

**APPROVE THE RENEWAL OF THE CHARTER SCHOOL AGREEMENT WITH
CHICAGO CHARTER SCHOOL FOUNDATION (CHICAGO INTERNATIONAL CHARTER SCHOOL)**

THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING DECISION:

Approve the renewal of the Charter School Agreement with Chicago Charter School Foundation (CCSF) for an additional 5-year period. A new Charter School Agreement applicable to this renewal term is currently being negotiated. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the CCSF governing board within 120 days of the date of this Board Report. The renewal agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

CHARTER SCHOOL: Chicago Charter School Foundation
228 South Wabash, Suite 600
Chicago, Illinois 60604
Phone: (312) 455-7894
Contact Person: Candace Browdy, Director

OVERSIGHT: Charter Schools Office
125 S. Clark, 12th Floor
Chicago, IL 60603
773-553-1535
Contact Person: Greg Richmond, Director

ORIGINAL AGREEMENT: The original Charter School Agreement (authorized by Board Report 97-0122-EX4) is for a term commencing July 1, 1997 and ending June 30, 2002, authorizing CCSF to operate three campuses with a total maximum enrollment of 5,560. 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. The agreement was amended on April 2, 2001 (authorized by Board Report 00-0223-EX3) to approve the establishment of a fourth campus, a reduction in the total maximum enrollment to 5,000 students and the use of two comprehensive school management companies, American Quality Schools (AQS) and Edison Schools Inc. (Edison). CCSF operates all campuses under the name of the "Chicago International Charter School" with a current enrollment of approximately 2350 students. The following three campuses are currently managed by AQS: St. Edmund's campus (grades K-5) 6501 S. Michigan, Bucktown campus (grades K-8) 2235 N. Hamilton, and Prairie campus (grades K-8) 11530 S. Prairie Ave. CCSF's Longwood campus (grades K-12) 1309 W 95th Street, is managed by Edison.

CHARTER RENEWAL PROPOSAL: CCSF submitted a renewal proposal on October 15, 2001 to continue the operation of the 4-campus Chicago International Charter School under a unified mission, using AQS and Edison to provide comprehensive school management. CCSF's proposal also requests approval to open three (3) additional campuses for the 2002-2003 school year, of which, two campuses would be managed by Edison and one campus would be managed by AQS. CCSF has since modified its renewal proposal to include commitments to operate all seven (7) campuses as one unified school through the use of uniform assessment plans and performance standards, curriculum and school calendar alignment, as well as standard governance, operational, employment, educational and admissions policies. CCSF's modifications to its renewal proposal also apply to CCSF's previous proposal to utilize two comprehensive school management companies, and therefore all such modifications will also be incorporated into CCSF's current Charter School Agreement.

CHARTER EVALUATION: The Charter Schools Office Review Committee ("Committee") has reviewed and evaluated CCSF's renewal proposal as well as the school's past academic, financial and operational performance. During the last school year, Chicago International has met the academic, financial and operational accountability requirements that are measured by the Board under the original agreement. The Committee has determined, based on these accountability criteria, that Chicago International Charter School is making reasonable progress towards achievement of the academic standards identified in its charter agreement and should be authorized to continue operating as a charter school.

RENEWAL TERMS: The term of CCSF's charter is being extended for five (5) years commencing July 1, 2002 and ending June 30, 2007. CCSF shall be authorized during the renewal term to operate a 7-campus charter school with a total maximum enrollment of 5,000 students. CCSF shall be authorized to operate its 7-campus charter school in accordance with CCSF's revised renewal proposal with Edison managing three campuses and AQS managing four campuses. Any changes in the total maximum enrollment, the number or location of campuses or comprehensive school management companies or their campus management assignments requires prior Board approval.

AUTHORIZATION: Authorize the General Counsel to include relevant terms and conditions in the written Charter School Agreement which shall reflect resolution of any and all outstanding issues between the Board and the CCSF governing board, including but not limited to: site locations, additional campuses, enrollment, funding, educational program, comprehensive school management companies, campus alignment, 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.

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

AFFIRMATIVE ACTION: Not applicable.

FINANCIAL: The financial implications will be addressed during the development of the 2002-2003 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY02 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets.

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.

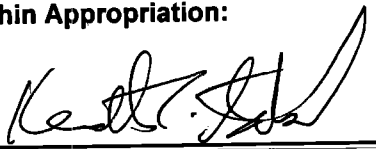
Indebtedness – The Board's indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:


Barbara J. Eason-Watkins
Chief Education Officer

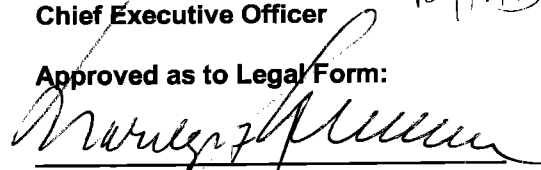
Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Respectfully submitted:


Arne Duncan
Chief Executive Officer *by PAD*

Approved as to Legal Form:


Marilyn F. Johnson
General Counsel