



**Official Report of the Proceedings  
of the  
BOARD OF EDUCATION  
of the City of Chicago**

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**Regular Meeting-Wednesday, August 28, 2017  
10:30 A.M.  
(42 West Madison Street)**

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**Published by the Authority of the Chicago Board of Education**

**Frank M. Clark  
President**

**Estela G. Beltran  
Secretary**



ATTEST:



Secretary of the Board of Education  
of the City of Chicago

President Clark took the Chair and the meeting being called to order there were then:

**PRESENT: Mr. Furlong, Mr. Rivera, Mr. Guzman, Dr. Hines, Ms. Ward, and  
President Clark – 6\***

**\*NOTE: One vacancy exists on the Board.**

**ABSENT: None**

**ALSO PRESENT: Mr. Forrest Claypool, Chief Executive Officer, Mr. Ronald Marmer,  
General Counsel, and Dr. Janice Jackson, Chief Education Officer.**

**\*NOTE: The Honorary Student Board Member position is currently vacant.**

**ABSENT: None**

President Clark thereupon opened the floor to the CEO report segment of the Board meeting. Mrs. Jennie Bennett, Chief Financial Officer, provided a presentation on the CPS 2018 Budget [17-0828-RS1]. Mr. Forrest Claypool, Chief Executive Officer, provided remarks and thanked all stakeholders in their campaign efforts for more equitable school funding statewide and funding reform; and on the continued measures to address CPS's financial constraints by implementing more management efficiencies and stronger financial controls. Dr. Janice Jackson, Chief Education Officer, provided remarks on the first day of school and back-to-school bashes held across the networks; the growth of NWEA scores; the Freshman on Track rates are meeting expectations; and the roll out of the Burge Curriculum, which was developed by the Chicago Police Department and the Chicago Teachers' Union. President Clark

President Clark thereupon opened the floor to the Public Participation segment of the Board Meeting.

President Clark thereupon opened the floor to the Discussion of Public Participation.

President Clark thereupon opened the floor to the Discussion of Public Agenda Items.

President Clark proceeded to entertain a Motion to go into Closed Session.

Board Member Dr. Hines presented the following Motion:

**17-0828-MO1**

**MOTION TO HOLD A CLOSED SESSION**

**MOTION ADOPTED** that the Board hold a closed session to consider the following subjects:

- (1) information, regarding appointment, employment, compensation discipline, performance, or dismissal of employees pursuant to Section 2(c)(1) of the Open Meetings Act;
- (2) collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees pursuant to Section 2(c)(2) of the Open Meetings Act;

- (3) the purchase or lease of real property for the use of the Board pursuant to Section 2(c)(5) of the Open Meetings Act;
- (4) the setting of a price for the sale or lease of real property owned by the Board pursuant to Section 2(c)(6) of the Open Meetings Act;
- (5) security procedures and the use of personnel and equipment to respond to an actual, a threatened, or a reasonably potential danger to the safety of employees, students, staff, the public, or public property pursuant to Section 2(c)(8) of the Open Meetings Act;
- (6) matters relating to individual students pursuant to Section 2(c)(10) of the Open Meetings Act;
- (7) pending litigation and litigation which is probable or imminent involving the Board pursuant to Section 2(c)(11) of the Open Meetings Act; and
- (8) discussion of closed session minutes pursuant to Section 2(c)(21) of the Open Meetings Act, including audio tapes created pursuant to Section 2.06 of the Open Meetings Act.

**Board Member Rivera moved to adopt Motion 17-0828-MO1.**

**The Secretary called the roll and the vote was as follows:**

**Yeas: Mr. Furlong, Mr. Rivera, Mr. Guzman, Dr. Hines, Ms. Ward, and President Clark – 6**

**Nays: None**

**President Clark thereupon declared Motion 17-0828-MO1 adopted.**

**CLOSED SESSION  
RECORD OF CLOSED SESSION**

**The following is a record of the Board's Closed Session:**

- (1) **The Closed Meeting was held on August 28, 2017, beginning at 1:06 p.m. at the CPS Loop Office, 42 W. Madison Street, Garden Level, Conference Room GC-116, and Chicago Illinois 60602.**
- (2) **PRESENT: Mr. Furlong, Mr. Rivera, Mr. Guzman, Dr. Hines, Ms. Ward, and President Clark – 6**
- (3) **ABSENT: None**
  - A. **Counsel Retention**
  - B. **Other Reports**
  - C. **Warning Resolutions**
  - D. **Terminations**
  - E. **Personnel**
  - F. **Collective Bargaining**
  - G. **Real Estate**
  - H. **Security**
  - I. **Closed Session Minutes**
  - J. **Individual Student Matters**

