Mr. James F. Tapscott  
Financial Administrator  
Financial Oversight Panel for  
Venice Community Unit School District 3  
RSM McGladrey, Inc.  
19001 Old LaGrange Road  
Mokena, Illinois 60448

Dear Mr. Tapscott:

Thank you for submitting the FY2005 annual report and operating budget for the Venice Community Unit School District 3 Financial Oversight Panel (FOP).

In accordance with Article 1B of the School Code, I hereby grant approval of the budget for the fiscal year ending June 30, 2005, as adopted on September 29, 2004 by the Venice Community Unit School District 3 FOP. The amount of $136,904 will be used, if necessary, for Panel operations and costs associated with the Financial Administrator. These expenses shall be paid from either the Venice School District's General State Aid 2004-2005 Entitlement or the Emergency Financial Assistance Grant or Loan.

It is also understood that the Panel and Financial Administrator intend to exercise fiscal discipline to incur the least amount of expenditures.

The State Board of Education appreciates the commitment you and the other panel members have undertaken for the children of Venice Community Unit School District 3.

Sincerely,

Randy J. Dunn  
State Superintendent of Education (Interim)

cc:  Panel Members  
Dr. Mary Hagan, District Superintendent  
Janet Wiley, Board President
Financial Oversight Panel For Venice Community Unit School
District No. 3

Rudy Wilson, Chairperson
Mary Kane, Member
Michael Blacharczyk, Member

September 30, 2004

Dr. Randy J. Dunn
Interim State Superintendent
Illinois State Board of Education
100 North First Street
Springfield, Illinois 62777

Dear Dr. Dunn:

At the September 29, 2004 regular meeting of the Financial Oversight Panel, the enclosed budget for the year ending June 30, 2005 was approved by the Panel. The total amount of the budget is $136,904.

We ask for your approval.

Should you have any questions, please contact us.

Very truly yours,

James F. Tapscott, C.P.A.
Financial Administrator

Enclosure

cc: Panel Members
Dr. Mary Hagan
Janet Wiley

RSM McGladrey, Inc. Financial Administrator
19001 Old LaGrange Road, Mokena, Ill 60448
708-479-3300 Fax 708-479-0130
E-mail jim_tapscott@rsmi.com
### Venice Community Unit School District No. 3

#### Financial Oversight Panel

#### Operating Budget

For the year ended June 30, 2005

<table>
<thead>
<tr>
<th></th>
<th>Budget 30-Jun-04</th>
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ANNUAL REPORT TO THE STATE SUPERINTENDENT
PREPARED BY
FINANCIAL OVERSIGHT PANEL FOR
VENICE COMMUNITY UNIT SCHOOL DISTRICT
NO. 3

September 2004
Annual Report to the State Superintendent
From the Financial Oversight Panel for Venice Community
Unit School District No. 3
2004

Purpose

The purpose of this report is to comply with Section 1B-5 of the School Code, which requires the Financial Oversight Panel (the "Panel") to submit annually a report to the State School Superintendent. The State Board of Education established the Financial Oversight Panel on June 25, 2003.

At that time, the District was in serious financial straits. For the year ended June 30, 2003 the audited financial statements indicated that the District had exceeded its $3,321,311 expenditure budget by over $900,000 (27.5%). The expenditures exceeded revenues that year by $489,944 reducing fund balance to a deficit of $42,902. The District had to resort to short term debt (Tax Anticipation Warrants of $161,422 outstanding at June 30, 2003) in order to continue operations. The FY2001 ended with a deficit of $413,874. FY2002 would have probably also ended in a deficit but did not only because the District failed to remit payroll withholdings and pay on special education tuition bills that totaled approximately $400,000.

Another major concern of the State Board was the major reduction in certain funding sources that the District traditionally received. The Illinois Community College Board withdrew about $400,000 of funding for the Adult Education program that the District utilized to operate the Lincoln Tech Center. This required the District to lay off several employees resulting in post-termination benefit expenditures of about $50,000.

It was clear that without intervention, the distressed financial condition of the District could jeopardize its ability to deliver on its academic mission.

The District's financial situation is closely tied to the economic condition of its constituent communities. With the shutdown of the McKinley Bridge, the economic condition of these communities spiraled downwards. Many commercial establishments had to close down. The property tax base on which the District relied for local revenues was greatly reduced. Although in the recent years the tax base was recovering, the trend was too slow to generate the kind of financial resources needed. The resulting unemployment, deterioration of the peace and order situation, and reduction in local governmental services negatively impacted the families of the District’s students.
Financial History

When the Panel assumed control of the District's finances, the District had operating deficits for 3 out of the last 4 years. Very little was being spent on building maintenance or materials and supplies. Revenues were almost entirely directed for employment purposes. The following table shows the results of operations since 1999:

![Net rev (exp)]

The establishment of the Panel brought with it financial assistance from the State. This included $62,500 in a special assistance grant and $250,000 in a low interest loan. In addition, the State committed personnel resources to the District to assist them in program planning, compliance monitoring and various other services to supplement the reduced local resources attending to the District's academic programs. The State looked to the Panel to give the local Board of Education guidance as the District attempted to navigate out of its financial problems. The Panel appointed a Financial Administrator to assist the Panel and the District in this endeavor.

Matters addressed by the Panel during the year included the following:

Financial Plan and Budgeting

One of the Panel's first priorities was for the District to develop a financial plan that would reverse the current negative trend and move the District towards recovery. The Panel's Financial Administrator worked with Dr. Ganschinietz, interim Superintendent and the District's Business Manager to put together a FY2004 budget that reflected cost cutback measures the Panel believed the District needed to take, including large-scale reduction in personnel to the bare essentials. Most of the extra-curricular activities were
cut out and only academically oriented activities were left in. The reduction in personnel was met with resistance by certain Board members. Many of the cost reduction measures recommended were not implemented. Consequently, the District could not come up with a budget that was balanced by September 30, 2003 as required by the School Code.

Citing the provisions related to the powers of the Financial Oversight Panel, the Panel announced that the positions of the Board were vacated by operation of the law. The Panel called upon Regional Superintendent Harry Briggs to appoint new members to the Board. The Panel met with the new Board members and worked out a strategy for continued governance of the District. The new Board announced its intention to take the necessary measures to bring the District back on track.

**Interim Superintendent**
With the limited time Dr. Ganschinietz had available on his contract as interim Superintendent, the Panel asked the District Board to make finding his replacement a priority. Because almost half of the academic year would have been over, the Board felt that they could only find another interim Superintendent. The Panel agreed to the appointment of Dr. Richard Basden while insisting that the Board undertake a full scale search for a full time Superintendent starting July 2004.

