

Illinois SCHOOL BOARD Newsbulletin

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More than a thousand students, parents, school leaders and community supporters lobbied in Springfield last fall seeking a favorable taxing deal for **CUSD 300, Carpentersville**.

District won deal with state to keep \$50 million in revenue

Sears Holdings Corporation is the nation's fourth largest broadline retailer with over 4,000 full-line and specialty retail stores in the United States and Canada. It employs 312,000 people. Its annual revenues exceed \$43 billion. It is based in Hoffman Estates, IL.

Community Unit School District 300 is the state's sixth largest school district (by enrollment of 20,544 students) with 27 buildings in seven com-

munities in Kane and McHenry counties. It employs more than 1,600 people. Its annual revenues exceed \$191 million. It is based in Carpentersville, IL.

Talk about your David and Goliath comparisons. But this story is different; this story is how David helped to save Goliath and maybe himself too.

See **DISTRICT 300** on page 6

March ballots to hold key finance referenda on tax, bond questions

At least ten school finance referendums, and perhaps more, will be on local ballots in the March 20 general primary election.

The following six school districts have placed school bond issues in the amounts listed on the ballot for the March election:

- **Clinton CUSD 15**, \$16.7 million to pay for a new school facility, repairs to the current high school building, and demolition of Webster and Washington elementary school buildings.
- **Evanston/Skokie SD 65**, \$48.2 million to pay for a new school building, and make additions and repairs to existing ones.
- **Golf SD 67**, Morton Grove, \$9.72 million to pay for various projects, including heating/ventilation replacement, sprinklers and plumbing.
- **Gower SD 62**, Willowbrook, \$9 million to pay for additions to the Gower Middle School, improve sites and upgrade equipment.
- **Lincolnwood SD 74**, \$25 million to pay for a new Lincoln Hall school building.

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Obtain RTTT information

Many districts have expressed an interest in participating in the state's newly won Race to the Top grant, according to State Superintendent Christopher Koch. Under Illinois' plan, districts that are chosen will serve as "reform exemplars, and will share in the \$21.4 million set aside for local districts," Koch said. More information about how to participate will be announced. Districts can learn more online at: <http://www.isbe.net/raceto-thetop/default.htm>.

Charter network events

The Illinois Network of Charter Schools held a Charter Design Institute on Feb. 10 and 11 in Richton Park. The event provided training on charter school design for those interested in starting public school charters across the state. The charter network will host a teacher job fair on March 10 at UNO Veterans Memorial Campus, at 4248 West 47th Street, Chicago. More than 40 charter public schools representing over 100 campuses will be represented. For more information visit <http://www.eventbrite.com/org/1031130741?s=6573131>.

FY 2013 funding proposal

ISBE approved a Fiscal Year 2013 budget recommendation on Jan. 26 that seeks a \$265.2 million or 3.9 percent increase over the current year. The board's recommendation provides increased funding in line items such as early childhood education, bilingual education and several reform initiatives already under way. Board members recommend an increase of \$201 million in General State Aid (GSA). Last year, insufficient funding was appropriated to pay GSA at the statutory Foundation Level of \$6,119, resulting in a proration of 95 percent for a foundation level of \$5,953.

2012 Joint Annual Conference speakers will feature Vaden, Ravitch and Henry

The 2012 Joint Annual

Conference will be held Nov. 16-18 in Chicago and the featured speakers at the three general sessions have been announced. They include:



Rory Vaden



Diane Ravitch



Dr. Dale Henry

Friday, First General Session

Rory Vaden, author and "self-discipline strategist." His insights have been shared in *Businessweek*, *Publisher's Weekly*, and in *SUCCESS* magazine, as well as on Oprah radio. His book, *Take the Stairs: 7 Steps to Achieving Success*, is also part of a campaign to climb the 10 tallest buildings in the world to raise money for youth character development programs.

Saturday, Second General Session

Diane Ravitch, research professor of education at New York University and a historian of education. She is a nonresident senior fellow at the Brookings Institution. She shares a blog site called Bridging Differences with Deborah Meier, hosted by *Education Week*. From 1991 to 1993, Rav-

itch served Secretary of Education Lamar Alexander and was responsible for the Office of Educational Research and Improvement in the U.S. Department of Education. An original supporter of the No Child Left Behind Act, she is now a staunch opponent of it, and author of *The Death and Life of the Great American School System: How Testing and Choice Are Undermining Education* (2010).

Third General Session

Dr. Dale Henry, author, educator and trainer. A former associate dean of professional and graduate studies for Tusculum College in Tennessee, Henry's PhD is in adult and continuing education. He has led a training company for several years. He has authored three books and numerous DVDs on self-development.

'Success' panel ideas sought for 2012 event

Feb. 17 is the deadline for districts to submit "Share the Success" panel proposals for presentation at the 2012 Conference.

Panel ideas may be submitted online in these categories: governance/leadership; finance and funding; current issues; community relations and communications; school law; facilities/transportation/technology; best practices; or governmental relations.

Proposals can be made electronically. The forms can be found at: <http://www.iasb.com/jac12/rfp.cfm>. A committee of Association members will evaluate proposals received in the IASB Springfield office by Feb. 17. The Joint Annual Conference is set for Nov. 16-18 in Chicago.

Illinois
SCHOOL BOARD
Newsbulletin

**Illinois Association
of School Boards**

This newsletter is published monthly by the Illinois Association of School Boards for member boards of education and their superintendents. The Illinois Association of School Boards, an Illinois not-for-profit corporation, is a voluntary association of local boards of education and is not affiliated with any branch of government.