**No votes were taken in Closed Session.**

**After Closed Session the Board reconvened.**

**Members present after Closed Session: Mr. Furlong, Mr. Rivera, Mr. Guzman, Dr. Hines, Ms. Ward, and President Clark – 6**

**Members absent after Closed Session: None**

**President Clark thereupon proceeded with Agenda Items.**

**17-0828-AR5**

**AUTHORIZE CONTINUED RETENTION OF THE LAW FIRM  
BORKAN & SCAHILL LTD.**

**THE GENERAL COUNSEL REPORTS THE FOLLOWING DECISION:**

Continue retention of the law firm Borkan & Scahill Ltd.

**DESCRIPTION:** The General Counsel has continued retention of the law firm Borkan & Scahill Ltd. for representation in Calloway v. Brown, et al., Case No. 16 CV 6629, Doe v. Gaddy, et al., Case No. 14 L 010388 and such other legal matters as determined by the General Counsel. Additional authorization is requested in the amount of \$250,000 for the firm’s services. As invoices are received, they will be reviewed by the General Counsel and, if satisfactory, processed for payment.

**LSC REVIEW:** LSC approval is not applicable to this report.

**AFFIRMATIVE ACTION STATUS:** None.

**FINANCIAL:** Charge \$250,000.00 to Law Department - Professional Services:  
Budget Classification Fiscal Year 2018.....10210-115

**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 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 agreement.

Ethics – The Board’s Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

**17-0828-AR6**

**AUTHORIZE CONTINUED RETENTION OF THE LAW FIRM  
RILEY SAFER HOLMES & CANCELIA LLP**

**THE GENERAL COUNSEL REPORTS THE FOLLOWING DECISION:**

Continue retention of the law firm Riley Safer Holmes & Cancila LLP.

**DESCRIPTION:** The General Counsel has continued retention of the law firm Riley Safer Holmes & Cancila LLP to represent the Board, Board officials and employees in relation to an investigation into employee misconduct and such other legal matters as determined by the General Counsel. Additional authorization is requested in the amount of \$50,000 for the firm’s services. As invoices are received, they will be reviewed by the General Counsel and, if satisfactory, processed for payment.

**LSC REVIEW:** LSC approval is not applicable to this report.

**AFFIRMATIVE ACTION STATUS:** None

**FINANCIAL:** Charge \$50,000.00 to Law Department - Professional Services:  
Budget Classification Fiscal Year 2018.....10210-115

**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 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, is hereby incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, is hereby 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).

**The Secretary called the roll and the vote was as follows:**

**Yeas: Mr. Furlong, Mr. Rivera, Mr. Guzman, Dr. Hines, Ms. Ward, and President Clark – 6**

**Nays: None**

**President Clark thereupon declared Board Reports 17-0828-AR5 and 17-0828-AR6 adopted.**

**17-0828-AR7**

**WORKERS' COMPENSATION - PAYMENT FOR LUMP SUM SETTLEMENT FOR ERIC KILLINGSWORTH – CASE NO. 14 WC 31436**

**THE GENERAL COUNSEL REPORTS THE FOLLOWING DECISION:**

Authorize settlement of the Workers' Compensation claim for Eric Killingsworth, Case No. 14 WC 31436 subject to the approval of the Illinois Workers' Compensation Commission, in the amount of **\$130,000.00**.

**DESCRIPTION:** In accordance with the provisions of the Workers' Compensation Act, the General Counsel has determined that this settlement is in the Board's best interests.

