

**AMEND BOARD REPORT 08-0227-EX34**  
**RATIFY APPROVE ENTERING INTO AN SCHOOL MANAGEMENT CONSULTING**  
**AGREEMENT WITH THE ACADEMY FOR URBAN SCHOOL LEADERSHIP**  
**TO PROVIDE SCHOOL TURNAROUND SERVICES**  
**AT MORTON CAREER ACADEMY**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS:**

~~Ratify That the Board approve entering into an School Management Consulting Agreement with the Academy for Urban School Leadership ("AUSL") to provide school turnaround services at Morton Career Academy ("Morton") at a cost not to exceed \$227,339.34 \$97,020.00 per year with supplemental compensation on a per-pupil basis of \$420 for Morton Academy. A School Turnaround Services Management Consulting Agreement is currently being negotiated. No payment shall be made to AUSL prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event an agreement is not executed by the Board and AUSL within 120 days of the date of this Board Report. Information pertinent to this agreement is stated below.~~

This October 2008 amendment is necessary to modify the term of the agreement to begin February 1, 2008 to incorporate the incubation period which was from February 1, 2008 to June 30, 2008 in which AUSL provided professional development services at Morton. Payment for services shall be the balance remaining from \$300,000 less the funds expended by CPS related to the costs of the planning positions at Morton and teacher overtime pay for professional development training. This payment amount shall not exceed the sum of \$227,339.34. This amendment is also necessary to: (a) change the name of the Morton Career Academy and (b) clarify the compensation terms for AUSL for the term of the agreement. The authority granted herein shall automatically rescind in the event an agreement is not executed by the Board and AUSL within 120 days of the date of this amended Board Report. Information pertinent to this agreement is stated below.

**PROVIDER:** Academy for Urban School Leadership, a non-profit corporation  
 3400 N. Austin Avenue  
 Chicago, IL 60634  
 Phone (773) 534-3885  
 Contact Person: Madeleine Maraldi and Dr. Donald Feinstein  
 Vendor Number: 39861

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

**PROPOSAL:** In December 2006, the Board pre-approved AUSL to provide school turnaround services at reconstituted schools under Board Report 06-1220-EX4. In December 2007, AUSL responded to a Supplemental Turnaround Process issued by the Office of New Schools for pre-approved operators interested in providing school turnaround services at reconstituted and closed schools starting with the 2008 - 2009 school year. AUSL's proposal was reviewed and evaluated by a CPS Comprehension Evaluation Team (CET) in January of 2008.

**PUBLIC HEARINGS:** On January 23, 2008 the Chief Executive Officer proposed the reconstitution of Morton. A public hearing on the proposed reconstitution of Morton was held on February 8, 2008. A Public Hearing was held on February 13, 2008 regarding the selection of AUSL to provide school turnaround services at Morton in the event the Board approves the school's reconstitution. The hearing was recorded. A summary report of the hearing is available for review. The school shall now be referred to as the Morton School of Excellence.

**TERM:** ~~The School Turnaround Services Management Consulting Agreement shall commence July 1, 2008 and shall end June 30, 2013, unless renewed or terminated early by the Board.~~

**SCOPE OF SERVICES:** AUSL will provide school turnaround services at Morton which shall include the following:

1. Conduct principal recruitment and make recommendations to the CEO regarding principal selection and appointment;
2. Conduct staff recruitment and make recommendations to the principal regarding selection of CPS teachers and master teachers to serve at Morton;
3. Provide curriculum development support services to implement a standards-based, assessment-aligned curriculum;
4. Provide principal with assistance and support to implement data-driven instruction, utilizing interim assessments, both Learning First and local assessments, to inform pedagogy and professional development;
5. Provide principal with assistance and support to implement various after-school and extracurricular activities for students;
6. Assist the principal in providing parental involvement initiatives;
7. Assist the principal and the Local School Council to annually develop and implement a School Improvement Plan;
8. Provide a full-time professional field coach at Morton who will provide ongoing school management consulting and professional development;
9. Provide enhanced fundraising opportunities to support the implementation of school initiatives; and
10. Conduct a 2 week summer retreat for Morton employees.

**DELIVERABLES:** AUSL will provide quarterly reports to the Office of New Schools regarding the implementation of school turnaround measures and school progress. AUSL will furnish such additional information and reports as necessary to evaluate AUSL's turnaround services.

**OUTCOMES:** AUSL's services will result in improved teaching and student learning and shall accelerate student achievement at Morton. AUSL will be evaluated annually based on the specific outcomes, school progress goals and benchmarks identified in the Agreement.

**COMPENSATION:** AUSL shall be paid the balance remaining from \$300,000 less the funds expended by CPS related to the costs of the planning positions at Morton and teacher overtime pay for professional development training. The payment amount shall not exceed the sum of \$227,339.34. Payment shall be made based upon the submission and approval of detailed invoices and/or a budget.

Annual compensation: AUSL shall be paid on a per-pupil basis of \$420 for the operation of Morton with two equal installments paid in September and January of each year based on student enrollment data. AUSL shall be paid annually in two equal installments at a rate of \$420 per pupil with total compensation not to exceed \$97,020.00 per year. The amount listed is for a total first year enrollment of 231 students and will be recalculated annually based on the total student enrollment.

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

**FINANCIAL:** Charge to Office of New Schools: ~~\$ 97,020.00~~ \$227,339.34 Fiscal Year: 2009  
Budget Classification: 13615-115-~~57940-253517-000000~~ -54125-231126-000000  
Source of Funds: General Education

Annual Compensation: Using current year financial data, the general fund cost of 231 students in 2008-09 (FY09) will be approximately \$97,020.00. The financial implications will be addressed during the development of the FY09 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.

**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.

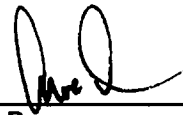
Contingent Liability – Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY08 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets. The agreement shall contain 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 Eason-Watkins**  
Chief Education Officer

**Respectfully Submitted:**



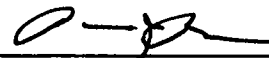
**Arne Duncan**  
Chief Executive Officer

**Within Appropriation:**



**Pedro Martinez**  
Chief Financial Officer

**Approved as to Legal Form:** 



**Patrick J. Rocks**  
General Counsel