

**APPROVE ENTERING INTO SITE LICENSE AGREEMENT WITH
SALVATION ARMY TO OPERATE A DAY CARE FACILITY
AT SIMPSON ACADEMY FOR YOUNG WOMEN**

THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING ACTION:

Approve entering into a license agreement with the Salvation Army ("Licensee") for use of space at Simpson Academy for Young Women, located at 1321 South Paulina Street to operate a day care facility. The written license agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written license agreement is not executed within 90 days of the date of this Board Report.

LICENSOR: Board of Education of the City of Chicago
125 South Clark Street
Chicago, IL 60603
Contact: Jennifer Vidis, Chief Area Officer, Area 30
Phone: (773) 553-8500

LICENSEE: Salvation Army
845 West 69th Street
Chicago, IL 60621
Contact: Leon Denton
Phone: (773) 382-4700
Email: leon_denton@usc.salvationarmy.org

PREMISES: Licensee will use four modular classroom units on the premises of Simpson Academy for Young Women, located at 1321 South Paulina Street. The Board shall relocate the modular units from Park Manor School (located at 7037 South Rhodes Avenue) to Simpson and shall construct the day care facility within such modular units.

TERM: The term of the license agreement shall be approximately three years, commencing at the time the license agreement is executed (but in no event prior to September 1, 2011) and ending June 30, 2014.

EARLY TERMINATION RIGHT: The Board shall have the right to terminate the license agreement for convenience, to accommodate school programs and/or to accommodate enrollment upon 6 months prior written notice to day care.

USE: Licensee shall use the Premises for the sole purpose of operating a day care facility to serve approximately 40 Simpson students' and neighborhood children ages six weeks to five years old. Simpson Academy is an alternative school serving pregnant and parenting girls. The children of Simpson students shall have priority for the day care services. Licensee shall meet all applicable governmental standards imposed for the operation of a day care facility, including those imposed by the Chicago Department of Family and Support Services. Licensee shall receive funding from Head Start and the Illinois Department of Human Services, and it shall charge parents a co-pay based on income and determined by the State of Illinois. The Board shall not have any financial obligation to Licensee for any fees or charges for day care services provided to parents, including parents who are students at Simpson Academy.

LICENSE FEE: In consideration of Licensee agreeing to provide day care services to the children of Simpson students, the Board shall not charge a license fee for use of the Premises.

OPERATION & MAINTENANCE: Licensee shall (1) be solely responsible for the utility costs for the Premises during the duration of the license term; and (2) be solely responsible for any and all custodial

and engineering costs necessary for the day care facility. The Board shall (1) provide the modular units and construct the day care building on the Premises; (2) provide the Premises to the Licensee at no cost; and (3) provide custodial and engineering services to Licensee in accordance with the Board's standard charges at the Licensee's cost. Simpson Academy shall invoice Licensee directly for such custodial and engineering service costs.

ADDITIONAL TERMS/INSURANCE: Licensee shall (1) provide the Board with evidence of proper licensing and certification to provide day care services; (2) be solely responsible and liable for and indemnify the Board for losses or claims resulting from operation of the day care facility; and (3) maintain adequate insurance for the operation of the day care. Insurance will be negotiated as necessary by the General Counsel.

AUTHORIZATION: Authorize the General Counsel to include insurance and all other relevant terms and conditions in the license agreement. Authorize the President and Secretary to execute the license agreement. Authorize the Chief Operating Officer to execute all ancillary documents required to administer or effectuate the license agreement and to approve the cost of the build-out of space.

AFFIRMATIVE ACTION: Exempt.

LSC REVIEW: Local School Council approval is not applicable to this report.

FINANCIAL: The cost to provide and construct the modular units for the day care is part of the FY11 construction plan.

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.

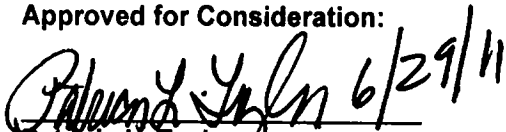
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (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 May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

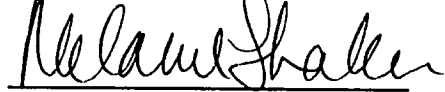
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Patricia L. Taylor
Chief Operating Officer

Within Appropriation:



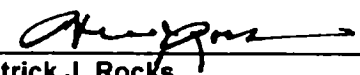
Melanie Shaker
Interim Chief Financial Officer

Approved:



Jean-Claude Brizard
Chief Executive Officer

Approved as to legal form: 



Patrick J. Rocks
General Counsel