

**AMEND BOARD REPORT 14-0122-EX19**  
**CONSIDERATION OF A PROPOSAL FOR CHARTER AND CHARTER SCHOOL AGREEMENT**  
**SUBMITTED BY INTRINSIC SCHOOLS, AN ILLINOIS NOT-FOR-PROFIT CORPORATION**  
**(INTRINSIC CHARTER SCHOOL 2)**

**THE INTERIM CHIEF EXECUTIVE OFFICER RECOMMENDS:**

Consideration of a proposal for charter and Charter School Agreement submitted by Intrinsic Schools, an Illinois not-for-profit corporation for a five-year term, beginning July 1, ~~2015~~ 2016. 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 ~~April 1, 2015~~ within the timeframe specified below. 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 May 2015 amendment is necessary to delay the opening of Intrinsic Charter School 2 from the fall of 2015 to the fall of 2016 and to extend the timeline for the school operator to meet the benchmarks for identifying a viable permanent location and any required public hearings. Intrinsic Schools has met all criteria outlined by the Office of Innovation and Incubation with the exception of identifying a viable permanent facility for the charter school. The specifics regarding this contingency and the requested submission were communicated to Intrinsic Schools in a second formal Letter of Conditions. 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 the time specified in an amended Board Report authorizing final approval of this charter school proposal.

**SCHOOL OPERATOR:** Intrinsic Schools  
~~33 N. LaSalle St. Suite #3400~~ 4540 West Belmont Avenue  
 Chicago, Illinois 606041  
 Phone: ~~312-384-9903-708-887-2735~~  
 Contact: Melissa Zaikos, Chief Executive Officer

**CHARTER SCHOOL:** Intrinsic Charter School 2  
~~4540 West Belmont Avenue~~ (Year 1)  
 Chicago, Illinois 60641  
 Phone: ~~312-384-9903-708-887-2735~~  
 Contact: Melissa Zaikos, Chief Executive Officer

**OVERSIGHT:** Office of Innovation and Incubation  
~~125 S. Clark, 10<sup>th</sup> Floor~~ 42 West Madison, 3<sup>rd</sup> Floor  
 Chicago, IL 606032  
 773-553-1530  
 Contact Person: Jack Elsey, Chief Innovation and Incubation 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 Intrinsic Charter School 2 proposal was submitted by Intrinsic Schools and received by the Board in two tiers: a Tier 1 proposal was due in September 2013, and a Tier 2 proposal completed the proposal in accordance with the Charter Schools Law, in December 2013. Intrinsic Charter School's mission is to prepare all students for 21<sup>st</sup> century post-secondary success

and to cultivate independent, intellectually curious learners. To achieve this, the Intrinsic Charter School model leverages technology to personalize learning and is informed by the experience of great teachers. At Intrinsic Charter School, students will have the opportunities to navigate their own learning and find their passions through purposefully designed curricular experiences. The model includes three innovative features: personalized learning, student autonomy, and technology-enabled instruction. The school environment will balance high expectations, often seen at no-excuses charter schools, with the room to be inquisitive, characteristic of Montessori schools. The Intrinsic culture will be characterized by a focus on mastery, autonomy and community. The school is slated to open in the fall of 2016 serving a maximum of 186 students in grade 9. The school will add grades in subsequent years with an at capacity enrollment of 959 students in grades 7-12. The school will be located at 4540 W. Belmont in year 1 and will move to a location to be determined in the Northwest side.

A community meeting and a public hearing on charter school submissions submitted in 2013 were held on December 16, 2013 and January 7, 2014, respectively.

On March 4, 2015, Intrinsic Schools submitted a formal request to delay the opening of Intrinsic Charter School 2 from a fall 2015 opening to a fall 2016 opening. A public hearing was held on Thursday, May 21, 2015 to receive public comment on the proposed delay in school opening. The hearing was recorded and a summary report is available for review.

**TERM:** If approved, the term of the Intrinsic Schools charter and agreement shall commence July 1, 2016 and end June 30, 2021.

**CONTINGENT APPROVAL:** Final approval of this proposal is contingent upon the 2013-2014 academic performance of the existing Intrinsic Charter School on the School Quality Rating Policy (SQR) as indicated by the Chicago Public Schools' Department Office of Accountability. It is expected that the existing Intrinsic Charter School's 2013-2014 academic performance will result in a tier Level 1+ or Level 1 or tier-2 rating on the SQR. Final approval is also contingent upon Intrinsic Schools submitting information regarding clear metrics and criteria to evaluate network and school leaders and a viable permanent facility by January 1, 2015. The specifics regarding these contingencies and the requested submission will be communicated by the Chief Executive Officer or her designee to Intrinsic Schools in formal Letter of Conditions. The Board hereby directs the Chief Executive Officer or her designee to monitor the deadlines set forth in the Letters of Conditions, oversee the evaluation of the submission by Intrinsic Schools, and provide a written report regarding compliance with the Letter of Conditions to the Board by October 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.

On February 5, 2014, I&I outlined specifics regarding the contingencies in a formal Letter of Conditions. On September 15, 2014, Intrinsic Schools submitted information regarding clear metrics and criteria to evaluate network and school leaders. In October 2014, I&I submitted a report to the Board stating that Intrinsic Schools met the requirements to submit clear metrics and criteria to evaluate network and school leaders. The existing Intrinsic Charter School 1 was rated a Level 1 on the SQR based on its 2013-14 academic performance. On January 5, 2015, I&I sent an updated formal Letter of Conditions to Intrinsic Schools stating that Intrinsic Schools will need to submit information for a viable permanent facility for Intrinsic Schools 2 in order to open in the fall of 2016. On March 4, 2015, Intrinsic Schools submitted a formal request to delay the opening of Intrinsic Charter School 2 until the 2016-17 school year.

**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written Charter School Agreement. Authorize the President and Secretary to execute the written Charter School Agreement. Authorize the Director of the Office of New Schools Chief Innovation and Incubation Officer 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 Charter School Agreement to the Illinois State Board of Education for certification.

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

**AFFIRMATIVE ACTION:** Not applicable.

**FINANCIAL:** The financial implications will be addressed during the development of the 2015-2016-2017 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY1617 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets.

**GENERAL CONDITIONS:**

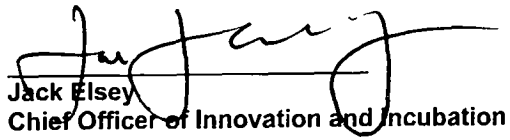
Inspector General - Each Party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary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

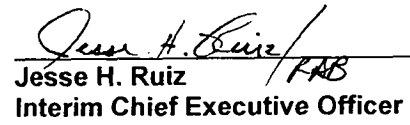
Indebtedness - The Board's indebtedness Policy adopted June 26, 2006 (96-0626-P03), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:

  
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Jack Elsey  
Chief Officer of Innovation and Incubation

Approved:

  
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Jesse H. Ruiz  
Interim Chief Executive Officer

Approved as to Legal Form: 

  
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James L. Bebley  
General Counsel