

AMEND BOARD REPORT 07-0228-EX4
AMEND BOARD REPORT 05-1116-EX17

**APPROVE THE ESTABLISHMENT OF THE CATALYST ELEMENTARY SCHOOL – CIRCLE ROCK
AND APPROVE ENTERING INTO A SCHOOL MANAGEMENT & PERFORMANCE AGREEMENT
WITH CATALYST SCHOOLS, AN ILLINOIS NOT FOR PROFIT CORPORATION**

THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:

That the Board approve the establishment of the Catalyst Elementary School – Circle Rock located at ~~5600~~ 5608 West Washington, Chicago, IL 60644, and approve entering into a School Management & Performance Agreement with Catalyst Schools, an Illinois not for profit corporation, for the operation of the Catalyst Elementary School – Circle Rock. The School Management & Performance Agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written School Management & Performance Agreement is not executed by the Board and Catalyst Schools within 120 days of the date of this amended Board Report. Information pertinent to this agreement is stated below.

This February 2007 amendment is necessary to a) change the initial grade levels served, b) increase the enrollment cap c) change the address of the school, d) and change the term of the agreement. Catalyst Elementary School – Circle Rock will open in the fall 2007 with approximately 250 students in grades K-8. In subsequent years, the school will serve up to 500 students.

This August 2007 amendment is necessary to a) change the name of the school from Catalyst Elementary School to Catalyst Elementary School – Circle Rock and b) change the address of the school from 5600 West Washington to 5608 W. Washington. The School Management & Performance Agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written School Management & Performance Agreement is not executed by the Board and Catalyst Schools within 120 days of the date of this amended Board Report. Information pertinent to this agreement is stated below.

SCHOOL

OPERATOR: Catalyst Schools, an Illinois not for profit corporation
53 W. Jackson Blvd., Ste 541
Chicago, IL 60604
Contact Person: Michael Fehrenbach

OVERSIGHT: Office of New Schools
125 S. Clark, 5th Floor
Chicago, IL 60603
Phone (773) 553-1530
Contact Person: ~~Beatriz Rendon, Executive Director~~ Josh Edelman, Executive Officer

DESCRIPTION:

School Designation: Pursuant to the Board's Policy to establish Renaissance Schools, #05-1026-PO2, as amended ("Renaissance Policy"), the Catalyst Elementary School – Circle Rock will open in the fall of 2007 and is designated a Contract School as described in the Renaissance Policy. The Board hereby designates Catalyst Elementary School – Circle Rock as an alternative school pursuant to 105 ILCS 5/34-2.4b.

Public Hearing: A Public Hearing on the opening of Catalyst Elementary School – Circle Rock as a Renaissance Contract School was held on November 10, 2005 in accordance with the Board's Renaissance Policy. The hearing was recorded. A summary report of the hearing is available for review.

Request for Proposals: In May 2005, the Department of New Schools Development issued a request for proposals to solicit responses from parties interested in starting schools under the Renaissance 2010 initiative. Proposals to operate either a charter, contract or performance school were submitted to the Board on August 19, 2005. Proposals were evaluated pursuant to the standards set forth in the Renaissance Schools Board Policy. Proposals were reviewed by the New Schools Development Department and a Comprehensive Evaluation Team and recommendations were submitted to the Chief Executive Officer based upon those reviews and evaluations.

Enrollment: Catalyst Elementary School – Circle Rock will be a neighborhood school that will enroll students through a blind lottery. Catalyst ~~Contract~~ Elementary School – Circle Rock will enroll approximately 250 students in grades K - 8 for the 2007-08 school year. In the following years, the school will serve grades K-8 and may grow to serve up to 500 students.

Attendance Boundaries: The Department of Demographics and School Planning and the Office of New Schools will work with the Catalyst Elementary School – Circle Rock and the Austin community to develop overlay school attendance boundaries that will provide priority for enrollment for students living within such boundaries. The establishment of an attendance boundary is subject to Board approval.

Curriculum: Catalyst Elementary School – Circle Rock will provide quality elementary educational choice to urban students who have not been adequately served by existing educational institutions through the use of a curriculum and instruction that focuses on reading and math. The special features will be a back to basics approach that focuses heavily on reading and mathematics, while other basic courses will also be taught.

Governance: A school governing body will be established in a timely manner pursuant to 105 ILCS 5/34-2.4b.

School Management Description: At a minimum, the School Management & Performance Agreement will address student academic outcomes and financial and management practices of the school and shall reflect resolution of any and all outstanding issues between the Board and the school operator including, but not limited to: site location, enrollment, funding, educational program, financial controls and practices, Board Rules and Policies, academic accountability and evaluations. In accordance with the Board's Renaissance Policy, each Contract School shall comply with applicable Board Policies unless the Board approves an exemption or an alternative policy.

TERM: The term of the School Management & Performance Agreement shall commence July 1, 2007 and end June 30, 2012. Catalyst Schools' School Management & Performance Agreement and Catalyst Elementary School's – Circle Rock's designation as a Renaissance Contract School will expire on June 30, 2012 unless renewed or terminated earlier by the Board.

COMPENSATION: Catalyst Schools will be paid on a per-pupil basis for the operation of the Catalyst Elementary School – Circle Rock.

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

FINANCIAL: Using current year financial data, the General Fund cost of 250 students in 2007-08 will be approximately \$1,546,250. 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.

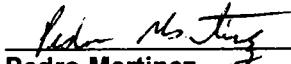
PERSONNEL IMPLICATIONS: Catalyst Schools will employ all teachers and staff necessary to operate Catalyst Elementary School.

Approved for Consideration:



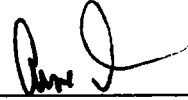
Barbara Eason-Watkins
Chief Education Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved:



Arne Duncan
Chief Executive Officer

Approved as to Legal Form



Patrick Rocks
General Counsel