Under the stewardship of Dr. Basden, the District embarked on a number of strategic moves that met with Panel approval.

**Outsourcing the Business Office**
Early into his tenure, Dr. Basden had uncovered several breakdowns in the processing of financial transactions. With difficulties encountered in obtaining reliable financial information and his needing to focus on other aspects of District operation, Dr. Basden requested the Panel to use its power in expanding the Financial Administrator's contract and take over the Business Office functions. This was accomplished on February 1, 2004.

One of the first things instituted was a return to the purchase order system for procurement. Working together, Dr. Basden and the Financial Administrator's staff instituted procedures that would bring back control over disbursements to the Business Office. They also “cleaned up house” bringing back order to the office files, and improving documentation procedures that had deteriorated over time.

**Re-starting the budget process**
Dr. Basden re-started the budget process believing that operations would need a benchmark to follow. Again working with the Financial Administrator, the District put together a revised FY2004 and preliminary FY2005 budget. The budget assumed that the pared down staffing plan would continue to stay in place.
Outsourcing transportation and food service
The analytical process that went into the budgeting work brought to light the need to re-assess how the District met its transportation and food service needs. Alternative options to running these services in-house were examined. Dr. Basden brought proposals that would outsource both transportation and food services, using the relationship with East St. Louis School District 189 to access the discounted rates extended to them by District 189’s vendors. Dr. Basden asked the technical assistance of the State Board on the assessment of these programs to ensure that all action would keep the District in compliance with School Code.

This move further reduced the personnel needs of the District. While there were post-termination benefit costs involved, Dr. Basden and the District Board believed the long-run cost savings were worth the investment. The Panel agreed with the Board and supported them on these steps.

Labor negotiations
The development of two years of budgets allowed the District’s management to negotiate their union contracts more knowledgeably. The budgetary efforts also enhanced the credibility of the counter-offers the District brought to the negotiating table. Before the year ended at June 30, 2004, the District arrived at a three-year agreement with the teachers union. This brought stability to the academic program and would allow District management to predict costs better and focus on other issues going forward.

Issuance of Working Cash Bonds
Dr. Basden has often stressed the need to start with a clean slate. He considered the existence of about $400,000 of prior year outstanding payables as a burden that diverted from the more important task of re-building the academic program of the District. Working with an outside financial institution and parlaying the credibility that the Panel’s existence gave to the District with the banking industry, he started the process of obtaining financing. This culminated with the issuance of $400,000 of Working Cash bonds in July 2004 that was used to pay off these old payables and re-establish the credit of the District with its vendors.

De-activation of the high school
Another major step that the District undertook was the de-activation of the high school. Again, the budgetary process made it clear that the District’s dwindling resources and low enrollment could not make feasible a high school curriculum that was needed. The District believed that its students could get a better education option. This step led to efforts at cooperating with the Regional Superintendent’s office to establish a Charter School. There were several hurdles that had to be overcome. The District worked closely with the State Board on the crafting of the Charter School proposal. In the meantime, the District entered into an intergovernmental agreement with East St. Louis School District 189 to accommodate the District’s high school students.
De-commissioning of the Lincoln Tech Center
The Panel had always stressed that the District focus its attention to its academic program particularly the education of young students. With the closure of the programs that used to be housed at the Lincoln Tech Center, the District opted to close down the building and reduce its maintenance costs. While there were many calls to continue the adult education offerings at the Lincoln Tech Center, the Panel wanted the District’s resources focused on enhancing the elementary education program.

New Superintendent
In the midst of all this activity, the Board also undertook a search for a full-time Superintendent. The Panel strongly urged the Board to keep the search open and extensive. The Board worked at defining their expectations of the Superintendent and interviewed several candidates before selecting Dr. Mary Hagan. She brings with her, her prior experience in academic improvement programs and strong enthusiasm for the challenge.

Prospects for the Future:
With a management infrastructure in place to track costs and improve revenues, the District appears set on recovery for as long as it does not divert from the path it has taken. The Panel’s Financial Administrator will continue to support the District’s management in stabilizing operations. The procedures to achieve financial control are only as good as their implementation. There are occasional setbacks because individuals, from time to time, go back to the “old ways”.

Good high-level policies need to be supported by procedures that trickle down through the rest of the organization. The District needs to re-train its employees to adhere to the newly established operating practices. Management needs to adhere to financial protocol as an important measure of job performance.

The Panel has achieved an excellent working relationship with the current Board. Communication lines remain open between these two bodies paving the way for the smooth achievement of those strategic moves discussed above. The Panel looks forward to continuing its support of the District’s efforts.
April 6, 2005

Dr. Stan Mims
East St. Louis School District #189
1005 State Street
East St. Louis, Illinois 62201

Dear Dr. Mims:

The Illinois State Board of Education, Career Development Division, is currently funding the Work Experience and Career Exploration Program (WECEP) with your district:

Grant Agreement Number: 05-322500-50-082-1890-22
Contact Person: Ellis Conley Davis

From our perspective, this project is helping at-risk students to become reoriented and motivated to complete their education by allowing students to participate in career education and work training experiences and warrants continuation. As such, it is the intent of the State Board to continue the support of this project for the upcoming year at a funding level not to exceed $126,000 for the period July 1, 2005 to June 30, 2006. However, continuation of this project will be contingent on (a) the successful completion of the existing work for Fiscal Year 2005 and (b) the availability of state funds.

The forms for continuation are enclosed. Please do not hesitate to contact Scott Edgar at 217/782-4620 if you wish to discuss specific goals or details for preparing next year's continuation proposal. The proposal is due in our office no later than May 31, 2005. Thank you for your support and commitment in our mutual effort to provide high-quality educational experiences for students in Illinois.

Sincerely,

Dr. Randy J. Dunn
State Superintendent of Education (Interim)

Enclosures

cc: Ellis Conley Davis
April 13, 2005

Dr. Raelynn Parks
Brooklyn Unit SD 188
P.O. Box 250
Lovejoy, IL 62059

Dear Superintendent Parks:

Federal allocations for Title I - Comprehensive School Reform (CSR) were cut for FY06 by approximately 30%. The reduction included all the Funds for the Improvement of Education (FIE) money that could be used for non-Title I or non-Title I eligible schools. As a result of the reduction in funds, Illinois will not offer a competition for new projects this year. Available funds, instead, will be used to fund another year for those schools with existing projects beginning their second and third year in the 2005-2006 school year.

