

AMEND BOARD REPORT 04-0428-EX3
**APPROVE THE RENEWAL OF THE CHARTER SCHOOL AGREEMENT WITH
ACADEMY OF COMMUNICATIONS AND TECHNOLOGY CHARTER SCHOOL**

THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING DECISION:

Approve the renewal of the Charter School Agreement with the Academy of Communications and Technology Charter School for an additional 3-year period for grades 6 through 12. A new Charter School Agreement applicable to this renewal term will be negotiated. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

This amended Board Report is necessary to authorize the General Counsel to include indemnities in the Charter School Agreement.

CHARTER SCHOOL: Academy of Communications and Technology (ACT)
4319 W. Washington
Chicago, Illinois 60624
(773) 626-4200
Contact Person: Sarah Howard, School Leader

OVERSIGHT: Charter Schools Office
125 S. Clark, 5th Floor
Chicago, IL 60603
773-553-1535
Contact Person: Genita C. Robinson, Director

ORIGINAL AGREEMENT: The original Charter School Agreement (authorized by Board Report 97-0122-EX4) with the ACT Charter School was for a term commencing July 1, 1997, and ending June 30, 2002. In 2002, ACT was renewed (authorized by Board Report 02-0123-EX3) for a two-year term commencing July 1, 2002, and ending June 30, 2004. The Charter School Agreement authorizes the operation of a single facility Charter School focusing on communications and technology for students in grades 6-12 with current enrollment not to exceed 375 students. The Agreement incorporates an accountability plan whereby the school is evaluated by the Board each year based on numerous factors related to its academic, financial and operational performance.

CHARTER RENEWAL PROPOSAL: The ACT Charter School submitted a renewal proposal on December 8, 2003, to continue the operation of the school under the same mission and educational programs at its current location. The proposal requests no increase in the maximum student enrollment.

RENEWAL TERM: The term of ACT's charter status is being extended for three (3) years commencing July 1, 2004, and ending June 30, 2007. ACT shall be closely monitored in all areas of academic and operational accountability. Specifically, ACT shall be required to show increases on two-thirds of the following measures during the 2003-2004, 2004-2005, and 2005-2006 school years:

- Percentage of students at national norms on the ITBS in reading;
- Percentage of students at national norms on the ITBS in math;
- Annual gain on the ITBS in reading;
- Annual gain on the ITBS in math;
- Percentage of students meeting or exceeding standards on the ISAT;
- Percentage of students meeting or exceeding standards on the PSAE;
- High school attendance rate;
- Retention of freshmen; and
- Graduation rate.

If ACT fails to show an increase on two-thirds of these measures each year, the Board will have the right to revoke the charter and close the school at any time during the term of the charter agreement, including during the summer. If any of these measures decrease, but still qualifies for a High rating under the Accountability Plan, that measure shall be treated as an increase for this purpose.

AUTHORIZATION: Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written Charter School Agreement which shall reflect resolution of any and all outstanding issues between the Board and the governing body of the charter school including, but not limited to: site location, enrollment, funding, educational program, financial controls and practices, academic accountability and evaluations. Authorize the President and Secretary to execute the Charter School Agreement. Authorize the Director of Charter Schools to issue a letter notifying the Illinois State Board of Education of the action(s) approved hereunder and to submit the approved proposal and signed Charter School Agreement to the Illinois State Board of Education for certification. Authorize the General Counsel to further negotiate and execute any amendments to the Agreement required by the State Board.

LSC REVIEW: Approval of Local School Councils is not applicable to this report.

FINANCIAL: The financial implications will be addressed during the development of the 2004-2005 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY04 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets. ACT plans to maintain a stable enrollment of 350 students throughout its renewal term. The cost of this enrollment will be approximately \$1,880,550 each year.

GENERAL CONDITIONS:

Inspector General – Each Party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the Provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their terms of office.

Indebtedness – The Board's indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Approved for Consideration:



Barbara J. Eason-Watkins
Chief Education Officer

Approved:



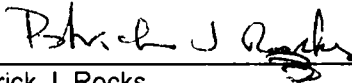
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to Legal Form:



Patrick J. Rocks
General Counsel