

Illinois State Board of Education

100 North First Street
Springfield, Illinois 62777

SCHEDULE AND AGENDA OF MEETINGS

October 20-21, 2004

(A live audio stream, via the Internet, will be available during the Board meeting on Thursday)

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WEDNESDAY, OCTOBER 20, 2004

10:00 a.m. - 4:00 p.m.
Video Conference Room
3rd Floor

Orientation of Board Members
Public Conference Call Access Number:
1-866-297-6391 (listen only)
Confirmation # 1 0 1 4 2 7 8 2

THURSDAY, 21, 2004

8:30 - 11:00 a.m.
4th Floor Board Room

Board Meeting
Public Conference Call Access Number:
1-866-297-6391 (listen only)
Confirmation # 1 0 1 3 1 9 2 0

11:10 a.m.*
4th Floor Board Conference Room

Governmental Relations Committee
Organizational Meeting
Public Conference Call Access Number:
1-888-867-5802
Confirmation # 1 0 1 4 2 7 6 1

11:10 a.m.*
4th Floor Board Room

Education Policy Planning Committee
Organizational Meeting
Public Conference Call Access Number:
1-866-297-6391 (listen only)
Confirmation # 1 0 1 3 1 9 2 0

Noon
4th Floor Board Conference Room

LUNCH

1:00 p.m.*

4th Floor Board Conference Room

Board Operations Committee

Organizational Meeting

***Public Conference Call Access Number:
1-888-867-5802***

Confirmation # 1 0 1 4 2 7 6 1

1:00 p.m.*

4th Floor Board Room

Finance & Audit Committee

Organizational Meeting

***Public Conference Call Access Number:
1-866-297-6391 (listen only)***

Confirmation # 1 0 1 3 1 9 2 0

* If the State Board of Education Meeting adjourns prior to 11:00 a.m., the committee meetings may begin earlier than the time posted.

**Illinois State Board of Education
AGENDA**

**THURSDAY, October 21, 2004
8:30 a.m.**

ISBE Plenary Business Meeting

A. Call Meeting to Order/Roll Call

B. Public Participation

C. Approval of Minutes: September 20 & September 22, 2004 *(pp. 5-27)*

D. Announcements and Reports

- Superintendent's Report
- Chairman's Report
- Committee Reports
- Members' Reports

E. Action Items

- Election of Officers
- QZAB Bond Authorization for West Aurora *(pp. 28-31)*
- Certification of School Districts deemed to be in Financial Difficulty *(pp. 32-42)*
- Update the Approved List of Supplemental Educational Service Providers *(pp. 43-47)*
- Approval of Illinois Institute of Technology's 18-Month Science Program Report *(pp. 48-50)*
- Approval of National Louis University Speech Language Pathologist Program Proposal *(pp. 51-53)*
- Authorization of Rules for Initial Review - Part 1100 (Procurement by the State Board of Education) *(pp. 54-63)*
- Amendment to Fidelis Contract for Services Related to the Food Commodity Distribution System

F. Other Information

- Middle Grades Certificate - informational presentation
- ISBE Fiscal & Administrative Monthly Reports *(pp. 64-77)*
- Monthly Status Report on Rulemaking *(pp. 78-80)*

G. Closed Session (as needed)

H. Reconvene (as needed)

I. Personnel Issues (as needed)

J. Adjourn

All State Board of Education meetings listed on this agenda will be accessible to persons with disabilities. Persons planning to attend who need special accommodations should contact the Board office no later than the date prior to the meeting.

Contact the Superintendent's office at the State Board of Education, 100 North First Street, Springfield, Illinois 62777-0001.

Phone: 217-782-2221
TTY/TDD: 217-782-1900
Fax: 217-785-3972

Illinois State Board of Education Meeting
October 21, 2004
100 North First Street
Springfield, Illinois

MINUTES

<p>A. Call Meeting to Order/Roll Call</p>	<p>Mr. Jesse Ruiz, Chairman, called the meeting to order at 8:35 a.m. Chairman Ruiz asked Jean Ladage, Assistant to the Board, to call the roll. A quorum was present. Dr. Randy Dunn, Interim State Superintendent of Education, was also in attendance.</p> <p>The Chairman announced that the meeting was being webcast live on the Internet. He also noted that there was a revised agenda on the back table in the Board Room due to the addition of an action item regarding an amendment to a contract for the Food Commodity Distribution Program.</p> <p><u>Members Present:</u> Dr. Andrea Brown Mr. Dean Clark Dr. David Fields Dr. Vinni Hall, Secretary Ms. Brenda Holmes Ms. Joyce Karon Mr. Jesse Ruiz, Chairman Dr. Christopher Ward Mr. Edward Geppert, Jr.</p> <p><u>Members Absent:</u> None</p>
<p>B. Public Participation Agricultural Education</p>	<p><u>Bill Schreck and Jay Runner</u>, representing the Illinois Committee for Agricultural Education (ICAE), spoke to the Board regarding agricultural education. Mr. Schreck noted that he works with ISBE staff member Ron Reisch promoting agricultural education statewide. He said that they work on behalf of the ICAE (a Governor appointed committee), the Illinois Leadership Council for Agricultural Education, and the Illinois Association of Vocational Agricultural Teachers.</p> <p>Mr. Runner informed the Board that the seventh agricultural curriculum CD had been completed and was made available free of charge to all high school agricultural teachers. He indicated that this CD contains 71 lessons, which align with the Illinois Learning Standards and State Goals. He informed the Board that currently there are 42 states that purchase this curriculum and 16 states that have implemented the entire curriculum as their agricultural education program. He noted that Illinois is currently looked at as a premier leader in curriculum development in agricultural education. Mr. Runner said that none of this would have been possible without the Board's continued support of the agricultural education line item in ISBE's budget.</p> <p>Ms. Holmes inquired as to the last time the agricultural education's line item in the ISBE budget had been increased. Mr. Runner answered that this line item has not been increased but has experienced a decrease in funding since 2001.</p>

