

October 27, 2004

AMEND BOARD REPORT 04-0728-ED7
**APPROVE ENTERING INTO AGREEMENTS WITH VARIOUS PRIVATE
SPECIALIZED SCHOOLS, AND AUTHORIZE PAYMENTS TO PRIVATE SPECIALIZED SCHOOLS**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize entering into agreements with the private specialized schools listed on Exhibit "A" at a cost not to exceed the aggregate amount of \$68,000,000.00 over a two-year period. Student placements in private specialized schools are made either by the Board directly, by the Department of Children and Family Services (DCFS), by the Department of Mental Health (DMH), or pursuant to court order. Written agreements for these private specialized schools are being negotiated. The Illinois State Board of Education (ISBE) requires private specialized schools and local school districts to execute Nonpublic Facility Placement Contracts for each student being placed in a private specialized school. Whenever possible, the Board has each private specialized school sign a more detailed Private Specialized School Agreement, but executing these separate agreements is not required by law or by the Board. Information pertinent to this program is stated below.

This amended Board Report is necessary to add four additional schools to the list of providers affiliated with this program, and to delete one school that closed.

Specification No: 02-250125

VENDORS: See Exhibit "A"

USER: Office of Specialized Services
Citywide School Pupil Support
125 S. Clark Street, 8th Floor
Chicago, IL 60603
Contact: Philip O'Donnell - (773) 553-3403

ORIGINAL AGREEMENTS AND AUTHORIZATIONS: The original agreements and authorizations (authorized by Board Report 02-0724-PR42), in the aggregate amount of \$118,000,000.00 are for a term commencing August 1, 2002 and ending July 31, 2004, with the Board having two (2) options to renew for periods of 2-years each.

TERM: The term of each Private Specialized School Agreement and the authorization to pay each school listed on Exhibit "A" is for 2 years commencing August 1, 2004 and ending July 31, 2006. Each agreement will have one option to renew for a period of 2-years each.

SCOPE OF SERVICES: Each school will operate educationally and age appropriate programs, administer appropriate tests, develop and use customized Individualized Education Plans (IEP) for each student, provide student progress reports, and will comply with the service requirements specified in their Agreement.

COMPENSATION: Each private specialized school shall be paid the rate identified by the Illinois Purchased Care Review Board, not to exceed, in the aggregate, the sum of \$68,000,000.00 over a two-year period. It is anticipated that costs during the first year will not exceed \$33,000,000.00. Each agreement will contain a non appropriation clause and will provide that the Board is not obligated to place any students in vendor's private specialized school(s).

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written contract documents. Authorize the President and Secretary to execute the contract documents. Authorize the Chief Specialized Services Officer to (i) execute all ancillary documents required to administer or effectuate these student placements, the contract documents and any new Private Specialized School Agreements, including but not limited to the Nonpublic Facility Placement contracts required by ISBE; (ii) place students in Private Specialized Schools not included on the attached list on an emergency basis when such placements are warranted by the students' Individual Education Plans, or when such placements are required by court order, by DCFS, or by DMH; and (iii) approve travel reimbursement for parents, guardians, and students making visits as a related service specified in the Individual Education Programs (IEP).

AFFIRMATIVE ACTION: Pursuant to section 3.7 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan), this matter is exempt from review because this matter is for tuition payments.

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

FINANCIAL: Charge to Specialized Services Department: \$33,000,000.00 (FY 05)
\$35,000,000.00 (FY 06)

Budget Classifications: 0966-210- 014-7073-5560	\$32,875,000.00 -Fund 210-Gen.Ed.(FY 05)
0966-220-*771-2826-5510	\$125,000.00 -Fund 220-Fed.Sp.Ed.IDEA (FY 05)
0966-210- 014-7073-5560	\$34,875,000.00 -Fund 210-Gen.Ed.(FY 06)
0966-220-*771-2826-5510	\$125,000.00 -Fund 220-Fed.Sp.Ed.IDEA (FY 06)

*Project # will change in subsequent fiscal years

Requisition Number: Various

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 Chicago 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 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member 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.