James Russell,
Associate Executive Director
Gary Adkins, *Editor*
2921 Baker Drive
Springfield, Illinois 62703-5929
(217) 528-9688
One Imperial Place
1 East 22nd Street, Suite 20
Lombard, Illinois 60148-6120
(630) 629-3776
www.iasb.com


**ILLINOIS ASSOCIATION
OF SCHOOL BOARDS**

Consolidation commission shifting focus to shared services, efficiencies

The School District Realignment and Consolidation Commission, also known as the “Classrooms First Commission,” has moved into its second stage of work. The commission has broken into four smaller work groups focused on the issues of educational shared services, operational shared services, as well as within-district efficiency, and realignment.

The over-arching goal for these groups is to focus on how to reduce money spent on duplication of efforts and improve the education of students by having fewer obstacles between qualified teachers and their students.

The work group designations and assignments are as follows:

Educational Shared Services Work Group. Its goals include:

- Improve educational programs, eliminate those that are ineffective or outdated, and encourage innovation; also consider extra-curricular and enrichment programs
- Assure opportunities for teacher learning and support
- Consider equity of opportunities; recommend ways for districts to ensure adequate service levels regardless of district/school size or location
- Identify and share best practices among districts for high-quality educational delivery (including non-traditional methods such as distance learning and partnerships)

The research, reports, and resources the Educational Shared Services work group will use in drafting its recommendations will be available at: <http://www2.illinois.gov/Itgov/Pages/EducationalSharedServices.aspx>.

Operational Shared Services Work Group. Its goals include:

- Identify ways to reduce costs
- Improve service delivery efficiencies, including financial, operational, and administrative services
- Create “stop doing” lists
- Recommend district criteria where

cooperative financial, operational, and administrative services should be considered, and identify best practices in these areas

- Include all districts in efficiency recommendations

This group’s work will be available online at: <http://www2.illinois.gov/Itgov/Pages/OperationalSharedServices.aspx>.

Within-District Efficiency Work Group. Its goals include:

- Improve educational programs, eliminate those that are ineffective or outdated, and encourage innovation; also consider extra-curricular and enrichment programs
- Identify and share best practices among districts for high-quality educational delivery (including non-traditional methods such as distance learning and partnerships)
- Identify ways to reduce costs
- Create “stop doing” lists
- Consider within-district school consolidation

The group’s work will be available on at: <http://www2.illinois.gov/Itgov/Pages/Within-DistrictEfficiency.aspx>.

Realignment Work Group. Its goals include:

- Provide recommendations as to the net cost savings of realignment to the state
- Provide input to school districts on reorganization
- Assure that “efficiencies” benefit students
- Consider equity of opportunities; recommend ways for districts to ensure adequate service levels regardless of district/school size or location
- Define parameters for realignment/reorganization and for high school size
- Study streamlining opportunities, dual districts, and previous realignments
- Examine reorganization incentives
- Consider within-district school consolidation

Its reports will be available at: <http://www2.illinois.gov/Itgov/Pages/Realignment.aspx>.

From now through March, these work groups will meet to develop a set of draft recommendations. The public will have the opportunity to comment on these recommendations by submitting comments online and through a second round of public hearings.

The hearings begin on April 19 and 20 in Champaign and Carbondale, respectively. To see the full list of hearing dates and locations across the state, visit online at: <http://www2.illinois.gov/Itgov/Pages/ImportantDates.aspx>.

The commission is expected to make its final recommendations by July 1.

Its suggestions for school improvement could touch on a wide array of topics. Members said that even though a sweeping merger plan is unlikely, consolidation could still be on the agenda in smaller ways.

For example, districts opting to merge could be granted preference in qualifying for construction funds to update schools. Districts might also be given more leeway to split costs and share management without merging.

The work groups began meeting in January to develop a set of draft recommendations and will continue to meet throughout February and March for that purpose, according to IASB Associate Executive Director of Governmental Relations, Ben Schwarm.

“The third stage will begin with release of the commissions draft recommendations,” Schwarm said. “The public will have the opportunity to comment on these recommendations through a second round of public hearings across the state or by submitting comments online. After collecting public input on the draft recommendations, the commission will make a final proposal to the governor and general assembly by July 1, 2012,” he added.

Fully 65% of Illinois schools fall short of AYP goals in NCLB tests

NCLB called 'broken,' other reforms pushed

U.S. Secretary of Education Arne Duncan predicted last year that 82 percent of schools would fall short of demands in testing under the No Child Left Behind Act. But a new report from the Center on Education Policy (CEP), called AYP Results for 2010-11, estimates that the real number was closer to 48 percent nationwide.

Illinois, however, reported that 65 percent of its schools did not meet AYP in 2010-11.

Nationwide, the proportion of schools estimated to have not made adequate yearly progress (AYP) under NCLB during the 2010-11 school year was up from 39 percent the year before. The latest results represent the highest percentage of students falling short of NCLB standards since the federal law took effect.

Illinois numbers rose more dramatically, from the 52 percent reported in 2009-10.

Duncan used the report to declare NCLB a failure.

"Whether it's 50 percent, 80 percent, or 100 percent of schools being incorrectly labeled as failing, one thing is clear: No Child Left Behind is broken," he said. "That's why we're mov-

Estimated percentage and number of schools in the nation and each state that did not make AYP in 2011 based on 2010-11 testing

State	% did not make AYP	% made AYP	# not making AYP	Total # of schools
U.S. total	48%	52%	43,738	90,695
Illinois	65%	35%	2,548	3,920

ing forward with giving states flexibility from the law in exchange for reforms that drive student success."

NCLB requires states to set yearly targets for the percentage of students posting proficient scores on state tests and for other performance indicators, culminating in the NCLB goal of 100 percent of students scoring proficient by 2014.

Only three states, plus the District of Columbia, exceeded Duncan's AYP prediction: the District of Columbia, at 87 percent; Florida, at 89 percent; Missouri, at 88 percent; and New Mexico, at an 87 percent failure rate.

In 24 states and the District of Columbia, at least half of the public schools did not make AYP in 2011. Among individual states, the lowest percentage of public schools not making AYP was 11 percent in Wisconsin.

