

August 27, 2014

AMEND BOARD REPORT 14-0423-EX7
AMEND BOARD REPORT 14-0122-EX11
**CONSIDERATION OF A PROPOSAL FOR CHARTER AND CHARTER SCHOOL AGREEMENT
 SUBMITTED BY CONCEPT SCHOOLS NFP, AN ILLINOIS NOT-FOR-PROFIT CORPORATION
 (HORIZON SCIENCE ACADEMY CLAY EVANS CHARTER SCHOOL)**

THE CHIEF EXECUTIVE OFFICER RECOMMENDS:

Consideration of a proposal for charter and Charter School Agreement submitted by Concept Schools NFP for the operation of Horizon Science Academy – Chatham Charter School, an Illinois not-for-profit corporation for a five-year term, beginning July 1, 2014. Approval will be contingent as detailed below. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board by June 1, 2014. The agreement presented for consideration herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this matter is stated below.

This April 2014 amendment is necessary to (a) authorize the final approval of this charter school proposal, (b) correct the legal name of the school operator, (c) change the name of the Horizon Science Academy – Chatham Charter School to Horizon Science Academy Clay Evans Charter School, (d) clarify the expansion of grades at the charter school in years 2-5, (e) increase the at capacity enrollment of the charter school from 725 to 735 students, and (f) authorize the disbursement of one-time incubation and startup funds to Concept Schools NFP for the new charter school. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education.

This August 2014 amendment is necessary to deny the proposed change of location for Horizon Science Academy Clay Evans Charter School from 8522 S. Lafayette to 9130-40 S. Vincennes. In July 2014, Concept Schools NFP informed the Office of Innovation and Incubation that it would not be able to complete construction on its school facility at 8522 S. Lafayette and sought to start the 2014-2015 school year at the 9130-40 S. Vincennes facility. The Office of Innovation and Incubation provided Concept Schools NFP with specific deadlines in order for the 9130-40 S. Vincennes facility to be viable and ready at the start of the 2014-2015 school year. However, Concept Schools NFP failed to meet specific deadlines.

This August 2014 amendment is also necessary to authorize an amended and restated Charter School Agreement to reflect (a) the delayed opening of the school until fall of 2015 contingent upon the identification of a viable permanent facility by January 1, 2015, and (b) the revised term. The specifics regarding these contingencies and the requested submission will be communicated by the Chief Executive Officer or her designee to Concept Schools NFP in another formal Letter of Conditions. The authority granted herein shall automatically rescind in the event a written amended and restated Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report. The amended and restated agreement authorized herein will only take effect upon certification by the Illinois State Board of Education.

SCHOOL OPERATOR: Concept Schools NFP
 2250 E. Devon Avenue Suite 215
 Des Plaines, Illinois 60018
 Phone: 224-678-5547
 Contact: Salim Ucan, Vice President

CHARTER SCHOOL: Horizon Science Academy Clay Evans Charter School
 8522 S. Lafayette
 Chicago, Illinois 60620
 Phone: 224-678-5547
 Contact: Salim Ucan, Vice President

OVERSIGHT: Office of Innovation and Incubation
125 S. Clark, 10th Floor
Chicago, IL60603
Phone: 773-553-1530
Contact Person: Jack Elsey, Chief Officer

DESCRIPTION: The Charter Schools Law (105 ILCS 5/27A-1 et seq., as amended) provides that up to 70 charter schools may be operated in the City of Chicago. Proposals to operate charter schools are submitted to the Board for evaluation pursuant to the standards set forth in 105 ILCS 5/27A-8, and the Board convenes a public meeting to obtain information to assist in its decision to grant or deny each proposal and report its action to the Illinois State Board of Education. The State Board determines whether the approved charter school proposal and the proposed contract satisfy the provisions of the Charter Schools Law and, if so, certifies the charter school.

CHARTER APPLICATION PROPOSAL: The mission of Horizon Science Academy Clay Evans Charter School will be to prepare its students for college by creating an effective learning environment of higher standards and expectations with a challenging college preparatory mathematics, science, engineering and technology (STEM) curriculum. The school will implement Concept Schools NFP design, a proven successful, student-centered, and evidenced-based educational design, currently being implemented in thirty charter schools in the Midwest. The main characteristics of Concept design are: 1. Rigorous college preparatory curriculum with a math, science and technology emphasis, 2. Longer school days and extended school year, 3. Small school and class sizes, 4. Personalized education and 5. Data-driven instruction. Horizon Science Academy Clay Evans Charter School will be located in Chatham at 8522 S. Lafayette 9130 S. Vincennes Avenue. The school will open in the fall 2014 and will serve no more than 450 students in grades K-8. They will expand one grade per year and will grow to serve 735 students in grades K-12 at capacity. A community meeting and a public hearing on charter school submissions submitted in 2013, as required by statute, were held on December 16, 2013 and January 7, 2014.

