Minutes of the Meeting of the  
Illinois State Charter School Commission  
Tuesday, October 28, 2014  
3:00 p.m. to 6:00 p.m.  
Noble Street Charter School, 1010 Noble Street, Chicago, Illinois

I. Section I. Roll Call
Chairman Greg Richmond called the meeting to order at 3:06 pm and took roll.  
Present in person: Six Commissioners were physically present, including Jaime Guzman, Angela Rudolph, Dr. Rudy Valdez, Kathy Robbins, Sylvia Zaldivar and Chair Greg Richmond. Commissioners Bill Farmer and DeRonda Williams were present telephonically. Staff present included Executive Director Jeanne Nowaczewski and Deputy Director Karen Washington and General Counsel Lisa Scruggs. Jen Saba was present representing the Illinois State Board of Education. Sign-in sheets for Commissioners and guests are attached hereto as Exhibits. A court reporter was present to transcribe all public portions of the meeting.

A. Chair Richmond called for a Motion to allow Commissioners Farmer and Williams to participate by phone.

MOTION: Commissioner Rudolph moved that the Commissioners Farmer and Williams be allowed to participate telephonically due to work and personal obligations. The motion was seconded by Commissioner Valdez. Chair Richmond called for a voice vote. The motion passed unanimously (6 ayes, 0 nays) and the motion to allow the Commissioners to participate by phone was approved.

II. Section II. Consent Agenda
A. Sections IIA, B and C. The Chair called for a Motion to approve the consent agenda as presented including the minutes of the September 16, 2014 Commission Meeting, the FY14 Budget to Actual Report and the FY15 First Quarter Budget to Actual Report.

MOTION: Commissioner Valdez moved that the Consent Agenda be approved as presented. The motion was seconded by Commissioner Robbins. Chair Richmond called for a voice vote. The Motion passed unanimously (8 ayes, 0 nays), and the Consent Agenda was approved as presented.

III. Section III. Public Participation
A. Jackie Jagielski, an officer of the Elgin’s Teacher’s Association. Ms. Jagielski spoke about the concerns of teachers across the district about the Elgin Math and Science Academy proposal. She pointed to innovations happening in District U-46 that make the proposal unnecessary. She said that the proposed school would in fact be a detriment to students as resources are taken away from all schools and students to fund it.

B. Krissey Palmero, member of the Elgin Math and Science Academy design team. Ms. Palmero said that her role was to discover and express the needs of parents and students. She presented several statements from parents who were interested in having their children attend EMSA but unable to attend the Commission’s meeting. These statements included those from parents seeking public school options that give students a better education than they are getting now, that focus more on innovation than test scores, that provide a safe and productive environment for learning, that have a hands-on approach and emphasize math and science.
C. Angelica Alfaro, a Noble Charter School graduate. Ms. Alfaro shared the story of Gloria Munoz who along with her younger siblings followed their older sister and enrolled in Noble Street Charter School. She said there they not only received an excellent education but were provided assistance in the college application process and support once they were in college. With her strong belief that education creates endless possibilities Ms. Munoz now teaches at Noble hoping to provide students the same high quality education.

D. Anne Levy Brown, Senior Charter School Growth Manager at the Illinois Network of Charter Schools (INCS). Ms Brown spoke of the committed and qualified team that INCS has been working with over the last three years on the proposal for the EMSA. She was disappointed in the staff recommendation to deny the appeal. She stated that the Commission was created to help ensure that there were fewer barriers to high quality public education for all children, especially those at-risk, and that was exactly what EMSA would do. Ms. Brown said that the school’s design team “researched and learned and read and recruited” and was ready. She cited political, community and parent support for the proposal. She proposed that if the Commission was concerned about final details being in place it should give conditional approval to EMSA and allow 14 days for the submission of supplemental information.

IV. Section IV. Reports – moved to later in the Agenda

V. Section V. Closed Session – moved to later in Agenda

VI. Section VI: Action Items

A. Section VI A. Adopt Staff’s Recommendation to Deny the Appeal of Elgin Charter School Initiative/District U46

a. Staff Presentation of Issues on Appeal. Chairman Richmond asked Director Nowaczewski to present the staff recommendation on this action item (see attachment).