Your district is one of 50 districts in Illinois with continuing projects that are affected by the federal cuts for Comprehensive School Reform. You should plan for a total of $50,000 for each of your continuing projects. FY06 CSR Budget and Assurances forms and the FY05 CSR Grant Report Form are available at www.isbe.net/CSR under Resources. You must demonstrate progress on the implementation of your CSR project and must complete these forms for continuation of funds.

It is anticipated that Congress will make funding decisions this summer affecting the continuation of CSR. We will keep you informed about this program. Since this is the 4th year that the administration has not requested funds for CSR, it is possible that no funds will be available for CSR projects in Illinois beyond the 2005-2006 school year. To that end, please consider ways to sustain your projects.

If you have questions about funding your CSR projects, please contact Carol Dierichsen or Paul Kren, Federal Grants and Programs, 217/524-4832.

Sincerely,

Randy J. Dunn
State Superintendent of Education (Interim)
April 13, 2005

Mary Hagan
Venice CUSD 3
700 Broadway
Venice, IL 62090

Dear Superintendent Hagan:

Federal allocations for Title I - Comprehensive School Reform (CSR) were cut for FY06 by approximately 30%. The reduction included all the Funds for the Improvement of Education (FIE) money that could be used for non-Title I or non-Title I eligible schools. As a result of the reduction in funds, Illinois will not offer a competition for new projects this year. Available funds, instead, will be used to fund another year for those schools with existing projects beginning their second and third year in the 2005-2006 school year.

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If you have questions about funding your CSR projects, please contact Carol Diedrichsen or Paul Kren, Federal Grants and Programs, 217/524-4832.

Sincerely,

Randy J. Dunn
State Superintendent of Education (Interim)
January 29, 2004

Dr. Richard Basden  
Superintendent  
Venice Community Unit School District 3  
700 Broadway  
Venice, Illinois 62090

Dear Superintendent Basden:

This letter is notification of the Comprehensive School Reform (CSR) Grant in the amount of $50,000 to be awarded to Venice Community Unit School District 3 for the school(s) listed below. The grant has been approved for fiscal year 2004, beginning December 18, 2003, with an ending date of June 30, 2004. A copy of the approved budget and payment schedule for each school with appropriate account/code information is attached.

These grant funds are to be allocated to the following school:

Venice Elementary School                      $50,000

Congratulations and best wishes for the successful implementation of your project. If you have questions concerning the grant, please do not hesitate to contact the System of Support Division at 217/524-4832.

Sincerely,

Robert E. Schiller  
State Superintendent of Education

Enclosure
February 19, 2004

Mr. Lonzo Greenwood, President
East St. Louis School District 189 Board of Education
1005 State Street
East St. Louis, IL 62201

Mr. Richard Mark, Chairman
East St. Louis School District 189 Financial Oversight Panel
c/o Ameren UE
One Ameren Plaza
P.O. Box 66149, MC820
St. Louis, MO 63166

Dear Mr. Greenwood and Mr. Mark:

In August 2003, the Board of Education for East St. Louis School District 189 (Board) petitioned the Illinois State Board of Education (State Board) for dissolution of the East St. Louis School District 189 Financial Oversight Panel (FOP) on June 30, 2004, pursuant to section 1B-5 of the Illinois School Code (105 ILCS 5/1B-5) and requested a hearing to present its case for dissolution.

As a result of this petition, the State Board heard testimony from the Board’s counsel Becker, Paulson, Hoerner & Thompson, P.C. and from the FOP’s counsel Brown, Hay & Stephens regarding dissolution of the FOP. Following this oral testimony, the State Board accepted written replies and supplemental materials from both parties.

The Illinois School Code requires the State Board to give additional weight to the recommendations of the State Superintendent when acting on such a petition. The attached memo represents the recommendation I propose to make to the State Board at its March meeting. I am providing this document to both parties now so that each has the opportunity to provide a written response that can be given to and considered by the State Board at the same time as my recommendation.

If you wish to provide a written response to the State Board, please forward it to me no later than March 8, 2004.

Sincerely,

[Redacted]

Robert E. Schiller
State Superintendent of Education

Enclosure

cc: Ann Duncan, Saundra Hudson, Nate Anderson, District Board Members
    Harry Blackburn, Donna Luallen

Making Illinois Schools Second to None
February 20, 2004

Dr. Richard Basden
Interim Superintendent
Venice Community Unit School District 3
700 Broadway
Venice, Illinois 62902

Dear Dr. Basden:

I write to commend you and the Venice Community Unit School District 3 Board of Education and Financial Oversight Panel for the improvements to the quality of the district’s infrastructures. I would like for you to know that the Illinois State Board of Education supports your efforts expended to date.

Our inspection of your facility on February 10, 2004 revealed that you have taken great strides in improving not only its physical appearance, but you have also removed many of its threats to the safety of those who occupy it. These improvements have no doubt been costly to the district. However, your efforts to economize by contracting for transportation and food services may offset much of this cost. Hopefully, your Working Cash Bond referendum will succeed and provide resources needed to eliminate debts that are inhibiting the district’s ability to offer required programs.

Specifically, I am encouraged by your decision to seek deactivation of Venice High School. Clearly, we agree that improving the programs and services at the high school level is absolutely essential for the students’ well being and education. Deactivation of the high school is crucial to this goal. I support your endeavor in this particular matter and hope the community supports the deactivation. In the event that the support is not evidenced, your preliminary plans to seek other alternatives to improve the high school services and programs must be accelerated. I stand ready to assist you in either course of action.

You and the board have made some critical and difficult personnel decisions. Many of the district’s problems stem from inappropriate personnel staffing levels by the prior administration and board. Hopefully, these personnel decisions that you have made and others you face will alleviate some of the financial/compliance issues facing the district.

In summary, I am encouraged by the initiatives that you and your school board have made to improve district operations. Now important strides need to be taken to improve the quality of education for all of the students, particularly those with specially identified needs. As State Superintendent of Education, I remain committed to working with you to complete the reforms needed to best serve the educational interests of the students attending the Venice schools.

Sincerely,

Robert E. Schiller
State Superintendent of Education

Making Illinois Schools Second to None
March 23, 2004

Dr. Raelynn Parks
Superintendent
Brooklyn Unit District #188
800 Madison Street
Lovejoy, IL 62059

Dear Dr. Parks:

On March 5, 2004, the Illinois State Board of Education received your renewal request for a waiver of Section 17-1.5 of the School Code (105 ILCS 5/17-1.5).