In July 2014, Concept Schools NFP sought to change its location from a school facility at 8522 S. Lafayette to a facility at 9130-40 S. Vincennes. A public hearing on the change of location was held on Tuesday, August 19, 2014. The hearing was recorded and a summary report is available for review.

It has been determined that the 9130-40 S. Vincennes facility is not viable and ready for the 2014-2015 school year. As a result, the opening of the school shall be delayed until fall of 2015 contingent upon identification of a viable permanent facility by January 1, 2015 and the term of the agreement shall be revised. The specifics regarding these contingencies and the requested submission will be communicated by the Chief Executive Officer or her designee to Concept Schools NFP in another formal Letter of Conditions.

TERM: If approved, the term of the Concept Schools NFP charter and agreement shall commence July 1, 2014 ~~2015~~ and end June 30, ~~2019~~ 2020.

CONTINGENT APPROVAL: Final approval of this proposal is contingent upon Concept Schools NFP submitting information regarding the identification of principal with a proven track record driving student achievement with similar student populations and a viable permanent facility by April 1, 2014. The specifics regarding these contingencies and the requested submission will be communicated by the Chief Executive Officer or her designee to Concept Schools NFP in a formal Letter of Conditions. The Board hereby directs the Chief Executive Officer or her designee to monitor the deadlines set forth in the Letter of Conditions, oversee the evaluation of the submission by Concept Schools NFP, and provide a written report regarding compliance with the Letter of Conditions to the Board by May 1, 2014. Thereafter, this will be re-presented to the Board for a determination regarding whether the contingencies have been satisfied. Failure to meet this contingency according to the terms set forth in the Letter of Conditions may, at the option of the Board, result in the rescission of the authority granted herein.

In March 2014, Concept Schools NFP submitted requested materials in response to the contingencies for final approval of this proposal. The Board reviewed these materials and determined that Concept Schools NFP met the contingencies stated in the Letter of Conditions. A public hearing on the proposed new school was held on Wednesday, April 16, 2014. The hearing was recorded and a summary report is available for review.

AUTHORIZATION: Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written amended and restated Charter School Agreement. Authorize the President and Secretary to execute the written amended and restated Charter School Agreement. Authorize the Senior Director of the Office of New Schools to issue a letter notifying the Illinois State Board of Education of the action(s) approved hereunder and to submit the approved proposal and signed amended and restated Charter School Agreement to the Illinois State Board of Education for certification. Authorize the Chief Innovation and Incubation Officer to execute any documents related to the disbursement of the one-time incubation and startup funds for the Horizon Science Academy Clay Evans Charter School.

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

AFFIRMATIVE ACTION: Not applicable.

INCUBATION: Upon final approval of this charter school proposal and the submission of an Incubation Budget Plan by Concept Schools NFP, the Board will disburse an amount not to exceed \$160,000 in incubation funding for the Horizon Science Academy Clay Evans Charter School. The use of the funding will be outlined by the Office of Innovation and Incubation. Funding was disbursed in anticipation of Concept Schools NFP opening the charter school in the fall of 2014. Concept School NFP shall repay any unspent funds to the Board; the balance of the funds shall be disbursed to Concept School NFP upon the identification of a viable permanent facility approved by the Board.

STARTUP FUNDING: Upon the execution of the Charter School Agreement with Concept Schools NFP, the Board will disburse an amount not to exceed \$611,419 in startup funding for Horizon Science Academy Clay Evans Charter School. The use of the funding will be outlined by the Office of Innovation and Incubation. Funding was disbursed in anticipation of Concept Schools NFP opening the charter school in the fall of 2014. Concept School NFP shall repay any unspent funds to the Board; the balance of the funds shall be disbursed to Concept School NFP upon the identification of a viable permanent facility approved by the Board.

FINANCIAL: The financial implications will be addressed during the development of the 2014-2015-2015-2016 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY15 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets.

GENERAL CONDITIONS:

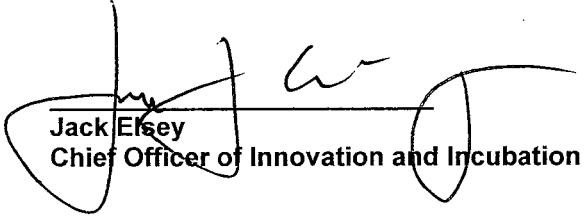
Inspector General - Each Party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary 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-P03), 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.

Submitted for Consideration:



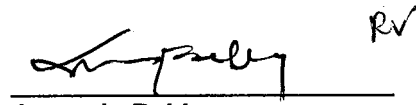
Jack Elsey
Chief Officer of Innovation and Incubation

Submitted for Consideration:



Barbara Byrd-Bennett
Chief Executive Officer

Approved as to Legal Form:



James L. Bebley
General Counsel