These variations may be due in large part to differences in states' tests, demographics, proficiency targets,

and other factors, the report cautions, all of which makes it inappropriate to compare AYP results across states.

"The fact that half of American schools are considered 'failing' under NCLB shows how crudely the law measures the quality of a school," added Jack Jennings, CEP's president and CEO.

Last September, Duncan announced that the government would allow states to apply for flexibility from some of the most important aspects of NCLB through a waiver process. Illinois is one of 27 states plus Puerto Rico and Washington, D.C. that have indicated an intent to apply by a February 21 deadline. Eleven states previously applied under a November deadline. No state has officially announced that it will not seek a waiver.

"With so many schools not making AYP in some states and with Con-

See AYP on page 5

Program offers free services aiming to impact learning in designated districts

School boards in school districts designated as being in Corrective Action (CA) may participate in a free program that assists boards to learn how to use student learning data and to adjust their governance role and policies to improve student learning.

School districts are designated for CA under the federal No Child Left Behind (NCLB) Act. It works like this: Title I schools that do not make adequate yearly progress (AYP) for two consecutive years under NCLB are identified as a School In Need of Improvement. In year three of such school improvement status, the school

district must implement CA, using one or more options from an approved list.

In 2011, 135 Illinois school districts were classified as being in CA (15.6% of all districts).

Targeting Achievement through Governance (TAG) is offered by IASB at no cost to eligible districts. Funding is provided by a grant from the Illinois State Board of Education.

Boards participating in this program will learn to use and communicate about student learning data, and to assess and strengthen their governance role with respect to student learning. Free TAG services, provided by IASB staff, include in-district work-

shops, training opportunities and coaching to assist school boards in providing leadership for improved student learning.

Training and assistance is provided by IASB staff in a series of local, in-district workshops. Participation requires a 12 to 18-month commitment on the part of the board and allows boards to model the same example of continuous improvement and learning that the district would expect from its staff and students.

For more information, districts should contact Deb Walden, ext. 1149 or dwalden@iasb.com) or Steve Clark, ext. 1210, or selark@iasb.com.

Simon eyes community college reforms, with high schools' collaboration

Gov. Sheila Simon says many Illinois students fail at community colleges because they need better preparation in high school and more support from the colleges.

Simon, interviewed for a story published July 18 in the *Chicago Tribune*, said many of the colleges are becoming “revolving doors to the unemployment line.” She claimed that four in every five students enrolled in community colleges do not get a certificate or a degree within three years and that many students drop out having nothing to show but debt.

Nearly 50 percent of recent high school graduates take at least one remedial course, usually in math, when they enter community college, she added.

At the same time, Simon called for students to be required to take mathematics in each year of high school, for a total of four years, rather than the three years now required.

She is asking the Illinois State Board of Education to begin tracking high schools that voluntarily require

four years of math to determine whether the added year reduces remedial needs.

State Superintendent Christopher A. Koch did not dispute her claim and seemed to endorse the idea of reviewing the value of additional math courses.

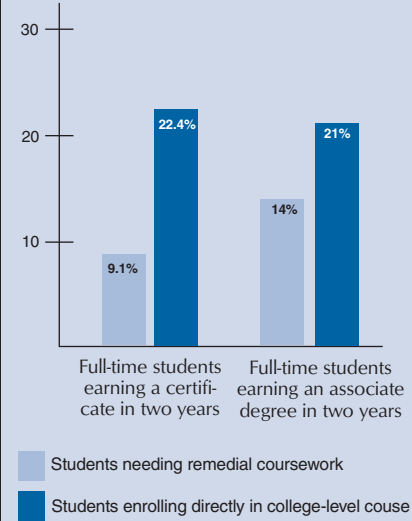
“Our priority is to prepare students to succeed in college and careers, and we know that the skills businesses want from an employee and what is needed to be college ready are very similar,” he said, as quoted by Simon in a recent news release at: <http://www2.illinois.gov/ltgov/Pages/LtGovernorSimontocollegesFocusonthefinish.aspx>.

“We’ve already adopted new college-ready learning standards so it only makes sense to also evaluate our high school graduation requirements to make sure they’re aligned with college expectations as well to give students a better chance to succeed after graduation.”

See **SIMON** on page 12

Illinois students more likely to graduate when prepared for college-level work

Illinois students that place into remedial-level coursework are less likely than their college-ready peers to complete a certificate or an associate degree. Educators must address remedial issues to ensure students are in an environment where they can and will succeed, according to Simon.



Note: Entry cohort of full-time students seeking a certificate in fall 2005: 2,288. Those needing remedial help: 1,080. Entry cohort of full-time students seeking an associate degree in fall 2004: 22,098. Those needing remedial help: 12,891. Data based on most recent cohort available. Source: Complete College America

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gress lagging in reauthorizing the Elementary and Secondary Education Act, it’s not surprising that Secretary Duncan would consider offering waivers from the AYP requirements and the 2014 deadline,” added Alexandra Usher, CEP research assistant and author of the report.

The Center on Education Policy is a national, independent advocate for public education and for more effective public schools. The Center says it works to help Americans better understand the role of public education in a democracy.

The CEP report is available online at: <http://www.cep-dc.org/display/Document.cfm?DocumentID=386>

Every year that NCLB moves forward with its ever-rising goals more schools are deemed to be failing, so

much that this year only eight high schools in Illinois made Adequate Yearly Progress based on test results in 2011, and 65 percent of all schools fell short of AYP goals.

According to ISBE’s Public Information Division, Illinois has already embarked on the following initiatives, among others to substantially improve educational outcomes in the state:

- The implementation of the Common Core State Standards, which are new, more rigorous learning standards to challenge students and educators alike to increase global competitiveness;
- The development of new assessments based on these higher learning standards;
- New, higher standards for teacher

and principal preparation, aimed at improving classroom instruction and educational leadership;

- The development of a new performance evaluation system for principals and teachers that takes into account student academic growth; and,
- A targeted, intensive effort to turn around the state’s lowest achieving schools, which involves the provision of additional resources and oversight, while expecting significant gains for students and better possibilities for their future.