It has been determined that your request is a waiver of that School Code mandate. Your request will be transmitted in the Spring 2004 report to the General Assembly for its consideration.

Sincerely,

[Name Censored]
Robert E. Schiller
State Superintendent of Education

Enclosure
March 29, 2004

Dr. Richard Basden
Interim Superintendent
Venice Community Unit School District 3
700 Broadway Avenue
Venice, Illinois 62090

Dear Dr. Basden:

I have received and reviewed your letter of March 18, 2004, in which you requested that the Venice Community Unit School District’s recognition status be upgraded from “Nonrecognized” to “Pending Further Review.” While I am very pleased with the district’s progress described in your letter, I cannot honor your request at this time for the following reasons:

1. Venice CUSD 3 must present a FY05 projected budget based on reasonable assumptions that the budget will be balanced. The district’s Financial Oversight Panel must approve this budget indicating its assurance that it is balanced and will provide for the district’s continued operation during the 2004-05 school year.
2. Although the district’s special education corrective action plan has been accepted in its entirety, copies of requested IEPs have not been submitted. Three sample IEPs for Speech/Language students, one sample IEP for an Assessment student, and one sample IEP for a Placement student must be submitted.

Further consideration of your request cannot be considered until these requirements have been met. Should you require the assistance of the Illinois State Board of Education relative to these matters, please feel free to contact Dr. Donald Full at 217/782-2948.

Sincerely,

[Signature]
Robert E. Schiller
State Superintendent of Education

cc: The Honorable Harry Briggs, Regional Superintendent
Dr. Christopher Koch, Director Special Education
Donna Luallen, Manager School Finance
Dr. Donald Full, Division Administrator, Accountability
April 14, 2004

Dr. Richard Basden
Interim Superintendent
Venice Community Unit School District 3
700 Broadway
Venice, Illinois 62902

Dear Dr. Basden:

Having received the Venice Community Unit School District 3 sample IEPs and FY05 budget requested by the Illinois State Board of Education, I am pleased to inform you that the recognition status of the district is upgraded from "Nonrecognition" to "Pending Further Review" effective immediately. The "Pending Further Review" status is necessitated by the district's employment of an interim superintendent. Should the district fail to employ a superintendent next year for at minimum a twelve month contract, it will be assigned a recognition status of "On Probation."

I congratulate you and your board of education for the progress you have made these past few months. The infractions which necessitated placing the district in "Nonrecognition" status were quite grave and many. You have met the challenges presented by these with workable solutions bringing the district into statutory and regulatory compliance.

I greatly appreciate the spirit of cooperation that you have given me and my staff in dealing with this most difficult situation. As always, the Illinois State Board of Education remains prepared to assist you with the challenges you face in educating the children of your school district.

Sincerely,

Robert E. Schiller
State Superintendent of Education

Making Illinois Schools Second to None
May 10, 2004

Dr. Mary Hagan
415 North 7th Street
Breese, Illinois 62801

Dear Dr. Hagan:

Please accept my warmest congratulations on your new position as Superintendent of Venice School District. I am extremely confident that you will provide the sound guidance and leadership this district needs to improve and maintain financial stability and academic success. The wealth of experience you bring will be called upon to develop an appropriate school improvement plan, financial plan and strategic plan for the future of the District.

Thank you for your commitment to a quality education for students in the Venice School District.

Sincerely,

[Redacted]

Robert E. Schiller
State Superintendent of Education
May 10, 2004

Mr. James F. Tapscott
Financial Administrator
Financial Oversight Panel for East St. Louis School District 189
RSM McGladrey
19001 Old LaGrange Road, Suite 300
Mokena, Illinois 60448

Dear Mr. Tapscott:

In accordance with Article 1B of the School Code, I hereby grant approval of the amended budget for the fiscal year ending June 30, 2004, as adopted on April 8, 2004, by the Financial Oversight Panel for East St. Louis School District 189. The amended budget reflects an increase of $20,000 to cover the cost of the Interim Business Manager hired by the Financial Oversight Panel.

Once again, thank you for the commitment you have undertaken for the children of East St. Louis School District 189.

Sincerely,

Robert E. Schiller
State Superintendent of Education

cc: Panel Members
Dr. Anderson, District Superintendent
May 4, 2004

Dr. Robert Schiller, Superintendent
Illinois State Board of Education
100 N. First Street
Springfield, Ill 62777

Dear Dr. Schiller:

At its special meeting on April 8, 2004, the Financial Oversight Panel approved a revised budget for the year ending June 30, 2004. The budget is attached. The Panel is increasing the budget previously approved due to the hiring of an interim business manager since the District has been unable to fill this position.

Should you have any questions, please contact us.

Very truly yours,

James F. Tapscott, Financial Administrator

CC: Panel Members
    Dr. Anderson

RSM McGladrey, Financial Administrator
19001 Old Lagrange Road Suite 300
Mokena, Ill 60448
708-479-3300 Telephone
708-479-0130 Fax
East St. Louis School District No. 116  
Financial Oversight Panel  
Operating Budget  
For the year ended June 30, 2004

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TO:       Dr. Stan Mims  
          Interim CEO  
          East St. Louis School District #189

FROM:    Robert E. Schiller  
          State Superintendent of Education

SUBJECT: HYA Contract  

DATE:    July 22, 2004  

As part of the Intergovernmental Agreement (IGA), the CEO has a role in assisting with the search for a permanent superintendent. In order to facilitate this process, the Transition Team has solicited the services of Hazard, Young, Attea & Associates, Ltd. (HYA). This preeminent search consultant firm, which has its base in Illinois, has assisted hundreds of school districts in the past two decades.

Attached is a contract for their services. The cost of $25,000 for the contract will be charged to the sum of money set aside for the Illinois State Board of Education as part of the IGA.

The cost of any additional expenses or services requested by the East St. Louis Board of Education, as outlined in the proposal, would be borne by the Board and not by the IGA budget.

Please sign the HYA contract and return it to my attention.

Thank you.

cc:      East St. Louis Transition Team  
          Bill Attea, HYA
Dear Dr. Schiller:

This letter summarizes our understanding concerning consultant services and the time-lines for the East St. Louis School District #189 superintendent search.

1. The general services to be provided by Hazard, Young, Attea & Associates, Ltd. (HYA) are as outlined in the enclosed Description of Services provided to the Board and incorporated in this Agreement by reference herein.

2. Based on the data from interviews with District and community representatives and other material made available to us, HYA will provide the State Superintendent and/or the Board with a Leadership Profile Report, and will draft a vacancy announcement and prospectus or brochure.