1. Director Nowaczewski complimented all those involved in the appeal for both their commitment and civil professional conduct and demeanor during the entire intensive appeal process. She reviewed the process leading up to Elgin U-46’s denial of the proposal and outlined their stated reasons for denial. The Director then reviewed the timeline of the appeal which as state law requires must be processed in a 75-day time period. The Commission’s timeline began with the appeal’s submittal by the Elgin Charter School Initiative on August 15, 2014.

2. The Director reviewed the Commission staff’s process for investigating the merits of the proposal and developing a recommendation including the review of the materials submitted by both parties, interviews of both parties, the convening of a public hearing and the collection of public comment. She noted that the staff also requested and reviewed additional information from both the applicant and the district. The Director noted that while the District objected to the submission of supplemental information by the applicant it has been the Commission’s practice to accept this information and that this practice is supported by the law and the administrative rules. She briefly reviewed the nature of the supplemental information and presented the staff’s recommendation to deny the appeal.

3. The Director reviewed the staff’s findings that the applicant did not meet the standard for approval in any of the four categories reviewed – education plan, business plan, organizational plan and evidence of capacity. Director Nowaczewski noted that while they approached the standard of approval for their education and organizational plans, the applicant only partially met the standard for their
business plan and their evidence of capacity. She summarized the staff findings as follows (see attached detail):

- **Educational Plan** – Solid curriculum and professional development partner in Expeditionary Learning but proposal lacked details related to assessments. It was also noted that there was a lack of evidence that the school was prepared to serve educationally disadvantaged children, particularly special education students and English Language Learners.

- **Business Plan** – Ambitious fundraising goals were noted and the plan was not conservative in terms of cash reserves and cash on hand. It was noted that the projected facilities costs were much lower than typical (5% rather than 15%). The plan also was based on a request for 113 percent of the Per Child Tuition Cost (PCTC) which would have been unprecedented for a Commission-authorized school.

- **Organizational Plan** – Demonstrated community support and significant interest from families interested in enrollment. Committed board members were acknowledged, but the finding was that the members lacked the collective experience to credibly manage, govern and deliver a highly performing, multi-million dollar public school. Plans for identifying a founding principal are behind schedule.

- **Evidence of Capacity** – Capacity appeared lacking given that the applicant was still developing and changing plans as the appeal proceeded, and that the overall startup phase was behind schedule.

Director Nowaczewski closed her presentation by noting that under the law and the Commission’s established practice, the academic performance of the denying District, which in the case of U46, has been declining, is not a factor in the decision on an appeal.

b. Applicant Presentation – Karen Schock president of the EMSA design team was the first of two who presented on behalf of the applicant. She emphasized at the beginning that their proposal was not “anti-U46” but had always been motivated by a desire to provide an exciting option for the district and a desire to work with them to bring it about. Ms. Schock cited strong community support for their proposal including parents, elected officials and local business and civic leaders. She stated her belief that the applicant has the capacity, skills and dedication to run a successful school, even one where they are required to be their own LEA. In response to concerns that they would be unable to fill the obligation to special needs students she said that they had recast their budget to bring in consulting expertise. They have also formed partnerships to strengthen their overall capacity in key operational, financial and governance areas. She added that they have additional commitments for the founding board and have selected LaDonna Kelly, an experienced charter school leader, as their acting principal.

Karin Kelly, vice president of the EMSA design team also spoke on behalf of the applicant. She reminded the Commission of its charge under state law to reverse the U-46 denial if the applicant is in compliance with the Charter Schools Laws and the proposal is in the best interest of the students it was designed to serve. She recalled that the Commission was created in response to legislative frustrations that the Illinois State Board of Education had approved only 2 appeals in 14 years. She stated that in three years the Commission had only approved one. She stated her belief that Commission staff was imposing “unduly rigid standards” that are not supported by the law - particularly in the areas of facilities and financials. She stated the willingness to respond to any remaining concerns about financial projections
that may be conditions of their approval. Ms. Kelly stated that the law commands that its provisions be liberally construed to promote the creation of charter schools and that the Commission staff has “disregarded the spirit and intent of the law.” She urged the Commission to think of the needs of Elgin’s at-risk students and grant the appeal.

c. District Presentation – Tony Sanders, chief executive officer of School District U-46, spoke on behalf of the district. Supt. Sanders opened by thanking the Commission and its staff for the professionalism demonstrated throughout the appeal process. He also took the opportunity to clarify a few misstatements that had been made during the public comment period. He noted that U-46 does have school choice including dual language programs in more than half of their elementary schools, gifted education programs, five high school academy programs and alternative education options. Supt. Sanders continued by noting the district’s continued “serious and fundamental” concerns about the applicant’s ability and readiness to create a school that benefits the students of the district. He characterized the proposal as “woefully incomplete,” and cited several areas of concern including:

- the education plan and whether the plan was designed to serve educationally disadvantaged students – particularly the failure to address many key requirements of state and federal law for the service of ELL populations;
- the belief that the proposal is not economically sound – with unrealistic budgets for start-up, maintenance and a request for 113 percent of PCTC;
- the finding that the governance and operations of the school are “alarmingly unclear;”
- a lack of evidence that any of the design team members have demonstrated experience to successfully open and manage a new school; and
- issues regarding the buildings presented

Supt. Sanders stated that the EMSA proposal ultimately falls short of the requirements of both the state’s charter law and the District’s criteria for evaluating charter proposals.

d. General Counsel Presentation – Moved to later in the agenda.
e. Question and Answer Session with Commissioners followed by a vote of the Commission – Moved to later in the agenda.

VII. Section V. Closed Session

MOTION: Commissioner Rudolph moved that the commission convene in a closed session for the purpose of discussing the legal claims and matters affecting the Commission as authorized by ILCS 120/2, Section C, subsection 4 of the Open Meetings Act. The motion was seconded by Commissioner Valdez. Chair Richmond called for a voice vote. The Motion passed unanimously (8 ayes, 0 nays), and the Commission moved into closed session.

MOTION: Commissioner Robbins moved that the Commission return to an open session. The motion was seconded by Commissioner Valdez. Chair Richmond called for a voice vote. The Motion passed unanimously (8 ayes, 0 nays), and the Commission restarted the open session.

VIII. Section IV Reports
Section IVD. Report of General Counsel

1. Appeal Conflicts Statement – Counsel Lisa Scruggs began with her report as the chief ethics officer with regard to the appeal before the Commission. She stated that on September 12, 2014 there was the disclosure of two potential conflicts of interest:

* Commissioner Guzman previously worked in the Office of New Schools at the Chicago Public Schools (CPS) from 2007 to 2010. During that time period, U-46 general counsel Miguel Rodriguez worked in the CPS law department and sometimes in this capacity worked on behalf of the Office of New Schools

* Commissioner Richmond served as chief officer for new school development of CPS from 2003 to 2005. From 1996 to 2003 he served as the head of the CPS Charter School Office. Mr. Rodriguez also worked for CPS in the law department at that time and worked on behalf of those offices.

Since the time of the September report, the design team involve in the application that is the subject of the appeal before the Commission was finalized and included a staff member of the Illinois Network of Charter Schools. Ms. Scruggs indicated that this led to an additional disclosure. The October 28, 2014 ethics officer report also included the following potential conflicts of interest:

- Commissioner Richmond served on the Board of Directors for the Illinois Network of Charter Schools for a number of years until 2011 but has had no formal role with the organization since the conclusion of his board service.

Counsel Scruggs indicated the review of the applicable laws, the Commission’s bylaws and all relevant policy and laws in the State of Illinois led to the conclusion that all of the forgoing affiliations that have been revealed as part of the process “should not preclude the aforementioned commissioners from participating in the deliberations and voting on the question before the Commission with regard to the Elgin Charter School Initiative appeal.”

IX. Section VIA. Adopt Staff’s Recommendation to Deny the Appeal of Elgin Charter School Initiative/Dist. U46

d. General Counsel presentation – No additional information was presented.

Chairman Richmond said he was ready to entertain a motion regarding the staff recommendation on the Elgin Charter School Initiative proposal.

MOTION: Commissioner Valdez moved that the Commission accept the staff recommendation and deny the appeal of the Elgin Charter School Initiative. The motion was seconded by Commissioner Robbins. Chair Richmond asked if there was any discussion.

e. Question and Answer Session with Commissioners followed by a vote of the Commission - Commissioner Valdez stated his appreciation for the charter’s innovative approach and the high-caliber leadership team. He noted the strong community support for the proposal and its potential to augment improved learning environments for students by expanding choice. As a professional in the aerospace industry, the Commissioner said that he appreciated the need for a math and science-focused instruction. He expressed concern, however, about the applicant’s proposal, particular the financials. As
a member of the budget and finance committee of the Rockford School District, Commissioner Valdez stated his familiarity with school financials led him to believe that EMSA is unsustainable as proposed. He stated that he was going to vote to support the staff recommendation with a hope that the applicant would resubmit in the future.

