

**APPROVE EXERCISING THE OPTION TO RENEW THE AGREEMENTS
WITH ALTERNATIVE SAFE SCHOOLS**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the option to renew the agreements with pre-qualified (specification number 00-2500400) Alternative Safe Schools to provide educational services to students who have been expelled from school or referred by the building principal for displaying chronic disruptive behaviors at a cost for the option period not to exceed \$2,890,000.00 in the aggregate. Written documents exercising this option are currently being negotiated. No payment shall be made to any Consultant during the option period prior to the execution of such Safe School's written document. The authority granted herein shall automatically rescind as to each Safe School in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification No.: 00-250400

SAFE SCHOOLS:

1. South Central Community Services, Inc.
8316 S. Ellis
Chicago, Illinois 60619
Contact: Felicia Blasingame
(773) 483-0900
Vendor #35476

2. Foundation Schools, Inc.
5915 Benjamin Center Drive
Tampa, FL 33634
Contact: Dr. Janine Walker Caffrey
Dr. Robert Spellmen
(813) 887-3300
Vendor #22182

3. Human Resources Development Institute, Inc. HRDI
222 S. Jefferson
Chicago, Illinois 60661
Contact: Terra Thomas, Ph.D
(312) 441-9009
Vendor #25627

4. Latino Youth Inc.
2200 S. Marshall Blvd.
Chicago, Illinois 60636
Contact: Carmen Smiles
(773) 277-0400
Vendor #49200

5. Richard Milburn High School, Inc.
27 Congress Street-Suite 204
Salem, Massachusetts 01970
Contact: Robert H. Crosby
(978) 741-7161
Vendor #24596

USER:

Specialized Services
 125 S. Clark
 Chicago, Illinois 60603
 Renee Mitchell
 773-553-1772

ORIGINAL AGREEMENTS: The original agreements (Authorized by Board Report 00-0726-PR30, as amended by Board Report 00-1025-PR26) were for a term commencing upon the date of signature by the Board and terminating August 30, 2001 with the aggregate value not to exceed \$2,890,000.00. Each agreement contained two one-year options to renew.

OPTION PERIOD: The term of each agreement is being extended for one- year commencing August 31, 2001 and ending August 31, 2002.

OPTION PERIODS REMAINING: There is one option period for one year remaining.

SCOPE OF SERVICES: The Alternative Safe Schools will continue to offer an educational alternative for youth in grades 6-12 who have been chronically suspended or expelled in accordance with the CPS' Uniform Discipline Code. These schools have special curricula that focus on core academic subjects, social skills and schools to career options.

DELIVERABLES: Each school will submit the following: a) monthly attendance reports; b) quarterly grade reports, including transcripts for high school students earning credits toward graduation; c) mid-year report; d) end of year report; e) annual school strategic plan; f) school-wide behavior management plan; g) plans for evacuation; and, h) emergency plans

OUTCOMES: The goal of utilizing these schools is to increase attendance rates to 79% from 77%, enable high school students to earn credits, improve academic achievement and behavior and return students to the regular education setting.

COMPENSATION: Each school shall be paid a per diem of \$55.56 for each student slot reserved not to exceed \$10,000 per student annually. The total compensation paid to all schools shall not exceed, in the aggregate, the sum of \$2,890,000.00.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written option documents. Authorize the President and Secretary to execute the option documents. Authorize the Chief Specialized Services Officer to execute all ancillary documents required to administer or effectuate the option agreements.

AFFIRMATIVE ACTION: The services and products to be delivered by this vendor are subject to the provisions of the Revised Remedial Plan for M/WBE Economic Participation. Every good faith effort will be made by this vendor to achieve compliance with the applicable goals.

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

FINANCIAL: Charge to Specialized Services	Fiscal Year: 2002
\$2,890,000.00	Source of Funds
Budget Classification: 0959-210-751-7090-5560	210 General Education

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 Chicago 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 member 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 –

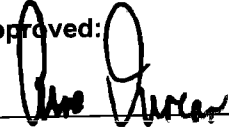
The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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 the subsequent fiscal year budget(s).

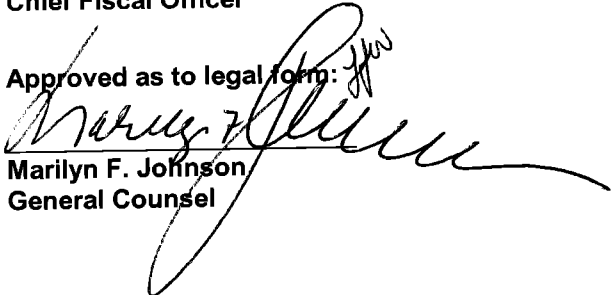
Approved for Consideration:


Natalye Paquin
Chief Purchasing Officer

Approved: 
Arne Duncan
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form: 
Marilyn F. Johnson
General Counsel