**LSC REVIEW:** Local school council approval is not applicable to this report.

**AFFIRMATIVE ACTION STATUS:** Not applicable.

**FINANCIAL:** Charge to Workers' Compensation Fund - General Fixed Charges  
Account #12470-210-57605-119004-000000 FY 2018.....\$130,000.00

**PERSONNEL IMPLICATIONS:** None

**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 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 agreement.

Ethics – The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

17-0828-AR8

**WORKERS' COMPENSATION - PAYMENT FOR LUMP SUM SETTLEMENT FOR  
WANDA BETANCOURT – CASE NO. 15 WC 7974**

**THE GENERAL COUNSEL REPORTS THE FOLLOWING DECISION:**

Authorize settlement of the Workers' Compensation claim for Wanda Betancourt, Case No. 15 WC 7974 subject to the approval of the Illinois Workers' Compensation Commission, in the amount of **\$73,500.00**.

**DESCRIPTION:** In accordance with the provisions of the Workers' Compensation Act, the General Counsel has determined that this settlement is in the Board's best interests.

**LSC REVIEW:** Local school council approval is not applicable to this report.

**AFFIRMATIVE ACTION STATUS:** Not applicable.

**FINANCIAL:** Charge to Workers' Compensation Fund - General Fixed Charges  
Account #12470-210-57605-119004-000000 FY 2018.....\$73,500.00

**PERSONNEL IMPLICATIONS:** None

**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 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 agreement.

Ethics – The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

17-0828-AR9

**APPROVE SETTLEMENT OF MERCEDES PARKS AND GAIL JACKSON GRIEVANCES**

**THE GENERAL COUNSEL REPORTS THE FOLLOWING PROPOSED PAYMENT:**

**DESCRIPTION:** Former tenured teachers Mercedes Parks and Gail Jackson filed grievances (8346/16-01-040 and 8507/16-03-013, respectively) challenging the Board's refusal to payout their grandfathered sick days. The parties have tentatively agreed to fully resolve this matter with non-pensionable payments of \$65,503.56 to Parks and \$64,195.38 to Jackson.

**LSC REVIEW:** LSC approval is not applicable to this report.

**AFFIRMATIVE ACTION STATUS:** Affirmative Action review is not applicable to this report.

**FINANCIAL:** Charge non-pensionable payment not to exceed \$129,698.94 as described above  
to .....12470-115-51130-119004-000000

**AUTHORIZATION:** Authorize the General Counsel to execute the Approved Payment and all ancillary documents related thereto.

**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 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 agreement.

Ethics – The Board’s Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

**President Clark indicated that if there are no objections, Board Reports 17-0828-AR7 through 17-0828-AR9 would be adopted by the last favorable roll call vote, all members voting therefore.**

**President Clark thereupon declared Board Reports 17-0828-AR7 through 17-0828-AR9 adopted.**

**17-0828-AR10**

**APPOINT ASSISTANT GENERAL COUNSEL  
DEPARTMENT OF LAW  
(Lauren Buford)**

**THE GENERAL COUNSEL REPORTS THE FOLLOWING RECOMMENDATION:**

Appoint the following named individual to the position listed below effective September 11, 2017.

**DESCRIPTION:**

<b>NAME:</b>	<b>FROM:</b>	<b>TO:</b>
Lauren Buford	New Hire	Functional Title: Professional IV External Title: Assistant General Counsel Pay Band: A06 Department of Law Position No. 260416 Flat rate Annual Salary: \$83,000.00

**LSC REVIEW:** LSC approval is not applicable to this report.

**AFFIRMATIVE ACTION STATUS:** Not applicable.

**FINANCIAL:** The expenditure involved in this report is not in excess of the regular budget appropriation.

**PERSONNEL IMPLICATIONS:** The position to be affected by approval of this action is contained in the FY18 School budget.

