Minutes of the Meeting of the
Illinois State Charter School Commission

Tuesday, March 19, 2013
1:00 p.m. to 6:00 p.m.

James R. Thompson Center
100 West Randolph Street, Chicago, Illinois 60601
(312) 814-1258

A. Section I. Roll Call/Pledge of Allegiance.
1. Commission Chair Greg Richmond called the Meeting to order at 1:10 p.m. and took roll.
2. Present in Person: Glen Barton, Bill Farmer, Angela Rudolph, Jaime Guzman, Paul Swanstrom, Rudy Valdez, Chair Greg Richmond. Staff present included Jeanne Nowaczewski; General Counsel Lisa Scruggs was also present.
3. The Chair asked for a motion and a roll call vote consideration of Commissioner Jacoby’s request to participate by telephone.

MOTION: Commissioner Barton made a motion to approve the participation of Commissioner Jacoby by electronic means, and Commissioner Guzman seconded the motion. A roll call vote was taken as follows: Barton: yes; Farmer: yes; Guzman: yes; Jacoby: yes; Richmond: yes; Rudolph: yes; Swanstrom: yes; Valdez: yes. Chair notes unanimous support for phone participation.

4. Commissioner present by telephone: Michael Jacoby. Commissioner attendance sign-in sheet attached as Exhibit A.
5. All present rose and said the pledge of allegiance.

B. Section II. Consent Agenda
1. Section IIA. Chair Richmond explained that the February 26, 2013 Meeting of the Commission had been cancelled due to a snowstorm, and that throughout the Meeting, items from both the February Agenda Books I and II and the March Agenda Book would be called for report or action.
2. The Chair called for a Motion to approve the minutes for the November 12, 2012 Commission meeting held at the Peoria Quest Charter School.

MOTION: Commissioner Barton moved that the Minutes of the November 12, 2012 Meeting of the Commission be approved. The Motion was seconded by Commissioner Valdez; Chair Richmond called for a voice vote and the Motion passed unanimously.

3. The Chair called for a Motion to approve the Minutes of the December 10 Meeting of the Commission at the LEARN Elementary Charter School, Chicago, Illinois. Director
Nowaczewski offered a friendly amendment to clarify the Minutes of the December Meeting to state that the minutes approved at that meeting, on page 1 of those minutes, were the minutes of the Joint Meeting of the Commission and the Quest Charter School Board.

**MOTION:** Commissioner Valdez moved that the December minutes be approved as amended to add the word “joint” to the minutes referred to on page one. Commissioner Rudolph seconded the motion. The Chair called for a voice vote, and the Motion was approved unanimously.

Section IIB. The Chair noted that financial information regarding income coming into the Commission was contained in this portion of the Agenda Book.

C. Section III. Public Participation.

1. Chair Richmond noted that 16 individuals had signed up, but that not all wished to speak, and that he would proceed by grouping the proposals, beginning with Concept as the first signature, including speakers: Saffa Sloat, Olivia Trujillo, Ken Johnson and Salim Ucan.
   a. Sala Sloat introduced herself as a junior at Concept Math and Science Academy, stating that the school had given her life-changing experiences; with supportive experiences from the CMSA teachers she had improved her GPA and participated in 9 extracurricular clubs and activities; she considers the strong bonds of this small school helped her achieve.
   b. Olivia Trujillo introduced herself as a 2012 graduate of CMSA now attending college and pursuing a medical assistant degree, and testified that CMSA helped her through college by employing her part-time as an administrative assistant, and by helping her apply for financial aid in her senior year, allowing her to be the first member of her family to go to college.
   c. Ken Johnson testified that it might have been difficult to go through the process with the Commission, but that it was needed if CMSA could be spread throughout Chicago.
   d. Salim Ucan introduced himself as the Vice President of Concept Schools, and the primary representative of the Concept proposal before the Commission to open two schools. Mr. Ucan stated Concept is a not-for-profit organization, serving 10,500 students across the mid-west, 80% of which are minority and 85% of which come from economically disadvantaged families, with a 95% college acceptance and graduation rate. Mr. Ucan noted that Concept has two federal blue ribbon schools within the network, and two schools in Illinois, one in Chicago and one in Peoria which are high performing and outscore the district averages in the neighborhoods where they are located, citing the recent CREDO study of Stanford University, which reviewed 200 management organizations in over 1800 schools and found Concept to be one of the highest performing management organizations in the country. Mr. Ucan noted appreciation for the Commission process, and stated that the schools would change many lives in the city of Chicago if approved by the Commission.
e. Chair Richmond called the Pathways representatives who had signed up to speak: Michael Barrett, Joe Zardo, Bill Toomey and Peyton.

f. Bill Toomey introduced himself as the Deputy Superintendent for Pathways in Education responsible for the application to District 299 and the appeal to the Commission, and stated that he was asking the Commission to vote against the staff recommendation, noting however that Pathways was impressed with the thorough process used by the Commission team. Mr. Toomey agreed with the Commission’s findings that Pathways school in Chicago was a high quality alternative educational model serving students in Chicago for 6 years, and over 40,000 students in California for 25 years, being recognized as in the top 10% of similar schools in California. Mr. Toomey noted the drop out crisis in Chicago where 60,000 out of school youth needed services, and that Pathways had applied for the charter to serve more of these students, while also being approved by District 299 to increase its ALOP enrollment to 400. Mr. Toomey noted that in light of the Commission’s comments, Pathways had recruited 3 new board members: Sharon Booker Brown, Yehuda Cohen and Michael Barrett, who brought diverse talents to the Board. Mr. Toomey noted that its California programs had been visited by numerous Illinois educators and other officials who supported their presence in Illinois. Mr. Toomey noted that CPS experiences a 51% graduation rate among African-Americans and a 57% rate among Hispanics, and that Pathways can help to serve this most underserved population.