Middle-Grades Certificate

Deborah Kasak, the Executive Director of the National Forum to Accelerate Middle-Grades Reform, informed the Board that the National Forum is a group of 65 organizations across the country that have joined together to emphasize that Illinois is not doing enough in the middle grades. She said that it is time that we did something bold and decisive to make middle grades important and improved.

Ms. Kasak indicated that when she refers to middle grades she means wherever those grades 5-8 happen to be housed – whether that be a junior high, a middle school, part of a high school or a K-8 building. She informed the Board that what they are finding is that the teachers who have the middle grades preparation and background use the practices that are desirable –with teams and advisement and lots of integrated and active curriculum. Ms. Kasak said that these methods are showing improvement gains for students. She indicated that this is not a new issue. She encouraged the Board move forward with a middle-grades certificate and thanked them for their time.

Debby Meisner-Bertauski, Project Director for the Illinois State Teacher Quality Enhancement (TQE) Grant at the Illinois Board of Higher Education (IBHE) spoke to the Board regarding IBHE's support of the middle-level certificate. She noted that there is little doubt that the weakest area of our statewide educational system continues to be the middle grades. She indicated that the lack of development by students in these grades leaves them inadequately prepared for the rigorous academic demands of high schools subjects. Ms. Meisner-Bertauski emphasized that this condition prompted a proposal for an award of a federal teacher quality enhancement grant that focuses on reform in middle education. She explained that this grant was awarded four years ago to a partnership alliance comprised of the Board of Higher Education, Community College Board, and the State Board of Education. She noted that each of these agencies made a commitment to the educational agenda outlined in the grant.

Ms. Meisner-Bertauski said that based upon extensive research, the three educational agencies determined that the first step towards improved middle-level education lies in the development of a middle grades teacher certificate and rigorous middle grades teacher preparation standards. She explained that this initial goal was followed by a second goal: improving the knowledge and skills of current and future teachers. She said that the third goal is increasing the supply of effective middle grades teachers. She informed the Board that to this end, middle grade teacher preparation and professional development experiences as well as innovative recruitment activities have been developed at Chicago State University, Northeastern Illinois University, Southern Illinois University at Carbondale and Southern Illinois University at Edwardsville. She indicated that these four universities coupled with the middle-level programs currently existing at Illinois State University and Eastern Illinois University form a solid foundation for supplying a highly trained middle-grades teaching force. She said that a middle-grades certificate in Illinois would drive excellence in the middle grades. Ms. Meisner-Bertauski said that IBHE respectfully requests that the State Board approve the timeline recommended by the Middle Level Advisory Panel for the immediate establishment of a standards-based enhanced endorsement. She noted that this action would lead to the reorganization of teacher certification in 2010 and focus on age-appropriate certificates -- one of which will be middle grade education. She thanked the Board for their time and their consideration of this extremely important issue.

<p>Chicago Schools Tour and the Joint Annual Conference</p>	<p>Dr. Brown asked Ms. Meisner-Bertauski if she knew how many teachers are holding elementary certificates with endorsement and secondary certificates with endorsement. Ms. Meisner-Bertauski stated that she did not know if that information was available, but currently a person can be hired to go into a middle grades classroom without even having done any kind of clinical work in a classroom. Dr. Brown also asked about how many states have gone with the middle school endorsement. Ms. Meisner-Bertauski answered that each state is different and she indicated that she would supply the Board with a chart showing what is happening in each state.</p> <p>Cynthia Woods, representing the Illinois Association of School Boards (IASB), welcomed the new Board members and invited them to attend the Chicago Schools Tour being held on November 19, 2004, during the 72nd Annual IASB/IASA/IASBO Joint Annual Conference. She noted that this was a really wonderful opportunity to see what Chicago has to offer. She said that she is looking forward to working with the Board members and hoped that she would get the opportunity to greet them at the "Triple I" Conference.</p>
<p>Rules</p>	<p>Susan Shea, Education Policy Director for the Illinois Education Association (IEA), and Laura Arterburn, Legislative Director with the Illinois Federal of Teachers (IFT), addressed the Board regarding certification rules.</p> <p>Dr. Shea encouraged the Board to just apply the rules in Section 25.800, Professional Development Requirements, in the School Code, as they were written. She said that this means when you have an advanced degree, you must have attained it before you apply it. She noted that the people that come in for an advanced degree, whether it is a doctorate or a master's degree, can apply it in that cycle as long as they have it before they apply it.</p> <p>She also commented on the rules in Section 25.825, Progress Toward Completion, in the School Code. She noted that the language, which allows teachers to use activities completed on or after March 1st of the final year of certificate's validity period, has been struck from the proposed rules. She stated that certificate holders need the flexibility to be able to count activities in either cycle, as long as they meet one of the required purposes. She encouraged the Board to strike the words "the plan applicable to," as the only thing that was eliminated in this part was the requirement of the certificate holder to write a "plan."</p> <p>Finally, Dr. Shea commented on the rules in Section 25, Appendix D. Criteria for Identification of Teachers as "Highly Qualified" in Various Circumstances, Special Education, in the School Code.</p> <p>She asked the Board to defer the proposed changes requiring that an Illinois special education teacher needs to be "highly qualified" until the Individuals with Disabilities Education Act (IDEA) has been reauthorized, the federal guidelines regarding special education teacher certification for the Elementary and Secondary Education Act (ESEA) have been published, and there is a clearer direction from the federal government on this issue.</p>
<p>IFT agrees with IEA on rules and opposes the middle-grades certificate</p>	<p>Ms. Arterburn said that she would like to second virtually everything that Dr. Shea said, especially regarding the special education certification. She also wanted to go on record, aside from the rules, to say that IFT is opposing the establishment of the middle-grades certification as it stands now in the report. The IFT thinks that what we have now requires our teachers to be very highly qualified and it also allows teachers greater mobility, greater flexibility in what they do, as well as flexibility for districts.</p>