The Illinois waiver request will build on the state’s goals to better prepare every student for success in college and careers, raise the bar for all students and close achievement gaps, according to ISBE.

DISTRICT 300 *from page 1*

This fall, school leaders in D300 successfully mobilized students, teachers and the community to help convince the Illinois General Assembly to pass a favorable new taxing deal to keep Sears Holdings Corp. and more than 6,100 jobs from leaving the state.

The end result will save the retail giant about \$125 million in property taxes over the next 15 years, and provide \$150 million in tax credits over that time. D300, as a result of its intense negotiations, expects to save \$50 million in property tax revenue that could have been lost.

The mammoth retail firm, which won nearly \$250 million in state and local incentives about 20 years ago to move from downtown Chicago to the suburbs, began waging a similar campaign last year for a new package of tax breaks as the original package was due to expire.

The Illinois General Assembly created the 780-acre Economic Development Area (EDA) in Hoffman Estates in 1989 as the site for Sears' new headquarters. The plan was also intended as a very ambitious effort to create a center for retail, commercial and recreational venues. Many were built, including the Poplar Creek Crossing retail center, the Sears Centre Arena, a Marriott hotel, and numerous office buildings for major clients.

But a lot of the plans didn't materialize. A water theme park never opened, retailers struggled, and about 200 acres remain undeveloped.

Sears, however, was and is the cornerstone. Its principal executive offices alone occupy about 200 acres in a complex consisting of six interconnected office buildings totaling approximately two million gross square feet of office space.

Sears said District 300 and other taxing bodies are better off than if the development had never occurred, both because they received a share of the resulting higher property taxes and because the campus, now home to 79 other companies, has functioned as an economic engine for the region. The school district has received \$21



District 300 students testify before a legislative committee in Springfield on Nov. 6, 2011.

million in property taxes from the development through 2010.

In the latest skirmish to keep Sears from bolting the headquarters location, the stakes were even higher.

Had Sears opted to leave Illinois, the state could have seen a reduction of \$3.2 billion in economic activity, according to a study conducted by Gruen Gruen and Associates for Sears.

The company paid \$213 million in various state and local taxes last year, according to Sears' spokesman Chris Brathwaite. To reduce this burden, the company sought to extend the EDA beyond its 23-year lifespan scheduled to expire in 2013.

The proposed extension of 15 years would reduce the firm's local property tax bill to help pay back the \$125 million in EDA development costs. Sears claimed that because of lackluster property tax revenue from the area, it didn't start receiving any reimbursement for its EDA investment until 2009.

Sears also sought financial assistance, including provisions to reinstate its "net operating loss deduction," increases to the "estate tax deduction," and an extension of its "research and development tax credit."

Like many state officials, D300 Superintendent Michael Bregy took the Sears threat seriously. The original legislation would have extend-

ed the Sears tax breaks for another 15 years after they were supposed to expire in 2013, which would continue to take \$14 million a year in school property taxes from the district.

The proposed extension included a new provision that would allow the village to begin using EDA funds, meaning District 300's property taxes, to build, buy, and operate publicly owned buildings within the EDA. There are only a couple of publicly owned buildings there: a shut-down fire station, and the village-owned Sears Centre Arena which has come close to bankruptcy in recent years.

"We were not about to allow money that should be going to our classrooms to instead fund an entertainment arena for the next 15 years. If the village needed help making bond payments or covering operating costs for their arena, then the village would have to go to their own taxpayers for help," Bregy said.

But mounting a campaign to save Sears taxes and local taxing bodies their revenues was daunting.

Initially, school leaders were not invited to the state-level negotiations. Bregy now admits he was not even certain beforehand if it was lawful or suitable to rally residents to take the district's concerns to the legislature.

"Most school district administrators in Illinois incorrectly believe that the law prevents their districts from being politically involved. While a school district is very limited when



Michael Bregy

DISTRICT 300 *from page 7*

it comes to referendums and election campaigns, districts have much broader legal latitude to advocate on general legislative issues that directly affect them,” Bregy said.

Before making their case to lawmakers, Bregy arranged to meet with the school board president for D300 first to ask: “Are we going to be one of those school districts that just takes it? That takes whatever is coming to them?” Bregy told the *Chicago Tribune*, for a story dated Nov. 20, 2011.

Bregy and board president, Anne Miller, decided the answer was no.

Bregy and Miller agreed to solicit legal opinions before leading an effort against renewal of the EDA. With the district’s legal advisor’s approval, an effort was soon undertaken, relying on loud dissent.

As Bregy recalls: “Everyone from our board and administration was very involved, whether from the home front or at the capitol in Springfield. At the capitol, I took the lead along with our Chief Financial Officer Cheryl Crates and Director of Communication Services Allison Strupeck. But I had a tremendous lot of support from all board members.”

He says the resulting campaign succeeded in getting the district to the legislative bargaining table largely because supporters framed their argument passionately, even allowing children to join picket lines.

In September, parents and school administrators began meeting with local state legislators and sending emails to parents and staff. Supporters, including school board members, began attending every Hoffman Estates village board meeting, calling their effort “Occupy Hoffman Estates.”

Their goal was simple: convince lawmakers to develop a new plan that spread the responsibility of incentives for Sears across the entire state, rather than continuing to put nearly the full burden on D300 for 15 more years.

The next month, District 300 hired its own lobbyist John O’Connell, a former state representative who has represented major corpora-



District 300 Superintendent Michael Bregy led students and staff at a meeting with the governor at the Illinois capitol on Nov. 10, 2011.

tions. Bregy credits O’Connell with eventually helping “to open some doors in combination with our grassroots efforts.”

As the General Assembly began its 2011 veto session, during which the EDA’s extension was being considered, the district began organizing caravans to Springfield. Protesters showed up there in brightly colored clothing to boost their visibility.