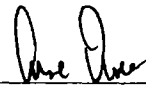
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Barbara Eason-Watkins
Chief Education Officer

Approved:



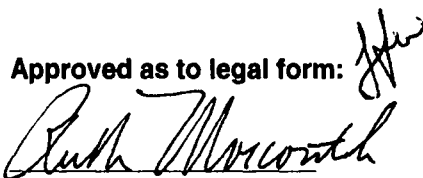
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to legal form:



Ruth Moscovitch
General Counsel

EXHIBIT "A"

PRIVATE SPECIALIZED SCHOOLS

(Therapeutic Day and Residential Schools, and out-of-state Public Schools that ISBE treats as Private Schools for funding purposes)

1. Ada S. McKinley Community Services [McKinley Highland, McKinley East]
2. Allendale Association [Allendale School, Allendale Armour Day School, Allendale Benet Lake]
3. Alternatives Unlimited Special, Inc. [Chicago Alternatives Learning Academy-North (CALA-North), Chicago Alternatives Learning-South (CALA South), Chicago Alternative Learning Academy-West (CALA-West)]
4. Ariela Joy Frankel Keshet Day School [Keshet Day School, Keshet High School]
5. Arlyn Day School Inc. [Arlyn Day School]
6. Bancroft NeuroHealth Schools and Communities [Bancroft School]
7. Bartlett Learning Center [Clare Woods Academy]
8. Beacon Therapeutic Diagnostic and Treatment Center [Beacon Adolescent, Beacon Elementary]
9. Blue Island Citizens for Persons with Developmental Disabilities [Blue Cap]
10. Brehm Preparatory School
11. Camelot Schools, LLC [Camelot Care]
12. Chicago Association for Retarded Citizens (CARC) [Mary Alyce, Harris, SOL, Harris Pathways, Mary Alyce Pathways]
13. Chicago Lighthouse for People who are Blind or Visually Impaired
14. ~~Chicago Urban Day School, Inc.~~
15. Children's Habilitation Center
16. Chileda Institute, Inc.
17. Clinicare Corp. [Eau Claire Academy, Wyalusing Academy, Milwaukee Academy]
18. Cunningham Children's House [Cunningham Children's Home]
19. Devereux Texas Treatment Network - League City [Devereux Victoria, Devereux Intermediate, Devereux Victoria]
20. Easter Seal of Metropolitan Chicago, Inc. [Easter Seals Therapeutic-South, Easter Seals Therapeutic]
21. Elim Christian School
22. Esperanza Community Services [Esperanza School]
23. Infinity Schools, Inc. [Infinity School of Chicago – South]
24. Gateway to Learning
25. Giant Steps Illinois, Inc. [Giant Steps]
26. Hoosier Care, Inc. [Walter Lawson]
27. Jeanine Schultz Memorial School
28. Jewish Children's Bureau of Chicago
29. Lad Lake, Inc.
30. Lawrence Hall Youth Services

31. Leslie Shankman School Corporation [Hyde Park Day School]
32. Lester and Rosalie Anixter Center [Byron School, Anixter School]
33. St. Coletta's of Illinois, Inc. [Lt. Joseph P. Kennedy, Jr. School]
34. Lutheran Child & Family Services [Lutherbrook Academy]
35. Marklund Children's Home [Marklund Day School]
36. Maryville Academy
37. Mental Health and Deafness Resources, Inc.[Center Glenn III]
38. The Mill (Motivating Individuals in Learning and Living) [Mill Day School]
39. Misericordia Home South Catholic Charities Archdiocese of Chicago [Misericordia Home South]
40. New Direction Outreach [New Direction Academy]
41. New Horizon Center
42. NewHope Academy, Ltd.
43. North Center for Handicapped Children
44. Northwest Academy Streamwood [Streamwood, Elgin Extended, Elgin DDMI]
45. Oconomowoc Developmental Training Center
46. PACTT Learning Center
47. Pavilion Behavioral Health System [Pavilion Foundation School]
48. Range Memorial Day School
49. Rush Day School
50. Sonia Shankman Orthogenic School
51. South Central Community Services, Inc. [South Central Elementary, South Central High School]
52. Special Education Services, Inc. [Hillside Academy, Aurora Education Center]
53. St. Bernadette's School
54. St. Joseph's Carondelet Child Center [St. Joseph's Carondelet and Solace Academy]
55. Summit School, Inc.
56. Swann Special Care Center
57. The Achievement Centers, Inc. [Acacia Academy]
58. The Center on Deafness [Centerview Therapeutic]
59. The Cove School
60. The Day School
61. The Hope School
62. The Lambs Farm
63. The Larkin Center [The Larkin Group Home]
64. The Lord's Ranch
65. Thresholds
66. Uhlich Children's Home [Uhlich Academy, Uhlich Academy High School]
67. Village Day School
68. West Englewood United Organization Incorporated [Clara's House Academic Center]

69. Willowglen Academy Wisconsin, Inc., Willowglen Academy Illinois, Inc. [Willowglen Fairview, Willowglen Central, Willowglen Illinois]
70. Banner Schools LLC
71. The Baby Fold [Hammit Day School and Hammit High School]
72. Woods Services
73. Kemmerer Village
74. Yellowstone Boys and Girls Ranch
75. Onarga Academy
76. Frederic L. Chamberlain School