<p>Donna Baiocchi, ED-RED</p>	<p>She said that it would provide a very severe limitation for all of us in the education arena if we go to this very limited certification area.</p> <p>Dr. Hall stated that she is very concerned about this issue as well, especially regarding the issue of getting stuck in certificate tracking. She noted that she agrees that we need to have balance between the certificate and flexibility. She agreed that teachers need to be prepared to deal with the middle-grades adolescent group but she wasn't sure that a new certificate would be the answer.</p> <p>Dr. Shea stated for the record that the IEA has not addressed the middle-grades certificate issue.</p> <p>Superintendent Dunn stated that a letter is on file from IEA regarding Dr. Shea's comments regarding the rules, and they will make it a part of the rulemaking process as it occurs.</p> <p><u>Donna Baiocchi, Executive Director of ED-RED</u>, greeted the Board and Superintendent Dunn and told them that ED-RED was a consortium of 100 school districts mainly representing the suburban school area in north and northwest cook, DuPage, and Lake County. She welcomed Dr. Dunn to his new position and said that ED-RED looks forward to working with him. She told Chairman Ruiz that it was very nice to meet him today and greeted the other Board members. She said that she was in favor of waiting until IDEA was reauthorized before going ahead with the special education rules and regulations.</p> <p>She noted that IDEA will be reauthorized before the end of the year. She informed the board that ED-RED feels it is premature to put your rules in writing now, prior to the reauthorization, which we have been waiting for four years. She indicated that ED-RED looks forward to working with the Board to make education better for our children in Illinois</p>
<p>C. Approval of Minutes</p>	<p>Dr. Brown moved that the State Board of Education approve the minutes for the meetings on September 20 and September 22, 2004. Dr. Hall seconded the motion and it passed with a unanimous voice vote. Ms. Karon noted that there was a typographical error in the minutes from September 20, 2004, regarding the spelling of Chairman Ruiz's name. It was noted that a correction to the minutes would be made, and the signed minutes will reflect the change.</p>
<p>D. Announcements and Reports</p> <p><u>Superintendent's Report:</u></p>	<p>Superintendent Dunn introduced Dr. Ginger Reynolds, Interim Assistant Superintendent for Teacher and Learning. He also announced that the Agency is very proud of Becky McCabe, Division Administrator in Student Assessment because she received the distinguished Principal of the Year Award from the Illinois Principals Association. Superintendent Dunn noted that we have borrowed Becky from the Urbana School District and indicated that we are working very hard to keep borrowing her for a long time. He indicated that he and Becky are meeting daily on some of the school report card work and her expertise has been of great assistance.</p> <p>Dr. Dunn asked the Board to let him know if there was any interest in trying to coordinate some kind of "meet and greet" at the Triple I Conference. He hoped that something could be arranged where he and State Board members could be available to meet conference participants.</p> <p>The Superintendent updated the Board on the priority areas of focus in the Agency in the last month. He emphasized that certification has been "Job One" given the Governor's charge. He indicated that staff have made a great deal of progress in that area since the last Board meeting. Dr. Dunn</p>

added that Dennis Williams has been able to redistribute staff, and has re-engineered his division to get some progress made. There has been a lot of weekend work going on in Certification and in the past week we have issued 3,582 certificates. The Agency was sitting on a backlog of 7,000. However, many new applications continue to come in every day. Clearly, great work is being done in this department. Within that priority area, we are trying to address Chicago's need. Superintendent Dunn indicated they are getting very close to having something to announce in that regard, given the staffing concerns with Chicago and the need to really help them get teachers ready for classrooms. He indicated that he thinks that staff are getting close to getting that backlog whittled down.

He also announced that in another priority area -- streamlining the Agency's rules, Jonathan Furr, General Counsel, would have a presentation on today's agenda. Superintendent Dunn indicated that staff are working on a framework on how to attack this issue.

Dr. Dunn also emphasized that cost savings has been an area that Governor Blagojevich has asked us to try and do something about. Probably the most notable event there has been some work that Mark Kolaz and his staff are working on with the Illinois Finance Authority (IFA). IFA has a means by which to pull tax anticipation warrants, and this may be the type of thing that the Agency can facilitate to provide an additional service to districts that this would help.

Superintendent Dunn also reported on program areas of focus. He saluted Becky McCabe and Connie Wise for the progress that they have made during the School Report Card correction period. Superintendent Dunn indicated that Pearson has provided 19 additional people to get this situation addressed. He also indicated that school boards have been very patient as this process continues. Dr. Dunn said that "We are going to be hard pressed regarding the Oct. 31st deadline, but our first and foremost concern is accurate data. We will continue to work with the districts to get correct information. This data can impact schools for years to come -- given the Annual Yearly Progress (AYP)."