3. HYA will post the vacancy nationally and regionally, including Education Week (cost varies based on size of ad), the AASA Leadership News ($250.00 per ad), and state association bulletins (no cost). The amount to be spent on advertising will be determined by the Board.

4. The search will open and close according to a schedule determined by the State Superintendent and/or Board. Initial screening and consultant interviews will be conducted shortly after the search closes and the consultants will present a select slate of candidates on a date agreeable to the State Superintendent and/or the Board. The number of candidates to be slotted will be determined by the State Superintendent and/or the Board.

5. The State Superintendent and/or the Board will conduct its interviews and site visits shortly thereafter. The consultants will not be present at the State Superintendent and/or the Board interviews but will assist the State Superintendent and/or the Board in its preparation for the interviews. When presenting the slate, HYA will provide interview guidelines and protocols including suggested questions to ensure informative, effective interviews.

6. Throughout the search process the consultants will be available to counsel with the State Superintendent and/or the Board about the search. The consultants will assist the State Superintendent and/or the Board until they determine it has found the appropriate candidate for the position.
7. At the close of the search and the appointment of the new superintendent, HYA will assist the Board in communicating with all unsuccessful candidates. HYA also will advise the Board in effecting a smooth transition of leadership.

8. If the new superintendent resigns or is dismissed for cause within twelve months of commencing duties, HYA will conduct a new search for the Board at no additional cost to the Board except for expenses.

9. The newly appointed superintendent will be neither recruited nor slated by HYA for another position within five years of commencing duties unless the Board advises HYA that the superintendent may seek another position or the superintendent is no longer employed by the Board.

10. The consulting fee for this search is Twenty Five Thousand Dollars ($25,000). HYA estimates the consultant expenses related to travel and correspondence including secretarial services, postage and telephone to be Four Thousand Five Hundred Dollars. The Board will reimburse the travel expenses of candidates invited for interview by the consultants or by the Board. The cost of brochure layout and printing and the national postings in Education Week and AASA Leadership News will be the Board’s expense. Our consultation fee is due in four equal installments: upon completion of the Planning session, presentation of the Leadership Profile Report, presentation of slate of finalist candidates and the appointment of the new superintendent. Expenses, generally, are billed approximately twelve weeks after the search is concluded. If the Board desires to have HYA pay all expenses related to the search, an expense allocation of one-third (1/3) of the fee, Eight Thousand Dollars ($8,000) should be remitted to HYA at the start of the search. At the conclusion of the search, HYA will account for all expenditures and return any balance to the District or bill the District for expenses which exceeded the original allocation.

11. The Board is provided the option of two additional workshops on page six of the proposal. If the Board should desire to participate in these workshops, they will be provided for a fee of Four Thousand Dollars ($4,000). If the Board would prefer the option of having only one of the sessions, the initial workshop will be provided for a fee of One Thousand Five Hundred Dollars ($1,500) or the Retreat-Workshop will be provided for a fee of Three Thousand Dollars ($3,000).

12. All information, notes, interview sheets, lists, and other documents developed by Hazard, Young Attea & Associates, Ltd. shall remain the property of Hazard, Young, Attea & Associates, Ltd. until such time as specific information is given to the Board.
If this letter conforms to the Board’s understanding, please sign and return a copy for our files. HYA looks forward to working with the Board and the East St. Louis School District #189 staff and community.

HAZARD, YOUNG, ATTEA & ASSOC., Ltd.
By: William J. Attea

Approved:
Robert Schiller, State Superintendent
Illinois Department of Education

Stan Mims, Interim Superintendent
East St. Louis School District

Dated: 7/22/04

Dated: __/__/__
June 25, 2003

Mr. Jim Farmer
Superintendent
Venice Community Unit School District 3
700 Broadway
Venice, IL 62090

Dear Superintendent Farmer:

The Illinois State Board of Education, at its special board meeting on June 25, 2003, certified the Venice Community Unit School District 3 as being in financial difficulty and, therefore, approved the petition requesting a Financial Oversight Panel as submitted by you and your board on June 18, 2003. Attached is the official State Board of Education motion for these two actions.

I will appoint the three-member Financial Oversight Panel as required by statute within the ten day deadline.

The State Board will work closely with you and your board during these critical financial times. If you have any questions, please contact Ms. Donna Luallen, Manager of School Finance at 217/782-4510.

Sincerely,

Robert E. Schiller
State Superintendent of Education

Attachment

cc: The Honorable Harry Briggs
MOTION TO GRANT PETITION FOR EMERGENCY FINANCIAL ASSISTANCE
AND THE ESTABLISHMENT OF A FINANCIAL OVERSIGHT PANEL FOR
VENICE COMMUNITY UNIT SCHOOL DISTRICT 3

Whereas, pursuant to Section 1B-4 of the School Code (105 ILCS 5/1B-4), Venice Community Unit School District #3, has petitioned the State Board of Education for emergency financial assistance and the establishment of a Financial Oversight Panel by affirmative vote of a majority of the board of Venice Community Unit School District #3 on June 18, 2003; and,

Whereas, Venice Community Unit School District #3 has presented clear and convincing documentation of its past, present and future financial condition that warrants the immediate Certification by the State Board of Education as being in financial difficulty pursuant to Section 1A-8 of the School Code by Board; and,

Whereas, the State Board has reviewed the current financial condition of the School District and the Petition for Emergency Financial Assistance and the Establishment of a Financial Oversight Panel (Petition); and

Whereas, the State Superintendent has recommended that the clear and convincing financial documentation of the Venice Community Unit School District #3 warrants the immediate Certification by the State Board as a School District in financial need and that the Petition be granted; and

Whereas, pursuant to Section 1B-4 of the School Code (105 ILCS 5/1B-4), the State Board, in arriving at their decision on whether or not to approve the School District's Petition, considered the following relevant factors:

1. Whether the petition is in the best educational interests of the pupils of the School District;

2. Whether the petition is in the near and long term best financial interests of the School District;

3. Whether the School District has sufficient pupil enrollment to provide and maintain recognized schools;

4. Whether the petition is in the best interests of the other schools of the area and the educational welfare of all the pupils therein;

5. Whether the board of education has complied with the requirements of Section 1A-8 of the School Code regarding districts certified to be in financial difficulty. (105 ILCS 5/1A-8).

