant with Illinois law.

13. Special Education placements are guaranteed but nothing tells how, where, when they will be provided.

14. BOLA includes Arizona criteria in the proposal; however, the school will be located in Illinois. (This may explain why the definitions in the other section were so odd - P. 109-112). The State of Illinois eligibility categories stated do not exist as written. In addition...
the statement that some disabilities “may not coexist with others” as noted in the narrative is not accurate.

15. BOLA states that the parental request to review records must occur within 45 days; parents must see the records; the requirement as stated in the School Code is 15 interim days.

16. The proposal states that after the initial eligibility is determined the Placement IEP may be completed within 30 school days but must be completed within the same 60 school days from written consent for evaluation.

17. Documentation of disagreement with eligibility (page 108) should be attached to the IEP documents, not added to the prior written notice Form SP3.

18. SLD category eligibility (page 108) can no longer be based solely on a discrepancy between ability and achievement; it must be based on Response to Intervention results.

19. The provision for parent involvement in the Special Education process is not defined.

20. No explanation of how the full range of Special Education services and related services in the Least Restrictive Environment will be provided by the LEA (BOLA).

21. The method of access to records, access controls in place, guidelines for appropriateness of special education documents in temporary files was not provided.

22. No description was presented of how ISAT/PSAE accommodations will be made for students with disabilities whose IEPs require accommodations.

23. No description was presented of how extended school year services will be provided.

24. Transition planning was not provided, including a description of the methods used, agencies involved, participation of agencies, tracking post-graduation implementation.

25. A description of provisions for special transportation service was not included.

26. Indicate parent education, notification and involvement in all the above areas.

27. No description of how the charter school will perform background checks as well as credential verification of the prospective special education personnel.

28. No description of how all services and resources required by a student’s IEP will be provided. Proof of prearrangement for these possible services must be submitted.

29. Mediation: While an LEA may have its own mediation process within the LEA, the proposal does not make any reference to the parents’ right to request mediation through ISBE and the legal enforcement of said mediation agreement between the parties. This omission gives the impression that the LEA’s mediation is sufficient to IDEA requirements.

30. The statement, “If parents refuse consent for initial evaluation, the team can offer mediation.” is only partially accurate. ISBE mediation may be part of the due process the LEA must seek and/or mediation could be used to actually resolve the dispute over permission to evaluate, but that is not the sole information that the parent needs to know. It is the LEA’s obligation to file for due process to evaluate first.

31. The proposal incorrectly gives the impression that the due process would be conducted by the LEA with no involvement of ISBE.

32. If parents do not want services and refuse to sign permission for services, the LEA may not take them to due process, mediation, nor provide any services to the student as stated on page 138. The LEA is not liable for not providing services per IDEA2004.
Goals, Objectives, Pupil Performance Standards (105 ILCS 5/27A-7(a)(5))
Performance goals stated in the amendment are insufficient and they are not defined for all subjects. In addition, there are no measurable performance standards stated in either the amendment or the original proposal.

Assessment (105 ILCS 5/27A-7(a)(8))
The assessment plan stated in the proposal lacks depth and does not include specifications for corrective action in the event that student performance falls below the set standards.

Budget (105 ILCS 5/27A-7(a)(9))
The Proposal includes a no-frills budget that covers the basic expenses of a small charter school; however, some of the estimated expenses seem unrealistic. For instance, $253 per month for custodial services, $100 per month for waste disposal, and $12.50 per month for internet services seem to be extremely low estimates of anticipated expenses. The requested funding is 74% of the per capita tuition rate, not 75%-125% as required by Charter School Law. In addition, because no indication of support from district parents was included in the proposal, it is not clear whether or not the school has enough students to meet its stated enrollment figures upon which the budgets for the first four years is based.

Legal Liability (105 ILCS 5/27A-7(a)(12))
The proposal contains no proof of liability coverage is provided as required.

Transportation 1-5 ILCS 5/27A-(a)(13))
The proposal does not contain a plan for addressing the needs of low-income and at-risk students as required.

Evidence of Support (105 ILCS 5/27A-8 (b))
The proposal includes letters of support from community leaders; however, nothing is included from parents of students in the district who support the school and would be willing to send their children to the school.

I therefore uphold the District’s decision to deny the Proposal. This decision may be subject to the Illinois Administrative Review Law. (See 735 ILCS 5/3-102.). ADI may exercise the option to revise the Proposal to address the areas of non-compliance and submit another revised charter proposal to the District for consideration.

Respectfully submitted,

[Signature]

Christopher A. Koch, Ed.D.
State Superintendent of Education (Interim)

cc: Brian Crowley
April 23, 2010

CERTIFIED MAIL

Mr. Kerry D. Knodle
Executive Director
Comprehensive Community Solutions, Inc.
917 South Main Street
Rockford, Illinois 61101

Mr. David Kelly
President
Rockford Board of Education
Rockford Public School District 205
210 South Madison Street
Rockford, Illinois 61104-2092

Dear Mr. Knodle and Mr. Kelly:

Pursuant to 105 ILCS 5/27A-9 of the Illinois School Code, on July 16, 2009, Mr. Kerry Knodle, Executive Director, Comprehensive Community Solutions, Inc. (CCS), submitted an appeal to the Illinois State Board of Education ("ISBE"). This appeal was a result of the denial by Rockford School District 205 ("District") of the GreenTek Career Academy Charter School Proposal ("Proposal"). ISBE requested additional information from the developer and such was received on October 22, 2009.

The Illinois Charter Schools Law in Section 27A-9(e) provides that:

The State Board may reverse a local board’s decision if the State Board finds that the charter school or charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve.

In addition, Section 650.60 of the 23 Illinois Administrative Code states:

If the State Superintendent determines that the appeal is untimely or that the school or proposal, as a matter of law, does not comply with the Charter Schools Law, he shall issue a final decision to the parties containing his findings and denying the appeal.
ISBE staff have found the Proposal to be noncompliant with Charter Schools Law. This letter serves to document the review of the Proposal by ISBE staff and identify areas of noncompliance. In addition, ISBE staff found areas where the information was insufficient to determine compliance with statutory requirements. References to the relevant sections of the Illinois Charter Schools Law are noted. While ISBE staff have tried to identify all areas of noncompliance or deficiencies, this letter may not contain all such areas; therefore, it should not be considered an exhaustive list.

Charter Enrollment [ILCS 5/27A-4(d) and (h)]
The proposal stated that enrollment priority would be given to students who have been out of school for at least one year or who are considered at-risk. In its request for additional information, ISBE requested a description of how this enrollment stipulation complies with the provisions in Sections 27A-4 (d) and (h) requiring enrollment to be open to any student residing within the geographical boundaries of the district and allowing priority for enrollment only for students enrolled in the previous year and sibling(s) of students already enrolled.

The charter school’s response states that the provisions of the latest amendment to Illinois Charter Schools Law allows priority for drop-outs as noted in Section 5/27A-4 (b): “In addition to these charter schools, up to but no more than 5 charter schools devoted exclusively to re-enrolled high school dropouts may operate at any one time in any city having a population exceeding 500,000.” The response continues stating that as such, the enrollment provisions of the proposal are in compliance. ISBE believes that since Rockford does not have a population exceeding 500,000, a school of this type is not in compliance with the provisions of Section 5/27A-4.

The proposal contains priority enrollment criteria other than what is allowed by Section 5/27A-4; therefore, it is not in compliance with the Illinois Charter Schools Law.

Special Education [ILCS 5/27A-7(a)(15)]
The proposal failed to provide a description regarding the provision of special education services to students. The Individuals with Disabilities Education Act (20 U.S.C. § 1400 et seq.) requires a full continuum of services for special education students. It is the position of ISBE that a charter school proposal should describe the policies and procedures for the implementation of special education services in areas such as, but not limited to: child find activities, evaluations and reevaluations, functional assessments of behavior and intervention plans, participation in State and local assessments, provision of the extended school year, transition planning, provision of special transportation, and parent education, notification and involvement in all related areas. ISBE requested clarification of the procedures for special education as the plan was incomplete and many of the elements in the proposal referred to the district collaboration.

The school district is commended for its clarification of services to be provided required by 105 ILCS 5/27A-7(a)(15). CICS Rockford Charter School in its response dated May 22, 2009 addressed all areas of clarification except for the plan for the provision of accommodations for students with disabilities participation in ISAT/PSAE. CICS Rockford Charter School is required to address this area for the proposal to be in compliance.

The proposal does not adequately provide a description of services for provisions of special education; therefore, it is not in compliance with the Illinois Charter Schools law.
For the foregoing reasons, my determination is that the Proposal, as a matter of law, is not in compliance with the Illinois Charter Schools Law. No oral presentation will be scheduled. I uphold the District's decision to deny the Proposal. This decision is subject to the Illinois Administrative Review Law. (See 735 ILCS 5/3-102.)

Respectfully submitted,

Christopher A. Koch, Ed.D.
State Superintendent of Education
TO: Dynamic Learning Charter School
FROM: ISBE Charter School Review Team
COPY TO: Mattoon School District 2
DATE: January 16, 2004
RE: Charter School Proposal

On October 31, 2003, the Illinois State Board of Education (ISBE) received a letter of appeal concerning the denial by Mattoon School District 2 of the charter proposal submitted by Student Visions, Inc. to establish a charter school as allowed by Section 27A-9 of the Illinois Charter Schools Law.

In a letter dated November 4, 2003, the ISBE advised the president of Student Visions, Inc., Ms. Brenda Walker, that the letter of appeal was insufficient and that she must submit a point-by-point response to the district’s denial in order to properly appeal the district’s denial. The second appeal was received on November 18, 2003.

The Charter Schools Law in Section 27A-9(e) provides that:

The State Board may reverse a local board’s decision if the State Board finds that the charter school or charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve.

This memorandum serves to document the review of the proposal by ISBE staff and indicates the areas of noncompliance with the Charter Schools Law. ISBE staff also found areas where the information was insufficient to determine compliance which are noted below, along with references to the relevant sections of the Charter Schools Law. While ISBE staff have tried to identify all areas of noncompliance or deficiencies, this memorandum may not contain all such areas; therefore, it should not be considered an exhaustive list.
Budget
The proposal fails to provide evidence that the terms of the charter are economically sound for both the charter school and the school district as required by Section 27A-7(a)(9). In addition, the proposal fails to include several probable costs or expenses and in some instances cites likely costs that appear unrealistic.