Superintendent Dunn continued that exciting things are happening regarding wrap-around services. Eamon Kelly, Interim Chief of Staff, is working with interfacing with other state agencies -- possibility with Public Aid regarding Kid Care. There are a lot of social services that we need to be attentive to and look to develop in schools."

The Superintendent also noted that he would be meeting with Early Childhood Division Administrator, Kay Henderson, tomorrow to discuss early childhood education. Dr. Dunn indicated that he & Kay will talk about building upon the thousands of new kids that have been brought into early childhood programs during the Blagojevich administration.

He also spoke to the Board regarding the Venice Charter School. Superintendent Dunn said that it was like a tremendous weight was being lifted off their shoulders. Superintendent Dunn indicated that he is staying in close contact with ROE Harry Briggs and working with the partners. Regional Superintendent Briggs is working closely with Stan Mims, CEO, of East St. Louis School District and Dr. Elliott Lesson, Dean from SIU-E, to make this a success. Dr. Dunn informed the Board that he will continue to provide them with updates.

The Superintendent then reported that General Counsel, Jonathan Furr, is working with the Inspector General to ensure that clear reporting procedures are in place and that they are in line with what the Inspector General's office has with the rest of the state agencies. He said that measures will be taken

	<p>to make sure that all employees have ethics training and that it is addressed in an appropriate and timely fashion.</p> <p>Superintendent Dunn asked General Counsel Jonathan Furr to come forward to address the Board regarding streamlining the rules process. Mr. Furr said that the Agency needs to take a hard look at this issue. He announced that there were seven binders on the back table in the Board Room, which show how large these procedures are. He noted that ISBE has set up an e-mail account called lessredtape@isbe.net, by which the public can offer creative and innovative ideas. He reported that SB 3000 directs us to streamline the rules process and look at all rules in place. The first priority is certification. He said that his staff would work with the division to get their input on this process. He also said that there would be meetings with all program managers about rules. There will also be an external advisory committee to help in this process as well as asking the public for their input. The final sets of rules would be submitted to the Board for their approval. Mr. Furr noted that he is looking forward to streamlining the Agency's rules and getting down to the nuts and bolts of this process.</p> <p>Dr. Ward asked about a timeline regarding this process. Mr. Furr said the internal process would take about 4 weeks and about another 2-3 month period for the Board's action. He noted that each month a new division's rules would be reviewed. Mr. Clark asked about JCAR involvement. Mr. Furr responded that JCAR would of course be involved. Superintendent Dunn said that he wants to stay on a pretty tight schedule regarding this process.</p>
<p>Chairman's Report:</p>	<p>Chairman Ruiz announced the assignments to the Board's Committees.</p> <p>Governmental Relations Committee members: Ms. Holmes, Chair Mr. Clark Chairman Ruiz Dr. Ward</p> <p>Education Policy Planning Committee members: Dr. Fields, Chair Dr. Brown Mr. Geppert Dr. Hall Ms. Karon</p> <p>Board Operations Committee members: Dr. Ward, Chair Dr. Fields Dr. Hall Ms. Karon Chairman Ruiz</p> <p>Finance and Audit Committee members: Mr. Geppert, Chair Dr. Brown Mr. Clark Ms. Holmes</p> <p>The Chairman indicated that copies of the Committee assignments were on the back table in the Board Room. He said that the Committees would be meeting later in the day to begin their work.</p>

	<p>He indicated that he had been in town last Friday to attend the Governor's Task Force on Education Accountability, chaired by Dr. Michael Bakalis, former Superintendent of Public Instruction. He said that it had been a very good meeting with other educators from across the state indicating their very positive comments about the State Board members and Superintendent Dunn – especially regarding the things that were being done by ISBE and the direction in which the Agency was going. He also heard praise for the rules simplification process that the State Board is undertaking. Chairman Ruiz also reported that people are noticing and appreciating the Board and Superintendent Dunn's outreach efforts and accessibility. He indicated he was pleased that all Board members would be attending the Joint Annual School Board Conference in Chicago in November.</p>
<p>Committee Reports</p>	<p>The Chairman noted that since the Committees have not met yet there was nothing to report at this time.</p>
<p>Members' Reports:</p>	<p>Dr. Hall reported that she enjoyed participating in the presentation of the Milken Award to a teacher at Beidler Elementary School in Chicago. She also complimented a presentation by high school students from Olympia School District and Chicago Public Schools at WIU on October 12. She said that the young people took a program that they developed using technology and turned it into a nature trail that they designed. She also stated that she hoped the Board would revisit the alternative schools issue. She noted that she has heard so much from so many people about this subject.</p> <p>Dr. Brown said that she had attended a speaking engagement of Superintendent Dunn at the School Law Conference at SIU. She said that he did a great job. The educators were impressed that he mentioned being included in the Governor's Cabinet meetings. The superintendents and principals that attended this conference really appreciated this pledge of outreach effort.</p> <p>Chairman Ruiz mentioned that he recently had the opportunity to meet and greet Spanish teachers from Spain. He noted that the Spanish government works with the State of Illinois and a few other states in bringing this group of teachers -- who come and work here for a three-year period -- and it costs us virtually nothing, except for their employment by the school districts. He said that this helps our bilingual programs and helps educate our students. He also noted that he would be a Principal for a Day at a school in Chicago in the coming week and would also be visiting with the Illinois Association of School Boards in Rosemont.</p> <p>Dr. Fields commended the staff for an excellent orientation, which brought the Board members up to speed on pertinent Agency operations. Chairman Ruiz and Dr. Ward also thanked staff for the orientation and said that it had been very helpful. Dr. Ward also commented about the talent and professionalism of ISBE staff. He said that it gave him a great deal of confidence regarding what was happening in the Agency.</p>
<p>E. Discussion and Action Items</p> <p>Election of Officers: Vice Chairman</p>	<p>Ms. Holmes announced that the Board's Nominations Committee had the following recommendations for Board officers:</p> <p>Vice Chairman – Christopher Ward</p> <p>Dr. Ward accepted the nomination.</p> <p>Chairman Ruiz asked if there were any further nominations from the floor.</p>