**President Clark indicated that if there are no objections, Board Report 17-0828-AR10 would be adopted by the last favorable roll call vote, all members voting therefore.**

**President Clark thereupon declared Board Report 17-0828-AR10 adopted.**

**17-0828-EX16**

**TRANSFER AND APPOINT CHIEF ADMINISTRATIVE OFFICER EFFECTIVE AUGUST 1, 2017 AND RATIFY ALL LAWFUL ACTIONS TAKEN AS CHIEF ADMINISTRATIVE OFFICER SINCE AUGUST 1, 2017  
(JORGE MACIAS)**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THAT THE BOARD:**

- (1) Transfer and appoint Jorge Macias to the position of Chief Administrative Officer, effective August 1, 2017 at the salary set forth below.
- (2) Ratify, adopt, and assume all lawful acts taken by Jorge Macias as Chief Administrative Officer between 12:00 a.m. August 1, 2017 and the Board’s approval of this Board Report.



**DESCRIPTION:**

<u>NAME</u>	<u>FROM</u>	<u>TO</u>
Jorge Macias	External Title: Chief of Language & Cultural Education Functional Title: Chief Position No: 501800 Basic Salary: \$155,500.00 Pay Band: A09	External Title: Chief Administrative Officer Functional Title: Chief Position No: 551431 Basic Salary: \$195,000.00 Pay Band: A10 Budget Classification: 14010.115.51100.232102.000000

**FINANCIAL:** The expenditure involved in this appointment is not in excess of the regular budget appropriation. The position approved by this action shall be included in the FY18 department budget.

**17-0828-EX17**

**TRANSFER AND APPOINT CHIEF OF FAMILY & COMMUNITY ENGAGEMENT IN EDUCATION EFFECTIVE JUNE 26, 2017 AND RATIFY ALL LAWFUL ACTIONS TAKEN AS CHIEF OF FAMILY & COMMUNITY ENGAGEMENT IN EDUCATION SINCE JUNE 26, 2017 (HERALD JOHNSON)**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THAT THE BOARD:**

- (1) Transfer and appoint Herald Johnson to the position of Chief of Family & Community Engagement in Education, effective June 26, 2017 at the salary set forth below.
- (2) Ratify, adopt, and assume all lawful acts taken by Herald Johnson as Chief of Family & Community Engagement in Education between 12:00 a.m. June 26, 2017 and the Board's approval of this Board Report.

**DESCRIPTION:**

<u>NAME</u>	<u>FROM</u>	<u>TO</u>
Herald Johnson	External Title: Chief of Schools Functional Title: Chief Position No: 496640 Basic Salary: \$160,000.00 Pay Band: A09	External Title: Chief of Family & Community Engagement in Education Functional Title: Chief Position No: 529908 Basic Salary: \$163,500.00 Pay Band: A09 Budget Classification: 14060.115.51100.230010.000000

**FINANCIAL:** The expenditure involved in this appointment is not in excess of the regular budget appropriation. The position approved by this action shall be included in the FY17 department budget.

**17-0828-EX18**

**TRANSFER AND APPOINT CHIEF OF LANGUAGE AND CULTURAL EDUCATION EFFECTIVE JULY 23, 2017 AND RATIFY ALL LAWFUL ACTIONS TAKEN AS CHIEF OF LANGUAGE AND CULTURAL EDUCATION SINCE JULY 23, 2017 (ERNESTO MATIAS)**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THAT THE BOARD:**

- (1) Transfer and appoint Ernesto Matias to the position of Chief of Language & Cultural Education, effective July 23, 2017 at the salary set forth below.
- (2) Ratify, adopt, and assume all lawful acts taken by Ernesto Matias as Chief of Language & Cultural Education between 12:00 a.m. July 23, 2017 and the Board's approval of this Board Report.

**DESCRIPTION:**

<u>NAME</u>	<u>FROM</u>	<u>TO</u>
Ernesto Matias	External Title: Chief of Schools Functional Title: Chief Position No: 496638 Basic Salary: \$160,000.00 Pay Band: A09	External Title: Chief of Language and Cultural Education Functional Title: Chief Position No: 501800 Basic Salary: \$165,000.00 Pay Band: A09 Budget Classification: 11510.115.51100.230010.000000

**FINANCIAL:** The expenditure involved in this appointment is not in excess of the regular budget appropriation. The position approved by this action shall be included in the FY18 department budget.