On Oct. 24, more than 1,000 students, parents and staff and community members mounted two large rallies with TV cameras rolling, one at the Capitol and another in a high school gym. They also organized phone and letter-writing campaigns, circulated petitions, and went door-to-door in the Statehouse, even buttonholing legislators in the lobby and hallways.

The community’s response in support was amazing.

More than 3,000 people turned out at an information forum on this issue hosted by the district in early October, and more than 1,000 people chose to travel four hours downstate to Springfield to stand up with district leaders.

A YouTube video shot by the district at one of the rallies shows just how far the district was ready to go to be heard. The video begins with a young boy, about 7 or 8, displaying a sign that read, “23 years is too long.” Then a girl with blond hair and pig-

tails says, “Hi. I’m Michaela. I’m 3. Please don’t take away my education ...”

The videos, which were produced by the district, have been viewed 340 times according to YouTube data.

The rally in Springfield sported many T-shirts with the slogans, “23 years is long enough!,” “District 300 wants an EDA too: Educational Development Area!,” and “No Way EDA!”

While the vehemence of the rhetoric may have offended some in Springfield, it won both attention and invitations to the negotiations.

In November, the district learned through media reports that Sears was willing to double the district’s payments from the taxing district in exchange for a revised EDA extension.

Soon after, the extension got linked with another major tax deal for the Chicago Mercantile Exchange Group (CME), a large firm that operates financial exchanges.

On Nov. 28, a hearing of the House Revenue and Finance Committee was held concerning House Amendment 3 as part of SB 397. Bregy stood firm on the district’s demands for the state to withhold authorization – via amendments to two bills, including SB 540 – to extend the local EDA.

With a group of about 30 parents, students, staff, and school board mem-

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DISTRICT 300 *from page 8*

bers dressed in red supporting him from the audience, the first-year superintendent withstood pressure from officials to walk away without clarification on important issues.

At one point during the meeting, Bregy was called into the hallway to hash out some of the most controversial portions of the legislation.

“The breakthrough came when negotiators became aware that the school district essentially was being asked to continue to give millions of dollars each year to keep Sears in Hoffman Estates,” said District 300’s Chief Financial Officer Cheryl Crates. “Up until then, people kept saying ‘well, it isn’t costing you anything to agree to the new EDA.’”

As a result, a number of issues were clarified to the district’s satisfaction, and changes were promised in the implementation of the 15-year EDA extension, including:

- Hoffman Estates would not be allowed to use EDA funds to make bond payments on the Sears Centre Arena. (It had already been agreed the Village could not use EDA funds for operating expenses.)
- If Sears moved away after the first five years of the extension, Hoffman Estates would only get one more year of its \$5 million fee, after which the EDA would automatically expire and all of the taxing bodies – including D300 – would start getting their full taxes.
- Sears would not make any claims for reimbursement from the EDA beyond the \$125 million the company has already invested in it.
- The audit of Sears’ existing investments in the EDA would meet federal standards, according to the Sarbanes Oxley legal standards.

Also under the resulting legislation, the village would no longer be able to “double dip,” which could mean more money for the school district and for other local taxing bodies.

Under the old EDA agreement, Hoffman Estates got paid twice, starting with \$5 million a year to admin-

ister the EDA, followed by \$650,000 a year for being one of the numerous taxing bodies in the EDA. Under the new agreement, the village would be held to the \$5 million annual fee. The only potential for the village to increase its take would be if the property value increased, in which case all of the EDA taxing bodies would receive increased payments.

The new legislation mandates that once Sears is repaid for its past investments, the EDA will automatically expire. Sears could realistically be repaid within 10 to 12 years, the district believes.

School leaders say that the district has made substantial progress on most of its initial goals regarding the EDA. As Bregy said, “We honestly believe we could not have gotten a better deal than we did. We are pleased that we achieved so many of our goals, which will benefit the district for an entire generation of students.”

But the outcome was far from perfect.

“While we have achieved huge progress over the past few months, make no mistake that the end result was a huge compromise,” he said. “We are reluctantly satisfied with the compromise plan. It is a very bittersweet victory for our community, he added.

Because the district collectively stood up for its interests and refused to accept the status quo, the school system believes it “successfully secured at least \$50 million more over the next 15 years (at \$3.3 million per year, according to district officials). Through negotiations, school leaders believe they also successfully secured commitments that:

- as soon as Sears is repaid for its past investments in the EDA, the district will begin receiving an additional \$11 million a year in school property taxes from the EDA;
- the Village of Hoffman Estates can no longer “double dip” from the EDA, which will mean another \$400,000-plus to D300 each year;
- if Sears moves at any point, D300 will start getting its full school prop-

erty taxes from the EDA property;

- none of the school funding can be used by the EDA to support the village-owned Sears Centre Arena in any way; and
- the EDA will finally have the oversight and accountability that it has lacked for the past 23 years.

Superintendent Bregy said the school board’s strong and unwavering support on the EDA legislation was critical to the district’s ultimate success. Staff members said the board members were all deeply committed and highly involved, whether locally or in Springfield.

Community Unit School District 300’s successful participation in the deal points clearly to a lesson for other districts.

“We learned about the power of democracy and the importance of public participation in the process,” Bregy said.

“There’s been nothing more beneficial to our district than to have a visible and ongoing presence in Springfield as legislation affecting us was debated and revised. It ultimately made the difference to getting a legitimate seat at the negotiations table.

“Through this journey we also learned, or were reminded of, the importance of partnerships – both internal and external. There is certainly power in numbers,” Bregy said.

“The district really showed the power of a grassroots approach to lobbying, and ultimately won some key concessions through hard work and a refusal to give up,” added IASB Associate Executive Director of Governmental Relations, Ben Schwarm.