- Budget begins with student expenses and revenues in FY04, but school is not expecting to open until FY05.
- Revenues include “State Chapter 1” amounts, (Supplemental General State Aid), for which the district, and consequently, the school, is not eligible.
- Revenues include “grants” without any indication of how or from whom these funds will be obtained.
- Revenues include three years of federal charter school grant funds; the school is limited to two years of implementation funds.
- Revenues and expenses for Early Childhood are not provided, even though pre-kindergarten students are to be served.
- The proposal indicates that food service will be provided; however, there are no associated revenues/expenditures included in the budget.
- The proposal lacks sufficient information to determine whether the transportation costs are adequate and reasonable.
- The proposal lacks sufficient information to determine whether the Personnel costs are adequate and reasonable.
- The proposal indicates that part-time staff will be employed to provide instruction in Spanish, yet the budget does not reflect this until FY2007.
- The proposal lacks sufficient information to determine whether the costs of providing special education services are adequate and reasonable.
- The budget does not provide for substitutes until FY2007. This does not appear to be a reasonable expectation.
- The supporting pages of assumptions are inconsistent with the budget summary pages. It is unclear that FICA, Medicare and health benefits are calculated based on the number of employees projected for the anticipated enrollment.
- The budget lacks sufficient information to determine whether the facility rent is adequate and reasonable.
- Both rent and facility loan interest are included in the budget, making it unclear as to whether the facility will be rented or purchased.
- The proposal lacks sufficient facility information to determine whether or not renovations will be required; costs of renovation are not addressed in the budget.
- The after-school program costs and revenues are not clearly delineated in the budget.
- The proposal does not include the process by which the annual audit will be conducted. Although an expense for an audit has been included in the budget, it is not clear how the amount was derived or whether it is adequate and reasonable.
- The budget appears to depend heavily on unknown grants with no alternative for meeting expenses if the grants are not obtained or if attendance projections are not met.
Facility Requirements
The proposal must identify and name, in the absence of a building that has been acquired or rented, at least two sites that are potentially available as a charter school facility by the time the charter school is to open, as required by Section 27A-7(a)(3).

- The proposal merely names two addresses; no description of the sites was included.
- No information regarding compliance with health/life safety requirements were included.
- A letter of intent or memorandum of understanding signed by a building owner and the charter school developers is not provided.

Special Education
The proposal fails to describe a plan for the charter school, acting as an LEA, to fully address all requirements for provision of special education instruction and services.

- No explanation of how Child Find activities will be implemented to identify any students who may be eligible for special education services is included.
- A description of the steps initial evaluation and reevaluations must be presented.
- A description of how assessments required for evaluations are determined was not included.
- A description of how timelines are met for tri-annual reevaluations, yearly review or development of IEPs, submission of required Notice and Consent forms to parents, and the process by which progress is reported on IEP annual goals must be provided.
- A provision for parent involvement in the special education process must be included.
- A description of the provision for a full range of special education services and related services in the Least Restrictive Environment was not included.
- A description of the provision for a Free Appropriate Public Education was not included.
- A description of the method of access to records, the access controls in place, and guidelines for appropriate placement of special education documents in temporary files was not included.
- Descriptions of the following must be provided:
  - Functional assessments of behavior and behavior intervention plans
  - Participation in state and local assessments
  - Provision of the extended school year
  - Transition planning
  - Provision of special transportation
  - Parent education, notification and involvement in all areas

Educational Program, Curriculum, School Year, School Days
The proposal fails to fully describe an educational program and curriculum that cover all required subject areas demonstrating alignment with Illinois Learning Standards and
fails to include pupil performance standards as required by Section 27A-7(a)(7) of the Charter Schools Law.

- Pupil performance standards are lacking as noted above.
- The curricula for math and reading are adequate; however, information regarding science, social science, fine arts, and physical development/health was inadequate.
- Curriculum assessment is not adequately addressed.
- AYP targets listed are incorrect.
- While statements are made that the curriculum is aligned with Illinois Learning Standards, there is no description of the alignment process to support these statements.
- It is not clear whether the pre-kindergarten is a separate program or a part of the charter school.
- The hours of instruction and operation are not clearly stated.
- The calendar submitted does not clearly state the number of days of instruction.

Goals, Objectives, and Pupil Performance Standards
The proposal fails to provide pupil performance standards to be achieved by the charter school as required by Section 27A-7(a)(5).

- It is not clear that expected pupil performance standards are or will be provided for any of the ISAT assessments, or for any other assessment. The expectations must be stated clearly in measurable terms.
- The methods that would be used for determining student growth and success are mentioned, but no specific pupil performance standards are included.

Pupil Performance Evaluation Plan
The proposal fails to describe the plan for evaluating pupil performance or the procedures for taking corrective action in the event that pupil performance falls below the expected standards as required by Section 27A-7(a)(8) of the Charter Schools Law:

- Although possible assessments for measuring pupil performance are mentioned in the proposal, the proposal must clearly state and describe how these assessments will be coordinated and include specific, measurable outcomes.
- Expected pupil performance standards must be included for all seven fundamental areas of learning.

Governance
The proposal fails to provide adequate details of governance and parental involvement as required by Section 27A-7(a)(10) of the Charter Schools Law.

- The governance structure is not clear. It appears that the governing board president is also the superintendent as well as the principal. The vice-president of the board appears to serve as the business/technology manager of the school. There is no detail in the proposal that describes how the board will govern, evaluate, discipline, and compensate employees when they are one and the same.
- A description of the nature and extent of parental, professional educator, and community involvement in the governance and operation of the charter school is not provided.
• No description of the manner in which the board determines who is selected to be on the board and the exact number of members who will serve is not provided.
• An assurance to comply with the Freedom of Information Act and the Open Meetings Act is not provided.
• The proposal states that parents are required to volunteer 25 hours per school year, yet does not indicate the outcome of not meeting this requirement.

Enrollment
The proposal does not adequately describe the minimum and maximum numbers of pupils to be enrolled in the school and any other admission criteria that would be legal if used by a school district as required by Section 27A-8(a)(2).
• The maximum student enrollment number for the first school year and the minimum for the 2006-07 school year are not included.
• The term ADA, which is used to describe a set of students, is not identified.
• The manner in which school will comply with the open enrollment requirement of the charter school laws if restricted public funds are accepted for pre-kindergarten students is not stated.
• The effect enrollment in the pre-kindergarten program has on future enrollment at the charter school is not stated.
• It is not clear whether or not enrollment is contingent upon the parents fulfilling the volunteer requirement.
• The effect of the requirement that parents attend quarterly meetings and assist with homework on the continuation of the student’s enrollment in the school is not clear.
• The lottery procedure described does not appear to be compliant with the Charter Schools Law.
• The proposal fails to provide evidence of support sufficient to fill the seats available in the school. The petitions of support included in the proposal indicate support for the concept of “choice” but did not indicate that there was a pool of potential students.

Insurance
The proposal fails to demonstrate that applicable insurance coverage can be obtained or how much such coverage would cost, as required by Section 27A-7(a)(12) of the Charter Schools Law.
• The proposal fails to include the required information on legal liability and insurance.
• The expense that was recorded for insurance was not explained sufficiently to make clear how the amount was derived or whether the amount is adequate and reasonable.

Transportation
The proposal fails to describe a plan for addressing transportation needs of its pupils and a plan for addressing transportation needs of low-income and at-risk pupils, as required by Section 27A-7(a)(13).
• The transportation plan lacks sufficient detail to determine if it is adequate and reasonable and fails to include a means to address the transportation needs of low-income and at-risk pupils.
• The proposal’s budget fails to provide for the cost of any transportation needs.

**Employee Relationship**
The proposal fails to comply with the requirement to provide a description of how the terms and conditions of employment would be addressed with affected employees, as required by Section 27A-7(a)(11).
• The relationship between the school and the employees is not provided.
• A draft employee handbook or any such similar guideline that might address such topics as professional development; performance evaluation; discipline and dismissal is not included.

**Addressing Minor Contract Violations**
The proposal fails to include a provision for addressing minor violations of the contract as required by Section 27A-6(c-5) of the Charter Schools Law.

Overall, the proposal appeared to contain some original information and large amounts of photo-copied materials such as Illinois Learning Standards and ISEL Snapshots. There appears to be a lack of understanding on the part of the developers as to what is required for obtaining a federal Public Charter School Program grant versus what is required to open and operate a charter school. The proposal does not appear to be economically sound for the charter school, appears to lack a potentially available site, and does not indicate adequate planning to provide special education services.

If you need assistance regarding any of the issues noted above, please contact Jo Ann Price at jprice@isbe.net or 217/782-2948.
STATE OF ILLINOIS
STATE BOARD OF EDUCATION

In the Matter of the Appeal of the Proposal to Establish the Dynamic Learning Charter School

No. 2003-13

FINAL DECISION OF THE STATE SUPERINTENDENT

I. Introduction

On October 31, 2003, the Illinois State Board of Education (ISBE) received a letter of appeal concerning the denial by the Board of Education for Mattoon School District 2 (School District) of the Dynamic Learning Charter School (DLCS) proposal submitted by Student Visions, Inc. (SVI) to establish a charter school as allowed by Section 27A-9(e) of the Illinois Charter Schools Law. The State Board may reverse a local board’s decision if the State Board finds that the charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve. (See 105 ILCS 5/27A-9(e).)

The implementing charter school regulations provide a detailed process for appealing the local board decisions. (See 23 Illinois Administrative Code § 650.60.) In a letter dated November 4, 2003, ISBE informed the president of Student Visions, Inc., Ms. Brenda Walker, the letter of appeal was insufficient and she must submit a point-by-point response to the district’s denial. The revised appeal was received on November 18, 2003, within the necessary timeframe, containing SVI’s reasons for reversing the local school board’s decision.
II. Background Information

Pursuant to the Illinois Charter Schools Law, on or about September 9, 2003, SVI submitted a proposal to the School District for the establishment of a charter school to be known as Dynamic Learning Charter School.

Pursuant to Section 27A-8(c) of Illinois Charter Schools Law, the School District convened a public meeting on September 29, 2003, for the proponents of the charter school proposal to provide information to the Board of Education and members of the public. During the meeting, SVI submitted a revised proposal to the Board which reduced the number of students to be served by DLCS.

In accordance with Section 27A-8(c) of the Illinois Charter Schools Law, the School District denied the request for a charter school at its regular board meeting on October 14, 2003.

The ISBE Charter School Review Team issued the attached memorandum to DLCS documenting the review of the proposal and the appeal. In addition to indicating the areas of noncompliance with the Charter School Laws, ISBE staff documented areas where the information was insufficient to determine compliance.

