

Amend Board Report 03-0527-PR37
**APPROVE ENTERING INTO AN AGREEMENT WITH THE KNOWLEDGE IS POWER PROGRAM
 FOR MANAGEMENT EDUCATIONAL SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with the Knowledge Is Power Program ("KIPP") to provide management educational services to the Chief Education Office for the creation and educational services related thereto operation of one middle school using the KIPP educational model. All services of KIPP will be provided at no cost to the Board. KIPP was selected through an extensive review of its educational program, site visits to existing schools using the KIPP model, interviews with the KIPP founders, staff, and principals, and review of student achievement and academic outcomes of existing KIPP schools. A written agreement for KIPP's services is currently being negotiated. No services shall be provided by KIPP prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

MANAGER: KIPP National, Midwest Office
 650 W. Lake Street, Suite 310,
 Chicago, IL 60661
 Mashea Ashton
 312-906-9348

USER: Chief Education Office
 125 South Clark, 5th Floor
 Greg Richmond
 773-553-1535

TERM: The term of this agreement shall commence on the date the agreement is signed and shall end June 30, 2008, with the Board having the option in its sole discretion to terminate the agreement effective June 30th of any year of the agreement.

DESCRIPTION OF PROGRAM: KIPP is a national non-profit organization whose mission is to train and support educators to start high-performing middle schools across the country. KIPP has opened schools in South Bronx, NY; Houston, TX; Washington DC; Gaston, NC; Asheville, NC; Austin, TX; Baltimore, MD; DeKalb County, GA; Denver, CO; Helena, AR; Memphis, TN; Newark, NJ; Oakland, CA; and Oklahoma City, OK. The KIPP model is based on "Five Pillars": High Expectations, Choice and Commitment, Additional Time, Power to Lead, and Focus on Results.

SCHOOL FACILITY: The KIPP school will open in July 2003 with approximately 80 4th and 5th grade students, adding a grade level each year until the school serves approximately 400 4th-8th grade students. The school will be located in a portion of the former Williams School building at 2710 South Dearborn, which is owned by the Board. The KIPP school will follow all Board policies and procedures, with some modifications and exceptions noted below.

RESPONSIBILITIES OF KIPP:

- New teachers will participate in preparation and induction activities provided by KIPP.
- Participation in CPS professional development activities will be optional and at the discretion of the KIPP principal.
- The KIPP principal will use both Board and KIPP teacher evaluation methods.
- The KIPP school will implement the KIPP curriculum and courses, which will meet district and state academic standards.
- Students will attend school at least 9 hours/day each week and 4 hours on Saturdays.
- The KIPP school will follow the CPS school calendar plus 20 additional days.
- The KIPP school will administer the required standardized assessments, including the ITBS and ISAT.
- The KIPP school will complete the SIPAA and KIPP improvement plans.

- The KIPP school will be included in the Board Designation system but will not be subject to Board interventions other than the Board's Policy on the Closing and Consolidation of Schools.
- The Board will include the KIPP school information in its regular school information and application materials, however the KIPP school students will not be selected through the Board's Office of Academic Enhancement process.
- Residents of the former Williams School attendance boundary shall be given first priority to enroll in the KIPP school. If there are additional slots available, other students may apply.
- The KIPP school will select students through a public lottery if there are more applications than available seats.
- There shall be no academic admission requirements.
- All students attending the KIPP school must sign a "Commitment to Excellence".
- Principals, teachers and staff at the KIPP school will be employees of the Board of Education.
- The school shall have a Local School Council in accordance with Section 34-2.4b of the School Code.

RESPONSIBILITIES OF THE BOARD:

- The Board will provide a suitable facility, including necessary improvements
- The Board will provide staff and operating funds for the school and include the KIPP school in all Board activities and programs except as indicated above.
- KIPP shall receive no fees from the Board for the management of the school, although the school may contract with the KIPP organization for professional development and other services provided to the school.

FUNDING AND STAFFING:

- The KIPP school will be allocated staffing as follows:
 - 4 teachers for each 80 students in each grade or
 - 3 teachers if there are fewer than 80 students
 - Other staff levels determined by CPS formulas
 - KIPP principal will be able to change types of positions within these allocations
 - Each KIPP teacher will be compensated on a 1.2 scale
- The CEO shall annually determine the schools funding and resources for non-personnel items.
- The KIPP school shall participate in the Board's School-based Budgeting Pilot Program. Funding for non-personnel items shall may be dispersed in quarterly, cash payments upon approval of the Chief Administrative Officer.
- The Board will provide resources for the KIPP summer school and after school programs
- The estimated funding for the KIPP school in Year 1 is approximately \$540,000. In Year 4, when the school is operating at full capacity, estimated funding is approximately \$1,500,000.

OUTCOMES: KIPP's services shall result in a high-performing middle school with high ITBS Reading and Math scores, high gains on the ITBS Reading and Math, high ISAT scores, high growth on the ISAT, high student attendance rates, and low mobility rates as defined in the agreement.

COMPENSATION: KIPP will donate its services to the Board

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

AFFIRMATIVE ACTION: Not applicable

LSC REVIEW: Local School Council approval 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 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 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.

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).

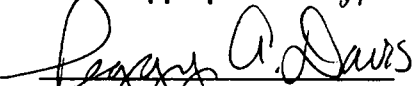
Approved:


Barbara J. Eason-Watkins
Chief Education Officer

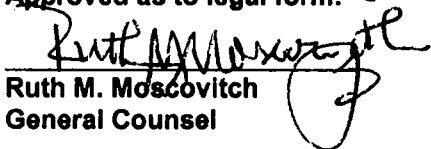
Respectfully submitted:


Arne Duncan
Chief Executive Officer

Within Appropriation: 


Peggy A. Davis
Chief of Staff

Approved as to legal form: 


Ruth M. Moscovitch
General Counsel