g. Peyton McIntosh introduced herself as a 12th grade student at Pathways who was speaking for all of her classmates, ages 17 to 21 with children, jobs and more responsibilities than others who found a home and a supportive school environment at Pathways. She noted that there should be more Pathways around the city because every one deserves a second and even a third chance to earn a diploma.

h. Joe Zotto spoke as Principal of Pathways’ ALOP program, and read a letter from Alice Martinez, a grandmother of two Pathways’ students, which stated that her two grandsons nearly failed in regular public schools, and now they were completing credits, thinking creatively, and working independently. Ms. Martinez stated in her letter that her grandsons needed one on one attention and they got it at Pathways.

i. Sharon Booker Brown testified that she had been introduced to Pathways by her father, Dr. Robert Booker, the former chief executive officer of the Baltimore Public Schools and the former chief financial officer of the Los Angeles Public Schools where he knew Pathways performance in California, and that as an attorney practicing in Chicago for 20 years in the public and private sector she understood that it was difficult to overturn decisions but the Commission should overturn the district’s decision here, given the need.

j. Chair Richmond asked if Commissioner Jacoby were present by phone, and Commissioner Jacoby confirmed his presence. Chair Richmond asked if any members from the Alcanzar appeal were present, but none came forward. Chair Richmond then called Jim O’Connor from the sign up list.
k. Jim O’Connor identified himself as the Project Manager from Advance Illinois, in charge of Advance Illinois’ comprehensive report card on Illinois Public Education released earlier in 2013 and provided a brief overview of the findings of the report card to the Commission. The Report is contained in the records of the Meeting, and available online from Advance Illinois.

l. Chair Richmond then called on representatives of District 299, the Chicago Public Schools, to speak.

m. Ms. Carly Bolger introduced herself as the Executive Director of the Office of New Schools at the Chicago Public Schools, and thanked the Commission and its staff for fully engaging the district in its process and for employing a rigorous and thorough evaluation process. Ms. Bolger reviewed the district’s evaluation process for charter school applications, noting it was based on NACSA standards, and that typically over 30 applications a year are reviewed in what the district considers a best practices model that approves only sound proposals, and treats applicants fairly. With regard to Pathways and Alcanzar, Ms. Bolger stated that the District supported the staff’s recommendation to deny the applicants’ appeals, but that the District looked forward to receiving applications from these sources in future CPS processes. Ms. Bolger noted however that with regard to Concept, the district and the Commission had reached different conclusions. Ms. Bolger reviewed the District’s process regarding the Concept proposal, including the submission of a draft later attempted to be corrected by Concept, which Ms. Bolger stated could not be reviewed in time by the district’s evaluation team. Ms. Bolger stated that the district encouraged Concept to apply at a later time to CPS. Ms. Bolger noted objections to the Commission considering a second address to the Commission for the second site, which the district did not have an opportunity to review regarding community engagement and facility readiness, and urged the Commission to deny the staff recommendation for reversal.

n. The Chair recognized Andrew Broy who introduced himself as head of the Illinois Network of Charter Schools and who thanked the Commission for the work done over the last year and a half to build out the Commission, noting the significant donation of volunteer time. Mr. Broy emphasized that the title of the law creating the Commission was the Charter Schools Quality Act, and that the purpose was not to create an end run around district’s but to create a meaningful and rigorous review process on appeal for evaluating applications. Mr. Broy took a moment to speak to two bills pending in Springfield, HB980 and HB2255, both concerning funding of charter schools. Mr. Broy concluded by noting, with regard to the appeals pending before the Commission, that 6 years ago, INCS was contacted by the Peoria Chamber of Commerce which had a desire to create a charter option in the City of Peoria, and INCS made recommendations including Concept which ultimately won the application process, showing Concept’s capacity as an organization. Mr. Broy also noted that the other two applications from Pathways and Alcanzar concerned students who were really in need of options. Finally, Mr. Broy concluded that when the law creating the Commission was being put into effect, the suggestion was to
carve out Chicago because CPS was recognized as a strong authorizer, but that after much debate, this suggestion was rejected so that all districts in the state were subject to the Commission’s purview, thus putting in play the appeals before the Commission in 2013.

D. Section IV. Reports.

   a. The Chair reviewed the order of items for the meeting.
   b. The Chair reported that Commissioner Patricia Van-Pelt Watkins had resigned due to her election to the Illinois legislature, and that, following procedures, the Commission had put forward a proposed individual to fill the remainder of the term: DeRonda Williams.
   c. The Chair asked the Executive Director to report on contract negotiations between ISBE and the Commission regarding such items as the legal counsel’s contract, and the Director noted that negotiations were close to conclusion.

   a. Renewal Program. Commissioner Guzman stated that the Commission’s schools would be up for renewal in 2014 and 2015 respectively, and that a full presentation on renewal was set for later in the meeting. Commissioner Guzman also noted that the School Operations Committee would be convening in the next months to work in more detail on the Renewal Program, and that the Commission schools had already met once and would be meeting again to continue their input into the Renewal standards. The schools have been appreciative, and have engaged their legal counsel in the Renewal work.

4. Section IV C. Report of the Chair of the Commission’s Operations Committee, Mike Jacoby.
   a. Legislative Update. Commissioner Jacoby, Chair of the Commission’s Operations Committee, presented by telephone that the Commission had had a successful session in the legislature regarding the supplemental appropriations bill, which did not increase actual funding to the Commission, but gave the Commission authority to expend all funds anticipated in 2013. Director Nowaczewski noted the assistance of Liz Brown-Reeves, the Commission’s intergovernmental affairs consultant, in this matter, and that Ms. Brown-Reeves contract had been extended to continue through the spring legislative session.

5. Section IVD. Executive Director’s Report: Jeanne Nowaczewski
   a. Ethics Officer Report. The Chair reported that the Ethics Officer Lisa Scruggs had been serving in this capacity since November and asked for a report.
      1) Trainings. The Ethics Officer reported that the majority, if not all the Commissioners, have taken the Open Meetings Act training, which must be taken only once. Further, the Ethics Officer noted that the Ethics Training is an annual event, and that the Commissioners would receive individual notices to participate in this training in the upcoming months.
      2) Disclosure of Conflict Rulings. The Ethics Officer noted that several Commissioners, as reported in the Agenda Book for March, had made disclosures and sought rulings on
potential conflicts, and that the Ethics Officer had found that none of the affiliations reported required recusal at the March meeting.