Districts that want to discuss the tax deal and D300’s role can contact CFO Cheryl Crates by phone at 847/551-8308. Articles about the campaign can be found at [http://www.d300.org/About%20Us/Community%20%2526%20Legislative%20Resources/Sears%20Economic%20Development%20Area%20\(EDA\)](http://www.d300.org/About%20Us/Community%20%2526%20Legislative%20Resources/Sears%20Economic%20Development%20Area%20(EDA)).

The YouTube video is available online at http://www.youtube.com/watch?v=X8zXm2eal_o.

IASB directors take on new committee assignments, other posts for year ahead

At its organizational meeting after the 2011 Joint Annual Conference, the IASB Board of Directors assigned various committees for the coming year.

The following individuals were elected to the executive committee for the period Nov. 20, 2011 to Nov. 18, 2012: Joanne Zendol, Joanne Osmond, Roger Pfister, and Phil Pritzker. They join the IASB elected officers who automatically serve as members of the committee, including President Carolynne Brooks, Vice President Karen Fisher, Immediate Past President Joseph Alesandrini, and Treasurer Dale Hansen.

The board also approved Hansen to serve as IASB treasurer for a two-year term for the 2012-2013 calendar years.

President Brooks appointed Rosemary Swanson and Tom Neeley to co-chair the 2012 Joint Conference Committee.

President Brooks was appointed to the NSBA policies and resolutions committee to represent the Association.

Delegates appointed to the 2012 NSBA Delegate Assembly were: Brooks, Fisher, Alesandrini, and Jesse Ruiz. Alternates are Hansen and Pritzker.

Mark Harms was re-appointed to

serve as IASB representative to the Illinois High School Association.

In other business, IASB Service Associates representative to the board, Steve Larson, reported that there are currently 75 Service Associates members. Among these, 33 were conference exhibitors and seven served on panel session. The directors also voted to invite the following firms to become IASB Service Associates:

- Raymond James & Associates, Inc. of Chicago (investment banking)
- GRP Mechanical, Inc. of Bethalto (mechanical service/performance contracting)
- Sodexo, Inc. of Chicago (food and nutrition services)

Alesandrini also updated the board on the IASB executive director search. The committee will interview all external candidates and bring the final two candidates to the Feb. 26 board meeting in Chicago for selection.

The board also heard and accepted the FY 2011 audit committee report. The committee reported that the audit firm was in the Springfield office for six days reviewing and working with staff. The audit firm is currently being audited by its peers and the audit committee will receive a copy of that report as soon as it is available.

OLC launches new course meeting statutory requirement for school board member training

The online course, "Professional Development Leadership Training for School Board Members," was launched in mid-January in the IASB LeaderShop Online Learning Center.

The state law requires board members elected after last June 13, or appointed to fill a vacancy of at least a year's duration after June 13, 2011, to complete a minimum of four hours of leadership training.

The law states training must occur

within the first year of the term of office and must be on the topics of education law, labor law, financial oversight and accountability, and fiduciary responsibilities. The online course covers each of these topics.

The cost of the course is \$50 for members, \$100 for non-members.

Information about any of the courses, descriptions, how they work, and registration, can be found online at: <http://www.iasb.com/training/online-learning.cfm>.

NEWS FROM IASB

OMA training reminder

Each of IASB's 21 divisions will offer Illinois Open Meetings Act (OMA) training that fulfills the state's new requirement for school board members. More than 1,000 registrations already have been received, with more arriving each day.

Fourteen division dinner meetings will offer the training as a breakout panel; two division dinner meetings will offer the training as a pre-meeting session; the other seven divisions will schedule the training as a stand-alone event held in addition to the scheduled division dinner meeting.

The training, provided by IASB's Office of the General Counsel, is designed specifically for school board members and addresses unique school board issues. The OMA training began Feb. 9 and concludes May 9. *Note: this training requires additional fees.* Space is limited, so register early. The complete schedule of OMA training can be found at <http://iasb.com/calendar/calendar.cfm>.

Federal issues monitored

A new service from IASB's governmental relations staff is now available to those interested in keeping up on federal legislative issues and proposals. The *Federal Legislative Report* will be posted weekly when the U.S. Congress is in session.

The service will highlight information regarding key bill proposals and any significant action taken on education issues of national interest. Sources for these reports will include the National School Boards Association and other federal authorities.

The first such report was issued on Jan. 20. The reports will be archived on IASB's public website at the following link: <http://iasb.com/govrel/flrmenu.cfm>.

School facilities sales tax sought in three more counties in March

Revised law removed county 'veto power'

This spring, school districts in at least three more counties (Morgan, Saline and Washington) will attempt to adopt a County School Facilities Sales Tax. The March election will mark the sixth time since the law was adopted in October 2007 that voters will have the chance to help decide whether their local districts can tap into this somewhat lucrative alternative funding source to improve school facilities.

What's different in this election is that counties no longer have veto right over the tax. Previously they could put a stop to this county tax simply by voting against placement of the referendum on the ballot.