**17-0828-EX19**

**TRANSFER AND APPOINT CHIEF OF NUTRITION & FACILITIES OPERATIONS EFFECTIVE AUGUST 1, 2017 AND RATIFY ALL LAWFUL ACTIONS TAKEN AS CHIEF OF NUTRITION & FACILITIES OPERATIONS SINCE AUGUST 1, 2017 (LESLIE FOWLER)**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THAT THE BOARD:**

- (1) Transfer and appoint Leslie Fowler to the position of Chief of Nutrition & Facilities Operations, effective August 1, 2017 at the salary set forth below.
- (2) Ratify, adopt, and assume all lawful acts taken by Leslie Fowler as Chief of Nutrition & Facilities Operations between 12:00 a.m. August 1, 2017 and the Board's approval of this Board Report.

**DESCRIPTION:**

<u>NAME</u>	<u>FROM</u>	<u>TO</u>
Leslie Fowler	External Title: Executive Director - Nutrition Support Services Functional Title: Executive Director Position No: 258813 Basic Salary: \$150,000.00 Pay Band: A08	External Title: Chief of Nutrition & Facilities Operations Functional Title: Chief Position No: 551524 Basic Salary: \$170,000.00 Pay Band: A10 Budget Classification: 12010.230.52100.251001.000000 (50%) 12010.312.52100.256009.000000 (50%)

**FINANCIAL:** The expenditure involved in this appointment is not in excess of the regular budget appropriation. The position approved by this action shall be included in the FY18 department budget.

**17-0828-EX20**

**TRANSFER AND APPOINT CHIEF OF SCHOOLS EFFECTIVE JULY 23, 2017 AND RATIFY ALL LAWFUL ACTIONS TAKEN AS CHIEF OF SCHOOLS SINCE JULY 23, 2017 (SHONTAE HIGGINBOTTOM)**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THAT THE BOARD:**

- (1) Transfer and appoint Shontae Higginbottom to the position of Chief of Schools, Network 5 effective July 23, 2017 at the salary set forth below.
- (2) Ratify, adopt, and assume all lawful acts taken by Shontae Higginbottom as Chief of Schools, Network 5 between 12:00 a.m. July 23, 2017 and the Board's approval of this Board Report.

**DESCRIPTION:**

<u>NAME</u>	<u>FROM</u>	<u>TO</u>
Shontae Higginbottom	External Title: Principal Bouchet Academy Functional Title: Interim Principal Position No: 114182 Basic Salary: \$146,927.97 Salary Admin Plan: 10D Grade A70 Step 2	External Title: Chief of Schools Functional Title: Chief Position No: 496639 Basic Salary: \$151,131.43 Pay Band: A09 Budget Classification: 02451.115.51100.221080.000000

**FINANCIAL:** The expenditure involved in this appointment is not in excess of the regular budget appropriation. The position approved by this action shall be included in the FY18 department budget.

**17-0828-EX21**

**TRANSFER AND APPOINT CHIEF OF SCHOOLS EFFECTIVE JULY 23, 2017 AND RATIFY ALL LAWFUL ACTIONS TAKEN AS CHIEF OF SCHOOLS SINCE JULY 23, 2017  
(WILLIAM KLEE)**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THAT THE BOARD:**

- (1) Transfer and appoint William Klee to the position of Chief of Schools, Network 4 effective July 23, 2017 at the salary set forth below.
- (2) Ratify, adopt, and assume all lawful acts taken by William Klee as Chief of Schools, Network 4 between 12:00 a.m. July 23, 2017 and the Board's approval of this Board Report.

**DESCRIPTION:**

<u>NAME</u>	<u>FROM</u>	<u>TO</u>
William Klee	External Title: Principal John Burr School Functional Title: Principal Position No: 121632 Basic Salary: \$126,105.17 Salary Admin Plan: 10D Grade A55 Step 1	External Title: Chief of Schools Functional Title: Chief Position No: 496638 Basic Salary: \$151,131.43 Pay Band: A09 Budget Classification: 02441.115.51100.221080.000000

**FINANCIAL:** The expenditure involved in this appointment is not in excess of the regular budget appropriation. The position approved by this action shall be included in the FY18 department budget.