III. Dynamic Learning Charter School Proposal

The stated mission of the Dynamic Learning Charter School is to provide quality education for each student through the uniqueness of individuality. DLCS claims it will focus on Scientifically Researched Based teaching and learning methods. Students will be provided an educationally “... rich environment, for "at-risk" students who will learn “how they learn” through kinesthetic tactile and visual instruction.” The “Can Do” mentality will be modeled and practiced where all students believe in themselves and
their fellow peers and society. The vision is to be as positive as possible to support the
growth and success of all students. Therefore, a rubric pass/fail, quarterly narrative,
student percentile outcome, or other methods of measuring student achievements will be
considered.

Grade levels at full capacity are pre-kindergarten through third grade, with a
planned enrollment projection of eighty-five (85) students, seventy (70) being ADA
students. The first year grade levels are pre-kindergarten through first grade, with a first
year planned enrollment of 45 students, 30 being ADA students. The address of the
proposed location for a school is provided, and this location is currently used as a
daycare. A second address is also listed and is currently unoccupied. In addition, SVI is
investigating the option of building a new structure to house DLCS.

The Five-Year Operating Budget for DLCS indicates that for the first year, total
expenses will be $436,175, with a net surplus of $32,735.

IV. Report of Mattoon District 2 Board of Education

The reasons for the School District’s denial are indicated in its Resolution and is
summarized in the following:

1. Failure to Submit Proposal in Contract Form

The School District questions whether the charter school proposers have satisfied
Section 27A-7(a) of the School Code of Illinois which requires that a proposal to
establish a charter school “be submitted to the State Board and the local school board in
the form of a proposed contract entered into between the local school board and the
governing body of a proposed charter school.” The School District claims that the
proposal submitted by SVI is deficient in that it is not submitted in the form of a proposed contract and does not contain necessary components of a contract.

2. Failure to Accurately Define “At-Risk Pupil”

   The School District claims that one of the stated purposes of the Illinois Charter Schools Law is to “increase learning opportunities for all pupils, with special emphasis on expanded learning experiences for at-risk pupils…” (See 105 ILCS 5/27A-2(b)(2).) The School District believes that the charter school proposal will not provide for increased learning opportunities as it does not discuss how physical, emotional, socioeconomic or cultural factors imparting academic success in an educational environment will be addressed. The proposal does not state what “special emphasis” will be given to at-risk pupils.

3. Failure to Comply with Laws Covering Governance

   The School District maintains that the DLCS proposal does not contain an assurance that its Board of Directors will comply with the Freedom of Information Act or the Open Meetings Act, as required by Section 27A-5(c) of the Illinois Charter Schools Law.

   The DLCS proposal also fails to include the qualifications of the members of the Board of Directors. Furthermore, the respective roles of the School Governance Team, the CEO and the COO in the decision-making process are not clear.

4. Failure to Include Components Required by the Charter Schools Law

   The School District also believes that the charter school proposal is not in compliance with Section 27A-7 of the Illinois Charter Schools Law which details
provisions that each charter school proposal must include. The School District asserts
that proposal submitted by SVI is deficient in the following.

a) The proposal fails to include a minimum student enrollment number, as
required by Section 27A-7(a)(2) of the Illinois Charter Schools Law.

b) The proposal fails to provide performance standards to be achieved by DLCS
as required by Section 27A-7(5) of the Illinois Charter Schools Law. Expected pupil
performance standards are not provided for any of the ISAT assessments, nor are they
provided for any of the assessments. The expectation must be stated clearly and in
measurable terms. The DLCS proposal provides no evidence that its Pre-K curriculum
includes goals, objectives, and pupil performance standards.

c) The DLCS proposal fails to fully describe an educational program and
curriculum that covers all required subject areas and that demonstrates alignment with
Illinois Learning Standards, fails to consistently state the number of school days in a
school year, or a specific ending time of the school day, and fails to include pupil
performance standards as required by Section 27A-7(a)(7) of the Illinois Charter Schools
Law. The proposal fails to describe an educational program and curriculum that clearly
indicates all students will receive instruction in all subject areas, regardless of
achievement.

d) The DLCS proposal fails to describe the plan for evaluating pupil performance
or the procedures for taking corrective action in the event that pupil performance falls
below the expected standards as required by Section 27A-7(a)(8) of the Illinois Charter
Schools Law. The proposal must clearly state and describe how assessments for
measuring pupil performance will be coordinated, including specific, measurable
outcomes for fundamental areas of learning.

e) The DLCS proposal fails to provide evidence that the terms of the charter are
economically sound for both the charter school and the School District, as required by
Section 27A-7(9) of the Illinois Charter Schools Law. Specifically, the DLCS proposal
fails to include several likely costs or expenses and, in some instances, is not realistic in
assessing likely costs. For example, the cost of building renovations is not readily
apparent in the budget. The cost of providing special education services and LEP
services is not included and/or feasible. The budget does not include different scenarios
for minimum and maximum enrolled number of students. Early childhood allocations for
the Pre-K programs are absent in the budget. The scope and description of the manner in
which an annual audit of the financial and administrative operations of the charter school
do not appear to be included or are not extensive. There is no detailed plan or budget for
child care services, and the budget does not include a contingency plan for meeting
expenses if grants and attendance projections are not obtained or achieved.

f) The DLCS proposal fails to fully explain the relationship which will exist
between the charter school and its employees, as required by Section 27A-7(11) of the
Illinois Charter Schools Law. The proposal fails to provide a draft employee handbook,
evaluation instrument or plan, or any similar documentation.

  g) The DLCS proposal fails to provide for liability insurance coverage, as
required by Section 27A-7(12). Specifically, the proposal fails to fully demonstrate that
applicable insurance coverage can be obtained or what the cost of such coverage would
be.
h) The DLCS proposal fails to describe a plan for addressing transportation needs of its pupils including the transportation needs of low-income and at-risk pupils, as required by Section 27A-7(a)(13).

5. **Failure to Include Adequate Provisions For Students Receiving Special Education Services**

The School District maintains that the DLCS proposal fails to describe a plan to fully address all requirements for provision of special education instruction and services. Specifically, the School District claims the proposal fails to: explain how Child Find activities will be implemented to identify students who may be eligible for special education services; describe the steps for tri-annual reevaluations and yearly review or development of IEPs; identify the entity responsible for the provision of required Notice and Consent forms to parents; identify the entity responsible for providing reports of progress on IEP annual goals to parents; indicate how ISAT testing accommodations will be made for students with disabilities that have an IEP; identify the entity to be contacted by parents to request an IEP meeting or evaluation; describe how behavioral intervention plans and transition service need plans will be implemented; identify the entity responsible for ensuring the IEPs are fully implemented; identify the entity responsible for ensuring that special education personnel are properly certified and that classes are in compliance with Illinois special education class size and age range limits; provide an assurance that IEPs will be fully implemented; include information regarding how needed supports and services will be provided to any severely disabled students who might enroll; include any reference to Section 504 plans; and include any reference to LEP plans.
6. Failure to Address Minor Contract Violations

The School District also claims that the DLCS proposal does not comply with Section 27A-6(c-5) of the Illinois Charter School Law which provides that the proposed contract shall include a provision on how both parties will address minor violations of the contract.

V. Charter School Developers’ Response to the School District

SVI responded to the School District’s denial that much of their concerns were not legitimate:

1. Failure to Submit Proposal in Contract Form

Despite the requirement for a proposed contract found in Section 27A-7(a) of the Illinois Charter Schools Law, SVI claims that, “the proposal for a charter school can not be certified until approved by the local school board and collective agree to a contract.”

2. Failure to Accurately Define “At-Risk Pupil”

In response to the School District’s concern that the charter school proposal does not increase learning opportunities for students who are “at-risk”, SVI states its understanding that, “the proposal does not have to discuss how each of these factors for a student has to specifically be addressed.” “...the academic success of all students are addressed in the structure of the proposed charter school with the utilization of Scientific Based Research ‘best practices’ in methodology, teaching techniques, monitoring student achievement, PAST Conferences, assessments, and curriculum address the success for all students.” It was felt that the proposal “adequately addressed ‘special emphasis’ through the academic success for all students through our Mission Statement.”
3. Failure to Comply with Laws Covering Governance

In response to the School District's concern that the charter school does not provide an assurance that it will comply with the Freedom of Information Act or the Open Meetings Act, SVI claims an understanding that a certified charter school would be under the direction and abide by the stated laws for charter schools. "... therefore, a statement in the proposal would be redundant. Also, as a not-for-profit organization, SVI also claims that it does not have to comply with the Open Meetings Act until the creation and certification of a charter school."

SVI claims that, "the charter submission does not require the qualifications of the members of the Board of Directors for SVI to be included in the charter proposal, however, the SVI Board of Directors was included in the Pre-Proposal Grant Narrative included in the charter proposal as Appendix G."

4. Failure to Include Components Required by the Charter Schools Law

a) In response to the School District's assertion that the proposal does not state a minimum student enrollment number, SVI notes that, "the revised proposal begins the operation of the proposed charter school with Pre-Kindergarten, Kindergarten, and first graders with a class size of 15. This is the minimum. The next year, the school would progress to include second grade with a maximum of 20 students in the classroom and the third year of operation would include the maximum of students by including a section of third graders of 20 students. The minimum for the first year is 45 with maximum of 85 for the 2006-2007 school year."

b) In response to the School District's assertion that the proposal fails to provide performance standards, SVI states that for "the initial two years, the proposal charter
school does not have a benchmark grade pertaining to ISAT assessments.” SVI claims that reading alignments with each State Goal for K/1 are included in the proposal, using the Illinois Snapshot of Early Literacy and the ILS for all other curriculum areas. These are the pupil performance standards to which SVI will adhere. “Once the charter proposal is approved, the SVI Board of Directors will collaborate with parents, teachers, and community stakeholders to align the schools curriculum to each ILS as stated in Sec. 27A-2.”

SVI states it is true that there is no evidence of Pre-K curriculum demonstrating goals, objectives, and pupil performance standards in the DLCS proposal since Pre-kindergarten did not affect the ADA funds. The Alignment of the Illinois Language Arts Early Learning Standards and Benchmarks to the Illinois Snapshot of Early Literacy will be utilized in a simpler form for Pre-K.

c) In response to the School District's claim that the proposal fails to fully describe an educational program and curriculum, SVI claims that, “this will be fully developed and refined once a certified charter is granted with the collaboration of all educational stakeholders. The alignment will be documented in compliance with ILS.” Further it is claimed that, “the elimination of the time of student dismissal was accidentally omitted.”

d) In response to the School District’s claim that the proposal fails to describe a plan for evaluating pupil performance, SVI claims it included “the framework” of their plan “until a certified charter is in existence.”

e) In response to the School District’s claim that the proposal failed to provide evidence that the terms of the proposal are economically sound, SVI claims it “consulted
with a local accounting firm to gain insight to a perspective cost of the necessary annual audits as prescribed by state statutes.” SVI states a description of the audit was included in the proposal. In response to the specific examples cited in the School District’s denial, SVI claims that, “two of the SVI Board of Directors are experienced in maintenance and carpentry and willing to volunteer a crew to help with the renovations. The estimation for renovation and repairs for the building are included in the budget.” SVI states that, “with the exceptional individualized instruction, teaching and learning techniques, scientific research based best practices utilized in classrooms, the numbers for special need students will not be prevalent as they are in a traditional public school system.”