3) Expiring Policies. General Counsel noted that two of the Commission’s policies would be expiring in the spring, regarding gifts and grants, as well as the operational fees policy, and that both of those policies would be brought to the Commission for review and approval at forthcoming meetings.

4) Conflicts Policy Proposed. The General Counsel noted that the February Agenda Book contained a Conflicts Policy, which elaborated on the basic conflict rules already in place for the Commission, and noted that the proposed policy would be the subject of discussion and vote at the next Commission Meeting.

b. Executive Director Report.

1) Virtual Charter School Proposal. The Executive Director noted that the Commission had been contacted by persons indicating that a charter school proposal for a virtual school had been filed in 18 districts in the Fox River Valley, and that procedural questions had been posed to the Commission, including a provision of the Illinois Charter Law that allows for waiver of multi-district proposal forward to the Commission. The Executive Director noted that materials regarding virtual schools had been included in the February information packets sent to Commissioners.

Commissioner Barton asked for clarification of how a multi-district proposal would come to the Commission, and the procedure was described.

2) Staff. The Director noted that the Deputy position would be posted in the coming months, as approved in the June 2012 budget vote by the Commission, and that Education Pioneers had offered to provide one free 10 month analyst, to start in June-July, with the possibility of other positions to be discussed, to the Commission, thanks to introductions made by Commissioner Rudolph on the Commission’s behalf.

D. V. Action Items

1. Item VA. Accept Withdrawal of GreenTek vs. Rockford District 205 Appeal.

   a. The Chair noted that this item had been carried over from the February agenda, and asked for a motion to accept the withdrawal of the GreenTek appeal.

   **MOTION:** Commissioner Barton moved that the Commission accept the withdrawal of the GreenTek appeal and Commissioner Guzman seconded the motion. A roll call vote was taken and the following votes were noted: Barton: aye; Farmer: aye; Guzman: aye; Jacoby: aye; Rudolph: aye; Swanstrom: aye; Valdez: aye; Richmond: aye. The motion passed unanimously.

2. Item VB. Take Certain Actions regarding the Withdrawal, Extension and Acceptance of Appeals from District 299

   **MOTION:** Commissioner Swanstrom moved that the Commission approve the group of recommendations as outlined in the Motion, and Commissioner Guzman seconded the motion and a discussion ensued.
3. The Executive Director reviewed the District 299 Charter School appeal process from November 2012 through March 2013, including the dispensation of a group of appeals filed with the Commission during this timeframe, and specifically recommended: accepting the withdrawal of Basis and Chicago Collegiate, extending the timeline and accepting the subsequent withdrawal of Foundations, accepting jurisdiction of the Alcanzar/Pilsen Wellness Center appeal, and accepting the timeline proposed for the remaining District 299 appeals, including Concept, Pathways and Alcanzar.

4. Commissioner Barton suggested that each action be the subject of a separate motion and the Chair agreed.

MOTION: Commissioner Swanstrom amended his previous Motion to accept the withdrawal of the Chicago Collegiate and Basis charter appeals from District 299, and Commissioner Valdez seconded the Motion. A voice vote was taken and the Commission unanimously approved these two withdrawals.

MOTION: Commissioner Swanstrom amended his previous Motion to extend the timeline for and accept the subsequent withdrawal of the Foundations charter school proposal, and Commissioner Rudolph seconded the Motion. A voice vote was taken and the Commission unanimously approved the extension for and withdrawal of Foundations.

MOTION: Commissioner Swanstrom amended his previous Motion to reset the timeline for the continuing appeals of Concept and Pathways, and Commissioner Valdez seconded. A voice vote was taken and the Commission unanimously approved the amended timeline for Concept and Pathways.

MOTION: Commissioner Swanstrom amended his previous Motion to accept jurisdiction of the Alcanzar appeal and apply the Concept and Pathways timeline, and Commissioner Rudolph seconded the Motion. A voice vote was unanimously taken, and the Commission unanimously approved the acceptance of jurisdiction of Alcanzar and applied the Concept and Pathways timeline.

5. Item VC. Take Actions regarding Three Pending Appeals from District 299.
   a. Item VCc. Motion to Accept Staff Recommendation to Deny Pathways’ Appeal.
   b. The Chair reviewed the proposed procedure, first noting an intention to take the items out of order, and taking action first on Item VCc, the Motion to Accept Staff Recommendation to Affirm District 299’s Denial of Pathways’ Charter Proposal.
   c. The Chair stated that the Director would give a short presentation on the recommendation, and then each Commissioner would be given 5 minutes for questions, with the Director choosing whether to answer the questions or to ask parties to the
appeal to answer the question directly. The Chair noted that if all Commissioners took the full time, the procedure would take three hours, and that Commissioners could pass if desired. Finally, the Chair noted that at the conclusion of the question and answer period, the Director and both parties would have an opportunity for 2 minutes of closing remarks, the Commissioners could then conduct any final discussion, leading to a roll call vote on the Motion.

d. The Director began by presenting a review of the procedures used for all proposals.

1) First, all charter school proposals must be filed with a school district, and only come to the Commission if denied and appealed.