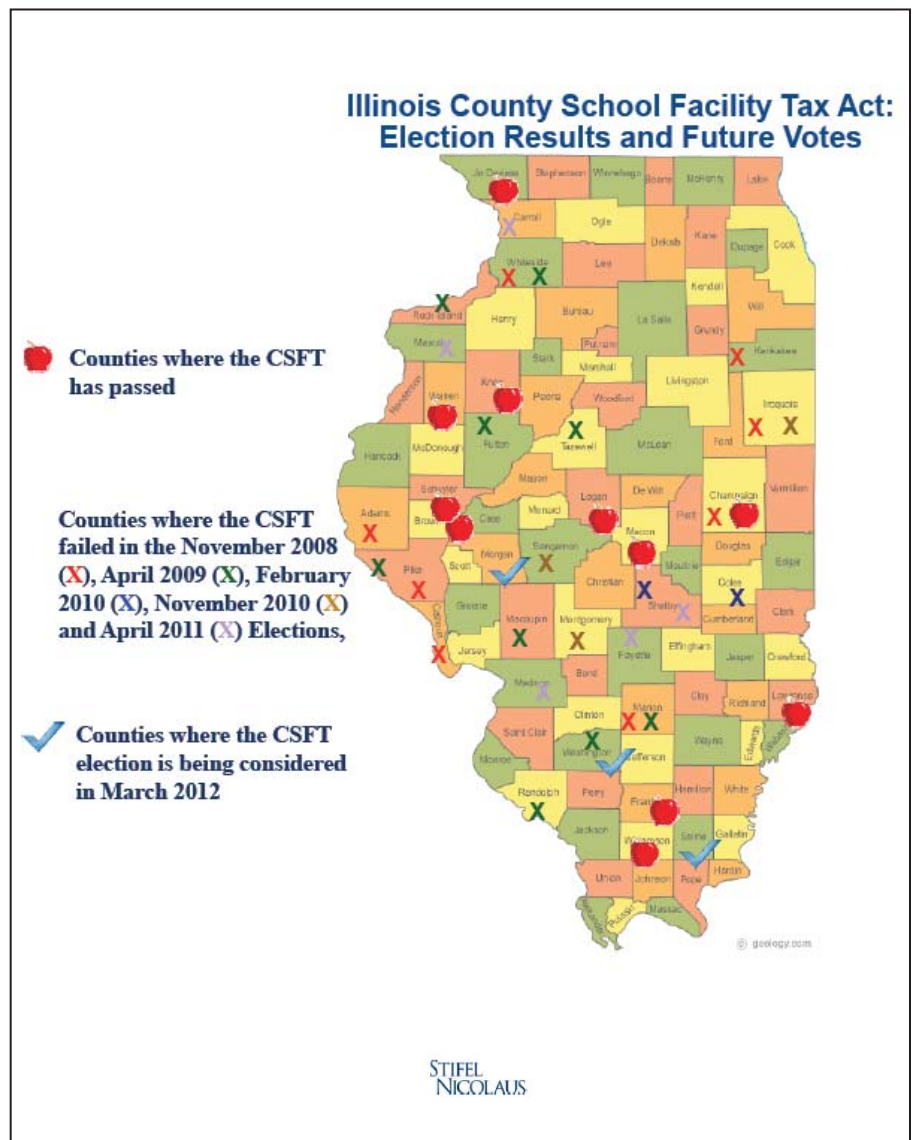
State law was changed in August 2011, via SB 2170, now Public Act 97-0542, to remove the counties from the process through legislation sponsored by Sen. James F. Clayborne, Jr. (D-Belleville). According to school lobbyists, that's a position the counties never wanted in the first place.

"There was virtually no opposition to this change," said Deanna Sullivan, director of governmental relations for IASB. "The language in the original bill included the counties in the process, but they didn't ask for it and many had asked that they be removed." That bill also provided that a referendum shall not be required if the purchase, construction or building of a school is paid from funds from the sales tax bond proceeds.

Sometimes referred to as the "Wal-Mart" tax, the sales tax referendum, when adopted, imposes an added 1 percent sales tax on everything the county taxes, but does not impose any tax on goods or services that are not already subject to sales taxes.

Goods and services that are not subject to the additional tax include cars, trucks, ATVs, boats and RVs; mobile homes, unprepared food, drugs,

See **SALES TAX** on page 11



BALLOTS from page 1

- **Sandridge District 172**, \$300,000 to create a working cash fund.

The following four school districts have placed school tax increase referendums in the amounts listed on the ballot for the March 2012 election:

- **Earlville CUSD 9**, levy increase to a rate of 4 percent from the current 2.6 percent. The additional money would go towards school programs and services.
- **Fox Lake Elementary SD 3**, Spring Grove, levy continuation that is set at 25 cents per \$100 of assessed value; the current levy would expire in 2013. The money would pay for current programs and help maintain current class sizes.

- **Golf SD 67**, Morton Grove, levy increase to a rate of 2.401 percent from the current 2.058 percent. The additional money would go towards operational costs and programs.
- **West Northfield SD 31**, Northbrook, levy increase to a rate of 1.888 percent from the present 1.618 percent. The added money would help pay for general needs in the district in order to improve education.

More information that becomes available about referendums on the March 20 general primary ballot will be reported in next month's newsletter.

SALES TAX, from page 10

farm equipment and parts.

For many school districts, the funding provided by the county school facility sales tax is the best and only way to raise funds for school construction, repair and maintenance.

The state has not approved any earmarked new school construction funds since 2003, meaning that the sales tax is “really the only game in town,” according to Jim Burgett, a former Illinois school superintendent who now works for Stifel Nicolaus, an investment bank firm based in St. Louis.

That firm and two others – UNICOM ARC and BLDD Architects – recently presented a seminar on this school tax to school leaders in Normal, Mt. Vernon and LaSalle-Peru.

Although the tax has been approved in just 11 of 38 county referendums since 2007, Burgett said districts should emphasize its benefits, especially on local property taxes.

For example, districts have three options to use the funds: to save up for capital projects, to issue new bonds for current capital needs, or to retire existing debt by abating taxes or not levying property taxes for facilities.

In fact, school districts can use the funds in any combination of these

options. “There’s so much flexibility and so little red tape involved,” Burgett said.

While not all districts must endorse the referendum to get it on the ballot, all do benefit and share the funds. That’s why it’s best to try to get unanimous support, added Anne Noble from Stifel Nicolaus.

The referendum qualifies for the ballot when school boards representing more than 50 percent of the resident student enrollment in the county adopt a resolution to certify the question. But timing is also essential, for two reasons, Noble explained.

First, it takes about a year for districts to receive any funds because the state revenue department only changes the tax rates for counties twice a year, on January 1 and July 1. Second, it takes about four months after the tax law goes into effect for funds to be distributed from the state.

A simple majority of votes cast is needed to approve the referendum. But passage is neither simple nor assured, explained Rod Wright of UNICOM ARC, a St. Louis-based communications firm.

