

**APPROVE THE ESTABLISHMENT OF THE HOPE CHICAGO SCHOOL AND ENTERING INTO A  
SCHOOL MANAGEMENT AND PERFORMANCE AGREEMENT WITH HOPE INSITUTE, AN ILLINOIS  
NOT-FOR-PROFIT CORPORATION**

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

Approve the establishment of the Hope Chicago School at a location to be determined, and approve entering into a School Management and Performance Agreement with the Hope Institute, Inc., an Illinois not-for-profit corporation, for the operation of the Hope Chicago School. This approval is contingent upon Board designation of a school site and the school operator meeting certain benchmarks established by the Office of New Schools as detailed below, any required public hearings and Board approval of the location of the new school. A School Management and Performance Agreement will be negotiated. The authority granted herein shall automatically rescind in the event a written School Management and Performance Agreement is not executed by the Board and Hope Institute, Inc. within the time specified in an amended Board Report approving the location of the school. Information pertinent to this matter is stated below.

**SCHOOL OPERATOR:** Hope Institute, Inc.  
15 East Hazel Dell Lane  
Springfield, Illinois 62712  
Phone: (312) 351-3390  
Contact Person: Lori R. Vallelunga, Ph.D., Senior Vice President of Strategic Development

**OVERSIGHT:** Office of New Schools  
125 S. Clark, 5<sup>th</sup> Floor  
Chicago, IL 60603  
773-553-1530  
Contact Person: Josh Edelman, Executive Officer

**DESCRIPTION:**

School Designation: Pursuant to the Board's Renaissance Schools Policy, 07-0627-PO4, as amended ("Renaissance Policy"), and contingent upon subsequent Board approval as detailed below, the Hope Chicago School is scheduled to open in the fall of 2009 as a Contract School as described in the Renaissance Policy. The Board hereby designates the Hope Chicago School as an alternative School pursuant to 105 ILCS 5/34-2.4b.

Public Hearing: A public hearing on the opening of the Hope Chicago School as a Renaissance Contract School was held on October 10, 2007 at Best Practices High School, 2040 W Adams, Chicago, IL 60612 in accordance with the Renaissance Policy. The hearing was recorded. A summary report of the hearing is available for review.

Request for Proposals: In April 2007, the Office of New Schools issued a Request for Proposals to solicit responses from parties interested in starting schools under the Renaissance 2010 Initiative. Proposals to operate either a charter, contract or performance school were submitted by interested parties to the Board on August 6, 2007. Proposals were evaluated pursuant to the standards set forth in the Renaissance Policy. Proposals were reviewed by the Office of New Schools and a Comprehensive Evaluation Team and recommendations were submitted to the Chief Executive Officer based upon those reviews and evaluations.

Enrollment: The Hope Chicago School will enroll students through a lottery with preference given to community residents. The Hope Chicago School will enroll approximately 240 students in grades K through 3 for the 2009-10 school year. In subsequent years the school may serve up to 500 students in grades K through 5.

**Attendance Boundaries:** The Department of School Planning is directed to work with the Office of New Schools, the Hope Chicago School and the community to develop an attendance boundary plan for submission to the Board for approval.

**Curriculum:** The Hope Chicago School aims to provide a K-5 inclusion demonstration school that is a model of inclusive education. The Hope Chicago School aims to include a cluster program designed to serve the needs of students with autism. The Hope Chicago School also aims to utilize the Learning for Success Model which includes: 1) comprehensive understanding of the student and existing barriers to learning, 2) evidence-based assessment and data-driven intervention, 3) clear educational goals, 4) research informing action, and 5) professional development, training and resources to ensure that educators have the capacity to provide an educational experience that results in the maximum benefits of all students. The school shall comply with all least restrictive environment mandates.

**Advisory Body:** A school advisory body will be established in a timely manner pursuant to 105 ILCS 5/34-2.4b and the Board's Renaissance School Policy in the following manner: the CEO or his designee, in consultation with Hope Institute, Inc. shall develop the composition and duties of the advisory body for approval by the Board. Such requirements shall be included in the agreement with Hope Institute, Inc.. The members of the advisory body will be appointed by the Board upon the recommendation of the CEO or his designee.

**School Management Description:** At a minimum, the School Management and Performance Agreement will address student academic outcomes and financial and management practices of the school and shall reflect resolution of any and all outstanding issues between the Board and the school operator including, but not limited to, enrollment, funding, educational program, financial controls and practices, academic accountability and evaluations. In accordance with the Board's Renaissance Policy, contract schools may obtain request exemptions from Board Rules and Policies or alternative policies subject to and upon Board approval.

**CONTINGENT APPROVAL:** Approval to open the Hope Chicago School and enter into a School Management and Performance Agreement is contingent upon final review and approval of the Hope Institute, Inc. proposal, an assessment of the District's need for this contract school based upon demographics and student demands, any required subsequent public hearings, and Board approval of the proposed school site. Final approval of the contract school application is also contingent upon Hope Institute, Inc. meeting benchmarks established by the Office of New Schools including, but not limited to, selection of an Education Management Organization and school principal, enrollment and recruitment procedures, and demonstration by the design team and the operator that the school will operate in compliance with the Board's obligations in the Corey H. litigation, the Individuals with Disabilities Education Act (IDEA) and all related federal and state regulations. These benchmarks will be communicated to Hope Institute, Inc. The Office of New Schools will oversee the enforcement of these deadlines. Failure by Hope Institute, Inc. to meet these deadlines on or before October 30, 2008, at the option of the Board, may result in the rescission of the authority granted herein and the denial of the approval of the contract school application. A final review of the contract school application will be conducted by the Chief Executive Officer on or before November 30, 2008. This final review will be conducted to determine compliance with the terms indicated above. The CEO's recommendation to approve the contract school application will be subject to Board approval as indicated by a subsequent amendment to this Board Report.

**TERM:** Upon final review and approval of this contract school proposal and Board approval of the location of the school, the term of the School Management and Performance Agreement shall commence July 1, 2009 and end June 30, 2014. The Hope Institute, Inc. and the Hope Chicago School's designation as a Renaissance Contract School will expire on June 30, 2014 unless renewed or terminated earlier by the Board.

**COMPENSATION:** Hope Institute, Inc. will be paid on a per-pupil basis for the operation of the Hope Chicago School.

**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the school operator, in the written School Management and Performance Agreement. Authorize the President and Secretary to execute the School Management and Performance Agreement.

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

**AFFIRMATIVE ACTION:** Not applicable.

**FINANCIAL:** Using current year financial data, the general fund cost of 240 students in 2009-10 (FY10) will be approximately \$1,200,145.00. The financial implications will be addressed during the development of the FY10 budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond the current FY08 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets.

**PERSONNEL IMPLICATIONS:** As a contract school, Hope Institute, Inc. will employ its own principal, teachers and staff.

**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.

**Approved:**



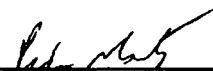
**Barbara J. Eason-Watkins**  
Chief Education Officer

**Respectfully submitted:**



**Arne Duncan**  
Chief Executive Officer

**Within Appropriation:**



**Pedro Martinez**  
Chief Financial Officer

**Approved as to Legal Form**



**Patrick J. Rocks**  
General Counsel