

Minutes of the Meeting of the  
Illinois State Charter School Commission  
Tuesday - February 18, 2014  
3:00 p.m. – 6:00 p.m.  
Southland College Preparatory Charter High School  
4601 Sauk Trail  
Richton Park, Illinois 60471

**I. Roll Call/Pledge of Allegiance**

- A. Commissioner Greg Richmond called the meeting to order at 3:09 p.m. and took roll.
- B. Eight Commissioners were present at the time of roll call: Chair Greg Richmond, Angela Rudolph, Kathy Robbins, Jaime Guzman, DeRonda Williams, William Farmer, Milton Wharton (by phone), and Michael Jacoby; One Commissioner arrived later: Rudy Valdez (3:45 p.m.); and at approximately 5:00 p.m. Commissioner Williams left the meeting physically, in order to catch an airplane for business, but she rejoined the meeting by telephone within minutes of leaving the room, and participated in the remainder of the meeting by phone. Staff present included Executive Director Jeanne Nowaczewski and Deputy Director Karen Washington; General Counsel Lisa Scruggs arrived at 4:00 p.m. The Sign-In Sheet for Commissioners is attached as Exhibit A.
- C. All rose to say the Pledge of Allegiance.

**II. Consent Agenda**

- A. Section IIA. The Chair called for a motion to approve the minutes for the January 21, 2014 Commission meeting.

**MOTION: Commissioner Jacoby moved that the minutes of the January 21, 2014 meeting of the Commission be approved. The motion was seconded by Commissioner Farmer; Commissioner Richmond called for a voice vote. The motion passed unanimously (8 ayes, 0 nays) and the minutes were approved as presented.**

**III. Public Participation**

- A. Speakers Regarding Virtual Schooling
  - The Sign-In Sheet for Public Participation is attached as Exhibit B.
  - Kathy Shaevel, from Illinois Federation of Teachers, and a member of the Virtual Advisory Group, presented a letter from the IFT and the Illinois Education Association concerning the proposed Virtual Schooling Report and Recommendations. The letter included concerns and recommendations to the Illinois State Charter School Commission, including unknowns centering around finance, governance, instructional quality, and teacher quality. The recommendation

proposed a moratorium of at least five years to the General Assembly. The Letter was distributed to the Commissioners and is attached as Exhibit C.

- Matthew Wicks, from Connections Academy, and a member of the Virtual Advisory Group, thanked the Commission for the hard work on the Funding Task Force. He also said that the report and the recommendations represent an even-handed approach. He then urged the Commission to adopt the recommendations regarding Virtual Schooling as set forth in the Agenda Book..

#### B. Speakers Regarding the Prairie Crossing Charter School Renewal

- Attorney James Petrungaro (Scariano, Himes, and Petrarca) introduced himself as the attorney for Woodland School District 50. Next, he proceeded to speak against the Prairie Crossing Charter School renewal. Mr. Petrungaro told the Commissioners that they have a responsibility to consider the impact of PCCS on the children in the neighboring districts because PCCS takes funding away from District 50's General State Aid. After noting the Commissioners' responsibility, Mr. Petrungaro stated that PCCS is not educating low income students and asked that the renewal be denied or funding reduced.
- Bob Leonard, Associate Superintendent of Woodland School District 50, gave a report on Woodland's demographics and stated that Woodland had lost 27 million dollars over the past nine years due to money that was taken from Woodland's General State Aid and given to PCCS. He said that this has caused Woodland challenges with updating curriculum and technology. Mr. Leonard submitted a document which was distributed to the Commissioners and is attached hereto as Exhibit D.
- Commissioner Michael Jacoby asked Mr. Leonard how much funding the school district was receiving and how it fits into the per capita tuition charge. Mr. Leonard indicated that he did not have the information with him but that he would get the data to the Executive Director.

#### C. Other Speakers

- There were no other speakers at this time.