“With the understanding that the mind set of a traditional superintendent and board of education that has not taught in the primary grades nor truly understands brain research nor the learning styles of individuals, [SVI’s] proposal may appear to be vision thinking ‘out of the box’.” However, regarding a contingency plan, “SVI did not perceive this as being a necessary item to be included in the proposal.”

f) In response to the School District’s concerns about the relationship with employees, SVI states that, “it is the understanding of the SVI Board of Directors that we are writing this charter proposal as required by state charter law, to address the areas in 5/27A-6. Contract contents; applicability of laws and regulations. Also, 27A-7. Charter submission. These areas are necessary to fulfill the Federal Charter School Pre-Proposal Grant. The second grant, ‘Implementation Grant’, which is only available to certified charters is the time for meeting the Sec. 27A-5. Charter School; legal entity; requirements.”
g) In response to the School District’s concern with regard to insurance coverage, SVI claims it has budgeted $20,000 for insurance. “SVI is fully aware that liability and building insurance are necessary and fully intend to secure the insurance once the charter is certified and school operational.” SVI further states that, “it has not found in either 27A-5 or 27A-7 where it is required with this charter proposal to include what the local school board is citing our application is failing to provide.”

h) In response to the School District’s assertion that the proposal does not have a transportation plan, SVI claims that transportation will be secured through the leasing of a bus and the use of the local school district’s transportation.

5. Failure to Include Adequate Provisions For Students Receiving Special Education Services

In response to the School District’s concern about the lack of a plan to provide for special education students, “SVI felt this area was required under the implementation grant from federal charter school grants and after a charter school is certified.” “DLCS Board of Directors and Faculty members understand that one key will not open all doors and will practice dual presentation for effective student achievement in three learning styles; auditory, visual, and kinesthetic tactile.” Special need students with active IEPs will be included in all classroom activities. “Methodology, teaching strategies, and techniques are conducive to student achievement and understanding.” “A special needs teacher will be employed to guarantee the accountability of the instructional programs/practices and to coordinate evaluations and ensure effective services.”

6. Failure to Address Minor Contract Violations

SVI omitted discussing this issue in its appeal.
VI. Areas of Non-compliance with the Illinois Charter School Law

The staff at ISBE reviewed the School district’s report, the charter school developers’ response and the charter school proposal. (See attached Memorandum to the Dynamic Learning Charter School detailing areas of noncompliance and areas of concern.) The staff at ISBE is generally in agreement with the School District and believes that, as a matter of law, the DLCS proposal is not in compliance with the Illinois Charter Schools Law for, but not limited to, the following reasons:

1. **Budget**

   The proposal fails to provide evidence that the terms of the charter are economically sound for both the charter school and the school district as required by Section 27A-7(a)(9) of the Illinois Charter Schools Law. In addition, the proposal fails to include several likely costs or expenses and in some instances cites likely costs that appear unrealistic without supporting documentation to the contrary.

2. **Facility Requirements**

   The proposal must identify and name, in the absence of a building that has been acquired or rented, at least two sites that are potentially available as a charter school facility by the time the charter school is to open, as required by Section 27A-7(a)(3) of the Illinois Charter Schools Law. The proposal merely names two addresses; no description of the sites was included. No information regarding compliance with health/life safety requirements was included. A letter of intent or memorandum of understanding signed by a building owner and the charter school developers is not provided. Thus it is not clear that the two addresses are ones that are “potentially available” to be a charter school.
3. **Special Education**

The proposal fails to describe a plan for the charter school, acting as a local educational agency, to fully address all requirements for the provision of special education instruction and services. It is the position of ISBE that a charter school proposal should describe special education areas such as: functional assessments of behavior and intervention plans; participation in state and local assessments; provision of the extended school year; transition planning; provision of special transportation; and parent education, notification and involvement in all areas. Staff at ISBE do not believe this area should be finalized after a charter is issued.

4. **Educational Program, Curriculum, School Year, School Days**

The proposal fails to fully describe an educational program and curriculum that cover all required subject areas and demonstrates alignment with Illinois Learning Standards. The proposal fails to include pupil performance standards as required by Section 27-A-7(a)(7) of the Illinois Charter Schools Law.

5. **Goals, Objectives, and Pupil Performance Standards**

The proposal fails to provide pupil performance standards to be achieved by the charter school as required by Section 27A-7(a)(5) of the Illinois Charter Schools Law. It is not clear that expected pupil performance standards are or will be provided for any of the ISAT assessments, or for any other assessment. The expectations must be stated clearly in measurable terms. The methods that would be used for determining student growth and success are mentioned, but no specific pupil performance standards are included. Staff at ISBE do not agree with SVI's assertion that this area should be further developed after a charter is issued.
6. **Pupil Performance Evaluation Plan**

   The proposal fails to describe the plan for evaluating pupil performance or the procedures for taking corrective action in the event that pupil performance falls below the expected standards as required by Section 2A-7(a)(8) of the Illinois Charter Schools Law. Staff at ISBE believe this area should be described before a charter is issued.

7. **Governance**

   The proposal fails to provide adequate details of governance and parental involvement as required by Section 27A-7(a)(10) of the Illinois Charter Schools Law. There is no detail in the proposal that describes how the board will govern, evaluate, discipline, and compensate employees who are also board members. A description of the nature and extent of parental, professional educator, and community involvement in the governance and operation of the charter school is not provided.

8. **Enrollment**

   The proposal does not adequately describe the minimum and maximum numbers of pupils to be enrolled in the school or any other admission criteria that would be legal if used by a school district as required by Section 27A-8(a)(2) of the Illinois Charter Schools Law. The proposal also fails to provide evidence of support sufficient to fill the seats available in the school.

9. **Insurance**

   The proposal fails to demonstrate that applicable insurance coverage can be obtained or the cost of coverage as required by Section 27A-7(a)(12) of the Illinois Charter Schools Law. The proposal fails to include the required information on legal
liability and insurance. It was not clear how the amount specified for insurance was derived; therefore, this is no means for determining its adequacy.

10. **Transportation**

The proposal fails to describe a plan for addressing the transportation needs of its pupils including a plan for addressing the transportation needs of low-income and at-risk pupils, as required by Section 27A-7(a)(13) of the Illinois Charter Schools Law.

11. **Employee Relationship**

The proposal fails to comply with the requirement to provide a description of how the terms and conditions of employment would be addressed with affected employees, as required by Section 27A-7(a)(11) of the Illinois Charter Schools Law. The proposal does not contain descriptions on items such as professional development, performance evaluation, discipline, and dismissal.

12. **Addressing Minor Contract Violations**

The proposal fails to include a provision for addressing minor violations of the contract as required by Section 27A-6(c-5) of the Illinois Charter Schools Law.

**VII. Conclusion**

The review of the Dynamic Learning Charter School proposal indicates it is not, as a matter of law, in compliance with the Illinois Charter Schools Law. No oral presentation will be scheduled.

**VIII. Final Decision**

For the foregoing reasons, my determination is that the charter school proposal, as a matter of law, is not in compliance with the Illinois Charter Schools Law. I uphold the
School District's decision to deny the charter school proposal. This decision may be subject to the Illinois Administrative Review Law. (See 735 ILCS 5/3-102.)

However, SVI may exercise the option to revise the charter school proposal to address the areas of noncompliance and submit a revised charter proposal to the School District for consideration.

Respectfully submitted,

Robert E. Schiller
State Superintendent
TO: East St. Louis Preparatory Charter School
FROM: ISBE Charter School Review Team
COPY TO: East St. Louis School District 189
DATE: May 11, 2004
RE: Charter School Proposal

On March 16, 2004, the Illinois State Board of Education (ISBE) received a letter of appeal concerning the denial by East St. Louis School District 189 of the charter proposal submitted by East St. Louis Preparatory Charter School, Inc. (ESL Prep) to establish a charter school pursuant to Section 27A-9 of the Illinois Charter Schools Law.

The Illinois Charter Schools Law in Section 27A-9(e) provides that:

The State Board may reverse a local board’s decision if the State Board finds that the charter school or charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve.

This memorandum serves to document the review of the proposal by ISBE staff and indicates the areas of noncompliance with the Illinois Charter Schools Law. In addition, ISBE staff found areas noted below where the information was insufficient to determine compliance. References to the relevant sections of the Illinois Charter Schools Law are included. While ISBE staff have tried to identify all areas of noncompliance or deficiencies, this memorandum may not contain all such areas; therefore, it should not be considered an exhaustive list.
Budget
The proposal lacks enough definition to ensure compliance with Section 27A-7(a)(9) of the Illinois Charter Schools Law.

1. The proposal does not adequately describe how revenues and expenditures will be separately maintained by the charter school and Kim’s Kids, the day-care facility operated by the charter school founders.

2. The budget does not contain any associated revenues for food service reimbursement although the assumptions state, “... the program’s existing USDA meals grant” will be expanded. The existing grant is not defined.

3. The budget indicates food service costs of $5 or greater per meal per pupil which is above the typical cost of less than $3 per meal per pupil and does not provide documentation to support this greater-than-usual cost.

4. The budget does not include an explanation of how costs for utilities will be determined as the building is also occupied by Kim’s Kids.

5. The budget does not reflect increasing rent costs to accommodate growth in student population.

6. Increasing tax and insurance payments for succeeding years specified in the intent to lease are not contained in the budget.

7. It is not possible to determine whether or not specific costs stated in the budget are adequate and appropriate because documentation is incomplete or absent: proposed capital outlays are stated but are not described in the budget assumptions; no cost estimates are provided for the accounting/payroll and auditing line items; and the insurance costs noted in the budget are not documented by any cost estimates nor is it clear that they reflect the increases noted in the Intent to Lease agreement.

8. The reduced-enrollment budget included does not appear to be feasible as it does not allow sufficient funds for a bus route; it maintains the original, full cost amount for a reduced number of administrative staff; it cites a greatly reduced per-teacher compensation amount, benefits percentage rate, and staff development amount without any explanatory notes.

