

**APPROVE ENTERING INTO MEMORANDA OF UNDERSTANDING  
WITH SCHOOL OPERATORS TO OPEN DESIGNATED SCHOOL MODELS**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING DECISION:**

Approve entering into memoranda of understanding ("MOU") with school operators to open designated school models for certain seat allocations over a period of four years. School operators were selected on a competitive basis pursuant to an Invited Request for Proposal. Written Memoranda of Understanding are being negotiated with each School Operator. No services will be provided by any School Operator prior to execution of the applicable Charter School Agreement, Performance and Management Agreement, Consulting Agreement or amendment to an existing contract with School Operators as may be subsequently authorized by the Board. The purpose of these MOUs is to set forth the conditions and circumstances to be met in order for subsequent Board approval to be given to School Operators to open one or more school models. The authority granted herein shall automatically rescind as to each School Operator in the event the Memorandum of Understanding for such School Operator is not executed within 90 days of this Board Report. Information pertinent to these Memoranda of Understanding is stated below.

**SCHOOL OPERATORS:**

1. Chicago Charter School Foundation, Inc. (CCSF)  
228 South Wabash Street, Suite 500  
Chicago, Illinois 60604  
Phone: (312) 455-7890  
Contact Person: Elizabeth Purvis  
School Model: New Start and School Turnarounds  
Seats Allotted: 2,400  
School Type & Grade: New Starts as Charter Schools; Turnarounds as Contract Schools;  
Elementary & High Schools
2. Academy for Urban School Leadership  
3400 North Austin Street  
Chicago, Illinois 60634  
Phone: (773) 534-0129  
Contact Person: Donald Feinstein  
School Model: New Start and School Turnarounds  
Seats Allotted: 2,000  
School Type & Grades: Performance Schools; Elementary and High Schools
3. Victory Schools Chicago Partnership Schools  
111 West 57<sup>th</sup> Street, Suite 525  
New York City, New York 10017  
Phone: (212) 786-7900  
Contact Person: Margaret Harrington  
School Model: New Start and School Turnaround  
Seats Allotted: 1,600  
School Type & Grades: Contract Schools; Elementary and High Schools
4. KIPP Chicago  
20 East Jackson Street, Suite 1300  
Chicago, Illinois 60604  
Phone: (415) 531-7153  
Contact Person: Mark Medema  
School Model: New Start  
Seats Allotted: 1,080  
School Type & Grades: Contract Schools; Middle Schools

5. Concept Schools NFP  
7093 North Barry Street  
Rosemont, Illinois 60018  
Phone: (224) 659-1484  
Contact Person: Salim Ucan  
School Model: New Start  
Seats Allotted: 600  
School Type & Grades: Contract Schools; High School

**OVERSIGHT:** Office of New Schools ("ONS")  
125 S. Clark, 5<sup>th</sup> Floor  
Chicago, IL 60603  
773-553-1530  
Contact Person: Beatriz Rendon, Executive Director

**BACKGROUND:**

In the third year of launching the Renaissance 2010 review process, ONS issued a Request for Proposal on May 15, 2006 that featured a pilot evaluation process (called the Invited RFP) for school operators experienced in successful school replication. The purpose of the Invited RFP was to enhance the District's ability to efficiently meet the demand for new Renaissance 2010 schools, especially in time-sensitive situations such as the need to conduct a "Turnaround" in a matter of months in priority communities. By creating a pipeline of experienced school operators, each certified to serve a specified number of students, the District would have the flexibility to designate identified school operators to handle such situations in an efficient, strategic, and transparent manner.