Unlike a district referendum, campaigns for a county referendum require more organization and strategy. “There

is just more politics involved. Plus you have to coordinate multiple districts, which is not necessarily easy,” he said.

“The campaign has to keep the referendum from being identified with a single district or the largest district in the county,” Wright added.

Another obstacle is the amount of opposition, whether it comes from districts that do not endorse the resolution, cities or political entities that oppose the referendum, or even opposition from outside anti-tax groups.

That’s why he recommends a research-based community engagement plan before any campaign is formed.

BLDD Architects reported on two adjoining counties where the tax was passed, but with very different challenges.

The Logan County campaign, where the referendum passed with a 61 percent approval rate, cost about \$20,000, compared to the \$100,000 needed to get a 52 percent winning margin in Macon County.

Sam Johnson of BLDD said one of the hurdles in Macon County was convincing voters that their tax money was not intended for others to use.

See SALES TAX on page 12

House panel to study Illinois teachers’ pension plan investment approach by TRS

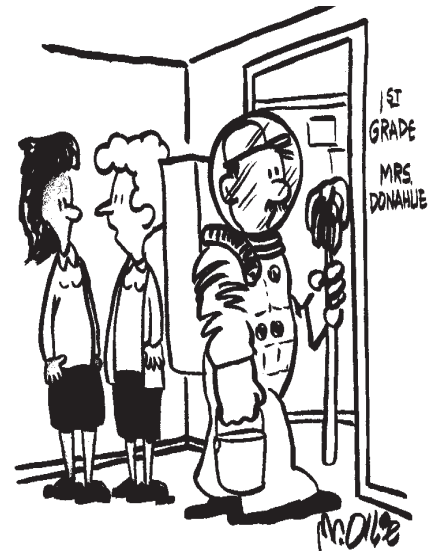
A new Illinois House committee has been organized to examine precisely how state retirement systems, including the Illinois Teachers’ Retirement System (TRS), invest pension money. House Speaker Michael Madigan authorized creation of the Special House Committee on Pension Investments on Jan. 18.

House Republican leader Tom Cross of Oswego will chair the committee. Cross had previously asked the House Personnel and Pensions Committee to examine a new investment strategy by TRS that directed about a third of its \$37.8 billion in

assets to alternative investments such as private equity and hedge funds.

Cross said an investment misstep would pitch the pension systems into an even deeper hole, noting that the TRS fund’s assets already fall nearly \$85 billion short of their long-term obligations.

The other members of the committee have not yet been appointed by Speaker Michael Madigan, and hearings have not yet been scheduled. But information on both counts, when determined, will appear online at: <http://www.ilga.gov/house/committees/hearing.asp?CommitteeID=1158&GA=97>.



“It’s the Hardison kid again.”



FRN lobbying: IASB's immediate past president Joe Alesandrini makes a point at a Feb. 6 NCLB revisions meeting at the Federal Relations Network conference in Washington, D.C.

Nominations sought for Those Who Excel awards

The Illinois State Board of Education has a program to recognize outstanding school board members, administrators, staff members, and teachers. "Those Who Excel" is a statewide program that annually recognizes contributions to public and nonpublic elementary and secondary education.

Nomination forms for this pro-

gram can be found online at http://www.isbe.net/pdf/those_who_excel.pdf.

Nominations are due June 8. The 2012-2013 awards will be presented at the 38th annual Those Who Excel banquet on Oct. 20 in Normal.

Information is available from Ann Muraro-Lacopo, at 217/782-4648 or by e-mail at amuraro@isbe.net.

SIMON *from page 5*

Simon suggested that community colleges should be required to issue "report cards" on student success rates and to tie state funding for community colleges to performance.

Nearly 1 million students enroll in the state's 48 community colleges each year.

"We're doing a good job of getting all types of students into the doors of community colleges," Simon continued. "But now we need to do a better job of moving them across the stage

at graduation with a certificate or degree that leads to a good-paying job here in Illinois."

Simon suggests that more high schools and community colleges work together to offer math courses to high school juniors and seniors that count as college credit.

She also said she will work to introduce legislation in the General Assembly this spring. IASB has not yet taken a position on this issue.

SALES TAX *from page 11*

Johnson said citizen leadership and canvassing were crucial to making the latter campaign a success.

The presenters agreed that getting voters to understand that the money generated by the county facility sales tax follows the student is crit-

ical. And that the additional revenue is divided by student enrollment and residency, and is not based on each district's assessed valuation.

Results of the March referendums will be reported in a subsequent issue of this newsletter.

CALENDAR OF EVENTS

February 23 – Illini Division Spring Dinner Meeting, Urbana High School

February 24-26 – IASB Leadership Conference & Board of Directors' Meeting, Hyatt Regency, Chicago

February 28 – Shawnee Division Spring Dinner Meeting, Marion CUSD 2

February 28 – Open Meetings Act Training - Starved Rock Division, Ottawa Township High School District 140

February 29 – Open Meetings Act Training – North Cook Division, Maine West High School, Des Plaines

February 29 – Southwestern Division Spring Dinner Meeting, Central SD 104, O'Fallon

March 1 – Northwest Division Dinner Meeting, Dixon USD 170

March 1 – Two Rivers Division Dinner Meeting, Pikeland CUSD 10, Pittsfield

March 1 – Corn Belt Division Dinner Meeting, Tri-Point CUSD 6J, Cullom

March 6 – Abe Lincoln Division Dinner Meeting, Ball-Chatham CUSD 5

March 6 Three Rivers Division Dinner Meeting, Prairie Bluff Golf Club, Lockport

March 6 – Western Division Dinner Meeting, Spoon River Valley CUSD 4, London Mills

March 6 – Open Meetings Act Training - DuPage Division, Marquardt SD 15, Glendale Heights

March 6 – Wabash Valley Division Spring Dinner Meeting, Robinson CUSD 2