	<p>There were none. He asked for a motion to close the nominations.</p> <p><u>Motion:</u> Dr. Fields moved that the nominations should be closed. The motion was seconded by Mr. Geppert.</p> <p>A roll call vote was taken and it passed with a unanimous voice vote.</p> <p>Ms. Holmes announced the nomination for Secretary:</p> <p>Board Secretary – Vinni Hall</p> <p>Dr. Hall accepted the nomination.</p> <p>Chairman Ruiz asked if there were any further nominations from the floor. There were none. He asked for a motion to close the nominations.</p> <p><u>Motion:</u> Mr. Geppert moved that the nominations should be closed. Dr. Fields seconded the motion and it passed with a unanimous voice vote.</p>
<p>QZAB Bond Authorization for West Aurora</p>	<p><u>Motion:</u> Mr. Clark moved that the State Board of Education approve the application submitted by Aurora West Unit School District #129 for designation of \$790,000 in bonds as Qualified Zone Academy Bonds (QZAB) pursuant to the provisions of Section 1397E of the Internal Revenue Code of 1986, as amended.</p> <p>Dr. Ward seconded the motion and it passed with a unanimous roll call vote.</p>
<p>Certification of School Districts deemed to be in Financial Difficulty</p>	<p>Chairman Ruiz said that Superintendent Dunn and staff member Deb Vespa would share with the Board the results of an analysis conducted of four school districts regarding financial certification. Superintendent Dunn and Ms. Vespa discussed with the Board the analysis of these four school districts. She said that this analysis consists of financial data collected from the districts' June 30, 2003, Annual Financial Report, financial data submitted by the district, and on-site district visits.</p> <p>Mr. Clark asked about the positives and negatives regarding placing these districts onto a list showing needing improvement -- both financial and from a more pragmatic point of view. Ms. Vespa noted that that Section 1A-8 of the School Code provides specific powers to the State Board in assisting school districts deemed in financial difficulty. She said that these powers enable the State Board to assist school districts and help promote financial integrity and continued operations.</p> <p>Dr. Ward asked when the first time is that our office contacts these school districts. He wanted to know if they responded in time to any information required by our office. Ms. Vespa said that she had been working/visiting with these school districts on a regular basis. She also noted the dilemma of new superintendents inheriting old financial problems. Mr. Geppert commended the staff regarding the fact sheets about these districts. He said all of these districts are small and the teacher salaries in these districts are less than the state average. He also wanted to know if we are confident about Calhoun School District's budget for next year. He was concerned regarding the district being able to come out of the certification status. Ms. Vespa said that Calhoun is doing much better than in the past.</p> <p>Ms. Holmes said that she was still confused regarding the timeline used to certify these districts. Staff member Deb Vespa explained the process. She said that a district can be certified basically at any time. She said that the</p>

criteria which certify a district are:

- If they have issued Teacher Orders or funding bonds to retire Teacher Orders;
- If they have had two or more years with a negative fund balance in the operations fund; and
- If they have two years worth of tax anticipation warrants outstanding.

Ms. Vespa noted that ISBE monitors this process with the financial profile – a tool internally. The financial profile list is released around March. We also monitor schools that don't meet the criteria but are in financial difficulty.

Ms. Holmes asked Superintendent Dunn if the Board could revisit the issue of the criteria that is used to certify a district. Superintendent Dunn said that certification is not a sign of mismanagement or lack of leadership. He noted that sometimes it can be seen as a good thing from a political stand point. The Superintendent said that we need to go back and take a good critical look at the criteria, which is used to certify districts. Ms. Holmes noted her appreciation to Deb Vespa and her staff.

Dr. Ward said that certain communities look at financial certification differently. He said the Board needs to be sensitive to how communities perceive it and be supportive in talking about this issue. He said that the new superintendent issue is very important.

Dr. Hall asked how many districts are in financial difficulty. Ms. Vespa stated that there are none that are named at this time under financial certification. We have two school districts that have a financial oversight panel and two school districts that have school finance authorities. Dr. Hall asked about the cons of a district being certified. Deb Vespa talked about community perception – school boards don't want the community to think that the district is not doing what is necessary. Ms. Karon asked about how many schools are teetering on the edge of financial certification. Ms. Vespa said that 18 school districts could be certified. She said that there are 34 additional school districts that had negative fund balances last year. As 2004 annual financial data come in staff are continuing to monitor how those districts are progressing. Ms. Vespa also noted that she is receiving more and more calls from districts regarding the issuance of General State Aid Certificate and Revenue Anticipation Notes. She is continuing to work with external consultants.