### IV. Reports

#### A. Chair's Report

1. Chair Richmond requested that Commissioners join more than one committee so that each committee has adequate participation.
2. Performance Reviews were requested for the Executive Director, and the Chair noted that he had received some reviews from Commissioners, but urged other Commissioners to please turn in their reviews.
3. Chair Richmond informed everyone that an action item for the Prairie Crossing Charter School renewal was not on the agenda because the

Commissioners want to study more data on demographics of low income students.

- B. Report of the Chair of the Schools Committee
  - 1. Commissioner Jaime Guzman reiterated what Chair Richmond stated about PCCS, and stated that it was likely the PCCS Renewal would be in front of the Commission on the March agenda. He then informed the Commission that the renewal process for Southland College Preparatory Charter High School will begin during the upcoming school year.
- C. Report of the Chair of the Operations Committee
  - 1. Commissioner Jacoby said that the Operations Committee has been working on stakeholder surveys with the Executive Director. He asked the Executive Director if she had received any comments from other Commissioners regarding the structure of the draft surveys, and the Director stated she had not had comments to date but that Commissioners had until March 1 to submit any comments on this matter.
- D. Report of the General Counsel

General Counsel will provide a report during the March Commission meeting.
- E. Report of the Executive Director
  - 1. Jeanne Nowaczewski asked Commissioner Williams to present an update on the Charter School Funding Task Force Report and Recommendations, as Commissioner Williams had co-chaired that Task Force, and the Recommendations of the Task Force had been submitted to the legislature on the day of the Commission Meeting.
    - a. Commissioner Williams then walked the Commissioners through the 12 separate recommendations that were adopted by the Funding Task Force, and which were included in the February 2014 Agenda Book. Commissioner Williams reported that, in essence, the recommendations would change the calculations for how charter schools are funded in Illinois. Commissioner Williams also answered questions in an effort to clarify some of the recommendations. After Commissioner Williams' report, Commissioner Jacoby stated that he would like for the Commission to have as much flexibility as possible regarding the PCTC range that applies to Commission-authorized charter schools.
  - 2. The Executive Director then noted that the Biennial Report was near completion and due to be released in early March. She noted that she had received input from two Commissioners, and stated she would recirculate the Report, so that other Commissioners could give their input.
  - 3. The Executive Director reminded the Commissioners about the need for the Planning and Finance Retreat. She provided options for having the Retreat on

March 25<sup>th</sup> by extending the Commission meeting. Chair Richmond stated that he liked the idea of having the retreat on March 25<sup>th</sup>, and urged the Director to work with other Commissioners after the meeting to set a time certain for the Meeting and a possible Retreat.

F. Report of the Deputy Director

1. Karen Washington gave an update on the renewal process for Prairie Crossing Charter School. She also mentioned important accomplishments for particular Commission authorized schools, which were detailed in the Deputy's Report in the February Agenda Book.
2. The Deputy Director asked Dr. Davis, CEO of Southland College Preparatory Charter High School, to give a presentation. Dr. Davis gave an overview for her presentation and then provided statistics comparing Southland to other area schools. Next, she asked a Southland School administrator, Mr. Anderson, to review the college counseling practices of Southland. Mr. Anderson listed colleges to which students have been accepted and noted that Southland has received well over two million dollars in college scholarships.

V. **Action Items**

A. Second Reading: Approval of the Proposed Amendment to the Commission's Accountability System

1. Commissioner Guzman reminded the Commissioners about the rationale behind how the proposed amendment, to the accountability measures, was created. In essence, the Commission's Accountability System, which was adopted in June 2013, had left the metrics for student and subgroup growth open, in anticipation of the State of Illinois' release of student and subgroup growth data. Because Illinois released its data and metric system in October 2013, the Commission was now prepared to set its metrics for these measures for its schools, establishing what qualifies as Exceeds, Meets, Falls Below, and Falls Far Below for Commission schools in terms of student growth. The exact metrics are set forth in the proposed Motion and Amended Accountability System. After Committee Chair Guzman's review of this proposed amendment, Chair Richmond asked for a motion to approve the proposed amendment to the Commission's Accountability System.

