

December 7, 2016

AMEND BOARD REPORT 15-0527-EX6
AUTHORIZE RENEWAL OF THE GALAPAGOS CHARTER SCHOOL AGREEMENT
WITH CONDITIONS

THE INTERIM CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:

Authorize renewal of the Galapagos Charter School Agreement (the "Charter School Agreement") with conditions for an additional three-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.

This December 2016 amendment is necessary to terminate the existing Charter School Agreement with Galapagos Charter School by mutual consent of the parties. Galapagos Charter School provided notice to the Office of Innovation and Incubation in June 2016 of its intent to wind down and close its school at the end of the 2015-2016 school year due to issues regarding financial sustainability and school performance. Galapagos Charter School completed the wind down and ceased operations of the school on July 30, 2016 effectively resulting in the return of its charter on July 30, 2016.

SCHOOL OPERATOR/ Galapagos Charter School, an Illinois not-for-profit corporation
CHARTER SCHOOL: 3814 West Iowa Street
 Chicago, Illinois 60651
 Phone: 773-384-9400
 Contact Person: Michael Lane, Chief Executive Officer

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

ORIGINAL AGREEMENT: The original Charter School Agreement (authorized by Board Report 05-0126-EX9) was for a term commencing July 1, 2005 and ending June 30, 2010, and authorized the operation of a charter school serving no more than 378 students in grades K through 8. The charter and Charter School Agreement were subsequently renewed for a term commencing July 1, 2010 and ending June 30, 2015 (authorized by Board Report 10-0526-EX8), serving no more than 350 students. The charter and Charter School Agreement were subsequently amended as follows:

- Board Report 14-0528-EX2: Approved revisions to the school's Charter School Accountability Plan to transition to the CPS School Quality Rating Policy.

CHARTER RENEWAL PROPOSAL: Galapagos Charter School (Galapagos) submitted a renewal proposal on November 17, 2014 to continue the operation of Galapagos. The charter school shall be located at 3814 West Iowa Street, and shall serve grades K through 8 with a maximum enrollment of 350 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.

On June 15 2016, Galapagos Charter School notified the Office of Innovation and Incubation that its governing board voted to wind down and cease operations at the charter school at the end of the 2015-2016 school year due to financial sustainability and school performance issues. In June 2016, Galapagos Charter School notified all families of the closure of the school at the end of the 2015-2016 school year. In August 2016, the Office of Innovation and Incubation hosted four information sessions to assist families with finding a new school for the 2016-2017 school year. Galapagos Charter School completed the wind down and ceased operations of the school on July 30, 2016 effectively resulting in the return of its charter on July 30, 2016.

The Office of Innovation and Incubation recommends terminating the Charter School Agreement with Galapagos Charter School by mutual consent of the parties.

CHARTER EVALUATION: After receiving the charter renewal proposal, the Office of Innovation and Incubation conducted a comprehensive evaluation of Galapagos' 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. A public hearing was held on May 20, 2015 for all charter schools going through renewals to receive public comments, including Galapagos. The Office of Innovation and Incubation 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, Galapagos be authorized to continue operating as a charter school.

RENEWAL TERM: The term of Galapagos' charter and agreement is being extended for a three (3) year term commencing July 1, 2015 and ending June 30, 2018. As indicated in this December 2016 amended Board Report, the agreement shall be terminated by mutual consent of the parties to reflect that (a) the school ceased operations as of July 30, 2016 and (b) the charter for this school was returned to the Board.

ADDITIONAL TERMS AND CONDITIONS: Galapagos' charter and agreement shall be recommended for renewal with the following condition to be included in the agreement:

- By September 1, 2017, the school will submit evidence of completion of the facility renovation plan to resolve the facilities issues including, without limitation, the following with verification from the CPS Department of Facilities:
 - o Repairs or replacements of boilers, water lines, ventilation systems and mechanical control system; and
 - o Installation of sufficient exterior lights for security and safety precautions.

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 and termination agreement. Authorize the President and Secretary to execute the written Charter School Agreement and termination agreement. Authorize the Executive Director of the Office of 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 as well as any other information as may be necessary due to the closure of the charter school. 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 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 FY4517 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets.

In the event of any payments to Galapagos Charter School for services rendered during the 2015-2016 school year, Galapagos Charter School must submit to the Board invoices and other supporting documentation necessary for the Board to verify the services provided under the Charter School Agreement. Only upon review and approval of such documentation by the Board or its designee shall such payments be released to the charter school.

GENERAL CONDITIONS:

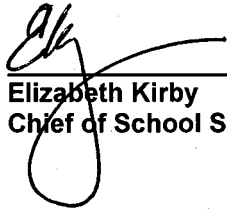
Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary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




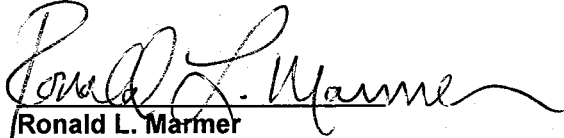
Elizabeth Kirby
Chief of School Strategy and Planning

Approved:



Forrest Claypool
Chief Executive Officer

Approved as to Legal Form: 



Ronald L. Marmer
General Counsel