9. The proposal fails to describe how mandatory summer sessions for special education students with IEP requirements or for those students who require additional support to achieve grade level performance will be incorporated in the school’s budget.

10. The accompanying explanation of the economic impact on the district submitted with the budget is not complete. It does not take into account the existence of two other charter schools already operating in the district. In addition, it contains calculations based on questionable assumptions.

Educational Program, Curriculum, School Year, School Days
The proposal fails to comply with the requirements of Section 27A-7(a)(7) of the Illinois Charter Schools Law.

1. The PLATO Learning System materials appear to be designed for late elementary, adolescent, and adult learners, yet the proposal does not specify how they will be modified for the early elementary students who will be served by the charter school.

2. The proposal includes multiple curricula but does not provide an explanation of how they will correlate into one seamless delivery system. Core Knowledge does
not address health or foreign language requirements. The proposal does not provide an explanation of how the PLATO computer-based system will fit with the components of Core Knowledge. The Governor French Academy structure submitted with the proposal is unclear as not all required subject areas are included in these documents.

3. The proposal fails to provide an explanation of how multi-grade classes are to be used.

4. The proposal fails to describe how the summer session will be incorporated in the school’s schedule.

5. The possibility of a conflict of interest arises through the use of Kim’s Kids as the provider for before- and after-school programs.

**Pupil Performance Evaluation Plan**

The proposal fails to provide a description of the charter school’s pupil performance plan as required by Section 27A-7(a)(8) of the Illinois Charter Schools Law.

1. The proposal states that all students will score in the “meets” or “exceeds” categories by the third year of schooling at the charter school; however, no standards are stated for students in their first two years of attendance.

2. The proposal does not indicate how the described corrective action plan will assist students having difficulties during the first two years of attendance at the charter school.

3. Reference to various types of assessments are made in the proposal, i.e. portfolios, maintenance of rubrics, anecdotal descriptions, computer assisted assessments, time-management studies, peer reviews, faculty reviews, and oral presentations; however, their use is not specified.

4. The proposal indicates that students will be tested weekly in every subject but fails to include information such as what tests will be used or what the expected performance levels on these tests will be.

5. A sample parent satisfaction survey is included in the proposal but no explanation is provided to indicate how it will be used and whether or not it will be part of the school’s performance expectations.

6. The accountability plan does not indicate what standards will be achieved by the school; it merely indicates the scores required to attain a superior, satisfactory, or unsatisfactory rating.

**Special Education**

The proposal fails to provide a complete description regarding the provision of special education services to students.

1. The proposal did not contain a description of how Child Find activities will be implemented to identify any students who may be eligible for special education services prior to entry and/or after enrollment.

2. The entity responsible for the provision of required Notice and Consent forms to parents was not identified.

3. The entity responsible for providing reports of progress on IEP annual goals to parents was not identified.

4. The proposal failed to indicate how testing accommodations will be made for students with disabilities that have an IEP requiring such accommodations.
5. The proposal did not indicate the entity to be contacted by parents to request an IEP meeting or evaluation.
6. No description of how behavioral intervention plans will be implemented was included in the proposal.
7. The entity responsible for ensuring that IEPs are fully implemented was not indicated in the proposal.
8. The entity responsible for ensuring that special education personnel are properly certified and that classes are in compliance with Illinois special education class size and age range limits was not named in the proposal.
9. The proposal did not include an assurance that IEPs will be fully implemented.
10. The proposal did not describe how appropriate personnel will be obtained in order to complete the evaluation process, i.e., psychologist, social worker, special education teacher certified in the area being evaluated, related service personnel.
11. The proposal did not include documentation of tentative agreements with appropriate agencies/persons that would be providing the services listed in #10 above.
12. The proposal failed to demonstrate financial ability to provide a full continuum of special education services beyond inclusion in the LEA.

**Facility**
The proposal is not in compliance pertaining with Section 27A-7 of the Illinois Charter Schools Law.
1. The intent to lease the building at 1001 Missouri Avenue indicates a term of ten years and the term of the charter is for only five years.
2. The proposal does not specify a second site as required by Section 27A-7(a)(3) of the Illinois Charter Schools Law.
3. The school appears to be housed in the same building as Kim’s Kids Day Care, but does not make clear how the two entities will co-exist.
4. The proposal contains no cost estimates for required repairs for emergency lighting and door swings.
5. The budget does not reflect increased rental costs as enrollments grow.
6. The building appears to contain only four classrooms, yet the proposal states that the school will have up to five classrooms of 25 students each.

**Transportation**
It is not possible to determine compliance of the provisions of Section 27A-7(a)(13) of the Illinois Charter Schools Law.
1. The proposal does not contain documentation supporting the cost estimates of the transportation plan; therefore, it is not possible to determine whether these costs are adequate and appropriate.

**Governance**
The proposal does not comply with the provisions of Sections 27A-5(a), 27A-7(b), or 27A-7(a)(10) of the Illinois Charter Schools Law.
1. The proposal does not include the nature and extent of community involvement.
2. The corporate by-laws contain the statement, “the corporation is a mutual benefit corporation.” The intent of the developers is not clear in this instance as this type of corporation is usually set up to benefit its own members as a matter of right.
3. The proposal does not clearly define the relationship between Kim’s Kids and the charter school; the charter school is referred to as a “new” program of Kim’s Kids in the correspondence relating to insurance.

**Legal liability and insurance**
The proposal fails to provide documentation of responsibility for insurance coverage as required by Section 27A-7 (a)(12) of the Illinois Charter Schools Law.

1. Correspondence from the insurance company submitted in the proposal does not provide sufficient detail as there are no cost estimates or limits of liability included.

**Age/grade, focus, enrollments/admission criteria**
It is not possible to determine compliance with the provisions of Section 5/27A-7 (2) of the Illinois Charter Schools Law.

1. The mission statement indicates the school’s focus will be College Prep, yet the proposal states the school will be comprised of grades K through eight with a possible expansion to grade 12 only if demand warrants.

**Evidence of Support**
The proposal did not contain petitions of support as required by Section 27A-8(b), although the applicant states that petitions were submitted to the district.

**Other Concerns**

1. The proposed contract with Charter Consultants contains fees that appear to be excessive because it purports to assist the charter school developers with satisfying the requirements for the Missouri State Board of Education.

The proposal fails to comply with the provisions of the Illinois Charter Schools Law as noted. There are numerous discrepancies and inaccuracies between statements in the document and supporting information. Numerous pages of on-line documents and attachments not apparently related to this proposal were included in the proposal with no explanation of relevancy to the specific program. For instance, on-line documents related to PLATO were presented, but no description of what subject areas/grade levels are to be covered by these courses, no explanation of how the author/development group determined alignment with Illinois Learning Standards, or no description of the manner in which the PLATO program would relate to the use of Core Knowledge with an estimated cost for implementation were submitted.

If you have any questions regarding any of the issues noted above, please contact Jo Ann Price at jprice@isbe.net or 217/782-2948.
STATE OF ILLINOIS
STATE BOARD OF EDUCATION

In the Matter of the Appeal of the Proposal to Establish the East St. Louis Preparatory Charter School, Inc. No. 2004-2

FINAL DECISION OF THE STATE SUPERINTENDENT

I. Introduction

On March 16, 2004, the Illinois State Board of Education ("ISBE" or "State Board") received a letter of appeal concerning the denial by East St. Louis School District 189 ("District") of the Charter Proposal ("Proposal") submitted by East St. Louis Preparatory Charter School, Inc. ("ESL Prep") to establish a charter school pursuant to Section 27A-9(e) of the Illinois Charter Schools Law. The State Board may reverse a local board's decision if the State Board finds that the charter school proposal (i) is in compliance with this Article, and (ii) is in the best interests of the students it is designed to serve. (See 105 ILCS 5/27A-9(e).)

The implementing charter school regulations provide a detailed process for appealing the local board decisions. (See Section 650.60 of the 23 Ill. Admin. Code.) The appeal was received by ISBE within the necessary timeframe and contained the reasons why the local school board's decision should be reversed. In doing so, ESL Prep has complied with requirements for filing an appeal. Pursuant to Section 650.70 of the 23 Ill. Admin. Code, ESL Prep also has requested an opportunity to make an oral presentation in support of its appeal.

The Illinois Charter Schools regulations on scheduling an oral presentation include this provision:
Staff at the State Board of Education will schedule the presentation after giving no less than seven days' notice to each party unless the State Superintendent can determine from the school board's report that the school or proposal as a matter of law does not comply with the Charter Schools Law. (See Section 650.60(c)(3) of the 23 Ill. Admin. Code.) (Emphasis provided in bold.)

The staff at the Illinois State Board of Education has reviewed the charter school proposal to determine whether it is complete and compliant with the provisions of Article 27A of the Illinois School Code.

II. Background Information

On March 5, 2004, ISBE received a letter via certified mail from Nathaniel J. Anderson, Superintendent of Schools of East St. Louis School District 189. In accordance with Section 650.30 of the 23 Ill. Adm. Code, the letter stated that the District was submitting its report on its decision to deny the ESL Prep's Proposal for Charter School. Enclosed with this letter were the following documents: 1) a certified copy of the publication and printed Notice of the public meeting held on January 20, 2004; 2) the Resolution Regarding Charter School Contract Proposal; 3) the Notice of Denial of Charter School; and 4) the East St. Louis Preparatory Charter School Proposal.

The District Board of Education convened a public hearing on January 20, 2004, to discuss the ESL Prep Proposal. Appropriate notice of the hearing was published and posted in compliance with Sections 27A-8(c) and (d) of the Illinois Charter Schools Law (See 105 ILCS 5/27A-8(c) and (d).) The District Board of Education voted to deny a charter to ESL Prep on February 16, 2004.

On March 16, 2004, pursuant to Section 27A-9(e) of the Illinois School Code and its implementing regulations, ISBE received an appeal from Sherry Davidson, President of East St. Louis Preparatory Charter School, Inc. ISBE prepared a memorandum to ESL
Prep in May of 2004 documenting the review of the Proposal by ISBE staff indicating the areas of noncompliance with the Illinois Charter Schools Law. ISBE staff also found areas where the information provided was insufficient to determine compliance.

