

Update of Woodland Lawsuit

On behalf of Prairie Crossing Charter School last week, our team filed a motion to stay Judge Allen's decision during the pendency of the appeal before the Illinois Appellate Court. I am happy to report that the Illinois Appellate Court granted the stay and the Illinois Appellate Court's reasoning, although brief, was favorable to PCCS. Specifically, the Illinois Appellate Court ordered the following:

- 1. PCCS's motion to stay the Circuit Court's (i.e., Judge Allen) decision was GRANTED. Please note that the *"decision of the Charter School Commission renewing the PCCS's charter shall remain in force and effect pending the disposition of this appeal and the issuance of this court's mandate, or until further order of court."* In other words, PCCS continues to operate as an Illinois Charter School until there is a decision from the Illinois Appellate Court. There is no specific timeline or due date for the appellate court to issue its decision and as stated previously - it may be a year or more before the final decision is issued.
- 2. The Illinois Appellate Court rejected Woodland's request for a bond to be set against the Commission, State Board of Education and PCCS.
- 3. The Illinois Appellate Court cautioned all of the parties to be diligent in filing their briefs in a timely manner (i.e., parties should hesitate in asking for extensions in filing their briefs). The appellate court would like to render a decision before the beginning of the 2016-2017 school year. Please note that this is cautionary only. The Court has yet to set a briefing schedule and the record on appeal has yet to be filed. The Appellate Court is understanding on requests for extensions for reasons that are beyond the parties control and/or emergencies.

The next steps are to follow up with the Circuit Court Clerk's office in getting the record on appeal prepared and filed with the Illinois Appellate Court. The briefing schedule will most likely be set soon after the record on appeal is filed. As with other cases and particularly this one that has new issues of review for the appellate court, the parties will ask for oral argument, which is discretionary with the appellate court. If the court allows, the date for oral argument will be set most likely with the briefing schedule or soon thereafter.

PCCS is pleased with this most recent decision and remains confident that this case will weigh in favor of ISBE, the Commission and PCCS.

We will continue to update you as the process evolves. The <u>News and Events</u> section of the School's website main page and our <u>FAQ page</u> will continue to provide information, statement of facts and answers to questions.

We look forward to seeing you on August 17th and hope you are having a safe and relaxing summer.



№ 1-15-1820

In the Appellate Court of Illinois First Indicial District - First Division

BOARD OF EDUCATION OF WOODLAND CCSD No. 50,

Plaintiff-Appellee,

v.

ILLINOIS STATE CHARTER SCHOOL COMMISSION, et al.,

Defendants-Appellants.

On Appeal from the Circuit Court of Cook County.

№ 14 CH 8573

Honorable Thomas Allen, Judge Presiding.

ORDER

This case comes before the court on: (1) defendant-appellant Board of Directors of Prairie Crossing Charter School's motion to stay enforcement of certain trial court orders; (2) the state agencies' response; and (3) the plaintiff-appellee's response.

There is no "ritualistic formula" governing the granting of stays in Illinois courts of review, but our supreme court has found that in determining whether or not to grant a stay, this court, "of necessity, is engaged in a balancing process as to the rights of the parties, in which all elements bearing on the equitable nature of the relief sought should be considered." *Stacke v. Bates*, 138 Ill. 2d 295, 308 (1990). The court has "a wide degree of latitude when exercising its discretion" and "[t]here are numerous different factors which may be relevant when the court makes its determination and, by necessity, these factors will vary depending on the facts of the case." *Id.*, 138 Ill. 2d at 305.

Applicable factors include whether the movant has shown a showing a likelihood of success on the merits and "the likelihood that the respondent will suffer hardship." *Id.*, 138 Ill. 2d at 307. Another factor is whether a stay is necessary to secure the fruits of the appeal if the movant is successful. *Id.*, 138 Ill. 2d at 305. While the movant is not, in all cases, required to show a probability of success on the merits, it "must, nonetheless, present a substantial case on the merits and show that the balance of the equitable factors weighs in favor of granting the stay." *Id.*, 138 Ill. 2d at 308. "If the balance of the equitable factors does not strongly favor movant, then there must be a more substantial showing of a likelihood of success on the merits." *Id.*