Ms. Karon asked about the test data not being reflected on Fairmont School District's report. Ms. Vespa said that she thought maybe the district population was so small that it was just not listed on the report card. Dr. Fields commented that about 80% of districts have deficit spending. Ms. Vespa explained that staff continue to monitor school districts with deficit fund balances. She said that they are most concerned about districts that have deficit fund balances year after year.

Mr. Clark wanted a clarification of deficit funds and operating expenses. He wanted to know if working cash was included in the profile of the districts that have deficit fund balances. Ms. Holmes commented that we need to be very cautious regarding how we present the information. Mr. Geppert also commented regarding small school district size. Mr. Clark commented regarding school consolidation. Ms. Vespa mentioned that referenda are pending and that could change a district's financial condition. Mr. Clark said that in looking at the EAV's of these districts – the potential is somewhat limited – the deck is seemingly stacked against them. Ms. Vespa said that if the school districts are not certified today they will be monitored on a continuing basis in the future. We will continue to update you.

<p>Calhoun School District</p>	<p>Linda Basden, Superintendent of Calhoun School District, informed the Board that Calhoun is a small district located on the south-west border of Illinois. She said that she came in as a new superintendent and has been working diligently to turn this district's finances around. She explained that she and the local board have made significant cuts to the budget in FY 04 and they continue to make the necessary reductions by eliminating five positions for FY 05. She said that at the end of FY 03, the district had \$510,000 in Tax Anticipation Warrants (TAW) outstanding, 81.3% of their short-term debt limit for TAWs. She noted that the school district has \$3.1 million extended for long-term debt at the end of FY 03, 76.66% of their long-term debt. Superintendent Basden also explained that at the end of FY 03, the district had incurred negative fund balances of \$613,000. She said that they are very close to being maxed out on their short- and long-term debt extensions. She reported that for FY 04 they did not have to extend TAWs to the extent previously required. She said that in FY 04 they did sell Working Cash Fund Bonds of \$829,000 to retire their outstanding Teachers' Orders.</p> <p>Robert Broughton, Calhoun School District Board member, reported to the board that he did not know that this district was headed in the wrong direction. He did not blame the former district superintendent – he just was not on top of the situation like he should have been. He believes their situation is a result of their small district status with little margin for error. He feels that Superintendent Basden has turned the district around and they are now better informed.</p> <p>Mr. Clark asked what they see as the negative. Superintendent Basden said being on the list, as being certified in "financial difficulty," was a very negative perception. She asked to Board to not certify her district.</p>
<p>Elverdo Community Unit School District</p>	<p>Rebecca Canty, Superintendent of Elverado Community Unit School District #196, told the Board that Elverado School District is a small district located in southern Illinois. She said that she was also a new superintendent and realizes that her district needs to review their expenditures. She explained that at the end of FY 03, the school district had \$200,000 extended in TAWs and \$800,000 extended in Teachers' Orders. She noted that they also have \$2 million extended in long-term debt which leaves a 5.44% long-term debt margin remaining. She indicated that this district has been incurring negative operational fund balances since Fiscal Year 2000. They have been incurring a deficit for their results of operations in the amount of \$200,000 to \$300,000. She told the Board that in FY 04 the school district sold \$828,000 in Working Cash Fund Bonds, and it remains to be reported how much of this balance will remain or how much will be abated/abolished. She asked the Board not to certify her district "in financial difficulty."</p>
<p>Fairmont School District #89</p>	<p>Mr. Clark asked Superintendent Canty what would happen if the Board goes along with the district's suggestions. She said that she believes that it will help.</p> <p>Doris Langon, Superintendent of Fairmont School District #89, along with the district's Finance Manger Jim Bowen, reported to the Board that Fairmont School District is a small elementary school district in Will County. Ms. Langon said she is a new superintendent to this district and has specific deliverables in her contract, such as the development of a financial plan. She said the district received capital development grants in the past and utilized Operation and Maintenance Funds for their matching requirement. She indicated that the school district is working for an Educational Tax</p>

<p>Grass Lake School District #36</p> <p>Deferring Action on Certification of School Districts in Financial Difficulty</p>	<p>Referendum to be put on the spring ballot. Mr. Bowen noted that in FY 03, the district was able to pay off their prior year Tax Anticipation Warrants of \$300,000 and did not have any outstanding short-term debt at the end of the of the fiscal year. He said that for their long-term debt, they have \$1.758 million outstanding or 89.1% of their long-term debt extension.</p> <p>The district's PTO president spoke to the Board regarding the history of the school and how things have been going down hill for the last couple of years. He spoke of his support of Superintendent Doris Langdon. The district's attorney, Scott Nemanich, spoke to the Board regarding money that the district officials were not aware of due to not being informed by the district's former business manager.</p> <p>Randy Mathias, Board President at Grass Lake School District 36 in Lake County, spoke to the Board regarding the certification of his school district in financial difficulty. He informed the Board members that his district has done everything humanly possible to avoid this situation. He said that the State Board has visited his district twice this year and told them they were doing everything that they could do. Mr. Mathias reported that his district has had no sports program for two years and they do not have a school librarian. He noted that when teachers retire, they are not replaced; the district moves other teachers around. He said that the district has been turned down by the neighboring school regarding consolidation. He emphasized that the local board will be going for their fifth referendum try. He asked the Board to consider what will happen to his district if it is certified in financial difficulty.</p> <p>Chairman Ruiz announced that after hearing all the information this action item be deferred. He asked for a motion for this deferment.</p> <p>Motion: Ms. Holmes moved that Illinois State Board of Education defer action on the Certification of School Districts in Financial Difficulty until after the Board has an opportunity to hear from staff regarding any changes in the status of the school districts as a result of April referenda. Dr. Fields seconded the motion and it passed with a unanimous roll call vote.</p>
<p>Update the Approved List of Supplemental Service Providers</p>	<p>The Chairman stated that the purpose of this agenda item was to update the Approved List of Supplemental Educational Service Providers required by Section 1116(e) of the <i>No Child Left Behind Act</i> (NCLBA).</p> <p>Superintendent Dunn said that the purpose of supplemental educational services is to increase the academic achievement of eligible children in reading and mathematics through tutoring and other high-quality academic enrichment services that are provided in addition to instruction during the school day. Ms. Karon asked how many providers there are now. Staff member Cheryl Bradley indicated that we have 61; with these additions, it will bring us to 67.</p> <p>Several questions were raised regarding the demographics of the Supplemental Educational Service Providers. Superintendent Dunn offered an information list about the different kinds of providers and other statistics. The Board members thought this would be helpful.</p> <p>Ms. Karon said that she the Board has always been concerned regarding the success rate of the providers and who is evaluating the end product. Donna Luallen said that the school districts evaluate the providers in ten different areas. The evaluation is going to be sent out over IWAS at the</p>