2) Second, the Commission adhered to the 75 day timeline allowed by the for charter appeal review, and in this 75 day period, for the three proposals at issue, simultaneously conducted the following due diligence procedures:
   a) Completeness Check
   b) Assignment of Evaluation Team with Diverse Expertise
   c) Study of Proposal and District Response by Evaluation Team
   d) Interviews of Applicant and District by Evaluation Team, held in this case on Feb. 15, 2013
   e) Legal Compliance Review
   f) Public Hearing for all Proposals, held in this case on Feb. 21, 2013
   g) For proposals moving to Phase II:
      a) Economic Soundness of the Proposal’s Proposed Budget and the District’s Financial Capacity to Sustain the Proposed School
      b) Academic Data Review for All of Applicants’ other sites, if any
      c) Site Visits (to Chicago locations)
      d) Reference Checks with Authorizers in other Jurisdictions

3) Director Nowaczewski thanked all the Commissioners and the members of the Evaluation Team who participated in the due diligence described, and asked the Commissioners who led the Public Hearing to describe the hearing.

4) Commissioner Rudolph stated that the hearing was well-attended, which led to the selection of a larger room for the March Commission Meeting. Commissioner Rudolph noted that she was impressed by the quality of the comments received, the amount of attention given to the appeals, and the refreshing nature of the passion in the room that night, noting especially the comments of the students. Commissioner Jacoby added that he truly enjoyed the opportunity and that the testimony was primarily in favor of the schools, with the exception of certain testimony for CPS. He commended the participants in the public participation for taking important steps, regardless of the outcome of the appeals, to become involved in assuring that the education of children is of high quality. He thanked everyone for their civil dialogue during all parts of the hearing.
5) Director Nowaczewski then thanked all of the Commissioners for their thorough review and study of information sent to them regarding the appeals, and for their questions and dialogue during conversations in preparation for the vote on the appeals. Finally, the Director thanked the evaluators and appeal assistants as follows: Susan Jamback, Rachel Ksenyak, DeRonda Williams, Phyllis Goodson, Claire Fiddian-Greene, and Valon Odaker, as well as General Counsel Lisa Scruggs and Jenner & Block attorneys Kathryn Hunt Muse and Samad Paradesi.

e. The Chair asked for a Motion on the Staff Recommendation regarding Pathways’ appeal from the denial of District 299.

**MOTION:** Commissioner Swanstrom moved that the Commission accept Staff’s Recommendation to Affirm District 299’s Denial of Pathway’s Proposal, and Commissioner Farmer seconded the Motion. The Chair asked that the discussion proceed.

f. Director’s Presentation: Director Nowaczewski noted that Pathways had applied for one of District 299’s five alternative charters, seeking one charter for 5 campuses, each serving 165 students for a total of 825 students over 5 years.

1) Director Nowaczewski reviewed the analysis used by the Commission evaluation team, noting the four key categories: education plan, organizational plan, business plan and evidence of capacity. The Commission conducts a de novo review of the proposal against the charter law, and these four categories, which are best practice. Some proposals come close, some excel, some fall far below. The Commission also looks at the District’s review of the proposal; the Director noted that in this case District 299 had a process which had many positive aspects, and that in the case of the Pathways proposal, the Commission de novo review came to the same conclusion as the District review.

2) The Director stated that Pathways scored as follows in the four categories: education plan meets; organization plan partially meets; business plan approaches; and evidence of capacity approaches the standard. The Director noted that Pathways was serving students and doing a good job in their present alternative program for at risk students run through District 299, but that they were not yet ready to assume a full 5 campus charter with the responsibilities that entailed for the reasons stated in the materials submitted to the Commissioners.

g. Questions From the Commissioners:

1) Commissioner Valdez asked whether Pathways intention, noted in the meeting to add new Board members would cure or improve the ratings provided by the staff; the Director indicated that, while a positive sign, the critique of the Pathways governance contained other factors which still presented significant concerns.

2) Commissioner Barton noted the excellent quality of the materials presented to the Commission on the Pathways matter, but emphasized how an alternative charter
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school is different, and that perhaps the same benchmarks should not be applied to alternative schools, given the very significant needs of 60,000 drop-out students in need of opportunities. Commissioner Barton noted that he was impressed by what Pathways has done, and that the governance might be able to be corrected, although questions about the loan remained. The Director agreed with the quality of the education being provided and the need, but emphasized a focus on the ability of a quality board to supervise the use of public dollars with any type of charter school, and the need to maintain high standards.

3) Commissioner Swanstrom noted that it would do more harm than good to approve a charter school where deficiencies had been noted in the review in terms of business plan, organizational plan and evidence of capacity.

4) Commissioner Jacoby noted staff’s thorough review and echoed Commissioner Swanstrom’s concerns about maintaining the highest standards.

5) Commissioner Richmond asked for clarification that the Pathways in Education board would be hiring under contract the Pathways Management Group, with the Pathways in Education board being determined by a group entitled Education in Motion, including whether Education in Motion was the sole selector of the members of the Pathways board. The Director asked Bill Toomey, Pathways, representative to address the Commission, and Mr. Toomey stated that this governance structure has been in place since the inception of the school in California in 1993 where it has operated successfully, and that Education in Motion appoints the board members of Pathways in Education, as a 501(c)(3) single membership governance structure with a conflict of interest policy.

6) Commissioner Rudolph asked where Education in Motion was based; Mr. Toomey noted that there are two entities, based in California and Illinois, both not-for-profit. Commissioner Rudolph confirmed that the members of the board were Chicago based, and asked why they had not been meeting regularly. Mr. Toomey indicated that they had been meeting quarterly and as needed more often than quarterly, and that the organization was willing to respond flexibly to the Commission’s requests. Mr. Toomey noted that in California, Pathways was the 13th charter school approved since charters began in 1993, but the first to open, due to their capacity to operationalize, and that Pathways had been renewed 5 times since in California using the same organizational structure. Commissioner Rudolph asked why Pathways had not changed this aspect of board governance earlier, given that it had been identified by District 299, and Mr. Toomey stated that the District had caused Pathways to focus more on educational issues, and thus they had not addressed governance earlier.