**MOTION: Commissioner Guzman moved and the motion was seconded by Commissioner Williams. Commissioner Richmond called for a voice vote. The motion passed unanimously (9 ayes, 0 nays) and the amendment was approved as presented.**

- B. Approve Virtual Schooling Study and Recommendations for Release to Legislature
1. The Chairman reminded Commissioners and the audience that the Commission had been tasked with providing a Report and Recommendations regarding Virtual Schooling to the Illinois legislature by March 1, 2014, and that the Commission had just concluded a 6 month study of the issue, including the convening of an Advisory Group for three meetings, the retention of a consultant to research this matter and provide a draft report, and the development by the Chair and staff of proposed recommendations for the consideration of the Commission. Chairman Richmond asked Consultant Stanton to provide an overview by PowerPoint of the draft Report's findings, and the proposed recommendations. Both the draft report and the power point were included in the Commission's February 2014 Agenda Book.
  
  2. Mr. Stanton carefully and in detail, walked through the findings of the research, and the data presented by the Commission's draft study, asking the Commissioners to pose questions or comments as needed during the presentation. At a certain point in the discussion, Commissioner Williams, who had been physically present from the beginning of the meeting, was required to leave for the airport, but, within minutes of leaving the Meeting, reconnected by telephone during the remainder of the meeting. During the discussion of the report and recommendations, the Commissioners proceeded to discuss, question and suggest amendments to some of the recommendations, as follows:
    - Recommendation #1: Commissioner Jacoby proposed an extension until all issues had been resolved. Mr. Stanton explained that the recommendations assume that all problems have been resolved.
    - Recommendation #2: Commissioner Jacoby asked the consultant to define student success and then asked if measures could be taken to pull a student out of the school if he/she is failing. Mr. Stanton gave examples of student success based on various states' virtual schooling metrics, such as course completion and attendance. He also noted that a student could be taken out of a school if he/she were failing.
    - Recommendation #3: Commissioner Guzman asked if: "A district must put out an RFP for a virtual school before a school could submit a proposal – correct?" Mr. Stanton confirmed that this is true based upon the recommendation.
    - Commissioner Rudolph asked, "If a (charter operator) applied to and became accepted by the state, would the operator need to be concerned with finding students?" Mr. Stanton confirmed that the operator would be able to accept students from across the state.

- Commissioner Robbins asked what would happen if the General Assembly did not extend the moratorium. Mr. Stanton noted that the current laws would apply since the moratorium would expire.
- Recommendation #4: Commissioner Rudolph stated that she was concerned by the lack of an appeals process. Commissioner Williams agreed. Commissioner Jacoby disagreed and indicated that he would not vote for the recommendation without the “no appeal” provision. Director Nowaczewski mentioned that there are two types of appeals. One appeal is to the courts of the State of Illinois, following a decision by an administrative body, such as the Commission, or the State Board, or a district, and the other is the appeal to the administrative body itself, such as the Commission. Director Nowaczewski hypothesized that a charter applicant’s right to an appeal through the Courts could not be taken away. Commissioner Jacoby stated that a school district shouldn’t have to worry about an appeal if it issues an RFP and selects one operator over another. Commissioner Guzman stated that a lack of an appeals process could erode the appeals process for the ISCSC for non-virtual schools. Chair Richmond pointed out the value in both arguments (for and against an appeals process). He then reminded the Commissioners that the charter operator would have the right to apply directly to the state body. After Chair Richmond spoke, the Director mentioned that the appeals process is another way of taking a second look and providing fairness. It is based on American law, and does not mean that every appeal will be granted, only that the decision will be reviewed.
- Commissioner Farmer asked why the statewide option would need to be a charter school. His understanding of the moratorium was that it was for virtual schools in general. Chair Richmond explained that the charter route was chosen, due to the fact that the language of the moratorium was placed in Section 27A of the Charter Law of Illinois, and that the General Assembly requested that the Illinois State Charter School Commission perform the study.
- Recommendation #5: Commissioner Jacoby mentioned that he preferred that the Commission not be caught in a trap of being required to pay the foundation level. Mr. Stanton responded by stating that the amount mentioned is the ceiling.
- After Mr. Stanton’s review of the report and recommendations, Commissioner Jacoby reminded the Commission that, if nothing happens, virtual charters will still be required to be awarded at least 75% of the PCTC. Ms. Nowaczewski stated that the recommendations of the Funding Task Force were, however, that the provisions of the funding laws for charters not apply to virtual schools, so that were those recommendations

put into law, the appropriate funding range could be set at a different rate, perhaps below 75%.