**17-0828-EX22**

**TRANSFER AND APPOINT CHIEF OF SCHOOLS EFFECTIVE JULY 23, 2017 AND RATIFY ALL LAWFUL ACTIONS TAKEN AS CHIEF OF SCHOOLS SINCE JULY 23, 2017  
(LELA MAJSTOROVIC)**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THAT THE BOARD:**

- (1) Transfer and appoint Lela Majstorovic to the position of Chief of Schools, Network 1 effective July 23, 2017 at the salary set forth below.
- (2) Ratify, adopt, and assume all lawful acts taken by Lela Majstorovic as Chief of Schools, Network 1 between 12:00 a.m. July 23, 2017 and the Board's approval of this Board Report.

**DESCRIPTION:**

<u>NAME</u>	<u>FROM</u>	<u>TO</u>
Lela Majstorovic	External Title: Deputy Chief of Schools Functional Title: Deputy Chief Position No: 528814 Basic Salary: \$129,920.00 Pay Band: A08	External Title: Chief of Schools Functional Title: Chief Position No: 496635 Basic Salary: \$151,131.43 Pay Band: A09 Budget Classification: 02411.115.51100.221080.000000

**FINANCIAL:** The expenditure involved in this appointment is not in excess of the regular budget appropriation. The position approved by this action shall be included in the FY18 department budget.

**17-0828-EX23**

**TRANSFER AND APPOINT CHIEF OF SCHOOLS EFFECTIVE JULY 23, 2017 AND RATIFY ALL LAWFUL ACTIONS TAKEN AS CHIEF OF SCHOOLS SINCE JULY 23, 2017 (BRIAN METCALF)**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THAT THE BOARD:**

- (1) Transfer and appoint Brian Metcalf to the position of Chief of Schools, Network 6 effective July 23, 2017 at the salary set forth below.
- (2) Ratify, adopt, and assume all lawful acts taken by Brian Metcalf as Chief of Schools, Network 6 between 12:00 a.m. July 23, 2017 and the Board's approval of this Board Report.

**DESCRIPTION:**

<u>NAME</u>	<u>FROM</u>	<u>TO</u>
Brian Metcalf	External Title: Interim Principal Gage Park High School Functional Title: Interim Principal Position No: 122249 Basic Salary: \$139,891.76 Salary Admin Plan: 10D Grade A70 Step 1	External Title: Chief of Schools Functional Title: Chief Position No: 496640 Basic Salary: \$151,131.43 Pay Band: A09 Budget Classification: 02461.115.51100.221080.000000

**FINANCIAL:** The expenditure involved in this appointment is not in excess of the regular budget appropriation. The position approved by this action shall be included in the FY18 department budget.

**17-0828-EX24**

**TRANSFER AND APPOINT CHIEF OF SCHOOLS EFFECTIVE JULY 23, 2017 AND RATIFY ALL LAWFUL ACTIONS TAKEN AS CHIEF OF SCHOOLS SINCE JULY 23, 2017 (CHERYL WATKINS)**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THAT THE BOARD:**

- (1) Transfer and appoint Cheryl Watkins to the position of Chief of Schools, Network 13 effective July 23, 2017 at the salary set forth below.
- (2) Ratify, adopt, and assume all lawful acts taken by Cheryl Watkins as Chief of Schools, Network 13 between 12:00 a.m. July 23, 2017 and the Board's approval of this Board Report.

**DESCRIPTION:**

<u>NAME</u>	<u>FROM</u>	<u>TO</u>
Cheryl Watkins	External Title: Deputy Chief of Schools Functional Title: Deputy Chief Position No: 496678 Basic Salary: \$138,040.00 Pay Band: A08	External Title: Chief of Schools Functional Title: Chief Position No: 496667 Basic Salary: \$151,131.43 Pay Band: A09 Budget Classification: 02531.115.51100.221080.000000

**FINANCIAL:** The expenditure involved in this appointment is not in excess of the regular budget appropriation. The position approved by this action shall be included in the FY18 department budget.

