

December 20, 2006

**APPROVE ENTERING INTO AN AGREEMENT WITH
PROLOGUE, INC. FOR ALTERNATIVE RENAISSANCE SCHOOL SERVICES**

THE CHIEF EXECUTIVE OFFICER RECOMMENDS:

That the Board approve entering into an agreement with Prologue, Inc. for Alternative Renaissance School services to provide a diploma granting high school program to drop-out students. Prologue submitted a proposal in response to a Request for Proposals under the Renaissance 2010 Initiative. A written agreement with Prologue is currently being negotiated. No services shall be provided and no payment shall be made to Prologue prior to the execution of a written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 120 days of the date of this Board Report. Information pertinent to this agreement is stated below.

SCHOOL OPERATOR: Prologue, Inc.
640 West Irving Park Road
Chicago, Illinois 60613
Phone: (773) 935-9925
Contact Person: Nancy E. Jackson

OVERSIGHT: Office of New Schools
125 S. Clark, 5th Floor
Chicago, IL 60603
773-553-1530
Contact Person: Beatriz Rendon, Executive Director

TERM: The term of this Agreement shall commence July 1, 2007 and end June 30, 2012 unless terminated earlier by the Board.

SCOPE OF SERVICES: Prologue will provide an alternative education program focused for youth of ages 17–21 years who are at-risk or have dropped out of traditional school. The program shall be designed to prepare students for graduation from high school and provide a post-secondary path. Prologue will accept for enrollment up to 225 students in grades 9 - 12 who are recruited by Prologue for placement with the assent of the Office of New Schools and/or its designee. Prologue will issue diplomas to students who successfully complete the program in accordance with state requirements.

DELIVERABLES: Prologue shall provide the following:

- Provide regular audits as requested by the Office of New Schools and/or its delegate
- Provide school facilities conducive to learning, with adequate and appropriate equipment and supplies
- Provide sufficient staff (teacher aids, security, etc.) to effectively manage, support and educate students consistent with their needs
- Administer academic progress and other assessments as described by the Board, in the Board's sole discretion (The Board will provide test booklets, training and scoring for mandated state and local tests.)
- Provide and administer mutually agreed upon assessments of progress in reading and mathematics at the end of the school year for all students to assess individual student progress
- Provide monthly attendance summaries to the Office of New Schools and/or its designee
- Provide a list of graduates to the Office of New Schools and/or its designee at the end of each school year

OUTCOMES: The Office of New Schools will establish an Accountability Plan for Prologue which shall include benchmarks appropriate to alternative high school programs. Prologue will satisfy the requirements identified in the Accountability Plan and shall provide regular reports on benchmark

progress as requested by the Office of New Schools. At a minimum, benchmarks shall be established in the following areas:

- Attendance rates
- Graduation rates
- Standardized test scores
- Academic gains on a per student basis
- Success of placement in postsecondary programs

COMPENSATION: Prologue will be paid a per-pupil rate in accordance with Renaissance School Program guidelines, and all additional Renaissance 2010 funding streams will apply.

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

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

AFFIRMATIVE ACTION: Not applicable.

FINANCIAL: Using current year financial data, the General Fund cost of 225 students in 2007-08 will be approximately \$1,855,625. The financial implications will be addressed during the development of the 2007-2008 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY07 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 June 26, 2006 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

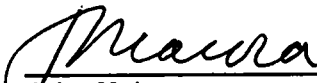
Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time shall be incorporated into and made a part of the agreement.

Approved:




Barbara J. Eason-Watkins
Chief Education Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

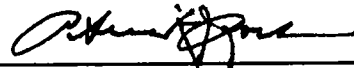
Respectfully submitted:



Arne Duncan
Chief Executive Officer

Approved as to Legal Form

WJR



Patrick J. Rocks
General Counsel