Educating children in charter schools is a fairly new concept in Illinois, and a relatively small number of charter schools have been established. Accordingly, courts of review have had little, if any, opportunity to examine legal issues regarding renewal of their charters. This case presents several contested issues, including whether: (1) the local public school district could participate as a party during the renewal process; (2) the commission's decision to renew the charter was subject to the Administrative Review Law, or any other type of judicial review; and (3) whether the commission's decision was clearly erroneous based on the evidence presented. Overcoming an administrative agency's decision is often a difficult burden, particularly when the agency is one as specialized as the Charter School Commission. See *Provena Covenant Med. Ctr. v. Dep't of Revenue*, 236 Ill. 2d 368, 387 (2010) (courts accord deference to administrative agencies because they make informed judgments on the issues based upon their experience and expertise and serve as an informed source for ascertaining the legislature's intent).

This court reviews the decision of the administrative agency, not that of the circuit court. Marconi v. Chicago Heights Police Pension Bd., 225 Ill. 2d 497, 531 (2006), as modified on denial of reh'g (May 29, 2007).

In this case, the agency was closely divided; it approved the charter renewal on a 5-4 vote. The trial court did not issue a formal opinion explaining its reasoning, and it acknowledged that the case presented difficult and novel issues. Based on the record presented, we find that the movant has demonstrated at least enough of a chance of success on one of the various dispositive grounds to justify considering the other factors. On plenary review, the justices reviewing this case on the merits may only agree with the trial court on the many jurisdictional issues, and also agree that the Charter School Commission's decision was clearly erroneous. Or they may not.

We recognize District 50's strong arguments that the charter school has failed to establish a diverse socio-economic enrollment, and understand that it believes these children would be better served enrolled in its own system. District 50 would prefer that the Woodland students enroll in District 50 schools so that it could obtain the per capita funding which the charter school currently takes away from it.

If we deny a stay, the charter school would essentially have to close for a year while the appeal was briefed and decided. If, after that denial, this court then reversed the trial court and reinstated the commission's decision, the charter renewal would stand, but there would have been a great disruption in the education of hundreds of children.

On the other hand, if we grant a stay, there would be no disruption in the children's education at least for the upcoming school year which is close at hand. District 50 would lose the per-capita funds attributable to those students, but that loss would be offset because it would not incur the cost of educating those children for the upcoming school year.

Considering the balance of the equities at this stage, we find that this case is a textbook example of the benefit of maintaining the status quo outweighing the other factors.

This court hereby ORDERS:

- 1. The motion for stay is GRANTED and the judgment of the Circuit Court of Cook County is stayed. The decision of the Charter School Commission renewing the Prairie Crossing Charter School's charter shall remain in force and effect pending disposition of this appeal and the issuance of this court's mandate, or until further order of court.
- 2. Since the appellants include the Illinois State Board of Education and the Illinois State Charter School Commission, both represented by the Attorney General, the stay is GRANTED WITHOUT BOND. See Ill. Sup. Ct. R. 303(i) (providing that a stay of a non-money judgment may be imposed without bond if the "appeal is prosecuted by a public, municipal, governmental, or quasi-municipal corporation, or by a public officer in that person's official capacity for the benefit of the public."). We reject District 50's contention that a bond in a liquidated dollar amount is required on the basis that the judgment below was a money judgment.

- 3. Docket numbers 1-15-1372 and 1-15-1820 are CONSOLIDATED. The Clerk of the Circuit Court of Cook County shall prepare a single consolidated record for both appeals. Currently, the record in docket number 1-15-1372 is due July 13, 2015. The record in docket number 1-15-1820 is due September 3, 2015. As requested by the Attorney General, the deadline for filing the record in the consolidated appeals is set at August 14, 2015.
- 4. The parties should diligently strive to file briefs in a timely manner without resorting to extensions of time, so that the case will become "ready" and be presented to a panel for decision early enough so that the case can be resolved in time for the 2016-2017 school year.
- 5. The Clerk of the Appellate Court shall send a copy of this order by facsimile transmission to all counsel in both cases.

ENTER: Willelo Justice

ORDER ENTERED

JUL 1 3 2015

APPELLATE COURT, FIRST DISTRICT