

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENTS WITH VARIOUS
ALTERNATIVE SAFE SCHOOL AGENCIES FOR EDUCATIONAL SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreements with the three (3) Alternative Safe School Agencies (Agencies) identified below to provide educational services to students who have been expelled from a Chicago Public School or who have been referred by the CPS principal for displaying extreme disruptive behaviors. Each Agency may operate one or more Alternative Safe Schools (Schools). The cost for the Alternative Safe School Program during this first option period is not to exceed \$2,615,464.00 in the aggregate. Written agreements exercising this first option are currently being negotiated with each Agency. No payment shall be made to any Agency during the first option period prior to the execution of such Agency's written agreement. The authority granted herein shall automatically rescind as to each Agency in the event a written agreement for such Agency is not executed within 90 days of the date of this Board Report. Information pertinent to this first option is stated below.

SPECIFICATION NO: 03-250045

CONTRACT ADMINISTRATOR: Martha Escareno - 553-2284

ALTERNATIVE SAFE SCHOOL AGENCIES:

- | | |
|---|---|
| <p>1. Infinity Schools, Inc.
5915 Benjamin Center Drive
Tampa, FL 33634
Contacts: Melvin Ferrell and Dr. Robert Spellman
Phone: (813) 887-3300
Vendor #: 22182</p> | <p>2. Human Resources Development Institute, Inc. (HRDI)
222 S. Jefferson
Chicago, Illinois 60661
Contact: Terra Thomas, Ph.D
Phone: (312) 441-9009
Vendor #: 25627</p> |
| <p>3. Richard Milburn High School, Inc.
27 Congress Street
Salem, Massachusetts 01970
Contacts: Donna Eldridge and Robert H. Crosby
Phone: (978) 741-7161
Vendor #: 24596</p> | |

USER: Chicago Public Schools
Office of Specialized Services
125 South Clark Street - 8th Floor
Chicago, IL 60603

Contact: Renee Grant-Mitchell Ed.D.
Phone: (773) 553-1800

ORIGINAL AGREEMENTS: Each original agreement (authorized by Board Report 03-0827-PR35) was for a term commencing September 1, 2003 and ending August 31, 2005, with the Board having three (3) consecutive options to renew for an additional period of 12-months each. The original agreements were awarded on a competitive basis pursuant to a duly advertised bid solicitation (Specification No. 03-250045). Each original agreement was amended to increase the number of slots and increase the permitted maximum compensation (authorized by Board Report 04-1117-PR16).

OPTION PERIOD: Each agreement shall be renewed for a term commencing September 1, 2005 and ending August 31, 2006.

OPTION PERIODS REMAINING: Two consecutive option periods of 12 months each remain for each Agency.

SCOPE OF SERVICES: The Agencies will continue to offer an educational alternative for youths in grades 6-12 who have been suspended or expelled in accordance with the CPS Uniform Discipline Code. These Agencies' schools have special curricula that focus on core academic subjects, social skills and schools to career options.

DELIVERABLES: Each Agency (or each Agency's school(s)) will submit the following: a) monthly attendance reports; b) quarterly grade reports, including transcripts for high School students earning credits toward graduation; c) mid-year report; d) end of year report; e) annual strategic plan for each school; f) School-wide behavior management plan; g) plans for evacuation; and, h) emergency plans.

OUTCOMES: The goal of utilizing these Alternative Safe Schools is to increase student attendance to 80% from 78%, enable CPS high school students to earn credits, improve students' academic achievement and behavior, and return students to the regular education setting.

COMPENSATION: During this Option Period, each Alternative Safe School shall be paid a per diem of \$55.58 for each reserved student slot, not to exceed \$10,000.00 per student during the regular School Year and \$2,223.00 per student during summer session, if a school provides services during the summer. The per diem rates for each reserved student slot and the maximum amount to be paid for each reserved student slot during the regular school year and during summer session shall be negotiated prior to the start of each renewal period.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written option agreements. Authorize the President and Secretary to execute the option agreements. Authorize the Chief Specialized Services Officer to execute all ancillary agreements required to administer or effectuate the option agreements.

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

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

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreements. Authorize the President and Secretary to execute the agreement. Authorize the Chief Specialized Services Officer to execute all ancillary agreements required to administer or effectuate these agreements.

FINANCIAL Charge to Specialized Services \$2,615,464

Budget Classification: 0966-239-870*-7090-5560 Fiscal Year 2006

Source of Funds: 239 Other Government

*Project # subject to change

GENERAL CONDITIONS:

Inspector General – Each party to the agreements 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.

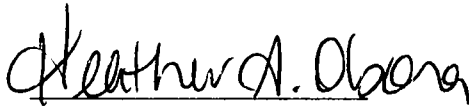
Conflicts – The agreements shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to former Board members during the one year period following expiration or other termination of their 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 agreements.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreements.

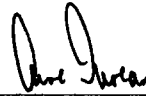
Contingent Liability – The agreements shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



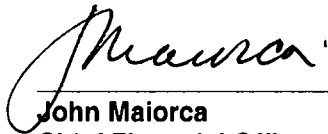
Heather A. Obora
Chief Purchasing Officer

Approved:



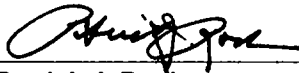
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to legal form: *AW*



Patrick J. Rocks
General Counsel