- Next, Chair Richmond noted that the preference was that the vote of the Commission be taken on the report and recommendations as a whole, and not as single recommendations. He then asked if there were further matters for discussion.
- Commissioner Williams asked for clarification on the definition of a virtual charter school being five hours. Mr. Stanton explained that the question of the number of hours a student spent in a brick and mortar school was discussed extensively by the Advisory Group. Ultimately, the group agreed that a fair definition was that any charter that requires its students to participate in instruction in a brick and mortar setting for less than 5 hours a week would be considered to be a virtual school. The example of Chicago Virtual Charter School was discussed; this school conducts instruction virtually, but requires students to be physically present at the school site for a minimum of 2.5 hours per week. Under the proposed definition, the Chicago Virtual Charter School, or a school like it, would be defined as a “100% virtual school” and would be “covered” by the proposed recommendations.
- Commissioner Farmer asked if each recommendation would be voted upon separately. Chair Richmond clarified that the recommendations would be voted on together so that problems wouldn’t arise in determining the support of the Commission for the recommendations.
- Commissioner Farmer mentioned his hesitation with having the criteria for enrollment since it varied from Charter Law, which requires open admission by lottery. Commissioner Jacoby agreed. ED Nowaczewski stated that the proposed recommendation referred to “legally permissible” criteria, and that such criteria might be very limited. Therefore, the virtual school should articulate its expectations verbally and in writing so that parents are informed before and during the lottery process. Mr. Stanton noted that other states are becoming more intentional about the enrollment process by interviewing parents. Chair Richmond noted that it requires educational judgment to steer the right students to the virtual schools and the wrong students away from the virtual charter setting. Commissioner Farmer indicated that public schools are supposed to educate all students. Commissioner Robbins noted that she is concerned that some students being enrolled in virtual charters will be unsuccessful and then have to be reabsorbed into the traditional school system.
- Commissioner Jacoby proposed amending the one year recommendation and changing it to indicate that the moratorium would last until provisions had been resolved. Commissioners Rudolph and Williams stated that such



an unending provision would result in nothing taking place. Thus, Commissioner Robbins proposed that the moratorium end in 2017. Commissioner Jacoby agreed. Director Nowaczewski stated that a one year moratorium is ambitious but that Commission staff would be willing to meet the obligations. Commissioner Jacoby proposed a two year moratorium, noting that a two year moratorium is manageable. Chair Richmond noted that July 1, 2016 is two years and a quarter of a term.

**Motion: Commissioner Jacoby proposed that the recommendations be amended such that the moratorium be lifted as of December 31, 2016. The motion was seconded. Chair Richmond asked for a voice vote, and all stated “Aye”, including both members voting by phone, Commissioners Wharton and Williams.**

- Commissioner Guzman suggested amending three amendments to the recommendations as follows: . Under Recommendation #2, the first bullet should read “...solicit proposals for virtual schools, *as explained in Recommendation #6...*”
- Commissioner Guzman suggested amending Recommendation #4 to state “The state authorizer of statewide virtual charter schools should be the State Charter School Commission. *So long as* two routes to authorization exist, *as provided for in Recommendations #2 and 6...*”

**Motion: Commissioner Guzman moved to incorporate the recommendations as described above, and Commissioner Valdez seconded the motion. Chair Richmond called for a voice vote, and the motion carried unanimously on a voice vote, including the two Commissioners voting by phone.**