Therefore, the State Board of Education, having considered the aforementioned factors in arriving at its decision, Certifies that Venice Community Unit School District #3 is in financial difficulty and thereby grants the Petition for Emergency Financial Assistance and the Establishment of a Financial Oversight Panel for Venice Community Unit School District #3.
July 3, 2003

Mr. Robert Vickers
Interim Superintendent
Venice CUSD 3
700 Broadway
Venice, IL 62090

Dear Superintendent Vickers:

I am pleased to notify you that I have appointed Mr. Rudy Wilson of Edwardsville, Chairman and Mr. Mike Blacharczyk of Belleville and Ms. Mary Kane of Edwardsville to serve as members of the Financial Oversight Panel for Venice Community Unit School District 3 in Madison County. Attached is the press release announcing these appointments.

The purpose of a Financial Oversight Panel, pursuant to Article 1B-6 of the Illinois School Code, is to exercise financial control over Venice CUSD 3. The panel may recommend an Emergency Financial Assistance (grant and/or loan), if appropriate, so that the board of education may provide a viable public education system and still meet its ongoing financial obligations.

With the background and expertise of the members of the Financial Oversight Panel, I am confident they will provide the sound guidance and leadership for Venice CUSD 3 to attain financial stability and develop a recovery plan for the future.

If you have any questions, please contact Ms. Donna Luallen, Manager, School Finance at 217/782-4510.

Sincerely,

Robert E. Schiller
State Superintendent of Education

cc: The Honorable Harry Briggs
The Honorable James Clayborne
The Honorable Wyvetter Younge

Making Illinois Schools Second to None
July 3, 2003

Mr. Mike Blacharczyk
Belleville Area Special Services
2411 Pathways Crossing
Belleville, IL 62221

Dear Mr. Blacharczyk:

I am pleased to notify you that I am appointing you to serve as a member the Financial Oversight Panel for Venice Community Unit School District 3 in Madison County. The other panel appointments are Ms. Mary Kane of Edwardsville and Mr. Rudy Wilson of Edwardsville who I have appointed Chairman. Attached is the official State Board of Education motion certifying this district as being in financial difficulty and simultaneously appointing the three member financial oversight panel.

The purpose of a Financial Oversight Panel, pursuant to Article 1B-6 of the Illinois School Code, is to exercise financial control over Venice CUSD 3. The panel may recommend an Emergency Financial Assistance (grant and/or loan), if appropriate, so that the board of education may provide a viable public education system and still meet its ongoing financial obligations. With your background and expertise, I am confident you will provide the sound guidance and leadership this district will need to attain financial stability and develop a recovery plan for the future.

If you have any questions, please contact Ms. Donna Luallen, Manager of School Finance, at 217/782-4510.

Sincerely,

[Signature]

Robert E. Schiller
State Superintendent of Education

Attachments

cc: Robert Vickers, Interim Superintendent
Honorable Harry Briggs
MOTION TO GRANT PETITION FOR EMERGENCY FINANCIAL ASSISTANCE AND THE ESTABLISHMENT OF A FINANCIAL OVERSIGHT PANEL FOR VENICE COMMUNITY UNIT SCHOOL DISTRICT 3

Whereas, pursuant to Section 1B-4 of the School Code (105 ILCS 5/1B-4), Venice Community Unit School District #3, has petitioned the State Board of Education for emergency financial assistance and the establishment of a Financial Oversight Panel by affirmative vote of a majority of the board of Venice Community Unit School District #3 on June 18, 2003; and,

Whereas, Venice Community Unit School District #3 has presented clear and convincing documentation of its past, present and future financial condition that warrants the immediate Certification by the State Board of Education as being in financial difficulty pursuant to Section 1A-8 of the School Code by Board; and,

Whereas, the State Board has reviewed the current financial condition of the School District and the Petition for Emergency Financial Assistance and the Establishment of a Financial Oversight Panel (Petition); and

Whereas, the State Superintendent has recommended that the clear and convincing financial documentation of the Venice Community Unit School District #3 warrants the immediate Certification by the State Board as a School District in financial need and that the Petition be granted; and

Whereas, pursuant to Section 1B-4 of the School Code (105 ILCS 5/1B-4), the State Board, in arriving at their decision on whether or not to approve the School District's Petition, considered the following relevant factors:

1. Whether the petition is in the best educational interests of the pupils of the School District;

2. Whether the petition is in the near and long term best financial interests of the School District;

3. Whether the School District has sufficient pupil enrollment to provide and maintain recognized schools;

4. Whether the petition is in the best interests of the other schools of the area and the educational welfare of all the pupils therein;

5. Whether the board of education has complied with the requirements of Section 1A-8 of the School Code regarding districts certified to be in financial difficulty. (105 ILCS 5/1A-8).

Therefore, the State Board of Education, having considered the aforementioned factors in arriving at its decision, Certifies that Venice Community Unit School District #3 is in financial difficulty and thereby grants the Petition for Emergency Financial Assistance and the Establishment of a Financial Oversight Panel for Venice Community Unit School District #3.
July 3, 2003

Ms. Mary Kane
5210 Old Carpenter
Edwardsville, IL 62025

Dear Ms. Kane:

I am pleased to notify you that I am appointing you to serve as a member the Financial Oversight Panel for Venice Community Unit School District 3 in Madison County. The other panel appointments are Mr. Mike Blacharczyk of Belleville and Mr. Rudy Wilson of Edwardsville who I have appointed Chairman. Attached is the official State Board of Education motion certifying this district as being in financial difficulty and simultaneously appointing the three member financial oversight panel.

The purpose of a Financial Oversight Panel, pursuant to Article 1B-6 of the Illinois School Code, is to exercise financial control over Venice CUSD 3. The panel may recommend an Emergency Financial Assistance (grant and/or loan), if appropriate, so that the board of education may provide a viable public education system and still meet its ongoing financial obligations. With your background and expertise, I am confident you will provide the sound guidance and leadership this district will need to attain financial stability and develop a recovery plan for the future.

If you have any questions, please contact Ms. Donna Luallen, Manager of School Finance, at 217/782-4510.