Commissioner Rudolph indicated her intent to vote in support of the staff’s recommendation. She said that while she was impressed by the passion of the applicant and their desire to create a better option for students, she had several concerns. These concerns ranged from the plan for how ELL children would be served to the assumptions included in the financial plan. She encouraged the applicant to look at the recommendations and resubmit and application to the district.

Chair Richmond called for a roll call vote. Those voting aye were Commissioners Guzman, Zaldivar, Rudolph, Robbins, Valdez, Williams, Farmer and Richmond. The Motion passed unanimously (8 ayes, 0 nays), with Commissioners Farmer and Williams voting by phone, and the Commission approved the staff recommendation to deny the appeal of the Elgin Charter School Initiative.

Chair Richmond took a moment to note that the Commission’s meeting was being held at Noble Street Charter School, a school that he considers one of the finest charter schools in the country. He recalled that the first time Noble Street applied for a charter they were denied—in large part for similar reasons that were cited in the recommendation for the EMSA denial. He said that the addressed the changes needed, were approved and are the better school because of it. He echoed what other Commissioners had cited about the merits of the EMSA proposal and stated his belief that the proposal was close to being approvable. He added that if the applicant chose to address those issues in the future it was possible that the school could be approved by either the District or the Commission. He closed by saying that the professionalism and respect displayed throughout the process was noteworthy and that he wished all deliberations in education could happen in that manner.

Commissioner Rudolph departed.

X. Section V.  Closed Session

MOTION: Commissioner Guzman moved that the Commission convene in a closed session for the purpose of considering the following subjects: confidential information regarding the employment compensation, discipline, performance or dismissal of personnel and/or pending or imminent litigation involving the Board as authorized by section 2 (c)(1) of the Open Meetings Act. The motion was seconded by Commissioner Robbins. Chair Richmond called for a voice vote. The Motion passed unanimously (7 ayes, 0 nays), and the Commission moved into closed session.

MOTION: Commissioner Guzman moved that the Commission return to an open session. The motion was seconded by Commissioner Robbins. Chair Richmond called for a voice vote. The Motion passed unanimously (7 ayes, 0 nays), and the Commission restarted the open session.

MOTION: Commissioner Robbins moved that the Commission approve the personnel actions related to the discussions that took place in closed session and the execution of all related documents. The
motion was seconded by Commissioner Valdez. Chair Richmond called for a roll call vote. Those voting aye were Commissioners Guzman, Zaldivar, Robbins, Valdez, Williams, Farmer and Richmond. The Motion passed unanimously (7 ayes, 0 nays), and the Commission approved the personnel actions and the execution of related documents.

Commissioner Robbins departed.

XI. Section IV. Reports
A. Section IV A. Chair’s Report
1. Welcome to New Commissioner – Chair Richmond officially welcomed new commissioner Sylvia Zaldivar and invited her to share a bit about her background. Commission Zaldivar stated that she is currently Executive Director of Maestro Cares Foundation that builds orphanages and schools in Latin America. Before joining the Foundation, Commissioner Zaldivar was with the Chicago Community Trust establishing population-focused funds including the African American Literacy Initiative and served as Executive Director of the Lake County Community Foundation.
2. Reappointment of Commissioners – Chair Richmond noted that Commission Zaldivar was appointed in September to fill an existing vacancy and was immediately reappointed to a full three-year term beginning November 1st. Commissioners Farmer and Rudolph were also reappointed to similar three-year terms beginning on November 1st.

B. Section IV B. Report of Chair of Commission’s Schools Committee
1. Update on Renewal and Annual Review Proceedings - Commissioner Guzman, Chair of the School Committee, reported that the committee met earlier in the month and covered items including the current annual reviews of schools not up for renewal as well as the current renewal process and timeline for Southland Charter School. He added that the committee also continued the development of an intervention policy to address concerns raised during the course of the reviews. Commissioner Guzman asked Deputy Director Karen Washington to provide additional information.

Deputy Director Washington reported that the preliminary and initial renewal findings had been submitted to Southland and reviewed with them. Additional findings in both the academic and organizational domains were to follow, but overall the findings have showed that the school is doing well. She added that the school will submit their renewal application to the Commission by November 26th ahead of a site visit on December 3rd and a community forum on December 4th. Commissioner Guzman stated that the committee will meet again prior to the December meeting of the full Commission.