17-0828-EX25

**REMOVE AND REPLACE THE PRINCIPAL OF  
IRA F. ALDRIDGE ELEMENTARY SCHOOL  
AND TERMINATE THE PRINCIPAL'S CONTRACT**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS:**

That the principal of Ira F. Aldridge Elementary School ("Aldridge"), Shaheena Khan, be removed and replaced pursuant to Section 34-8.3(d) of the Illinois School Code and that her contract be terminated pursuant to Section V of the Board's Uniform Principal's Performance Contract.

**DESCRIPTION:**

**I. Legal Framework**

The Illinois School Code grants the Chief Executive Officer of the Chicago Public Schools ("CEO") the authority to place schools on probation to correct deficiencies in their academic performance (105 ILCS 5/34-8.3). The Illinois School Code further grants the Board of Education of the City of Chicago ("Board") the authority to establish guidelines to determine the factors for placing an attendance center on probation. 105 ILCS 5/34-8.3(b).

Pursuant to that authority, the Board has adopted policies under which Aldridge was placed on probation for ten (10) consecutive years. The Board adopted the School Quality Rating Policy (Begins with the 2014-2015 School Year) (Board Report 14-1119-PO1) and Aldridge remained on probation for the 2016-2017 school year in accordance with the terms of that policy.

The Illinois School Code provides that when a school on probation fails to make adequate progress to correct deficiencies within one year, the CEO, with the approval of the Board and after an opportunity for a hearing, may remove and replace the school's principal. 105 ILCS 5/34-8.3(d)(2). Pursuant to Section V of the Board's Uniform Principal's Performance Contract, a principal's contract may be terminated before the expiration of its four-year term based upon the principal's removal pursuant to Section 34-8.3(d).

**II. Hearing on Principal Removal**

Pursuant to the CEO's "Guidelines for the Removal and Replacement of Principals of Schools on Probation" and the "Procedures Governing Principal Removal Hearings," Shaheena Khan, and the Aldridge Local School Council (LSC) members were duly notified that the CEO was contemplating the removal of Ms. Khan as principal pursuant to Section 34-8.3(d) to further the school's educational improvement. Margaret Fitzpatrick, Esq., an independent hearing officer, presided over the Aldridge principal removal hearing on May 24, and June 9, 2017, in an efficient and impartial manner.

The Law Department, representing the CEO, presented the statement and testimony of the former Director of School Quality Measurement for the Chicago Public Schools, Ryan Crosby, as well as documentation to support a recommendation to remove Ms. Khan as Aldridge's principal to the hearing officer. Ms. Khan testified on her own behalf and presented 72 exhibits for the hearing officer's consideration. Both witnesses were subject to cross-examination. Both parties were given a full opportunity to call additional witnesses on their behalf and present additional evidence.

The hearing officer submitted a written report on July 17, 2017, summarizing all relevant evidence offered during the hearing, making findings of fact, and advised the CEO that sufficient evidence exists to support the removal of Ms. Khan as the principal of Aldridge. The hearing officer allowed the parties to file exceptions to her recommendation. On July 31, 2017, Ms. Khan submitted exceptions to the hearing officer's recommendation. I have reviewed those exceptions and taken them into consideration when making my own recommendation to the Board.

**III. Chief Executive Officer's Recommendation**

The CEO has reviewed the Hearing Officer's report and the exceptions filed by Ms. Khan and hereby recommends that Shaheena Khan be removed and replaced as the principal of Aldridge effective on August 28, 2017. The CEO further recommends that Shaheena Khan's Uniform Principal's Performance Contract, with a term beginning July 1, 2017, and ending on June 30, 2021, be terminated on August 28, 2017.<sup>1</sup> These recommendations are based upon the following factors:

- A. The Board has adopted policies setting forth the criteria for determining when a school is subject to being placed on probation and when it can be removed from that status. The current Board policy is called the School Quality Rating Policy (or "SQR"), which has been used to determine each school's accountability status since the 2014-2015 school year, based on 2013-2014 performance data.

<sup>1</sup> Ms. Khan's 8.3 principal removal hearing began while her old Uniform Principal Performance Contract was in effect, term beginning July 1, 2013, and ending on June 30, 2017. Since that contract has expired, it is no longer relevant for these proceedings.