III. East St. Louis Preparatory Charter School Proposal

The East St. Louis Preparatory Charter School is proposed by East St. Louis Preparatory Charter School, Inc., an Illinois not-for-profit corporation, which claims to have been founded to support the enhancement of educational opportunities in East St. Louis Public School District 189. The mission of ESL Prep is "to provide for the world-class education of urban school children, and as an intervention for those at-risk...preparing the children through the utilization of a rigorous college-preparatory curriculum of the Core Knowledge Foundation." The core philosophy is to provide a positive climate for each student that invites learning while it supports positive child development.

Enrollment will be open to all students residing within District 189's geographical area. During its first year of operation, ESL Prep seeks to enroll a minimum of 30 and a maximum of 125 students in grades K-4. Through the addition of one grade each year, ESL Prep anticipates that total enrollment by the fifth year will be 350 students serving grades K-8. The proposed school would be housed in a building leased by East St. Louis Preparatory Charter School, Inc. at 1001 Missouri Avenue, East St. Louis, Illinois. The Proposal contained estimates of total expenses the first year to be $884,577, with yearly increases leading to total expenses of $1,543,981 the fifth year.
IV. **Board of Education of School District 189 Report**

In the Board of Education’s judgment, the Proposal does not conform fully with the standards and requirements of the Illinois Charter Schools Law for granting a charter. The following rationale was presented to support the denial of a charter:

1. **Evidence of Support**

Under Section 27A-8(a)(1) of the Illinois Charter Schools Law, a charter school proposal "must demonstrate a high level of local pupil, parental, community business, and school personnel support." (See 105 ILCS 5/27A-8(a).) In light of the comments at the public hearing, it appears that there is a lack of community support by parents and citizens for the proposed Charter School. The Proposal does not contain an adequate number of identifiable prospective students to fill the proposed number of pupil seats stated in the Proposal, nor is there adequate documentation demonstrating a high level of residential or other community based support. The District believes it is doubtful that the governance, enrollment and community involvement goals can be achieved.

2. **Evidence of Economic Soundness**

Under Section 27A-7(a)(9) of the Illinois Charter Schools Law, a charter school proposal must contain evidence that the charter terms are "economically sound for both the charter school and the school district." (See 105 ILCS 5/27A-7(a).) The Proposal indicates a funding mechanism that would lead to the District sustaining a negative cash flow due to the 100% per student capita tuition funding request in the Proposal. The District feels that the negative cash flow would likely increase each year during the term of the proposed charter school contract. This funding mechanism is not fiscally sound for the District; therefore, the per capita tuition rate would need to be reduced to substantially less than 100%.
3. **School Facility**

Under Section 27A-7(a)(3) of the Illinois Charter Schools Law, a charter school proposal must identify and name at least two sites that are potentially available as a charter school facility by the time the charter school is to open. (See 105 ILCS 5/27A-7(a)(3).) The Proposal does not adequately address the future needs and use of the named facility for the proposed charter school. Information provided appears inadequate to evaluate the conditions of the premises and facilities. The District believes that the assumptions made by the Regional Office of Education are not addressed in the Proposal. The Proposal does not provide an alternate site for the school location as required.

4. **Legal Entity Requirements**

Under Section 27A-5(a) of the Illinois Charter Schools Law, a charter school "shall be organized and operated as a non-profit corporation or other discrete, legal, nonprofit entity authorized under the laws of the State of Illinois." (See 105 ILCS 5/27A-5(a).) The proposed charter school corporate documents are inadequate and the Articles of Incorporation appear inconsistent with the Illinois General-Not-for-Profit Act as the corporation is a mutual benefit corporation. The District has concerns that the corporate documents indicate it may be a family dominated corporation and not community based.

5. **Enrollment**

Under Section 27A-8(a)(3) of the Illinois Charter Schools Law, a local school board "shall give preference to proposals that are designed to enroll and serve a substantial proportion of at-risk children." (See 105 ILCS 5/27A-8(a)(3).) The Proposal does not target the needs of students within the District who are in the greatest need for alternative educational opportunities. The District believes that the proposed charter school is not one that is in keeping with present and future opportunities for charter
schools that are planned and anticipated for the District, nor is it in the best interest of the students of the District.

V. Charter School Developers' Response to the School District

ESL Prep believes that none of the alleged reasons stated above justify denial of the Proposal or provide a basis for ISBE to affirm the District's decision. ESL Prep requests that ISBE reverse the decision of the District for the following reasons:

1. Evidence of Support

ESL Prep believes that the Proposal does demonstrate adequate community support. ESL Prep also believes it did provide evidence of sufficient support to fill the minimum number of pupil seats set forth in the Proposal, demonstrated by petitions of support signed by parents and guardians of students eligible to attend the charter school. These petitions were presented to the District during the public meeting. ESL Prep plans for a minimum number of seats within the Proposal of thirty (30) students. Petitions provided to the District bore the signatures of District parents attesting to at least fifty-one (51) eligible students wishing to attend the charter school.

2. Evidence of Economic Soundness

ESL Prep proposes to serve 100% of all students enrolled, except for Special Education services which would be provided through the "Chicago Model" whereby District 189 would provide special education services to the charter school students. The District would retain all Special Education funds provided for that purpose; therefore, ESL Prep proposes to request of the District 100% per capita student tuition funding. ESL Prep is aware that this funding mechanism would lead to the District sustaining a negative cash flow which could increase each year during the term of the proposed
charters school contract, but does not believe it to be fiscally unsound for the District. ESL Prep claims that the total budget for year one is only 0.97% of the District's total $91,639,612 budget.

3. School Facility

ESL Prep believes it fulfills the physical plant requirement by presenting one description and address for a physical plant in which the charter school will be located. Since the building in which the charter school is to be located has been acquired at the time the charter school proposal was submitted, ESL Prep claims that there is no requirement to identify and name at least two sites potentially available as charter school facilities.

ESL Prep states that it is unclear to what assumptions made by the Regional Office of Education the District is referring. ESL Prep states further that, "perhaps their assumptions include the statements the facility would require a few modifications including 'additional emergency lighting/exit light and 'possible modification of some interior door swings'."

4. Legal Entity Requirements

ESL Prep claims that the Articles of Incorporation for a charter school are fully consistent with the Illinois General Not-For-Profit Act, having been approved by the Office of the Illinois Secretary of State, and developed with input from the Internal Revenue Service. ESL Prep realizes that Articles of Incorporation are amendable if necessary and appropriate.

5. Enrollment

ESL Prep claims it "fails to grasp the District's contention that it will not target the needs of students within the District who are in the greatest need for alternative education
opportunities." It does not believe it must meet this standard. ESL Prep understands that, "nothing in the Charter Schools Law shall be construed as intended to limit the establishment of charter schools to those that serve a substantial portion of at-risk children." However, ESL Prep claims it will target those students who are at-risk within the District, while being completely non-discriminatory in its admissions policy.

VI. Areas of Non-Compliance with the Illinois Charter Schools Law

The staff at ISBE reviewed the District's report, ESL Prep's response and the Proposal. ISBE staff agrees in general with the District and believes that as a matter of law the Proposal is not in compliance with the Illinois Charter Schools Law for the following reasons:

1. Budget

The Proposal lacks enough definition to ensure compliance with Section 27A-7(a)(9) of the Illinois Charter Schools Law. First, the Proposal does not adequately describe how revenues and expenditures will be separately maintained by the charter school and Kim’s Kids, the day-care facility operated by the charter school founders. The budget does not include an explanation of how costs for utilities will be determined as the building is also occupied by Kim’s Kids.

Second, it is not possible to determine whether or not specific costs stated in the budget are adequate and appropriate because documentation is incomplete or absent. For example, proposed capital outlays are stated but are not described in the budget assumptions. No cost estimates are provided for accounting/payroll and auditing or insurance expenses. The budget also does not appear to reflect the increases noted in the Intent to Lease agreement. The budget does not incorporate the costs of mandatory
summer sessions. The budget does not contain any associated revenues for food services reimbursement although the assumptions state, "... the program's existing USDA meals grant" will be expanded. The existing grant is not defined. The budget indicates food service costs of $5 or greater per meal, per pupil which is above the typical cost of less than $3 per meal, per pupil but does not provide documentation in support of greater-than-usual-costs.

Third, the reduced-enrollment budget included does not appear to be feasible as it does not allow sufficient funds for a bus route; it maintains the original, full cost amount for a reduced number of administrative staff; and it cites a greatly reduced per-teacher compensation amount, benefits percentage rate, and staff development amount without any explanatory notes.

Finally, the accompanying explanation of the economic impact on the district submitted with the budget is not complete. It does not take into account the existence of two other charter schools already operating in the District. In addition, it contains calculations based on questionable assumptions. Therefore, it would appear that at the very least, the Proposal is not economically sound for a charter school and it is questionable as to whether it is economically sound for the school district.

2. Educational Program, Curriculum, School Year, School Days

The Proposal fails to comply with the requirements of by Section 27A-7(a)(7) of the Illinois Charter Schools Law. The PLATO Learning System materials appear to be designed for late elementary, adolescent, and adult learners, yet the Proposal does not specify how they will be modified for the early elementary students who will be served by the charter school. The Proposal includes multiple curricula but does not provide an explanation of how they will correlate into one seamless delivery system. The Proposal
also fails to describe how the summer session will be incorporated in the school’s schedule.

3. Pupil Performance Evaluation Plan

The Proposal fails to provide pupil performance standards to be achieved by the charter school as required by Section 27A-7(a)(5) of the Illinois Charter Schools Law. The proposal states that all students will meet or exceed all state standards by the third year of schooling at the charter school; however, no standards are stated for students in their first two years of attendance. The proposal does not indicate how the described corrective action plan will assist students having difficulties during the first two years of attendance at the charter school.

Reference to various types of assessments are made in the proposal, i.e. portfolios, maintenance of rubrics, anecdotal descriptions, computer assisted assessments, time-management studies, peer reviews, faculty reviews, and oral presentations; however, their use is not specified. The proposal indicates that students will be tested weekly in every subject but fails to include information such as what tests will be used or what the expected performance levels on these tests will be.

A sample parent satisfaction survey is included in the proposal but no explanation is provided to indicate how it will be used and whether or not it will be part of the school’s performance expectations. The Accountability Plan does not indicate what standards will be achieved by the school; it merely indicates the scores required to attain a superior, satisfactory, or unsatisfactory rating.

4. Special Education

The Proposal fails to provide a complete description regarding the provision of special education services to students since it appears to rely on the school district or the
special education cooperative to provide the special education services. Neither of these entities agreed to provide such services. More specifically, the Proposal did not contain a description of how Child Find activities will be implemented to identify any students who may be eligible for special education services prior to entry and/or after enrollment. The entity responsible for the provision of required Notice and Consent forms and for providing reports of progress on IEP annual goals to parents was not identified.