C. Section IV C. Report of the Chair of the Commission’s Operations Committee
In the absence of the chair of the Operations Committee, Chair Richmond asked Director Nowaczewski to cover the committee report. The Director noted that the Chair previously covered Commissioner reappointments and called attention to the FY14 and FY15 financial reports provided in the packet which were approved as part of the consent agenda.

D. Report of General Counsel – moved to earlier in the agenda

XII. Section VI. Action Items
C. Weighted Lottery - Chair Richmond asked Commissioners and the General Counsel if the Commission needed to return to closed session to discuss the issue of weighted lotteries. Commissioner Guzman stated that a discussion at this meeting was needed. Counsel Scruggs observed that the anticipated discussion did not require a closed session, but they could move into closed session if needed.

Commissioner Guzman stated his hope that the Commission would identify a clear path forward on the weighted lottery issue. He asked Counsel Scruggs to provide some background. She said that Prairie Crossing Charter School has submitted a request for a legal opinion from the Commission as to whether they were permitted to operate a weighted lottery. She said that the Commission wanted to be responsive but was not in a position to provide an official legal opinion. Counsel Scruggs outlined three possible courses of action for the commission:

- request a formal opinion on whether a weighted lottery is allowed under Illinois’ charter law;
- ask Prairie Crossing to specifically request that the state superintendent if the school could use a weighted lottery which would then be routed to the ISBE General Counsel
- engage in a three way dialogue between ISBE, Prairie Crossing and the Commission on the issue

Chair Richmond stated that while the Commission could not vote on a motion since a quorum was not present, given that only four members were physically present (Richmond, Guzman, Valdez and Zaldivar) and two members were telephonically present (Farmer and Williams), it would be helpful to have a consensus.

Commissioner Guzman said that it should be noted that the options being discussed were not mutually exclusive. Jennifer Saba of ISBE clarified that any request and issuance of any legal opinion by the ISBE General Counsel would come through the Regional Office of Education. She said that they are, in fact, the client and could share the opinion with whomever they wished. Chair Richmond asked if the ROE can disregard the Counsel’s opinion. Ms. Saba said in theory the client could decide what to do with the information.

Counsel Scruggs offered an additional perspective on the first option. She stated that in requesting an opinion from the Attorney General, the Commission could frame the question very broadly or very narrowly. She noted that if the Commission asks Prairie Crossing to ask ISBE for an opinion it loses the opportunity to frame the question. Commissioner Valdez said that this had been discussed by the committee including the issue of whether they want to address this issue just for the Prairie Crossing case. Chair Richmond asked if it was premature to move forward, but Commissioner Guzman stated that it was not, noting that Prairie Crossing needed to notify families that were applying as to what the lottery process was going to be.

Chair Richmond asked for the counsel’s assessment of the risks related to each strategy. Counsel Scruggs said that the biggest risks were related to not contributing to the conversation. She said the other primary risk is that it is a political issue and the outcome could be effected by politics. She then pointed out that there is a risk of doing nothing and seeing the response of Prairie Crossing beyond the conditions put on the recent renewal. Commissioner Zalvidar said that she thought it was worth putting a “stake in the ground” on an important issue.
With no other discussion, the Chair moved to try to articulate a consensus position in the absence of a quorum. A straw poll of the four Commissioners physically present and two telephonically present showed unanimous agreement for pursuing an opinion from the Attorney General.

Commissioner Williams left the telephone line of the meeting.

B. Second Reading & Vote: Adopt Proposed Amendments to Commission Policies
No action could be taken on the three new proposed policies without a quorum present. The Chair reported that the Commissioners had appeared to support approval of the new policies during the first reading in September.

XIII. Section VII: New Business – No new business was identified.

XIV. Section VIII: Announcements and Reports – Director Nowaczewski announced the dates and locations of the next two scheduled Commission meetings - November 18th at Horizon Science Academy, McKinley Park and December 16th at the Commission offices at 116 N LaSalle Street.

XV. Section IX: Information Items – No information items were presented.

XVI. Section X. Adjourn

MOTION: Commissioner Guzman moved to adjourn the meeting of the Commission. The motion was seconded by Commissioner Valdez. Chair Richmond called for a voice vote. The Motion passed unanimously (5 ayes, 0 nays, Commissioner Farmer voting by phone), and the meeting of the Commission adjourned.

Chairman Richmond adjourned the meeting at 6:19 p.m.