7) Commissioner Guzman commented that this population is grossly underserved across the state, referencing the hearing held in the Rockford appeal and led by Commissioners Barton and Guzman where many individuals asked for this type of
program, but noting that in the end, governance and finance issues would have to be cured to merit approval.

h. Call for Additional Questions by the Chair
   1) Commissioner Barton noted that the Commission was focused too much on structure, and not enough on the experience of an operator successfully doing business for a number of years with 75 successful campuses.
   2) Commissioner Swanstrom noted that with this level of expertise, all the pieces should have been in place at the time of the proposal.
   3) Commissioner Jacoby passed.
   4) Commissioner Rudolph acknowledged with a heavy heart and real disappointment that the proposal was not in a position to support her vote, given the great need among at risk kids, but referenced the fact that while structures may work in other places, problems regarding governance and financial matters can trip up charters in the early years. Commissioner Rudolph urged Pathways to listen to the advice provided by staff and to return to the District with an improved proposal soon.
   5) Commissioner Valdez noted that no one doubted the need for this type of school but that false starts needed to be avoided, but also encouraged returning in the next round.
   6) Commissioner Farmer echoed the needs of at risk students, and the concerns regarding improving the application to insure that it would be successful in the future to meet the high standards of the Commission.
   7) Commissioner Guzman urged Pathways to strengthen their proposal and return.
   8) Commissioner Richmond noted that concerns regarding the structure of start-up financing could be remedied and watched closely, but that the governance concerns around a complicated and still confusing structure remained a barrier to approval.

i. District’s Closing Statement. Ms. Bolger of District 299 noted that one of the differences between the District’s reason for denial and the Commission’s concerned the evaluation of the Pathways ALOP district program, which had concluded that the ALOP program needed additional oversight and development before a charter should be approved. Ms. Bolger noted that the District had issued a new RFP for alternative schools, and had encouraged Pathways to apply, given the needs of at risk students in Chicago. Ms. Bolger echoed the concerns regarding the need for vigilance at the board level when awarding charters. Commissioner Barton asked about funding for ALOP programs and Ms. Bolger stated that funding for ALOP is less than what the district pays per pupil for charters, but that it was under consideration for an increase. Commissioner Barton asked if the district preferred the ALOP or charter school structure for alternatives, and Ms. Bolger replied that the district had no preference.

j. Applicant’s Closing Statement: Mr. Toomey acknowledged Pathways’ respect for Commission staff, team and process on appeal, and noted that Pathways was willing, given the urgent need, to accept a conditional grant of an alternative motion, for less than
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5 sites, or with other conditions proposed by the Commission. Mr. Toomey noted Pathways was serving 40,000 students between California and Illinois, having been renewed repeatedly in 12 separate school districts. Mr. Toomey noted on a personal level, he was a product of CPS and catholic schools in the city, and that his mother went to extraordinary lengths to insure that his brother graduated in his fifth year of high school in 1980, and that the same problems still existed today, but that Pathways was ready to serve the population in need now, without waiting. Mr. Toomey confirmed that the ALOP funding currently is $5900 per pupil compared to $7,700 for charter schools, and $9,000 from the Commission, and that further the ALOP contract is a year to year contract with a 30 day out. Mr. Toomey noted that Pathways had put in 6 years with 200 students and now was ready to step up to a larger level, serving more students, and urged the Commission to approve Pathways with conditions as necessary.

k. Director’s Closing Statement: The Director noted, first, the importance of how serious and engaged the discussion was on this issue, and thanked all involved, and stated that this subject was one the entire City of Chicago should be discussing. The Director noted that, as proposed by Pathways, the staff could have recommended a gradual start, but the reason this was not done is that the concerns in each of the four categories were not high enough, and that given that this was the Commission’s first set of actions it was especially important to hold a high bar. Finally, the Director noted that while the ALOP school visited was an inspiring program, the board activity observed was not at the same level, thus leading to the recommendation for denial of the appeal.

l. Statement by the General Counsel: General Counsel Scruggs described the legal context of decisions of the Commission on appeals, noting that where the Commission affirmed a denial, the applicant had a right to pursue a lawsuit against the Commission in Illinois state courts, and that, conversely, were the Commission to overturn a denial, the district had a right to pursue a lawsuit against the applicant and the Commission within a limited period of time. If no appeals were taken, then the Commission’s affirmance of a denial would stand, and in the case of a reversal of denial, if no appeal was taken, contracts would be negotiated between the applicant and the Commission for ultimate certification by ISBE.

m. Motion Re-read by the Chair: The Chair re-iterated the Motion to accept the Staff Recommendation to Deny Pathway’s Appeal and called for a Roll Call Vote.

n. Roll Call Vote on the Motion to Deny Pathways’ Appeal:
   1) Commissioner Barton: Nay
   2) Commissioner Farmer: Aye
   3) Commissioner Guzman: Aye
   4) Commissioner Jacoby: Yes
   5) Commissioner Rudolph: Yes
   6) Commissioner Swanstrom: Yes
   7) Commissioner Valdez: Yes
8) Commissioner Richmond: yes

MOTION and ROLL CALL VOTE: The Chair notes that the Motion to Accept the Staff Recommendation to Deny Pathway’s Appeal carries on a vote of 7 Ayes and 1 No.

6. Item VCb. Motion to Accept Staff Recommendation to Deny Alcanzar Appeal.

   a. The Chair noted that during the pendency of the meeting, Alcanzar’s attorney had informed the Commission of its intent to withdraw its appeal, and asked Commissioner Rudolph to offer an amended motion regarding the Alcanzar appeal.

MOTION: Commissioner Rudolph moved that the Commission accept the withdrawal of the Pilsen Wellness Center appeal, filed with the Commission on March 19, 2013, noting that the Commission had earlier in the meeting accepted jurisdiction over the Pilsen Wellness Center appeal, notwithstanding the lack of technical compliance with rules for filing appeals. Commissioner Barton seconded the Motion to accept the withdrawal of the appeal. The Chair asked for discussion, and attorney Homero Tristan, representing the Pilsen Wellness Center in their Alcanzar appeal, asked to address the Commission.

   b. Attorney Tristan noted that the Pilsen Wellness Center intended to continue to work on its efforts to seek a charter, thanked the Commission and its staff for their consideration, and confirmed that the Center sought to withdraw its pending appeal immediately.

   c. The Chair asked for further comments from the Director, who urged the Commission to accept the withdrawal, and the Pilsen team to continue their work; and from the General Counsel, who stated there were no barriers to accepting the withdrawal, whereupon the Chair called for a Roll Call Vote.

