

AMEND BOARD REPORT 12-0425-EX9
AUTHORIZE PAYMENT OF STARTUP FUNDS AND IN-KIND CONTRIBUTIONS TO AND APPROVE
ENTERING INTO DISBURSEMENT AND USE OF STARTUP FUNDS AGREEMENTS
WITH VARIOUS CHARTER AND CONTRACT SCHOOLS

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize payment of startup funds and in-kind contributions to and approve entering into disbursement and use of startup funds agreements with various charter and contract schools at a total aggregate disbursement cost not to exceed \$7,230,750~~\$5,372,680~~ and the total aggregate value of in-kind contributions not to exceed \$1,029,200. Written agreements for each Charter and Contract School are currently being negotiated. No payment shall be made to any Charter or Contract School prior to the execution of such Charter or Contract School's written agreement. The authority granted herein shall automatically rescind as to each Charter or Contract School in the event such Charter or Contract School's written agreement is not executed within 90 days of the date of this amended Board Report. Information pertinent to these agreements is stated below.

This June 27, 2012 amendment is necessary to reflect the corrected charter school disbursement amounts and the value of the in-kind contributions.

CHARTER AND CONTRACT SCHOOLS:

- | | |
|--|---|
| <p>1. The Montessori Network, Inc
5248 N. Wayne
Chicago, IL 60640
Phone: 773-808-1921
Contact Person: Rita Nolan,
Executive Director
Disbursement Amount: \$421,780 <u>\$337,230</u>

<u>In-Kind Contribution Value: \$ 77,800</u></p> | <p>2. UNO Charter School Network
954 W. Washington Boulevard
Chicago, IL 60607
Phone: 312-432-6301
Contact Person: Juan Rangel,
President
Disbursement Amount: \$2,506,860
<u>\$1,501,340</u>
<u>In-Kind Contribution Value: \$156,400</u></p> |
| <p>3. Catalyst Schools
5608 W. Washington
Chicago, IL 60644
Phone: 773-295-7001
Contact Person: Gordon Hannon,
Executive Officer
Disbursement Amount: \$1,117,900 <u>\$898,800</u>

<u>In-Kind Contribution Value: \$205,600</u></p> | <p>4. L.E.A.R.N. Charter School, Inc.
212 S. Francisco
Chicago, IL 60616
Phone: 826-0370
Contact Person, Greg White,
Executive Director
Disbursement Amount: \$548,250
<u>\$463,700</u>
<u>In-Kind Contribution Value: \$77,800</u></p> |
| <p>5. Legal Prep Charter Academies, Inc.
702 S. Lytle Street, Unit 3S
Chicago, IL 60607
Phone: 312-375-9828
Contact Person: Samuel Finkelstein,
Board President and School Leader
Disbursement Amount: \$643,440 <u>\$508,890</u>

<u>In-Kind Contribution Value: \$127,800</u></p> | <p>6. Noble Network of Charter Schools
1010 North Noble Street
Chicago, IL 60622
Phone: 773-862-1449
Contact Person: Michael Milkie,
Superintendent
Disbursement Amount: \$1,263,060
<u>\$993,960</u>
<u>In-Kind Contribution Value: \$255,600</u></p> |
| <p>7. Camelot Schools
201 Lindenwood, Ste. 211
Malvern, PA 19355
Phone: 215-416-6739
Contact Person: Joseph Carter</p> | |

Disbursement Amount: ~~\$796,960~~ \$668,760
In-Kind Contribution Value: \$128,200

OVERSIGHT: Office of New Schools and Programs
125 South Clark Street, 10th Floor
Chicago, Illinois 60603
Carly Bolger, Executive Director
773-553-1530

TERM: Each agreement shall commence on the date the agreement is signed and shall end on the earlier of either the date of disbursement of all funds or April 30, 2013. Schools will receive 75% of their total disbursements in FY12 and the remaining 25% of their total disbursement in FY13.

USE OF FUNDS: The funds will be used for educational purposes such as purchasing textbooks, computers, furniture and security for new Contract Schools and new campuses of Charter Schools opening in Fall 2012.

OUTCOMES: Disbursement of funds and grant of in-kind contributions will result in the complete preparation of classrooms and facilities for the start of the 2012 – 2013 school year.

COMPENSATION: Each Charter and Contract School shall receive the disbursement amount indicated above. The total amount to be paid disbursed to the Charter and Contract Schools shall not exceed the sum of \$7,230,750.5372,680 and the total aggregate value of in-kind contributions shall not exceed \$1,029,200.

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

AFFIRMATIVE ACTION: Not applicable.

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

FINANCIAL: Charge to Office of New Schools: \$ 5,423,062 4,801,410 Fiscal Year: 2012
Charge to Office of New Schools: \$ 4,807,687.5 1,600,470 Fiscal Year: 2013
Budget Classification: 12670-115-55005-009546-005058 Source of Funds: General Fund

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.

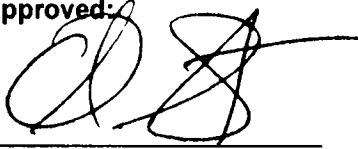
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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



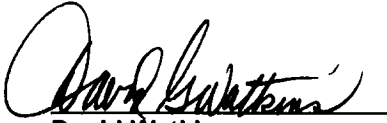
Oliver Sicat
Chief Portfolio Officer

Respectfully submitted:



Jean Claude Brizard
Chief Executive Officer

Within Appropriation:



David Watkins
Chief Financial Officer

Approved as to legal form:



Patrick J. Rocks
General Counsel