The Proposal failed to indicate how testing accommodations will be made for students with disabilities that have an IEP requiring such accommodations. The Proposal did not indicate the entity to be contacted by parents to request an IEP meeting or evaluation. No description of how behavioral intervention plans will be implemented was included in the Proposal. The entity responsible for ensuring that IEPs are fully implemented was not indicated in the Proposal. The entity responsible for ensuring that special education personnel are properly certified and that classes are in compliance with Illinois special education class size and age range limits was not named in the Proposal.

The Proposal did not include an assurance that IEPs will be fully implemented. The Proposal did not describe how appropriate personnel will be obtained in order to complete the evaluation process, i.e., psychologist, social worker, special education teacher certified in the area being evaluated, related service personnel. The Proposal failed to demonstrate financial ability to provide a full continuum of special education services beyond inclusion in the LEA.

In the alternative, the Proposal states that the charter school would contract with an appropriately certified teacher to provide special education services to its students.
However, the letter of intent with a proposed outside vendor is not specific enough as it does not provide an estimated dollar amount.

5. Facility

The Proposal is not in compliance with Section 27A-7(a)(3) of the Illinois Charter Schools Law as no second site is provided. Furthermore, the intent to lease the building at 1001 Missouri Avenue indicates a term of ten years and the term of the requested charter is for only five years. The proposed school also appears to be housed in the same building as Kim’s Kids Day Care but it is not clear how the two entities will co-exist.

The Proposal contains no cost estimates for required repairs for emergency lighting and door swings. The budget does not reflect increased rental costs as enrollments grow. The building appears to contain only four classrooms, yet the Proposal states that the school will have up to five classrooms of 25 students each.

6. Transportation

It is not possible to determine compliance with the provisions of Section 27A-7(a)(13) of the Illinois Charter Schools Law. Since the Proposal does not contain documentation supporting the costs estimates of the transportation plan it is not possible to determine whether these costs are adequate and appropriate.

7. Governance

The Proposal does not comply with the provisions of Section 27A-5(a) of the Illinois Charter Schools Law. The corporate by-laws contain the statement, “the corporation is a mutual benefit corporation.” The intent of the developers is not clear in this instance as this type of corporation is usually set up to benefit its own members as a matter of right.
8. **Legal liability and insurance**

The Proposal fails to provide documentation of insurance coverage as required by Section 27A-7(a)(12) of the Illinois Charter Schools Law. Correspondence from the insurance company submitted in the Proposal does not provide sufficient detail as there are no cost estimates or limits of liability included.

9. **Age/grade, focus, enrollments/admission criteria**

It is not possible to determine compliance with the provisions of Section 5/27A-7(a)(2) of the Illinois Charter Schools Law. The mission statement indicates the school’s focus will be College Prep, yet the Proposal states the school will be comprised of grades K through eight with a possible expansion to grade 12 only if demand warrants.

10. **Evidence of Support**

The Proposal did not contain petitions of support as required by Section 27A-8(b) of the Illinois Charter Schools Law, although the applicant states that petitions were submitted to the district.

11. **Other Concerns**

The possibility of a conflict of interest between the charter school and the proposed school board members arise because the charter school organizers are owners of Kim’s Kids, a day care facility. The Proposal states that the charter school would share its facility with Kim’s Kids; that Kim’s Kids would act as the provider for before- and after-school programs; and that the charter school is referred to as a “new” program of Kim’s Kids in the correspondence relating to insurance.
The proposed contract with Charter Consultants contains fees that appear to be excessive and it purports to assist the charter school developers with satisfying the requirements for the Missouri State Board of Education.

VII. Conclusion

For all of the above-referenced reasons, the review of the Proposal indicates it is not, as a matter of law, in compliance with the Illinois Charter Schools Law. No oral presentation will be scheduled.

VIII. Final Decision

For the foregoing reasons, my determination is that the Proposal, as a matter of law, is not in compliance with the Illinois Charter Schools Law. I uphold the District's decision to deny the charter school proposal. This decision may be subject to the Illinois Administrative Review Law. (See 735 ILCS 5/3-102.)

ESL Prep may exercise the option to revise the charter school proposal to address the areas of non-compliance and submit another revised charter proposal to the District for consideration.

Respectfully submitted,

[Signature]
Robert E. Schiller
State Superintendent
STATE OF ILLINOIS
STATE BOARD OF EDUCATION

In the Matter of the Appeal )
Of the Proposal to Establish the ) No. 2002-2
Champaign-Urbana )
Charter School Initiative )

FINAL DECISION

Having reviewed the record and the attached Recommendation of the Appeal Panel, I hereby adopt the panel’s findings and recommendation.

In accordance with 23 Ill. Adm. Code 650.60(d)(1), I find that the Champaign-Urbana Charter School Initiative proposal does not comply with the Charter Schools Law. The appeal is therefore denied.

This is a final administrative decision and may be subject to judicial review as provided in Section 27A-9(e) of the Charter Schools Law.

Robert E. Schiller
State Superintendent of Education

Date: 11/28/02
In the Matter of the Appeal
Of the Proposal to Establish the
Champaign-Urbana Charter School Initiative

No. 2002-2

RECOMMENDATION OF THE APPEAL PANEL

I. Introduction

Champaign-Urbana Charter School Initiative (CUCSI) has appealed the denial by Champaign Community Unit School District 4 of its proposal to establish a charter school. This proposal was presented to both the Urbana School District 116 and the Champaign Community Unit School District 4. Under Section 27A-4(e) of the Illinois Charter Schools Law, more than one school district may jointly issue a charter:

Nothing in this Article shall prevent 2 or more local school boards from jointly issuing a charter to a single shared charter school, provided that all of the provisions of this Article are met as to those local school boards.

ISBE received notice that Urbana School District 116 approved a charter for CUCSI on December 7, 2001.

On December 12, 2001, ISBE received notice from the Champaign School District approving the charter for CUCSI but with contingencies requiring the charter school to be located in a school building owned and operated by the district and that the school be recognized as a component of the equity implementation agreement pursuant to terms approved by a Federal Court in Johnson v. Board of Education. However on this same day, CUCSI sent ISBE a letter indicating its belief that the Champaign School District approval had the practical result of being
a denial. Subsequently, the Champaign School District voted to deny a charter to CUCSI (December 20, 2001).

On January 4, 2002, ISBE sent a letter to the Champaign School District requesting certification of public notice and the right to appeal. Also on that day, ISBE sent a letter to the Urbana School District requesting certification of public notice and a copy of the charter proposal. Later that month, both school districts indicated that the public hearings in their district were not publicized. CUCSI requested from ISBE clarification of the appeal filing date in the absence of proper procedures and sent a letter appealing the Champaign School District’s decision to ISBE.

On February 14, 2002, the State Superintendent ordered the Champaign School District to provide another public hearing in compliance with the required public notice. On April 8, 2002, the Champaign School District voted to deny the charter proposal. On April 26, 2002, CUCSI submitted their appeal request regarding only the denial by the Champaign School District, and the Champaign School District requested an oral presentation. After two scheduling attempts, the hearing was held on October 2, 2002.

II. Charter School Proposal

CUCSI proposed to establish a charter school for grades kindergarten through eight focusing on four priorities:

a. Family Involvement – changing the role of the family from observer to partner in the child’s education;

b. Student Academic Achievement – using curriculum materials which relate to the cultural knowledge of the students and hiring teachers who have the bias, training, and competency to work with a culturally diverse group of students to achieve academic excellence;

c. Students’ Personal and Social Development – incorporating students’ personal and social development into every aspect of instruction; and
d. Academic Development Using Community Resources and Expertise: placing heavy emphasis on community resources and expertise in the academic and social development of the students. (Charter School Proposal, page 7.)

The proposed charter indicates that the “CUCS will be open to all students within the Champaign and Urbana school districts eligible to enroll in the grades offered by the charter school and will not discriminate against any family or student on the basis of race/ethnicity, national origin, marital status of parents, gender, language, or disability.” (Charter School proposal, page 33.) The proposal also states that the “school will be open to all students in the Champaign and Urbana school districts, but will target recruitment efforts in areas serving a large number of low-income and minority children.” (Charter School proposal, page 7.)

The proposal provided two potential sites for the school. For the Don Moyer Boys and Girls Club site, the projection is that 60% of the school’s students would come from Champaign and 40% would come from Urbana. (Charter School proposal, page 72a.) For the Sunnycrest Mall site, the projection is that 70% of the school’s students would come from Urbana and 30% would come from Champaign. (Charter School proposal, page 82.)

III. School District’s Arguments

On April 8, 2002, the Champaign School District issued a board resolution denying the charter school proposal, claiming that the CUCSI was not in a position to fulfill the contingencies set forth in Section 2 of the Resolution Granting Preliminary Approval of the Charter School Proposal. The Champaign School District also claimed that the proposal does not conform with the requirements of the Charter Schools Law, stating:

a. The terms of the proposal would lead to a racially identifiable school inconsistent with the provisions of the Charter Schools Law and the intent of the proposed consent decree;¹

¹ During the course of the CUCSI charter school proposal and appeal process, the Champaign School District entered into a consent decree. The Second Revised Consent Decree entered into in the case of Johnson v. Board of Education requires “In making all decisions regarding the establishment or closing of schools, [the District must]
b. Given the significant financial obligations and commitments of the District during this time, the District is not in the position to absorb a diversion of $1.2 million to the charter school over the next five years; and

c. That the description of the proposal’s transportation plan is inadequate under Section 27A-7(a)(13) of the Charter Schools Law.

On October 2, 2002, the Champaign School District submitted at the oral presentation a written Response of Champaign Community Unit School District No. 4 to Appeal of Charter School Proposal. In this Response, the Champaign School District argues that the charter school proposal violates Section 27A-4(a) of the Charter Schools Law because it fails to comply with the second amended consent decree entered in Johnson v. Board of Education, Case No. 00-349.

Section 27A-4(a) of the Charter Schools Law states:

The General Assembly does not intend to alter or amend the provisions of any court-ordered desegregation plan in effect for any school district. A charter school shall be subject to all federal and State laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, mental status, or needed for special education services.

The school district claims that based on this provision in the Charter Schools Law, it has the authority to consider whether the proposal adheres to the relevant anti-discrimination laws and complies with any district-wide, court-ordered desegregation plan and may therefore deny any charter proposal which fails to meet these criteria.