ROLL CALL VOTE ON MOTION TO ACCEPT IMMEDIATE WITHDRAWAL OF ALCANZAR APPEAL OF DISTRICT 299’S DENIAL.

1. Commissioner Barton: yes
2. Commissioner Farmer: yes
3. Commissioner Guzman: yes
4. Commissioner Jacoby: yes
5. Commissioner Rudolph: yes
6. Commissioner Swanstrom: yes
7. Commissioner Valdez: yes
8. Commissioner Richmond: yes
MOTION AND ROLL CALL VOTE: The Chair noted that the Motion to accept immediate withdrawal of the Alcanzar Appeal passed unanimously on a vote of 8 ayes, 0 nays.

7. Item VCa. Motion to Accept Staff Recommendation to Grant Concept School’s Appeal.
   a. The Chair noted for the record that the Commission had been in session for over 3 hours, and, upon hearing requests for breaks, the Chair sought a motion for recess until 5:00 p.m.

MOTION: Commissioner Valdez moved that the Commission go into recess until 5:00 p.m., and Commissioner Rudolph seconded the motion. A voice vote was had, and the motion passed unanimously.

A break in the meeting was held.

MOTION: The Chair, noting the time as 5:00 p.m., asked for a motion to reconvene. Commissioner Barton moved that the Commission resume session, and Commissioner Valdez seconded the motion. A voice vote was had, and the motion passed unanimously.

   b. Commission business having resumed, the Chair called for a Motion on Item VCa, to accept Staff Recommendation to Reverse District 299’s denial of Concept’s proposal for two charter schools.

MOTION: Commissioner Valdez moved that the Commission accept Staff’s Recommendation to reverse District 299’s denial of Concept School’s proposal for two new charter schools, and Commissioner Rudolph seconded the Motion. The Chair called for presentation and discussion.

   c. Director’s Presentation:
      1) Concept requested two schools, opening with 432 students in grades K to 8 in September 2013, and adding a grade a year to reach full configuration in 2017 with 725 students each, in two proposed locations, one at 2245 West Pershing Road and one, originally at a different site, but now proposed for 2050 West Balmoral Ave. Complete enrollment at capacity is proposed to be 1450 students.
      2) The Commission team engaged in all the due diligence described earlier with regard to the Concept proposal, and on the basis of this investigation, the team and staff found that Concept fully met the standard required in each of the Commission’s four categories of review: educational plan, organizational plan, business plan and evidence of capacity in order to open a charter school in Illinois. Concept’s data regarding Concept’s academic performance compared to district schools was also reviewed and presented to the Commission.
3) Staff informed the Commission that the charters used for the two schools recommended, were the Commission to approve the schools, would be taken from District 299, the geographical area of Chicago, as those are the charters originally sought by the applicant and denied by the district. Further, staff noted that each charter school approved would be its own LEA, and that staff recommended that 100% of district 299’s per capita be awarded to the Concept school on a per student basis if approved. Finally, staff noted that there are other cities in the nation where multiple authorizers run multiple charter schools, and that Concept already manages such situations in two other cities.

4) Staff noted that were the Commission to approve the schools, a written decision would be provided no later than March 25, 2013, contracts would be negotiated, and ultimately certified by the State Board of Education; further, that the contracts would contain building contingencies, fee structures, performance frameworks and similar items.

d. Commissioner Questions.

1) Commissioner Barton asked for more details on the facility issue. Director Nowaczewski noted that up until 8 days prior to the March meeting, the Belmont address had been investigated both by the district and the Commission, and no problems had been noted by either, but that in the intervening time period caused by district delay and by time of the appeal, the building was lost to another bidder. Concept, however, found the Balmoral site quickly, and negotiated a purchase agreement and a financing agreement for that facility. The Director noted that both the Pershing Road and Balmoral sites required rezoning by the City of Chicago’s Zoning Committee and the City Council, and that this can be difficult, but that Concept had alternative plans, if difficulties arose.

2) Commissioner Valdez asked about the review of the draft proposal and the final version of the Concept proposal to the district, and then asked about whether authorization could be transferred back to the district if everyone mutually agreed. The General Counsel stated that there is nothing in the charter law of Illinois that specifically speaks about a transfer of a charter school back to an LEA from the Commission. Regarding the review of the draft versus the final, the Director noted that the method the District used in this case might not be considered best practice.

3) Commissioner Rudolph asked about the latest status of the zoning for each site.

a) The Director noted that contingencies regarding zoning would be in the contract.

b) Mr. Salim Ucan, for Concept, stated that the Alderman O’Connor is the Alderman for the Balmoral site, and the Pershing Road site is in Alderman Cardenas’ ward, and that both applications had been submitted to the zoning committee and would be expected to be heard at the March 26 Committee Meeting and ratified by the Council at the April 2013 Meeting. Mr. Ucan noted that even were the matter delayed to the May meeting, Concept would have sufficient time to start
the construction in May and finish in August, with the schools opening in September, after Labor Day.

c) Commissioner Rudolph asked if Concept had contingencies and whether Concept was pursuing those on a simultaneous track, given the situation, and Concept said they were pursuing other contingencies simultaneously with second options being to lease facilities. Mr. Ucan also noted that Concept has a commitment letter from the Entertainment Properties Trust regarding funding both facilities’ development.

