

April 27, 2016

AMEND BOARD REPORT 14-0528-EX11
AMEND BOARD REPORT 14-0226-EX11

**APPROVE THE RENEWAL OF THE SCHOOL MANAGEMENT AND PERFORMANCE AGREEMENT
WITH CHICAGO HIGH SCHOOL FOR THE ARTS, AN ILLINOIS NOT-FOR-PROFIT CORPORATION**

THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:

Approve the renewal of the School Management and Performance Agreement with Chicago High School for the Arts, an Illinois not-for-profit corporation, for the operation of Chicago High School for the Arts. The School Management and Performance Agreement with Chicago High School for the Arts will be renewed for an additional 5-year period. A new School Management and Performance Agreement applicable to this renewal term will be negotiated. The authority granted herein shall automatically rescind in the event a written School Management and Performance Agreement is not executed by the Board and the school operator within 120 days of the date of this Board Report. Information pertinent to this renewal is stated below.

This May 2014 amendment is necessary to revise Chicago High School for the Arts' screening and talent audition process for applicants desiring to enroll in the contract school. The authority granted herein shall automatically rescind in the event a written amendment to the School Management and Performance Agreement is not executed by the Board and the school operator within 120 days of the date of this amended Board Report.

This April 2016 amendment is necessary to increase the maximum enrollment of the contract school by 40 to 640 students beginning in the fall of 2016. The authority granted herein shall automatically rescind in the event a written amendment to the School Management and Performance Agreement is not executed by the Board and the school operator within 120 days of the date of this amended Board Report.

SCHOOL OPERATOR: Chicago High School for the Arts, an Illinois not-for-profit corporation
2714 W. Augusta Boulevard
Chicago, Illinois 60622
Phone: (773) 534-9710
Contact Person: Jose Ochoa, Executive Director

CONTRACT SCHOOL: Chicago High School for the Arts
2714 W. Augusta Boulevard
Chicago, IL 60622
Phone: (773) 534-9710
Contact Person: ~~Gia Orr, Principal~~ Michael Wang, Interim Principal

OVERSIGHT: Office of Innovation and Incubation
~~425 S. Clark, 10th Floor~~ 42 W. Madison, 3rd Floor
Chicago, IL ~~60603~~ 60602
(773) 553-1530
Contact Person: ~~Jack Elsey, Chief Officer~~
Mary K. Bradley, Executive Director

ORIGINAL AGREEMENT: The original School Management and Performance Agreement (07-1024-EX12) was for a term commencing July 1, 2009 and ending June 30, 2014 and authorized the operation of a contract school serving no more than 600 students in grades 9 through 12. The contract school was designated as an alternative school pursuant to 105 ILCS 5/34-2.4b. The School Management and Performance Agreement was subsequently amended as follows:

- Board Report 08-1022-EX6: Approved the establishment of the screening and talent audition process for applicants desiring to enroll in the contract school which opened in the fall of 2009, as well as updated benchmark deadline dates for the contract school.

- Board Report 09-0527-EX4: Approved the location of the contract school to a CPS facility at 3200 S. Calumet Avenue in the fall of 2009.
- Board Report 10-0224-EX16: Approved the relocation of the contract school to a CPS facility at 2714 W. Augusta Boulevard beginning in the fall of 2011.
- Board Report 11-0622-EX4: Approved the withdrawal of the school location at 2714 W. Augusta Boulevard and relocation of the contract school to a CPS facility known as Doolittle West, located at 521 E. 35th Street beginning in the fall of 2011.

CONTRACT RENEWAL PROPOSAL: Chicago High School for the Arts submitted a renewal proposal on September 3, 2013, to continue the operation of Chicago High School for the Arts (ChiArts). The contract school shall serve grades 9 through 12 with a maximum enrollment of 600 students.

In February 2014, the CEO recommended to the Board that Chicago High School for the Arts relocate to the CPS facility at 2711 W. Augusta Boulevard, beginning in the fall of 2014.

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

The Office of Access & Enrollment has delegated authority from the Chief Executive Officer to formulate and issue guidelines to effectively administer applications for enrollment to provide consistency across the district but in recognition of the school's unique enrollment process.

In January 2016, the Chicago High School for the Arts submitted an application to request an increase in the maximum enrollment of the contract school by 40 to 640 students beginning in the fall of 2016. A public hearing on the proposed increase was held on Tuesday, April 19, 2016. The hearing was recorded and a summary report is available for review.

CONTRACT EVALUATION: After receiving the contract renewal proposal, the Office of New Schools within the Office of Innovation and Incubation conducted a comprehensive evaluation of ChiArts's academic performance, financial viability, and legal and contract compliance. This evaluation included a review of the proposal, academic results, financial analysis, governance documents, parental issues, facilities surveys, and special education documentation. A public hearing was held on February 19, 2014 for all schools going through renewals to receive public comments, including ChiArts. The committee recommends that, based on the school's academic performance and on other accountability criteria, as well as the school's demonstration of intent to satisfy the below "Additional Terms and Conditions", ChiArts be authorized to continue operating as a contract school.

RENEWAL TERM: The term of the School Management and Performance Agreement is being extended for a five (5) year term commencing July 1, 2014 and end June 30, 2019.

ADDITIONAL TERMS AND CONDITIONS: One additional term and condition which is included as an attachment to the School Management Agreement with Chicago High School for the Arts is as follows:

- Based on each year's Financial Audit, the Contract School, at a minimum, must have scores of 3 for the following categories: Reporting: Budget, Reporting: Quarterly Statements, Reporting: Audit, Reporting: Federal/State/CPS Compliance Document Submissions, Financial Controls: Annual Audit, and Financial Condition and Budget: Budget.

COMPENSATION: Chicago High School for the Arts will continue to be paid on a per-pupil basis for the operation of ChiArts.

AUTHORIZATION: Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the school operator, in the written School Management and Performance Agreement and amendment. Authorize the President and Secretary to execute the written School Management and Performance Agreement and amendment.

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 204516-204617 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY4516 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets.

PERSONNEL IMPLICATIONS: As a contract school, Chicago High School for the Arts will continue to employ its own principal, teachers and staff.

GENERAL CONDITIONS:

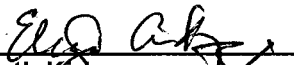
Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary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

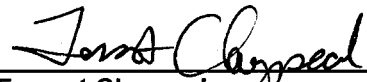
Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

Approved for Consideration:



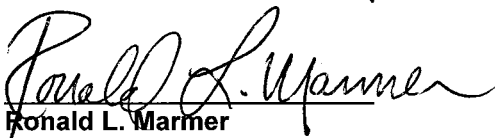
Elizabeth Kirby
Chief of School Strategy and Planning

Approved:



Forrest Claypool
Chief Executive Officer

Approved as to Legal Form: 



Ronald L. Manner
General Counsel