

**Minutes of the Meeting of the
Illinois State Charter School Commission**

January 9, 2012

7:00 p.m. to 9:15 p.m.

Harold Washington College, 30 East Lake Street, Chicago, Illinois

- A. Commission Chair Greg Richmond called the Meeting to order at 7:05 p.m.
 - 1. Chair Richmond welcomed all and noted Commissioner Barton requested phone participation.
MOTION: A Commissioner moved that Commissioner Barton participate by phone; the Motion was seconded and passed unanimously on a voice vote.
- B. Section II of the Agenda
 - 1. Section IIA. Chair Richmond called for a Motion to Adopt the Proposed Agenda.
MOTION: Commissioner Swanstrom moved that the Agenda be approved as the Commission's order of business. The Motion was seconded by Commissioner Valdez and passed unanimously on a voice vote.
 - 2. Section IIB: Chair Richmond called for a Motion to approve the Dec. 12 Minutes.
MOTION: Commissioner Valdez moved that the Minutes of the Dec. 12 meeting be approved. The Motion was seconded by Commissioner Denney. There was no discussion. Chair Richmond called for a voice vote; the Motion passed unanimously.
- C. Roll Call of Commissioners was taken.
 - 1. Chair Richmond noted the Roll Call was slightly out of order per Agenda.
 - a. Present in Person: Sean Denney, Jaime Guzman, Mike Jacoby, Angela Rudolph, Paul Swanstrom, Rudy Valdez, Chair Richmond. Present by Phone: Glen Barton. Absent: Patricia Van Pelt-Watkins. Commissioner Attendance Sign-In Sheet attached as Ex. A.
 - b. Chair Richmond acknowledged staff present: Jen Saba, Jeanne Nowaczewski.
 - c. Chair Richmond welcomed members of the public in attendance, i.e., Jill Gottfried of INCS. Counsel Lisa Scruggs arrived at 7:15 pm. Public Sign-In Sheet attached as Ex. B.
 - 2. All in attendance recited the Pledge of Allegiance.
- D. Reports
 - 1. Section III A1. Chair's Report regarding implementation of Commission as an agency.
 - a. The Chair reported that the Chair and staff met with State officials on Thursday, January 5, 2012 in Chicago.
 - 1) Participants included: ISBE General Counsel Darren Reisberg, ISBE Counsel Jen Saba, State Sen. Heather Steans, Julie Smith, and INCS representatives.
 - 2) Discussion items included that ISBE will assist with: (1) Budget: ISBE offered to incorporate items for the Commission in ISBE's 2012 budget. (2) Back-Office functions, including procurement, payroll, vendor contracting. (3) Staffing, including sample organizational structures, job descriptions, salary information and posting procedures.

- (4) Contractor Guidelines for Fiscal Agents. However, because ISBE has limited space; a search is underway for other office space.
- b. The Commissioners discussed and concluded as follows:
 - 1) Several Commissioners expressed that the reliance on ISBE was helpful, given small staff, and complicated nature of state government procedures.
 - 2) Other Commissioners raised concerns regarding potential future conflicts with ISBE, given that the Commission is “an independent state agency,” and that the role of ISBE is “education as a whole, 99% of which supports public school districts.”
 - 3) Commissioners agreed Chair should prepare a written one year interim intergovernmental agreement to govern Commission/ISBE relationship.
2. Section III A 2. Fundraising Policy Development.
- a. The Chair explained he will work with Counsel to develop a policy for the solicitation and acceptance of funds. The Chair asked Commissioners to reflect on whether and how the Commission could accept donations, comparing foundations which will never be before the Commission vs persons who would like to support the Commission who may also support charter schools that may be before the Commission.
 - b. The Commissioners made the following suggestions to guide policy development:
 - 1) Emphasize separate functions of Commission, adjudicative, authorizing, and educational, and accept funding from individuals for last two activities;
 - 2) Prepare disclaimers, firewalls and communicate these so that donors, applicants, districts and the public understand there will not be any quid pro quos;
 - 3) Establish strong procedures for the resolution of appeals, so that applicants, donors, and the public understand that the Commission makes its decisions based on the law, standards, rules, procedures and facts.
 - 4) Establish strong procedures for authorization to counter any misplaced perception that Commission authorizes “only” to obtain fees. Note ISBE did not receive fees.
 - 5) Study other states’ Commissions’ source of revenues and procedures.
3. Section III B. Commission Operations Committee Reports.
- a. Operational 18 Month Plan and Communications Strategy. Commission Operations Chair Jacoby explained that the Committee plans to develop an 18 month plan for the Commission, including a communications strategy , and gave notice that consultants may be retained.
 - 1) Chair Jacoby seeks to convene the committee to develop the 18 month planning process. Further, a communications strategy is needed to manage the communication regarding the Commission’s decisions regarding appeals, and the Commission’s work beyond appeals re: authorizing and oversight of charters, including criteria for reauthorization. Chair Richmond noted Walton is willing to accept a proposal in February 2012.
 - 2) Commissioners discussed the following:
 - a) Procedure: both Committees should have input to the proposal, which should then be approved by Commission as a whole at Feb. 13 meeting.