Sincerely,

Robert E. Schiller
State Superintendent of Education

Attachments

cc: Robert Vickers, Interim Superintendent
Honorable Harry Briggs
MOTION TO GRANT PETITION FOR EMERGENCY FINANCIAL ASSISTANCE AND THE ESTABLISHMENT OF A FINANCIAL OVERSIGHT PANEL FOR VENICE COMMUNITY UNIT SCHOOL DISTRICT 3

Whereas, pursuant to Section 1B-4 of the School Code (105 ILCS 5/1B-4), Venice Community Unit School District #3, has petitioned the State Board of Education for emergency financial assistance and the establishment of a Financial Oversight Panel by affirmative vote of a majority of the board of Venice Community Unit School District #3 on June 18, 2003; and,

Whereas, Venice Community Unit School District #3 has presented clear and convincing documentation of its past, present and future financial condition that warrants the immediate Certification by the State Board of Education as being in financial difficulty pursuant to Section 1A-8 of the School Code by Board; and,

Whereas, the State Board has reviewed the current financial condition of the School District and the Petition for Emergency Financial Assistance and the Establishment of a Financial Oversight Panel (Petition); and

Whereas, the State Superintendent has recommended that the clear and convincing financial documentation of the Venice Community Unit School District #3 warrants the immediate Certification by the State Board as a School District in financial need and that the Petition be granted; and

Whereas, pursuant to Section 1B-4 of the School Code (105 ILCS 5/1B-4), the State Board, in arriving at their decision on whether or not to approve the School District's Petition, considered the following relevant factors:

1. Whether the petition is in the best educational interests of the pupils of the School District;

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3. Whether the School District has sufficient pupil enrollment to provide and maintain recognized schools;

4. Whether the petition is in the best interests of the other schools of the area and the educational welfare of all the pupils therein;

5. Whether the board of education has complied with the requirements of Section 1A-8 of the School Code regarding districts certified to be in financial difficulty. (105 ILCS 5/1A-8).

Therefore, the State Board of Education, having considered the aforementioned factors in arriving at its decision, Certifies that Venice Community Unit School District #3 is in financial difficulty and thereby grants the Petition for Emergency Financial Assistance and the Establishment of a Financial Oversight Panel for Venice Community Unit School District #3.
July 3, 2003

Mr. Rudolph G. Wilson
Assistant Provost
Cultural and Social Diversity
Room 3108, Rendleman Hall
Southern Illinois University
Edwardsville, IL 62026

Dear Mr. Wilson:

I am pleased to notify you that I am appointing you to serve as Chairman of the Financial Oversight Panel for Venice Community Unit School District 3 in Madison County. The other panel appointments are Mr. Mike Blacharczyk of Belleville and Ms. Mary Kane of Edwardsville. Attached is the official State Board of Education motion certifying this district as being in financial difficulty and simultaneously appointing the three member financial oversight panel.

The purpose of a Financial Oversight Panel, pursuant to Article 1B-6 of the Illinois School Code, is to exercise financial control over Venice CUSD 3. The panel may recommend an Emergency Financial Assistance (grant and/or loan), if appropriate, so that the board of education may provide a viable public education system and still meet its ongoing financial obligations. With your background and expertise, I am confident you will provide the sound guidance and leadership this district will need to attain financial stability and develop a recovery plan for the future.

If you have any questions, please contact Ms. Donna Luallen, Manager of School Finance, at 217/782-4510.

Sincerely,

Robert E. Schiller
State Superintendent of Education

Attachments

cc: Robert Vickers, Interim Superintendent
    Honorable Harry Briggs
MOTION TO GRANT PETITION FOR EMERGENCY FINANCIAL ASSISTANCE AND THE ESTABLISHMENT OF A FINANCIAL OVERSIGHT PANEL FOR VENICE COMMUNITY UNIT SCHOOL DISTRICT 3

Whereas, pursuant to Section 1B-4 of the School Code (105 ILCS 5/1B-4), Venice Community Unit School District #3, has petitioned the State Board of Education for emergency financial assistance and the establishment of a Financial Oversight Panel by affirmative vote of a majority of the board of Venice Community Unit School District #3 on June 18, 2003; and,

Whereas, Venice Community Unit School District #3 has presented clear and convincing documentation of its past, present and future financial condition that warrants the immediate Certification by the State Board of Education as being in financial difficulty pursuant to Section 1A-8 of the School Code by Board; and,

Whereas, the State Board has reviewed the current financial condition of the School District and the Petition for Emergency Financial Assistance and the Establishment of a Financial Oversight Panel (Petition); and

Whereas, the State Superintendent has recommended that the clear and convincing financial documentation of the Venice Community Unit School District #3 warrants the immediate Certification by the State Board as a School District in financial need and that the Petition be granted; and

Whereas, pursuant to Section 1B-4 of the School Code (105 ILCS 5/1B-4), the State Board, in arriving at their decision on whether or not to approve the School District's Petition, considered the following relevant factors:

1. Whether the petition is in the best educational interests of the pupils of the School District;

2. Whether the petition is in the near and long term best financial interests of the School District;

3. Whether the School District has sufficient pupil enrollment to provide and maintain recognized schools;

4. Whether the petition is in the best interests of the other schools of the area and the educational welfare of all the pupils therein;

5. Whether the board of education has complied with the requirements of Section 1A-8 of the School Code regarding districts certified to be in financial difficulty. (105 ILCS 5/1A-8).

Therefore, the State Board of Education, having considered the aforementioned factors in arriving at its decision, Certifies that Venice Community Unit School District #3 is in financial difficulty and thereby grants the Petition for Emergency Financial Assistance and the Establishment of a Financial Oversight Panel for Venice Community Unit School District #3.
July 28, 2003

Mr. Rudolph Wilson
Chairman
Venice Community Unit School District #3
Financial Oversight Panel
1237 Gerber Road
Edwardsville, Illinois 62025

Dear Mr. Wilson:

Thank you for all of your efforts as part of the Financial Oversight Panel for Venice Community School District #3 (Panel).

We are in receipt of the Panel’s letter dated July 15, 2003, requesting approval for an Emergency Financial Assistance Loan in the amount of $250,000. Contingent upon approval of the loan agreement between the Panel and the Illinois State Board of Education, the $250,000 has been approved as an Emergency Financial Assistance Loan to the Panel for financial assistance for Venice Community School District #3.

If you have any questions, please call Deborah I. Vespa, division administrator, School Business and Support Services, at 217/785-8779.

Sincerely,

Robert E. Schiller
State Superintendent of Education

Attachments: Loan agreement
Repayment plan

cc: Panel Members
Dr. Ronald Ganschinietz, Interim District Superintendent
July 28, 2003

Mr. Rudolph Wilson
Chairman
Venice Community Unit School District #3 Financial Oversight Panel
1237 Gerber Road
Edwardsville, Illinois 62025

Dear Mr. Wilson:

This letter is in response to the July 15, 2003 Financial Oversight Panel’s request for a state grant of $62,500 ($250 per enrolled student).

I understand the severe financial difficulties the Venice School District faces and I am pleased to be able to make the $62,500 state grant available immediately because the Governor and General Assembly had the foresight to provide the Illinois State Board of Education with a small appropriation for such emergencies.

