

**APPROVE THE GRANTING OF A CHARTER AND ENTERING INTO A CHARTER SCHOOL
AGREEMENT WITH THE PASSAGES CHARTER SCHOOL**

THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING DECISION:

Approve the granting of a charter and entering into a charter school agreement with the Passages Charter School for a 5-year period. The Charter School Agreement applicable to this 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 charter school's governing board within 120 days of the date of this Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this agreement is stated below.

CHARTER SCHOOL: Passages Charter School
4753 North Broadway
Chicago, IL 60640
Phone: 773-728-2235
Contact Person: Sally Ewing

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

DESCRIPTION:

The Charter Schools Law (105 ILCS 5/27A-1 *et seq.*) provides that up to 30 charter schools may be operated in the City of Chicago. Proposals to operate charter schools shall be submitted to the Board of Education for evaluation pursuant to the standards set forth in 105 ILCS 5/27A-8, and the Board of Education shall convene a public meeting to obtain information to assist in its decision to grant or deny each proposal and report its action to the State Board of Education. The State Board determines whether the approved charter school proposal and the proposed contract satisfy the provisions of the Charter School law and, if so, certifies the charter school.

CHARTER APPLICATION PROPOSAL:

The Board of Education received the Passages Charter School proposal on April 21, 2003, and held a public meeting thereon on May 9, 2003. The Passages Charter School proposal was submitted by Asian Human Services and is planned to open in the fall of 2003, serving 190 students in grades Pre-K-5. In successive years, the school will serve up to 230 students in grades Pre-K-5. The cost of 190 students in 2003-04 will be approximately \$1,000,000. However, because the school will replace one campus of the existing Global Villages Charter School, approval of this charter will have no net financial impact. The school will be located at 1447 W. Montrose Ave.

TERM: The term of the Passages Charter School charter and agreement will be for five (5) years commencing July 1, 2003 and ending June 30, 2008.

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 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 2003-2004 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY03 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets.

GENERAL CONDITIONS:

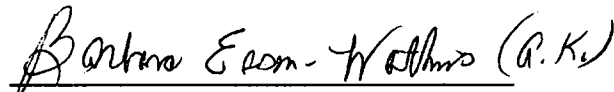
Inspector General – Each Party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary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



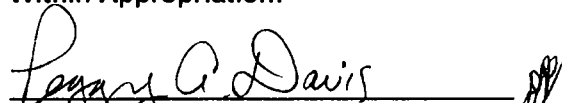
Barbara J. Eason-Watkins
Chief Education Officer

Respectfully submitted:



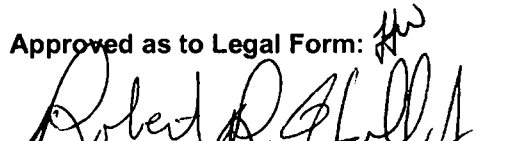
Arne Duncan
Chief Executive Officer

Within Appropriation:



Peggy A. Davis
Chief of Staff

Approved as to Legal Form:



Robert R. Hall, Jr.
Acting General Counsel