4. Commissioner Swanstrom asked for Ms. Bolger of District 299 to address the Commission regarding why the district did not review 2012 academic data in connection with the question of the replication standards.
   a. Ms. Bolger stated that if a replicator was not “level one,” the highest level available, for “level two,” the replicator had to exceed the network average by at least 10%, and that Concept, even with the new data, while stronger, did not hit the greater than 10% benchmark.
   b. Commissioner Swanstrom asked how significant the District viewed the factor of the Board of Directors being too remote, also as compared to similar concerns with the Pathways proposal. Ms. Bolger stated that she believed that this had now been remedied by the Commission; that in the District’s view, had there been compliance with the idea of having board meetings in the city, then other aspects of the governance of the school were satisfactory.
   c. Commissioner Swanstrom asked whether the focus on funding for college trips was significant, and Ms. Bolger stated it was a smaller issue, but a point nonetheless.
   d. Commissioner Swanstrom noted that many points were minor but that Concept had missed the deadline for submission. Ms. Bolger noted that the draft submission was a major point; she also noted that the district’s data concerned high schools, but since this proposal concerned K to 8, Concept did not have much of a track record in Chicago for these grades.

5. Commissioner Guzman asked whether the district, though not accepting the corrected proposal six days past the due date, had continued to ask the applicant for other supplemental information throughout the process, and if so, why the district hadn’t included the corrected proposal in these materials and considered it in that way. Ms. Bolger stated that while supplemental material was asked for later, at the time of the original proposal, there was not time, in the district’s view to give the corrected version to the district’s evaluation team, even when Concept stated that the submission of the first draft was inadvertent. Ms. Bolger noted that this was important to protecting the integrity of the process.

6. Commissioner Swanstrom noted that the district did not follow the policies and the law and “blew the timeline,” so that being a “stickler” on one point and but not another was a possible conclusion. Ms. Bolger noted distinctions between staff and board actions within a district,
Commissioner Guzman discussed points regarding the exercise of judgment, and Ms. Bolger defended the district processes even if others disagreed.

7. Commissioner Richmond asked Concept to explain its graduation rate information, noting confusing information and a 64% rate for 4 years, and a 90% rate for 5 years. Commissioner Barton noted that the number of credits needed to graduate from Concept Math and Science were higher than those required by the District. Mr. Ucan stated Concept was also puzzled by the rates shown on by two different sources: the state and the district, and the discrepancies between these rates. Mr. Ucan stated that within the district, the district attaches student graduation rates to the school where the student began 9th grade, while the state can follow a 9th grader throughout the state. Mr. Ucan noted that Concepts begins with a smaller number of students in 9th grade, usually 90 and that not all 90 graduate from Concept; usually 80% of those students graduate in 4 years.

8. Commissioner Richmond commended Concept on their resourcefulness regarding facilities, but noted that the proposal still required a lot of work by the fall, and asked Concept what their drop dead date was in order to not be in a situation where families would be recruited to go to a school that would not be ready by the fall. Mr. Ucan noted that this is not the first time Concept has been in such a challenging situation, and that they have prepared facilities for occupancy in other cities in 12 weeks’ time. Commissioner Richmond noted the abilities of Concept, but referred again to the processes of zoning, permitting, etc, in Chicago, and asked for a “drop-dead” date. Mr. Ucan stated that if construction was not started by June 1, with permits and zoning, Concept would pull out, further noting that Concept would start recruiting families and students before June 1st. Mr. Ucan also noted that Concept would be working simultaneously on alternative plans so that families would not be left out to dry.

9. The Director noted that all authorizers called in the reference checks confirmed Concept’s abilities to perform as a charter school in every aspect of performance including facilities.

10. District Presentation: Ms. Bolger thanked the Commission for the opportunity to address the Commission, and noted that the District’s comments had been made earlier and in answer to the questions asked. Ms. Bolger noted that Concept is a sound operator with a good track record and that the District has consistently encouraged them to apply in the District’s 2013 process to open a new school in 2014. Ms. Bolger further noted that it was troubling to the District that Concept had changed its facility and questioned whether the community engagement plan was solid; she concluded by noting that the District welcomed the opportunity to review a new proposal from Concept in 2013 and would review it with full due diligence.

11. Concept Presentation: Mr. Ucan thanked the Commission for allowing it to go through the process which Concept characterized as comprehensive and thorough, and emphasized Concept’s strong record as a charter school provider in 27 other communities across the Midwest, as well as within Chicago, as a charter school authorized by CPS. Mr. Ucan noted he was the founding principal of the Concept CMSA academy, and was happy to work with CPS and remain committed to working with CPS with CMSA. Mr. Ucan noted that the first priority of Concept is the students. Mr. Ucan noted that 24 of the 27 schools managed by Concept are
their own LEAs, and that Concept has experience serving two authorizers in one city. Mr. Ucan noted that community members were happy to hear about these two new schools, that Concept had collected over 1200 signatures, and that CMSA had 800 students on its waiting lists, suggesting that there is a need for more quality schools in the city. Mr. Ucan urged the Commission to vote yes for all of these waiting parents and students.

12. **Director’s Concluding Remarks.** The Executive Director concluded by emphasizing that the Concept schools were K-12, providing much needed high school options to the city, and science-focused, a subject matter important to American education, and urged the Commissioners to vote yes on the Motion.

13. **Commissioners’ Additional Comments.** The Chair asked for additional comments.
   a. **Commissioner Barton** noted that the Commission could open schools in 2013 or in 2014.
   b. Commissioner Swanstrom noted that the district had valued the proposal despite technical issues, and that he had continuing concerns regarding facilities.
   c. Commissioner Valdez noted that the Commission had the opportunity to do its due diligence, that it was done and was positive, and that it was too important to wait to open these schools in the face of those findings.
   d. Commissioner Guzman noted that it was a strong proposal and that he had no qualms about moving it forward, with no concerns around the academics or other aspects of the proposal, except for the facilities, and urged vigilance and contingencies on these.
   e. Commissioner Richmond noted his continuing concern with the facilities piece, given that in his experience at CPS 14 or 15 years ago, a proposal had been approved only to find that by August 1 there was no facility so that 125 families had to be called and told no school was ready for them, and that he sought to avoid such a situation here. Commissioner Richmond also noted that his concerns were not about Concept. He reviewed the significant delay the district imposed by failing to meet the legal timeline, and the concerns regarding possible lawsuits or other actions, but concluded that to punish Concept for problems caused by others would be unfair. Commissioner Richmond asked Concept if they could accept contingencies about notice to families.
   f. Mr. Ucan stated there would be an application deadline in respect of the contingencies, and Mr. Richmond noted that this would be included in the contract; the Director agreed. Whereupon, the Chair called for a Roll Call Vote on the Motion.