- b) Timeline: seek input from Commissioners in January; by Feb. 1 submit draft to both committees for input and review; revise draft and tender to Commission before Feb. 13 for input; further revisions and tender to Walton by late February.
 - b. Budget Proposal
 - 1) Chair Jacoby referred to the draft budget in the Agenda Book and noted that an 18 month budget was needed to (1) guide ISBE in preparation of budget and (2) for foundation proposals. Jacoby noted issues: (1) staff could not be hired until resources were secured; (2) fees had not yet been addressed with the Commission's schools. Commissioners agreed the Committee should review and revise the draft budget.
 - 4. Section III C. School Operations Committee Reports.
 - a. School Operations Committee Chair Guzman referred to the Overview of School Operations Issues in the Agenda Book, noting the Charter Law was the framework for these issues.
 - 1) Guzman reported he will work with the Committee to establish academic performance standards, financial performance standards and contracts for existing schools by July, 2012. Committee will also review renewal standards for Commission schools as well as others that may appeal their non-renewals. Guzman will convene committee in February and circulate examples and models from other states beforehand.
- E. Action Items
1. Item IVA. Nomination of Slate of Officers and Revised Roster of Committee Chairs. The Chair thanked the Nominating Committee of Commissioners Guzman and Rudolph for their work in proposing a slate of Officers, as well as a revised roster of Committee Chairs.

MOTION: Commissioner Valdez moved that the Commission adopt the Slate of Officers as proposed by the Nominating Committee and contained in the Agenda Book.

Commissioner Barton seconded the Motion. The Motion was unanimously approved.
 2. Item IVB. Calendar for 2012 Meetings. The Chair explained that the Commission was required by state law to adopt and post publicly its calendar of Meetings for 2012, and that a proposed calendar was included in the Agenda Book. The Chair further noted that while the Commissioners had discussed holding meetings every other month, a review of the activity needed by the Commission suggested that it would be better practice to set a meeting date for every month, and cancel in cases where the meetings were not needed. The Chair further noted that locations were still being organized for the meetings, as it is the intention of the Commission to meet in different locations of the State.

MOTION: Commissioner Valdez moved that the Commission adopt the proposed calendar for 2012 as included in the Agenda Book. Commissioner Rudolph seconded the Motion. A discussion was held regarding different start times and/or days, with Commissioners expressing their preferences. Discussion included whether to hold some meetings at Commission's schools and/or other schools, with a tour of the school at 1 p.m., followed by the Commission meeting at 3 p.m. Chair also asked staff to investigate the timing and procedure for canceling meetings, should the Commission wish to do so. The Chair called for a vote, and the proposed 2012 calendar of meetings was unanimously approved.
 3. Item IV C. Retention Agreement of Jenner & Block. The Chair noted that while the Commission had discussed and voted on this matter at its Dec. 12, 2011 meeting, the

discussions had been held quickly, due to the urgent pendency of the first appeal. The Chair noted that the Agenda Book contained more information on this matter.

MOTION TO GO INTO EXECUTIVE SESSION. Commissioner Guzman moved that the Commission go into Executive Session; Commissioner Swanstrom seconded the Motion, and it was unanimously approved, whereupon, the public was excused.

MOTION TO RETURN TO PUBLIC SESSION. Commissioner Guzman moved that the Commission end the closed executive session and resume its public session, Commissioner Jacoby seconded the Motion, and all Commissioners voted in favor.