Measured on stringent academic performance criteria, ONS extended invitations to select school operators to submit proposals to create up to 2,400 new seats over a four-year period, through the submission of one application. The School Operators submitted proposals that outlined their intent to replicate their educational programs and their proposed timeline for replication. Proposals were to open distinct school models that include "New Start" and "Turnaround" schools at the high school or elementary school level(s). "New Start" schools are those schools started by the operators without a particular set of students in place, but which recruit from multiple settings. "New Starts" typically begin with one or a limited set of grades and grow to full capacity over a period of years. "Turnarounds" refer to whole school reconstitution where operators are asked to serve an existing school population in an existing CPS building with all grades operating in the first turnaround year. The school operators identified in this Board Report are being recommended based upon a review and evaluation of the submitted proposals.

**TERM:** The term of each memoranda of understanding shall commence on January 1, 2007 and shall end December 31, 2010.

**OVERVIEW OF MEMORANDA OF UNDERSTANDING:** Each MOU will state that the opening of any New Start School or provision of Turnaround School services is contingent upon further Board approval via a Board Report and such other contingencies as detailed in the MOU including, but not limited to, Board priorities and the School Operators' continued demonstration of organizational, educational and financial capacity as well as satisfaction of eligibility criteria. School Operators are not guaranteed any given number of seats in any given year or any community, as such matters are based on community input, available CPS resources, and such other conditions as detailed in the MOU. Public hearings will be held in compliance with state law and Board policy prior to the utilization of any seats referenced herein. A Charter School Agreement, Performance and Management Agreement, Consulting Agreement, and/or amendment to an existing agreement with each School Operator will be negotiated only after Board authorization pursuant to a Board Report is obtained for the utilization of said seats. In addition, utilization of such seats may be subject to additional reviews, including but not limited to, certification by the Illinois State Board of Education where required. The type of school model and number of seats allocated over the four-year term for each School Operator is indicated above under the name of each School Operator.

**Board Obligations:**

1. Operate a "Winter Cycle" available only to the School Operators referenced herein for Turnaround opportunities and limited New Start opportunities for independent sites and specified CPS buildings, which opportunities are not guaranteed and will be offered solely at the Board's discretion.
2. Notify School Operators in the first quarter of each year in the term of the MOU, if possible, of the above-referenced opportunities, if any.
3. Make certain provisions in the "Open RFP" that facilitate the participation of the School Operators referenced herein, while not omitting any aspect of community input regarding the utilization of any seats referred to herein.
4. Conduct an annual review of the qualifications of School Operators, in terms of academic school quality, and financial and organizational capacity.

**School Operator Obligations:**

1. Respond timely and adhere to the process and timelines promulgated by the Board for opening school(s) through a Winter Cycle, whether as Turnarounds, or in CPS buildings or in independent sites in neighborhoods of need, and comply with all aspects of application through the Open RFP, as referenced in paragraph 3, above.
2. Comply with Board efforts to conduct an annual review of qualifications, in terms of academic school quality, as well as financial and organizational capacity.

**FINANCIAL:** There is no cost to the Board associated with execution of the memoranda of understanding.

**PUBLIC HEARING:** A public hearing on these school operators' plans for opening multiple schools/campuses occurred on November 9, 2006 at CPS Board Chambers, 125 S. Clark St., Chicago, IL 60603 in accordance with the Renaissance Policy. The hearing was recorded. A summary report of the hearing is available for review. Any additional public hearings required by state law or district policy prior to the utilization of any seats referenced herein shall be held in a timely and compliant manner.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written Memoranda of Understanding. Authorize the President and Secretary to execute the Memoranda of Understanding.

**AFFIRMATIVE ACTION:** Not Applicable

**LCS REVIEW:** Local School Council approval is not applicable to this report.

**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 June 26, 2006 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board’s Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time shall be incorporated into and made a part of the agreement.

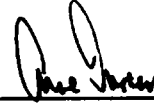
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in subsequent fiscal year budget(s).

**Approved:**



**Barbara J. Eason-Watkins**  
Chief Education Officer

**Respectfully submitted:**




**Arne Duncan**  
Chief Executive Officer

**Within Appropriation:**



**John Maiorca**  
Chief Financial Officer

**Approved as to Legal Form & H**



**Patrick J. Rocks**  
General Counsel