- Commissioner Jacoby addressed the question of student attendance, and expressed the view that the recommendations did not speak to attendance as a requirement for payment. Discussions concerning seat time and Carnegie units were had, and General Counsel spoke to the intent of student engagement vs. attendance. Commissioner Jacoby suggested inserting “student engagement” into the fifth bullet point of the second recommendation so that it would read, “...require schools to establish criteria for enrollment *and student engagement...*” Also, Commissioner Jacoby suggested inserting the following into Recommendation #5, “For each virtual charter school, *state authorized or district authorized...*”

**Motion: Commissioner Jacoby moved that the proposed recommendations be amended in accordance with the suggestions enumerated above, and Commissioner Valdez seconded the motion. Chair Richmond asked for a voice vote, and all Commissioners voted “aye” including the two Commissioners voting by phone.**



- Commissioner Jacoby continued the discussion concerning attendance measures, and suggested inserting “and on evidence of engagement” to the last sentence of Recommendation #5 so that it reads, “Payments to the virtual school should be made based primarily upon a student’s successful course completion *and evidence of engagement*, not only on enrollment.

**Motion: Commissioner Jacoby moved that the draft recommendations be amended in accordance with the above-stated language, and Commissioner Rudolph seconded the motion. Chair Richmond asked for a voice vote, and all voted “aye” including the two Commissioners voting by phone.**

Chairman Richmond then asked the Commission if there were any further items for discussion or debate concerning the proposed Virtual Schooling Report and Recommendations, and if the Commission was prepared to vote on the Report and Recommendations as a whole, as amended by the foregoing votes. The Commissioners agreed that they were ready to vote on the matter.

**MOTION: Commissioner Valdez moved that the Report and Recommendations be accepted as amended through the foregoing motions and votes, and the motion was seconded by Commissioner Guzman. Commissioner Richmond asked for a roll call vote, and the Commissioners voted as follows:**

**Commissioner Farmer: no**  
**Commissioner Guzman: aye**  
**Commissioner Jacoby: aye**  
**Commissioner Robbins: aye**  
**Commissioner Rudolph: aye**  
**Commissioner Valdez: aye**  
**Commissioner Wharton: aye (by phone)**  
**Commissioner Williams: aye (by phone)**  
**Chairman Richmond: aye.**

**The Motion to adopt the Report and Recommendations as amended passed on a roll call vote with 8 ayes, and 1 no, all Commissioners present in person or by phone and voting on the matter.**

Action Item: Approve Contract with Duane Morris Inc. for General Counsel Services

1. Chair Richmond asked ED Nowaczewski to provide background for the request to enter into a contract with the law firm of Duane Morris Inc. Ms. Nowaczewski explained that the Commission had an existing contract for FY14 with the law firm of Jenner & Block, to provide for the legal services of Lisa Scruggs to serve as the Commission’s General Counsel, and that the Commission had had a similar contract with Jenner & Block for FY13 for Ms. Scruggs’ services, and that in addition, Ms. Scruggs had served as Counsel to the Commission for the latter half of FY12, when the Commission was first authorized,

but that the FY12 services had been provided on a pro bono basis. Ms. Nowaczewski noted that both the past FY13 contract, and the present Fy14 contract provided that Ms. Scruggs would continue to provide some services to the Commission on a pro bono basis, while others would be provided a reduced hourly fee, as detailed in the contracts. Ms. Nowaczewski noted that the Commission had been well satisfied with Ms. Scruggs' legal services for this period, and that continuity of Counsel was a benefit to the Commission.

2. Ms. Nowaczewski then informed the Commission that Ms. Scruggs had entered into a new partnership with the law firm of Duane Morris, Inc., and had left Jenner & Block, as of February 7, 2104, and that, accordingly, Director Nowaczewski was seeking authority from the Commission to terminate the contract with Jenner & Block and enter into a contract with Duane Morris on substantially the same terms so that Counsel Scruggs could continue to provide the same services to the Commission going forward in FY14. Ms. Nowaczewski referenced the Motion in the February Agenda Book, which contained more details of the proposed contract.. Chair Richmond asked if there was a motion to enter into a contract with Duane Morris, Inc. on the terms noted by the Director, and if there was any discussion on the matter.

