

**APPROVE THE RENEWAL OF THE CHARTER SCHOOL AGREEMENT WITH
ACADEMY OF COMMUNICATIONS AND TECHNOLOGY CHARTER SCHOOL**

THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING DECISION:

Approve the renewal of the Charter School Agreement with Academy of Communications and Technology (ACT) Charter School for an additional 2-year period. A new Charter School Agreement applicable to this renewal term is currently being 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 renewal agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

CHARTER SCHOOL: Academy of Communications and Technology Charter School
4319 W. Washington
Chicago, Illinois 60624
Phone No.: (773) 626-4200
Contact Persons: Sarah Howard and Michelle Smith, Co-Directors

OVERSIGHT: Charter Schools Office
125 S. Clark, 12th Floor
Chicago, IL 60603
773-553-1535
Contact Person: Greg Richmond, Director

ORIGINAL AGREEMENT: The original Charter School Agreement (authorized by Board Report 97-0122-EX4) is for a term commencing July 1, 1997 and ending June 30, 2002. The agreement authorizes the operation of a single facility Charter School focusing on college preparation and communications and technology for students in grades 6-12. The school is located at 4319 W. Washington with current enrollment of approximately 300 students. The Agreement incorporates an accountability plan whereby the school is evaluated by the Board each year based on numerous factors related to its academic, financial and operational performance.

CHARTER RENEWAL PROPOSAL: The ACT Charter School submitted a renewal proposal on October 22, 2001 to continue the operation of the school under the same mission, enrollment and educational programs at its current location.

CHARTER EVALUATION: The Charter Schools Office Review Committee ("Committee") has reviewed and evaluated the ACT renewal proposal as well as the school's past academic, financial and operational performance. The Committee has determined that ACT has made progress in some areas while exhibiting weaknesses in other areas. Applying the Agreement's accountability plan rating system to the school's academic performance, ACT received four "Low" ratings, five "Middle" ratings and no "High" ratings in 2001. ACT achieved significant gains in reading in 2001. The percent of elementary school students reading at national norms increased from 16.8% in 2000 to 21.2% in 2001. The percent of its high school students reading at national norms increased from 9.8% in 2000 to 17.2% in 2001. Earlier this year the school was officially recognized by the Board for its improvement in reading. However, additional improvement is needed in reading as well as in mathematics and on state assessments, where performance has been weak. ACT has been able to move a majority (56%) of its lowest quartile students up to the next quartile but has been less effective (40%) moving students up above the median. The Committee believes that the school has an adequate understanding of its curriculum, how it has served students in the past and how it can continue to be improved. Relative to the performance of other public schools that would otherwise serve its students, ACT's elementary school test scores (ITBS and ISAT) are slightly lower than the scores of its student's neighborhood elementary schools while its high school test scores (TAP and PSAE) are slightly higher than the scores of its students' neighborhood high schools. In non-academic areas, the school is well-managed in terms of finances and compliance with all

applicable laws. The Committee determined that ACT has made progress in some areas during the term of its charter, but the overall level of performance and progress requires further improvement and close, on-going attention. Accordingly, the Committee recommends that the charter be renewed for a term of two years and that, as a condition of renewal, the school be required to continue to improve and to achieve specific performance levels.

RENEWAL TERM: The term of ACT's charter status is being extended for two (2) years commencing July 1, 2002 and ending June 30, 2004. ACT shall be closely monitored in all areas of academic and operational accountability. Specifically, ACT shall be required to achieve most, if not all, of the following academic goals to be considered for renewal beyond June 30, 2004:

1. 25% of students at national norms on the ITBS in reading;
2. 25% of students at national norms on the ITBS in math;
3. Average gain of at least 1.0 year on the ITBS in reading;
4. Average gain of at least 1.0 year on the ITBS in math;
5. 25% of students meeting or exceeding standards on the ISAT;
6. 25% of students meeting or exceeding standards on the PSAE;
7. High school attendance rate of at least 85%.
8. Retention of 75% of freshmen at ACT in successive years.

AUTHORIZATION: Authorize the General Counsel to include relevant terms and conditions in the written Charter School Agreement which shall reflect resolution of any and all outstanding issues between the Board and the governing body of the charter school including, but not limited to: site location, enrollment, funding, educational program, financial controls and practices, academic accountability and evaluations. Authorize the President and Secretary to execute the Charter School Agreement. Authorize the Director of Charter 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 Charter School Agreement to the Illinois State Board of Education for certification.

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

AFFIRMATIVE ACTION: Not applicable.

FINANCIAL: The financial implications will be addressed during the development of the 2002-2003 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY02 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 July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Approved:


Barbara J. Eason-Watkins
Chief Education Officer

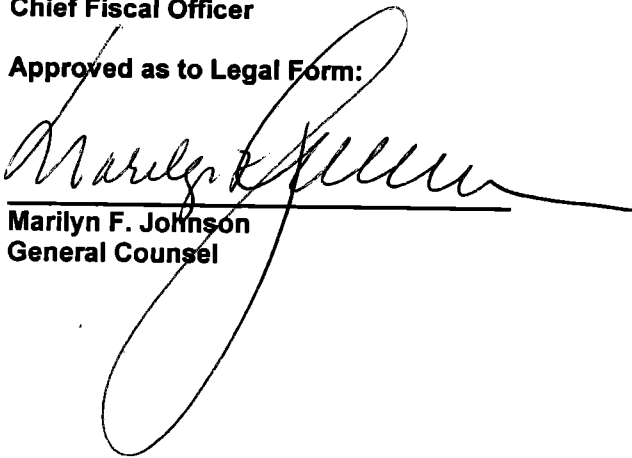
Respectfully submitted:


Arne Duncan
Chief Executive Officer *by (PAT)*

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to Legal Form:


Marilyn F. Johnson
General Counsel