**Chair’s Call for a Roll Call Vote on the Motion to Accept the Staff Recommendation to reverse District 299’s denial of Concept School’s proposal for two new charter schools.**

1. Commissioner Barton: yes
2. Commissioner Farmer: no
3. Commissioner Guzman: yes
4. Commissioner Jacoby: Chair notes that Commissioner Jacoby is not present.
5. Commissioner Rudolph: yes
6. Commissioner Swanstrom: no
8. Commissioner Richmond: yes.

MOTION AND ROLL CALL VOTE: The Chair finds that with 5 yes votes and 2 no votes, the Motion carries to accept staff’s recommendation to reverse the district’s denial of Concept’s proposal, and to approve two new Concept Charter Schools.

3. Item VD. First Reading: NO Action: Approve Commission’s Proposed Renewal Program.
   i. Chair calls the next item on the Agenda as Item VD, a matter for first reading and discussion, but no vote regarding the proposed charter school renewal program.
   ii. The Executive Director takes a point of personal privilege to leave the stage to shake the hands of both the District 299 and the Concept School proponents, noting that everyone had conducted themselves with respect for the process and for each other, negotiating through uncharted territory during the pendency of the District 299 appeals.
   iii. The Director introduced the Renewal Program, noting that the time was now 6:18 pm, and that the presentation was 90 minutes in length, including discussion time; the Chair urged the presentation to begin. The Director then noted the leadership of the Chair of the School Operations Committee Guzman, and the high quality consultative work provided by Lyria Boast from Public Impact and Rachel Ksenyak, an independent consultant formerly with NACSA.
   iv. The Director noted the timeline envisioned the Commission adopting a Renewal Program by July 1, 2013, so that the staff and the first school, Prairie Crossing, could embark on the renewal due July 2014 immediately, with a goal to provide a recommendation to the Commission for a renewal vote by the first few months of 2014. The Director then introduced Ms. Boast from Public Impact.
   v. The Renewal Presentation presented by Ms. Boast from Public Impact and Ms Ksenyak, as Commission Consultant is contained in the Agenda Book for the February Meeting and posted on the Commission website on the Renewal Program development tab. After hearing the presentation, the Chair asked if Commissioners had questions.
   vi. Commissioner Valdez asked whether the authorizer initiates the process, which was confirmed.
   vii. Commissioner Barton asked about the role of ACT scores, and Chair Richmond responded, noting that Slide 27 was helpful to review in terms of a summary of the information that the Commission would be reviewing at the time of renewal, and Ms. Boast reviewed the slide.
   viii. Commissioner Swanstrom asked if this was the full plan to be adopted and for information regarding other plans. The Director stated that it is a proposal to make a plan, and to work with the Committee and other Commissioners to do so.
ix. Commissioner Rudolph asked if NACSA has materials related to other authorizers’ plans and Ms. Ksenyak responded that such plans are available; the Director noted that those would be provided to the Commissioners.

x. Commissioner Guzman offered to convene the School Operations Committee to provide deeper analysis of the materials presented, and to return to the Commission with a set of proposed recommendations that have input from different national models available.

xi. Director Nowaczewski noted that while the renewal program is important to develop promptly, the metrics will not be used fully with Prairie Crossing six months from their promulgation as these metrics had not been in the original contract. Commissioner Swanstrom asks about the metrics in the original contract, and the Director and the Chair noted that there were none. The Chair noted that some metrics must be used at the time of the renewal in 2013-14, and Commissioner Guzman and the Director agreed.

b. Item VE. First Reading: No Action: Approve Ethics/Conflict of Interest Proposal.
   i. General Counsel Scruggs noted that the proposed Conflicts policy was developed to give further detail to the approach for clarifying conflicts in the consideration of appeals, adding, in particular a process whereby Commissioners participate in the consideration of what might be a conflict, should they wish to do so. Counsel and the Chair urged the Commission to study the Proposed Policy in detail before the next Commission Meeting. The Director noted the Operations Committee may study the Policy before the next meeting.

c. Item VF. First Reading: No Action: Approve Proposed Flextime Policy.
   d. General Counsel Scruggs noted that the State Board of Education had suggested that the Commission, as its own independent entity working with the Board might wish to adopt its own policies for its own needs. One such policy proposed allows for flexible hours, places of work, and similar matters for current and future Commission employees. The proposed policy, included in the Agenda Book, would be discussed and called for a vote in the future.

4. Item VI. New Business.
   a. No new business was noted.

5. Item VII. Announcements and Reports.
   a. The Chair noted that press coverage was included in both the February and March Agenda Books, and further, that a press release regarding the Commission’s actions had been released.

   b. The Chair asked for any closing comments, and Commissioner Guzman commended Director Nowaczewski for managing the complex matters before the Commission and always reaching out to the Commissioners to keep the Commission informed, and for approaching her job with real spirit. The Chair agreed, thanking the Director. The Director expressed gratitude to the Commissioners for working in genuine dialogue on all the Commission work. The Chair expressed his gratitude to the Commissioners for a good discussion, and to the remaining individuals in the hearing room for their presence.

6. Item VIII. Information Items.

7. Item IX. Adjourn.
i. Chair Richmond asked for a Motion to Adjourn.

**MOTION:** A Commissioner moved to adjourn, the motion was seconded and passed by unanimous voice vote.

Chair Richmond adjourned the meeting at 7:30 p.m.

Minutes approved by Commission at May 15, 2013 meeting.