REPORT ON ACTIONS TAKEN IN CLOSED SESSION. Commissioner Guzman moved that the firm of Jenner & Block, and its partner Lisa Scruggs, be retained pursuant to the terms of the retention letter; Commissioner Barton seconded and the Motion was unanimously approved.

4. Item IV. D. Non-voting Matter: Appeals Process and Update on Legal Standards of Review.
 - a. Process of Appeal: Staff reviewed outline contained in Agenda Book.
 - 1) Point of Discussion is not to vote but to discuss and obtain consensus towards process points that ultimately will be included in revisions to Administrative Rules
 - 2) Commissioners discussed and agreed as follows:
 - a) Mission Statement for Appeals is a good start; add “quality proposals”
 - b) Process should be staff-driven to adhere to timelines and procedures and provide expert evaluative information to guide Commission decisions
 - c) Hearings, interviews, public meetings should be set in district at issue
 - d) Panel of 3 Commissioners is minimum required for a Public Hearing, but Commissioners agreed attendance is important; conveys respect, enhances Commission’s knowledge base; all agreed to attend as often as possible.
 - e) Decisions should be written, thorough, readily available to the public.
 - f) Commissioners expressed that this should be the work of the Commission as a committee of the whole; set goal of voting on Appeals Process in March 2012.
 - b. Update by Counsel on Recent Illinois Appellate Decision in Southland case
 - 1) Chair Richmond asks Counsel to summarize the recent Illinois Appellate Court decision dated 12/30/11 (Agenda Book). Scruggs’s overview is attached as Ex. C; key points are:
 - a) Q: May Commission request and receive evidence beyond original submission? A: ISBE “was not compelled to make decisions” on materials submitted; ISBE may request additional information, which may amount to a revision of proposal. “Charter proposal may be subject to a revision before ISBE.” ISBE may accept additional information submitted by the parties even if not asked for; whether ISBE “must accept” such information remains open.
 - b) Q: Why is it appropriate for ISBE to request and accept additional information? A: Statute says “ISBE to provide technical assistance to parties.” Nature of technical assistance suggests working towards goal of authorization where possible.
 - c) Q: How should the Commission determine when and whether to request additional information? A: Court does not explicitly address this, but suggests looking at proposal and district response, is there a substantial likelihood that the proposal

meets first step (15 prongs) and second step (best interest); if so, then provide technical assistance while setting parties' expectations Commission may still ultimately affirm the denial.

d) Q: Are conditional grants of a charter are permissible. A: Yes. ISBE was within authority to grant charter based on a revised per pupil, headcount, and other plans.

e) Q: Ex parte communications permissible? A: Yes, if "technical assistance."

f) Chair Richmond noted the court's discussion of finances. Commissioner Barton noted that despite the district's emphasis on finances, the court held this was not a basis for denial. Counsel noted that "negative impact" did not appear to be enough. Commissioner Swanstrom noted financial burdens could be mitigated by loss of students. Commissioner Jacoby noted district could have agreed to 75% per capita.

g) ISBE Counsel noted that ISBE had the time to engage in lengthy negotiations because the 75 day timeframe in the current law did not apply to ISBE.

h) Chair concludes that this matter will be taken up as a "committee of the whole."

F. New Business: Chair Richmond inquired if Commissioners had new business.

1. Commissioner Valdez suggested holding public participation earlier on the Agenda.

Commissioners Swanstrom, Guzman and Valdez noted this format is followed on other boards.

G. Announcements: Chair Richmond inquired whether there were announcements.

1. ISBE Attorney Saba: the biennial report on Illinois charter schools will be released soon.

2. Commissioner Swanstrom: is website live, and can a link be sent? Chair agreed to send.

H. Information Items

1. Chair Richmond highlighted: (1) in the potential Early College Appeal, the last of eleven districts was due to vote Jan. 9, 2012; (2) the press packet concerned Commission schools.

I. Public Participation.

1. Chair Richmond invited members of the public to speak, but none chose to do so.

J. Adjournment.

1. Chair Richmond inquired if there was any further business, but none was identified.

MOTION: Commissioner Jacoby moved to adjourn; Commissioner Valdez seconded and the Motion passed by unanimous voice vote.

Chair Richmond adjourned the meeting at 9:15 p.m.

Draft Dated January 17, 2012.