The consent decree requires that the school district: “in making all decisions regarding the establishment or closing of schools, consider the impact on African American students, and to further desegregation. . . [and] all reasonable alternatives to enhance desegregation efforts that do not result in a segregated system or segregated schools.” The school district interprets this provision to mean that as the CUCS charter school involves the establishment of a school, it must consider the charter’s impact on African American students. The school district believes
that as the charter school proposal seeks to recruit at-risk minority students, this would affect the racial balance required by the consent decree.

IV. CUCSI Response to the School District

In its April 26, 2002, letter requesting an appeal of the Champaign School District’s decision, CUCSI stated that linking the existence of the charter school to the requirements of the consent decree is not within the authority of the Charter Schools Law and unacceptable to the plaintiffs in the federal case. Furthermore, CUCSI had no interest in being linked to the settlement of a civil rights lawsuit against the Champaign School District.

CUCSI responds that the enrollment and recruitment section in its charter school proposal is compliant with the Charter Schools Law. The proposal indicates that its target population is minority children and low-income children of any ethnicity in both the Champaign and Urbana school districts. Furthermore, CUCSI claims that the Charter Schools Law requires the school district to “give preferences to proposals that... are designed to enroll and serve a substantial number of at-risk children...” (See Section 27A-8(a)(3) of the Charter Schools Law.)

CUCSI counters the school district’s economic soundness argument by indicating that the estimated $1.2 million diverted from the Champaign School District over five years does not sufficiently account for funds regularly lost to the district because of a high absentee rate in the proposed target group for the charter school.

On the transportation issue, CUCSI claims that it has provided a description of a transportation plan as its proposal indicates that the charter school would negotiate with both school districts to transport the students to the charter school site and would purchase tokens for the city bus services for students unable to use either of the school districts’ buses.
V. Compliance with the Charter Schools Law

Consent decree and racially identifiable school: The School District relies on Section 27A-4(a) of the Charter Schools Law to find that the charter school proposal would presumably violate the Consent Decree, and thus be in noncompliance with the Charter Schools Law. While Section 27A-4(a) of the Charter Schools Law states that “the General Assembly did not intend to alter any court-ordered desegregation plan for any school district”, this provision does not provide the authority for the State Board to determine whether the charter school proposal would violate the recently established Consent Decree. The State Board has the authority to determine whether the charter school proposal is in compliance with the Charter Schools Law. (See 105 ILCS 5/27A-9(e).) The State Board believes that Section 27A-(4) of the Charter Schools Law only allows the examination of whether the charter school is violating any federal or state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, etc. (See 105 ILCS 5/27A-4(a).

CUCSI did not seek to limit its enrollment to a particular race. The proposal states that “the school will be open to all students in the Champaign and Urbana school districts, but will target recruitment efforts in areas serving a large number of low-income and minority children.” (See Charter School Proposal page 7.) This proposal does not attempt to discriminate on the basis of race. Furthermore, even if the State Board had the authority to determine whether the proposed charter school would violate the Consent Decree, it would not appear that there would be such a violation. Although the school district has asserted that the proposed charter school would violate the Consent Decree, this is a speculation that is unsupported by facts. As the charter school would be open to all students in the Champaign and Urbana school districts.
neither the school district nor CUCSI can accurately predict the racial pool of student enrollment or even the school district’s enrollment.

**Economic impact on district** – The School District argues that it is not economically sound for the charter school to operate in its district. According to Section 27A-7(a)(9) of the Charter Schools Law, the charter must submit “evidence that the terms of the charter as proposed are economically sound for both the charter school and the school district.” (See 105 ILCS 5/27A-7(a)(9).) Based on FY01 information, the total cost of $1.2 million over 5 years divided by the instruction budget of over $200,000,000 over five years = less than 1% (.6%). The total cost of $1.2 million divided by the total five-year operating budget of over $340,000,000 = less than ½% (.3%). There was no evidence presented to indicate that this reallocation of funds would negatively impact the district financially. While some Illinois school districts have experienced significant financial difficulties in recent years and have cut their budgets every year, Champaign did not provide any evidence that the district was in this position. While the loss of $1.2 million over five years would significantly impact those Illinois school districts, it is unclear from the Champaign school district how this loss would affect their staffing and programs.

However, the economic soundness of the proposed charter school is questionable. First, the budget shows that CUCSI depends heavily on grants and loans for operating revenue. If grants fail to materialize, the charter school would depend mostly on loans for a significant portion of the operating budget. If grants and loans are not received as expected, CUCSI would be forced to alter the scope of the program to be offered, including decreasing the number of students, decreasing the number of staff, increasing class size, and elimination of or extensive revisions to the plan for the provision of such subject offerings as fine and applied arts.
Second, the budget fails to include several likely costs or expenses and in some areas does not appear to be realistic in assessing costs. For example, the cost of building renovations is not readily apparent in the budget. The cost of providing special education programming is not included. There is no indication as to how the requested planning year will be funded. While the cost of an audit was included in the budget, the cost estimate was provided without indicating the expected scope of the audit. Given that the audit expense was only $2,000, the scope of the audit would not appear to be extensive. Finally, the budget does not include a contingency plan for meeting expenses, nor was such a plan presented in response to questions from the appeal panel, other than to indicate that costs would be decreased. For these reasons, it does not appear that the charter school proposal is in compliance with Section 27A-7(a)(9) of the Charter Schools Law.

**Curriculum and assessments:** Section 27A-7(a)(9) of the Charter Schools Law requires that a charter school proposal contain a description of the charter school’s curriculum and pupil performance standards. The charter school proposal is lacking sufficient detail in describing a curriculum and measures of student assessment. There was conflicting information in the proposal as to how some subjects would be presented. For example, page 13 of the proposal notes that subjects will be integrated across the curriculum, but the proposed daily schedule on page 32 of the proposal indicates specific, discrete class times for each subject. In addition, it was not clear from the proposal whether music and art instruction would be presented during the regular school day or only as after-school programming. While the proposal provided a general outline of the subjects to be covered, few specifics were included. The proposal indicated that the curriculum would be based on Illinois Learning Standards but developed only after the school had been chartered and staff hired in order to maximize staff participation and “buy-in.”
The proposal contained a general outline of assessments to be used to measure student achievement, but indicated performance expectations in only math and reading. Goals and objectives in the areas of science, social science, physical education, fine arts, and foreign language were to be developed only after the charter was received and staff hired.

Section 27A-7(a)(8) of the Charter Schools Law requires a timeline for student achievement of performance standards and the procedures for taking corrective action in the event that pupil performance falls below those standards. The proposal failed to describe the timeline for intervention in the event that students fail to make progress. The proposed procedures for taking corrective action were limited to coordinating an after-school support program with a community agency. While the CUCSI plan apparently was to “flesh out” details in these areas during first year after the charter was granted, this is not in compliance with the Charter Schools Law which requires a full description of the proposed curriculum and assessments. Because of the foregoing, it does not appear that the proposal is in compliance with the Charter Schools Law.

**Special education:** A public charter school has a responsibility to serve children with disabilities. CUCSI did not appear to understand the obligations of a public charter school in the event that Champaign #4 did not charter. As indicated by the Charter Schools Law and regulations, the charter school would become wholly responsible for provision of special education services for any Champaign school district students enrolled. (See 23 Illinois Administrative Code §226.60.) There was no plan in the charter school proposal other than “District will provide” for special education services. ISBE has an obligation to determine whether or not a public charter school could provide special education services in compliance with all statutory requirements if chartered directly or partly by the state. The costs for special
education services are usually much greater than the state and federal funding for students in need of special education. Therefore, a contingency for special education services is critical in light of the fact that the charter school has specifically targeted students who are academically challenged. The charter school proposal does not address how such special education services would be provided, nor was such a description provided in response to questions at the appeal hearing. Furthermore, as stated previously, the budget does not reflect costs for the school to provide special education services. The budget appears to allocate an inadequate amount toward special education services. Because of the foregoing, it does not appear that the proposal is in compliance with the Charter Schools Law.

**Transportation** – Section 27A-7(a)(13) of the Charter Schools Law requires a charter school to have a description of how it plans to meet the transportation needs of its students. (See 105 ILCS 5/27A-7(a)(13).) The School District argues the transportation plan presented by CUCSI is inadequate. In the budget, transportation costs are provided, but an actual transportation plan is not clear. The charter school proposal indicated use of MTD tokens but the oral presentation indicated these would be for field trips. Other testimony indicated that CUCSI would contract with the Laidlaw bus company for regular transportation as well as field trips. Still another section of the proposal indicated that vans would be used to transport students to and from after school programs, which would violate student transportation provisions as outlined by the Illinois Vehicle Code. Because of the limited number of details regarding the transportation plan, the panel agrees with the School District the proposal does not appear to be in compliance with the Charter Schools Law.

**Enrollment criteria** – Section 27A-4(h) in the Charter Schools Law describes the process a charter school must follow if there are more eligible applicants for a charter school
than spaces available. The Charter Schools Law states that “priority shall be given to siblings of pupils enrolled in the charter school . . .” (See 105 ILCS 5/27A-4(h).) However, according to the charter school proposal priority will also be given for housemates. At the oral presentation, CUCSI clarified that this might refer to two cousins living in a house. It was the intent of CUCSI to address households that were not the “standard” household. While this priority is an attempt to reflect a diverse household, the Charter Schools Law does not grant a charter school discretion in establishing such a priority.

In addition, the charter school proposal states that a parent must sign a covenant, but it is unclear what the impact is on admission if a parent refuses to sign the covenant noted in the proposal. The Charter Schools Law states that “enrollment in a charter school shall be open to any pupil who resides within the geographic boundaries of the area served by the local school board.” (See 105 ILCS 5/27A-4(d).) As a public charter school that must be open to all students who reside within the district, such a covenant may not be used as mechanism to screen out student enrollment. Because of the foregoing, it does not appear the proposal is in compliance with the Charter Schools Law.

Upon consideration of the oral presentation and after a thorough review of the record, the Appeal Panel finds that the charter proposal submitted by CUCSI does not comply with the statutory requirements of the Charter Schools Law. In particular, the charter school proposal is not economically sound for the charter school, the curriculum and assessment plans are inadequate, the needs for special education students are not provided for, the transportation plan is inadequate and the enrollment criteria are not in compliance with the Charter Schools Law. The Appeal Panel therefore recommends that the State Superintendent deny the request by CUCSI to overrule the Champaign School District 4 decision to deny the charter.
VI. Conclusion

For the foregoing reasons, the Appeal Panel recommends that the State Superintendent uphold the Champaign School District 4 denial of a charter for the CUCSI proposal.

Respectfully Submitted,

Staff Appeal Panel

Frank Llano, Chair
Sarah Vogl
Anthony Sims

By
Frank Llano, Chair

Date 11/21/02