	<p>beginning of the school year so it will also cover the summer school programs. Dr. Fields asked if there was something in place that determines success. Ms. Luallen said that there was. Dr. Fields also asked about how many students benefited from the particular service provided. Mr. Clark commented that the ultimate success would be that the students get to the point where they don't need the services.</p> <p>Cheryl Bradley said that the first item on the monitoring instrument is whether or not the contract was fulfilled or terminated. If fifty percent of the districts terminate the contract and the standards are not met for two years, then they are removed from the list. Providers are asked to send in their verification of effectiveness. She also said that she could update the Board every month due to their open application process for new providers. She noted that she wanted to increase the providers list so that it increases services to students.</p> <p>Dr. Brown asked if the State Board did a second review when the district is self evaluating. Ms. Bradley said yes and noted that they also collect the SES provider's demonstration of effectiveness on an annual basis. Ms. Luallen informed that the Board that most of the SES providers do a pre-test and post test of the students and that helps with their evidence.</p> <p>Motion: Dr. Fields stated "Whereas the No Child Left Behind Act of 2001 requires that the State Board of Education promote maximum participation of Supplemental Educational Service providers and maintain an updated list of approved providers, I hereby move that the providers identified on Attachment #2 (printed in the Board meeting materials) be approved for addition to the Illinois List of Approved Supplemental Educational Service Providers. Ms. Holmes seconded the motion and it was passed with unanimous voice vote.</p>
<p>Approval of the IIT's 18-Month Science Program</p>	<p>Superintendent Dunn, Dennis Williams, and Phyliss Jones discussed with the Board members the State Teacher Certification Board's recommendation for the approval of the Illinois Institute of Technology's Science program.</p> <p>Motion: Dr. Hall moved that consistent with the recommendation of the State Teacher Certification Board, that the State Board of Education continue the approval status to the Illinois Institute of Technology (IIT) Science program, thereby authorizing the institution to continue offering the program. Mr. Clark seconded the motion. It passed with a unanimous voice vote.</p>
<p>Approval of National Louis University Speech Language Pathologist Program Proposal</p>	<p>Superintendent Dunn, Dennis Williams, and Marty Woelfle discussed with the Board members the recommendation issued by the State Teacher Certification Board for the approval of a new preparation program at National-Louis University.</p> <p>Dr. Hall said that as a former president of the Illinois Council on Exceptional Children she knows about the shortage of speech language pathologist. There is an overwhelming need for this program.</p> <p>Motion: Edward Geppert moved that the State Board of Education approve the new Speech-Language Pathologist Type 73 program from National Louis University, consistent with the recommendations of the State Teacher Certification Board. Dr. Hall seconded the motion. It passed with a</p>

