

**RATIFY ENTERING INTO A MEMORANDUM OF UNDERSTANDING
WITH L.E.A.R.N. CHARTER SCHOOL TO PARTICIPATE IN THE REAL PROGRAM**

THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING DECISION:

Ratify entering into a memorandum of understanding (MOU) with L.E.A.R.N. Charter School to participate in the Recognizing Excellence in Academic Leadership (REAL) Program at a cost not to exceed \$415,000.00 over a two year period (\$180,000.00 for year one and \$235,000.00 for year two). In November 2006, the U.S. Department of Education awarded a five-year, \$27.5 Million grant to CPS under the Teacher Incentive Fund grant based on the REAL Program grant proposal developed in collaboration with National Institute for Excellence in Teaching (NIET). The foundation for REAL Program is the NIET's Teacher Advancement Program (TAP), a whole school reform model, which is designed to increase student achievement by improving teacher quality and maximizing principal effectiveness. In May 2007, L.E.A.R.N. Charter School was selected by the REAL Planning/Advisory Committee, now known as the REAL Joint Council as one of 10 initial cohort schools to implement TAP. The cohort of 10 schools participating in 2007-2008 includes one (1) charter school, one (1) CPS high school and eight (8) CPS elementary schools. The authority granted herein shall automatically rescind in the event the Memorandum of Understanding is not executed within 90 days of this Board Report. Information pertinent to this Memorandum of Understanding is stated below.

CHARTER SCHOOL: L.E.A.R.N. Charter School
1132 South Homan Avenue
Chicago, IL 60624
Contact: Courtney Francis
Phone: (773) 722-0200
Fax: (773) 826-0015

OVERSIGHT: Department of Human Resources
125 S. Clark Street, 2nd Floor
Chicago, IL 60603
Contact: Sylvia Flowers
Phone: (773) 553-2647

BACKGROUND: In April 2007, L.E.A.R.N. Charter School submitted an application to the REAL Program for consideration. In May 2007, the REAL Planning/Advisory Committee selected L.E.A.R.N. Charter School to participate as one of 10 schools to implement the program in 2007-2008.

TERM: The term of the memorandum shall commence on July 1, 2007 and shall end June 30, 2009. By written agreement and subject to prior approval by the Board, the parties shall have the right to renew this memorandum for two (2) additional one-year periods. The cost of each renewal period shall be negotiated prior to the start of such renewal period and shall be determined by the amount awarded in the grant.

OVERVIEW OF MEMORANDUM OF UNDERSTANDING: This agreement governs the implementation of the Teacher Incentive Fund grant, known as REAL, a pilot program for performance-based compensation. L.E.A.R.N. Charter School is one of 10 schools implementing the program in 2007-2008. This MOU outlines the responsibilities of the REAL Program Office as well as the responsibilities of the charter school with respect to participation and implementation of the program. This includes the oversight role of the Joint Council (composed of 6 CPS employees and 6 CTU officials), the recruitment and selection of staff

associated with the REAL Program, the collection of data to be utilized in determining performance awards, the collection of data to be used in program evaluation, and the calculation of performance awards. L.E.A.R.N. Charter School will select Lead & Mentor Teachers to provide model teaching, peer coaching, mentoring, team teaching and classroom observations for the rest of the teachers at the Charter School. Teachers at L.E.A.R.N. Charter School will be evaluated based on student achievement data and will receive performance awards using the methodology set forth in the TAP manual. The principal and support staff at L.E.A.R.N. Charter School will also receive performance-based incentives as a part of the TAP model.

COMPENSATION: Compensation to the charter school provided by the Board with a cost not to exceed \$180,000.00 for year one and with a cost not to exceed \$235,000.00 for year two. Total compensation paid to the charter school for the term shall not exceed the sum of \$415,000.00.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written Memorandum of Understanding. Authorize the President and Secretary to execute the Memorandum of Understanding. Authorize the Chief Human Resources Officer to execute all ancillary documents required to administer or effectuate the written Memorandum of Understanding.

AFFIRMATIVE ACTION: Pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts (M/WBE Plan), this contract is exempt from M/WBE review.

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

FINANCE: Charge to the Department of Human Resources: \$415,000.00 FY: 08-09
Budget Classification: 11010-324-57940-221245-542126

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-P03), 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.

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 subsequent fiscal year budget(s).

Approved:



Barbara Eason-Watkins
Chief Education Officer *HAO*

Respectfully submitted:



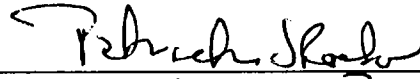
Arne Duncan
Chief Executive Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to Legal Form: *PR*



Patrick J. Rocks
General Counsel