**MOTION: Commissioner Robbins moved that the Motion as set forth in the Agenda Book be adopted, and the motion was seconded by Commissioner Valdez for the Director to be authorized, working with the Chairman and the Chair of the Operations Committee to see to it that the Commission enter into a contract with Duane Morris, Inc. as described above. Chairman Richmond called for a voice vote. The motion passed unanimously (9 ayes, 0 nays), with all Commissioners present voting, including those present by phone.**

- C. Action Item: Second Reading: Approve Policy Regarding Commissioner Travel
  1. Chairman Richmond noted that the Travel Policy regarding Commissioner Travel had been previously discussed at the January Meeting of the Commission. Director Nowaczewski asked if there were any questions or comments on the Travel Policy, and Chairman Richmond asked for clarification of a certain provision of the policy which appeared to be ambiguous as to whether an actual vote of the Commission was required to authorize certain expenditures. General Counsel noted that the language would be revised to provide that the Commission did not need to vote as a body on such expenditures. With that understanding regarding an amendment to the proposed Travel Policy, Chair Richmond asked if there was a motion to adopt the Travel Policy, as amended.

**MOTION: Commissioner Guzman moved that the Travel Policy be adopted as amended by General Counsel, and the motion was seconded by Commissioner Valdez for the Commissioner Travel Policy to be approved. Commissioner Richmond called for a voice vote. The motion passed unanimously (9 ayes, 0 nays), with all Commissioners voting including those present by phone.**

VI. New Business

1. Director Nowaczewski advised the Commissioners that the law regarding diversity in educational settings in America, including with regard to charter schools, and virtual schools, is changing and ambiguous, and that, accordingly, she and the Chairman had asked General Counsel to provide legal advice to the Commission regarding such matters. Counsel had prepared a presentation for the February Meeting, but, given the time, (now past 6:00 p.m.), the presentation could either be given at the March 25 Commission Meeting or at the Schools Committee Meeting, currently set for March 12, 2014, and/or could be given to Commissioners on an individual or paired telephone conferencing. Chair Richmond agreed that this was an important matter, and agreeing that time did not permit the presentation at the present meeting, mentioned that the Commission could also enter Executive Session on March 25, 2014, if needed to cover this matter.

VII. Announcements and Reports

1. Chairman Richmond, at the request of Director Nowaczewski, permitted an announcement by a member of the public who had not arrived in time for the public participation section at the beginning of the meeting, Ms. Jill Gottfred, from the Illinois Network of Charter Schools. Ms. Gottfred then thanked the Commission for doing a great job in providing administrative support to the Charter School Funding Task Force, noting that staff, including Director Nowaczewski, had supported 9 meetings with numerous emails, reports and documents, and that Commissioner Williams had been a devoted Co-Chair, leading the Task Force in a balanced and fair manner through all of its deliberations. Ms. Gottfred also mentioned an upcoming INCS luncheon to be held on March 11<sup>th</sup> and the INCS job fair to be held on February 22, and noted that invitations for these events would be sent to staff to forward to the Commissioners.
2. Chair Richmond then directed the Commissioners attention to the press packet contained in the February Agenda Book and urged the Commissioners to read the recent Chicago Tribune editorial from February 3<sup>rd</sup> entitled "Charter Wars", which spoke positively regarding the Commission's work.

VIII. Adjourn

The hour being after 6:00 p.m., Chair Richmond asked if there was a motion to adjourn.

**MOTION: Commissioner Jacoby moved and the motion was seconded by Commissioner Guzman for the meeting to adjourn. Chairman Richmond called for a voice vote. The motion passed unanimously (9 ayes, 0 nays), with all Commissioners present and voting, including Commissioners Wharton and Williams each voting by phone.**

**Draft Minutes for Review as of March 7, 2014.**