

**AUTHORIZE RENEWAL OF THE JOSHUA JOHNSTON CHARTER SCHOOL FOR
FINE ART AND DESIGN AGREEMENT WITH CONDITIONS**

THE INTERIM CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:

Authorize renewal of the Joshua Johnston Charter School for Fine Art and Design Agreement (the "Charter School Agreement") with conditions for an additional two-year period. A new Charter School Agreement applicable to this renewal term will be negotiated. 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 Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

SCHOOL OPERATOR: Prologue, Inc., an Illinois not-for-profit corporation
1135 N. Cleaver St.
Chicago, Illinois 60642
Phone: (773) 297-1215
Contact Person: Nancy Jackson

CHARTER SCHOOL: Joshua Johnston Charter School for Fine Art and Design
1549 W. 95th Street
Chicago, Illinois 60643
Phone: (773) 935-9925
Contact Person: Nancy Jackson

OVERSIGHT: Office of Innovation and Incubation
42 W. Madison, 3rd Floor
Chicago, IL 60602
Phone: 773-553-1530
Contact Person: Jack Elsey, Chief Innovation and Incubation Officer

ORIGINAL AGREEMENT: The original Charter School Agreement (authorized by Board Report 10-0728-EX8) was for a term commencing July 1, 2010 and ending June 30, 2015, and authorized the operation of a charter school serving no more than 250 students in grades 9 through 12. The charter and Charter School Agreement were subsequently amended as follows:

- Board Report 10-1117-EX3: Approved the relocation of the charter school from 1060 East 47th Street to 1549 West 95th Street.

CHARTER RENEWAL PROPOSAL: Prologue, Inc. (Prologue) submitted a renewal proposal on November 17, 2014 to continue the operation of Joshua Johnston Charter School for Fine Art and Design (Joshua Johnston). The charter school shall be located at 1549 West 95th Street, and shall serve grades 9 through 12 with a maximum enrollment of 250 students.

The agreement will incorporate an accountability plan in which the charter school is evaluated by the Board each year based on numerous factors related to its academic, financial and operational performance.

CHARTER EVALUATION: After receiving the charter renewal proposal, the Office of Innovation and Incubation conducted a comprehensive evaluation of Joshua Johnston's academic performance, financial viability, and legal and contract compliance. This evaluation included a review of the proposal, academic results, financial performance, governance documents, parental issues, facilities surveys, and special education documentation. Public hearings were held on May 20, 2015 and June 18, 2015 to receive public comments on Joshua Johnston's renewal application. The Office of Innovation and Incubation (I&I)

recommends that, based on the school's performance on these and other accountability criteria, as well as the school's demonstration of intent to satisfy the "Additional Terms and Conditions" referred to herein below, Joshua Johnston be authorized to continue operating as a charter school.

RENEWAL TERM: The term of Joshua Johnston's charter and agreement is being extended for a two (2) year term commencing July 1, 2015 and ending June 30, 2017.

ADDITIONAL TERMS AND CONDITIONS: Joshua Johnston's charter and agreement shall be recommended for renewal with the following conditions to be included in the agreement:

- Academic Conditions:
 1. The school must score at least a Level 2+ on the 2016 SQRP (outcomes of SY15-16 data).
 2. By September 1, 2015, Prologue Board of Directors must expand its expertise and oversight regarding the high school's academic outcome including, but not limited to, the addition of a director with a track record of overseeing academic excellence at the school and Board levels.
 3. By September 1 of each year (beginning with September 1, 2015), Prologue must submit to I&I a strategic continuous improvement work plan (CIWP), with evidence of the following:
 - a. School goals which are set using applicable trend data, baseline data and a thoughtful methodology resulting in goals that show realistic progress towards positive outcomes on performance ratings;
 - b. Strategies for improvement in Literacy and Math which are likely to achieve transformative change in the way a school operates and on student, teacher, or school administration behavior;
 - c. Strategies for improvement which are likely to meet the goals set for Literacy and Math; and
 - d. Action Plans addressing Literacy and Math which are comprehensive and, if implemented with fidelity, are likely to result in successful implementation of the strategy.
 4. By September 1, 2015, Prologue Board of Directors must submit to I&I evidence of the following:
 - a. Revised Board bylaws and handbooks including the creation of, and enumeration of roles and responsibilities for an Academic Excellence Committee; and
 - b. Minutes for at least one (1) meeting of the Academic Excellence Committee including, but not limited to, a quantitative review of student performance aligned with strategic academic goals, and a qualitative review with school leadership.
 5. At least quarterly, Prologue's Academic Excellence Committee must convene meetings to evaluate progress against its strategic continuous improvement work plan and must provide evidence of the following:
 - a. No later than ten (10) business days after each meeting, Prologue must submit to I&I a copy of the minutes and any additional documentation including, but not limited to, a quantitative review of student performance aligned with strategic academic CIWP goals for Literacy and Math, and a qualitative review of student performance with school leadership.
 - b. In addition, Prologue should also submit evidence that the CIWP is reviewed frequently by providing documentation that includes, but is not limited to:
 - i. CIWP Action Plans which are up to date and reflect on-going review and monitoring, and
 - ii. CIWP strategies which are strategically adjusted, completed or discontinued as needed.
- Financial Conditions:
 1. The school must attain an acceptable level of performance by achieving a rating of three (3) or four (4) on all metrics on the FY2016 Financial Scorecards.
 2. By August 1, 2015, Prologue must submit all documentation due under existing financial corrective action plans.

3. Starting in FY2016, each Prologue school or program funded by Chicago Public Schools, must be individually tracked for budget, quarterly financial reporting to CPS and the annual audit.
4. By September 1, 2015, Prologue Board of Directors must expand its expertise and oversight regarding the high school's finance and operational performance including, but not limited to, the creation of a standing Finance Committee that meets monthly.
5. By the 15th of every month beginning July 2015, Prologue must provide the following to I&I:
 - a. Bank account reconciliations for the organization for the month prior (e.g. August bank reconciliation due September 15th).
 - b. Cash flow statements forecasting an ongoing 90 day cash plan for the organization.
 - c. Copies of the monthly finance committee board packages and the finance committee reports approved by the full Board of Directors.

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 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. Authorize the General Counsel to further negotiate and execute any amendments to the Charter School Agreement required by the Illinois State Board of Education.

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

FINANCIAL: The financial implications will be addressed during the development of the 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, 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.

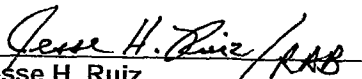
15-0624-EX8

Submitted for Consideration:




Jack Elsey
Chief Officer of Innovation and Incubation

Approved:



Jesse H. Ruiz
Interim Chief Executive Officer

Approved as to Legal Form ^{gr}



James L. Bebley
General Counsel