	unanimous voice vote.
Initial Review of Rules – Part 1100 (Procurement by the State Board of Education)	<p><u>Motion:</u> Ms. Karon moved that the State Board of Education authorize the solicitation of public comment on the proposed rulemaking for: Procurement by the State Board of Education (44 Illinois Administrative Code 1100), including publication of the proposed rules in the Illinois Register. Mr. Geppert seconded the motion and it passed with a unanimous voice vote.</p>
<p><u>Added Agenda Item:</u></p> <p>Amendment to Fidelis Contract for Services Related to the Food Commodity Distribution System</p>	<p>Superintendent Dunn, Chris Schmitt, and Craig Rechner discussed with the Board information to approve contracting with Fidelis Information Systems Corporation of Austin, Texas.</p> <p><u>Motion:</u> Dr. Ward moved that the State Board of Education authorize State Superintendent Randy Dunn to amend the contract with Fidelis Information Systems Corporation of Austin, Texas, for the Food Commodity Distribution Program. The cost of the amended contract for FY 05 through FY 06 is not to exceed \$600,000. Dr. Brown seconded the motion. The motion passed with a unanimous roll call vote.</p>
<p>F. Other Information</p> <p>Monthly Status Report on Finance, Audit & Agency Operations</p> <p>Monthly Status Report on Rulemaking</p> <p>Middle Grades Certificate Proponents Report</p>	<p>Chairman Ruiz stated that the reports on Finance, Operations and Rulemaking are provided in the meeting materials as a monthly update. He said that if Board members have any questions to please contact Superintendent Dunn.</p> <p>Dr. Deb Curtis, Director of the Teacher Education Center informed the Board that in 1999 the original panel was given a charge to look at the various aspects of teaching middle school students. The recommendations of the various panels and task forces have encountered changes in standards.</p> <p>She said that an endorsement is not a requirement for teaching the middle grades. Why we are really coming back to certificate versus endorsement is because a certificate is based on a grade range. Endorsement is subject area. In the endorsement, you do not have to look at programs in the higher education institutions.</p> <p>Dr. Roger Chamberlain, Columbia Middle School, said that he was excited and proud that at the October 3 Teacher Certification Board meeting the timeline for the middle-grades certificate was unanimously approved. He commented that teachers in his middle school had no training in the needs of the emotional issues of this age group until he gave them training. He greatly supports middle-level certification.</p> <p>Dr. Elliott Lessen, Dean of Education at SIU-Edwardsville, and a member of the State Teacher Certification Board spoke to the Board regarding middle-level endorsement across the states.</p> <p>He indicated he appreciates the support that has come from ISBE, IBHE, the community colleges and the local school districts. At SIU-E all education majors are eligible for middle-level endorsement if they take the two middle school education courses.</p> <p>Dr. Lessen said that the proposed Middle Level Certificate could be seen as an impetus for improvement in student achievement.</p> <p>The timeline is an issue; grandfathering the current teachers makes sense. There will be some difficulty in current students becoming qualified in some</p>

parts of the state. An alternative would be to find enough courses being offered over distance education to meet the needs of those students.

John Hunt, Superintendent Antioch SD in Lake County, informed the Board he has worked in several districts across the state and the one common theme is that the students at the middle level have unique characteristics. The physical attributes, socio-emotional needs – do not get recognized. He indicated that these kids deserve the focus and attention they need. Many devoted people have devoted thousands of hours into this process and they have come forward with a good recommendation.

Dr. Hall complemented everyone for recognizing the students of this grade level. She commented that she is not totally convinced that there needs to be a separate certificate, although she realizes the need for the preparation of those that teach this grade level.

Dr. Curtis said that every one of our elementary majors is required to complete the endorsement. Right now you can't hire a Grades 6-12 certificate, unless they have the endorsement. This causes confusion and we need to clean that up.

Mr. Geppert said he too was concerned about the middle-grades certificate. He feels that the training should be embedded into the K-9 and the 6-12 certificates. Dr. Lessen told Mr. Geppert that it is not required by law. Dr. Curtis said that when the endorsement came out, the higher education institutions were not doing it. Dr. Hall said that we need time and could possibly come up with a compromise.

Dr. Ward asked if a middle-grades certificate will add to the time it takes to get a degree. Dr. Curtis said right now when courses are taken for the middle-grades endorsement, students are getting out in that four and one-half year window. She said that it depends on whether or not they change their major. She said that it will make a difference if the programs that exist are changed.

Ms. Holmes said she was very pleased to find out about the work that has been done over the last year and a half at the state supported four-year universities. She asked if the private institutions are as up to speed as our state universities. Dr. Lessen said there were two private schools represented on the Teacher Certification Board. He didn't feel that they would have any problems with this new certificate.

Ms. Holmes wanted to know if it was going to be a problem for teacher education candidates if this passes and becomes a requirement. She asked if those institutions are going to be ready for the students interested. Dr. Curtis stated that they had the same inquiry when they looked at the endorsement several years ago and said that within six years the institutions were ready.

Dr. Ward asked about how this certificate would work with the Learning Standards. Dr. Curtis said that they do provide a focus. She said that because it is not currently a certificate, only an endorsement, there are no checks and balances because that is only done on certificate programs. Dr. Brown was also concerned regarding the Illinois Standards. Dr. Lessen said that students studying to become teachers in his institution use the Standards when they plan lessons but only because his institution requires it.

A brochure was passed out regarding a national symposium on middle grades. The symposium is called Lessons in the Middle Grades: Research, Policy, and Practice in Today's World. It will be held on December 6-7, 2004 at the Westin Hotel O'Hare in Rosemont. You can find out more

	information at www.cprd.uiuc.edu/symposium .
G. Closed Session	<p><u>Motion:</u> Dr. Brown moved that the State Board of Education go into closed session under the exceptions set forth in the Open Meeting Act of the State of Illinois as follows:</p> <p style="padding-left: 40px;">Section (c) (1) for the purpose of considering the appointment, employment, compensation or dismissal of an employee; and</p> <p style="padding-left: 40px;">Section (c) (11) for the purpose of considering pending litigation against or affecting the Board</p> <p>Dr. Brown further moved that the Board be authorized to invite anyone else into the meeting as needed. Mr. Geppert seconded the motion and it was passed by unanimous roll call vote.</p> <p>The State Board of Education meeting recessed and the Board went into Closed Session at 12:50 p.m. Chairman Ruiz announced that Board Committees would meet at 2:00 p.m. and 2:30 p.m., respectively.</p>
H. Reconvene	The State Board of Education meeting reconvened at 2:10 p.m.
I. Personnel Matters	There were none to report on.
J. Adjourn	The State Board of Education meeting adjourned to meet in Committees at 2:15 p.m.

Respectfully Submitted,

Dr. Vinni Hall
Board Secretary

Mr. Jesse Ruiz
Chairman