The State Board will continue to work with the Financial Oversight Panel and Venice Community School District #3 to help the district remain solvent and educate its 250 students.

If you have any questions, please call Deborah I. Vespa, division administrator, School Business and Support Services, at 217/785-8779.

Sincerely,

Robert E. Schiller
State Superintendent of Education

cc: Panel Members
Dr. Ronald Ganschinetz, Interim District Superintendent
June 17, 2003

Ms. Ruby Johnson  
President  
Venice CUSD 3 Board of Education  
700 Broadway  
Venice, IL 62090

Dear Board President Johnson:

Thank you very much for attending the State Board of Education Meeting on June 16th to discuss the financial condition of the Venice School District. Your participation and that of Superintendent Farmer, Board Treasurer Salmond, and Board Attorney Edwards was very insightful. The State Board of Education now has a much better understanding of the significant financial and compliance issues facing the district.

The State Board of Education did not take specific action during its June meeting with regard to the Venice School District. The State Board of Education remains willing to assist the Venice School District in any way that it can, but will wait to act until after the Venice School District submits its compliance report (due June 20th), its FY02 financial audit, and its decision regarding a voluntary state Financial Oversight Panel (FOP).

Please provide me a copy of the school district’s FY02 financial audit and advise me by June 27th whether the Venice School Board will seek a voluntary state FOP so that I may inform the State Board of Education.

Thank you again for your participation. If you have any questions, please contact me at 217/524-9651.

Sincerely,

Robert E. Schiller  
State Superintendent of Education

Making Illinois Schools Second to None
August 15, 2003

MEMORANDUM

TO: 
Mr. Anthony Rossi
Executive Director
Illinois Capital Development Board

FROM: 
Nate Anderson, Superintendent
East St. Louis School District 189

Lonzo Greenwood, President
East St. Louis School District 189 Board of Education

Richard Mark, Chairman
Financial Oversight Panel for East St. Louis School District 189

Robert E. Schüller
State Superintendent of Education

SUBJECT: East St. Louis School District 189 Construction Projects

The East St. Louis School District 189, the Board, the East St. Louis School District 189 Financial Oversight Panel, and the Illinois State Board of Education recognize and appreciate the services that the Capital Development Board has provided in the past to the East St. Louis School District 189 for projects funded through the school construction grant program.

Pursuant to 105 ILCS 230/5-40 of the School Construction Law, the East St. Louis School District 189, the Board, the East St. Louis School District 189 Financial Oversight Panel, and the Illinois State Board of Education hereby request that the Capital Development Board provide general supervision over the following East St. Louis School District 189 construction projects:

CDB Project # 772-163-015 - Clark Middle School
CDB Project # 772-163-016 - Lincoln Middle School (30% complete)
CDB Project # 772-163-018 - Gordon Bush (Emerson Park) Elementary School
CDB Project # 772-163-019 - Washington Park Elementary School
CDB Project # 772-163-020 - East Side Elementary School
CDB Project # 772-163-025 - DuBose Elementary School

Thank you for your consideration in this matter. We look forward to your early response.
December 1, 2003

Dr. Nathaniel Anderson  
Superintendent  
East St. School District #189  
1005 State Street  
East St. Louis, IL 62201

Dear Dr. Anderson:

As we discussed by telephone last week, I ask that you make an appointment with me during the week of December 8, 2003 to report on your findings with regard to the exclusion of students with IEPs from the state assessment program in 2003.

Please be prepared to share with me your findings of the investigation you are conducting and the next steps of discipline/remediation that are necessary, in your judgment, to remedy the issue.

I understand that there are other issues with regard to East St. Louis’ efforts with implementing the intent of IDEA’s Least Restrictive Environment requirements. Please be advised that the student individualized education programs (IEPs) must demonstrate individual placement decisions on behalf of students with disabilities and that your district is required to maintain a continuum of special education placement options. We will need to discuss these matters as well.

I hope this information makes this agency’s position clear and, as we discussed, any violations of the School Code or IDEA in this area are very serious and carry with them strong sanctions.

Thank you in advance for your attention to this matter.

Sincerely,

Robert E. Schiller  
State Superintendent of Education

cc: Lynne Curry  
    Christopher Koch  
    Richard Mark  
    Tom Oates

Making Illinois Schools Second to None
December 16, 2003

VIA U.S. MAIL AND CERTIFIED MAIL

Dr. Richard Basden
Interim Superintendent
Venice Community Unit School District 3
700 Broadway
Venice, Illinois 62902

Dear Dr. Basden:

The Venice Community Unit School District 3 time-specific probationary plan approved by the Illinois State Board of Education on July 9, 2003, specified that all deficiencies and infractions of special education mandates identified during onsite compliance visits would be corrected by July 30, 2003. An onsite compliance review by State Board of Education on August 1, 2003, revealed that all infractions and deficiencies had not been corrected. Further, Regional Superintendent of Schools, the Honorable Harry Briggs, has reported in a letter to me dated December 15, 2003, that the following financial deficiencies remain:

- No amended FY03 budget has been submitted
- No FY04 Budget has been submitted
- No FY03 Annual Financial Report has been submitted

In addition to these critical financial deficiencies, a review of the special education program in the district by staff from the Illinois State Board of Education indicates that special education compliance issues remain. Specifically, not all district special education students have individualized education plans.

Section 1.20 (d) of Part 1 of the 23 Illinois Administrative Code specifies that a school or district which fails to correct cited deficiencies within the time set forth in its plan shall be nonrecognized and shall be ineligible to file any claim upon the common school fund or collect tuition from another school district.

You may, within 30 days after receipt of this letter, request a conference at which representatives of the district will have an opportunity to discuss these compliance issues with representatives of the State Board of Education. If within the 30-day period you do not request a conference, the nonrecognition determination shall stand.
If a conference is requested and the areas of concern are not resolved, the Venice Community Unit District 3 school board may submit an appeal by adopted board resolution. The appeal must identify the specific findings with which the district disagrees.

The district will be given a hearing in accordance with the State Board’s rules for Contested Cases and Other Formal Hearings (23 Illinois Administrative Code 475), and a final decision will be made by the State Board of Education.

Should you have questions regarding this matter, please feel free to call me at 217/782-2948.

Sincerely,

Robert E. Schiller,
State Superintendent of Education

cc: The Honorable Harry A. Briggs, Regional Superintendent
Respicio Vazquez, General Counsel
Harry Blackburn, Assistant Legal Advisor
Christopher Koch, Director Special Education
Donna Lualen, Manager School Finance
Lynne Curry, Director Planning and Performance