- B. Under the SQRP, each Chicago public school receives an annual rating based on its performance on a variety of measures, including standardized test scores, the culture and climate of the school, student attendance, and data quality. There are up to nineteen (19) performance measures evaluated for elementary schools. A school can earn between 1 and 5 points for each measure. The points earned for each measure are then weighted, with student growth measures taking on the most weight in the policy, and then averaged. The resulting overall score will fall between 1 and 5 points. Each school's rating is assigned based on the weighted points earned, as well as its rating history.
- C. Chicago public schools earning a weighted average of less than 2 points receive a Level 3 rating, schools receiving between 2 and 2.9 weighted points receive a Level 2 rating, and schools earning 3 or more weighted points receive a Level 2+, Level 1, or Level 1+ rating. Schools earning a Level 3 rating are placed on probation, which is also called "Intensive Support" status. In general, schools receiving a Level 2 rating are placed in remediation, which is called "Provisional Support", and schools receiving a 2+ or higher rating are considered in "Good Standing." Notwithstanding these general rules, in cases where a school has been on probation for two or more consecutive years, the school must receive a Level 2 or higher rating for two consecutive years in order to be eligible to be removed from that status.
- D. Prior to SQRP the District's school accountability policy was called the Performance, Remediation, and Probation Policy (or "Performance Policy"), and was in place starting in the 2008-2009 school year, based on school performance in the 2007-2008 school year. Under the Performance Policy, points were received for the school's absolute level of performance and improvement over time on standardized tests and attendance, as well as the growth of individual students from year-to-year on the state test. There were 14 separate measures on which schools were evaluated, each worth up to three points, for a total of 42 available points. Elementary schools that received less than 50% of the total available points earned a rating of Level 3 and were placed on probation.
- E. Aldridge has a history of poor performance. Aldridge has been on probation for the past ten (10) consecutive school years. Ms. Khan has been the principal of Aldridge beginning on July 1, 2013.
- F. Under the Board's Performance Policy, Aldridge received a Level 3 rating each year between 2008-2009 and 2013-2014, or for six (6) consecutive years. Under SQRP, Aldridge received a Level 3 rating in the 2014-2015 and 2015-2016 school years and received a Level 2 rating in the 2016-2017 school year based on 2015-2016 performance data. Although Level 2 ratings are generally associated with remediation status, Aldridge was not eligible to be removed from probation because it has been on probation for two or more consecutive years and has not yet received a Level 2 rating for two consecutive years.
- G. Aldridge's National School Growth Percentile has been below national average in two of the last three years in reading and in all three years in mathematics. Its reading growth percentile was the 7<sup>th</sup> percentile in 2013-2014, 25<sup>th</sup> percentile in 2014-2015, and the 68<sup>th</sup> percentile in 2015-2016. Reading growth in the 2015-2016 school year was highly variable between grade levels, ranging from a low of 2<sup>nd</sup> percentile in 3<sup>rd</sup> grade to 99<sup>th</sup> percentile in 4<sup>th</sup> and 8<sup>th</sup> grades. In math, the Aldridge received 14<sup>th</sup> percentile in 2013-2014, 26<sup>th</sup> percentile in 2014-2015, and 14<sup>th</sup> percentile in 2015-2016. In mathematics, growth was below average in each grade level.
- H. Aldridge's National School Attainment Percentile in reading has been no higher than the 6<sup>th</sup> percentile over the last four years. In mathematics, Aldridge's National School Attainment Percentile has not been above the 2<sup>nd</sup> percentile in the last four years. These scores are all well below national average performance.
- I. In addition to standardized test scores, the SQRP evaluates schools on measures of attendance rate and school culture and climate. The attendance rate for Aldridge has been consistently lower than the District average and has declined in recent years. Between the 2005-2006 and 2012-2013 school years, the attendance rate at Aldridge ranged between 92.2% and 93.7%, but has been below 92% for the last three years, including a low of 90.4% in 2014-2015. Over that same time period, district-wide elementary school attendance grew from 94.4% in 2005-2006 to 95.5% in 2015-2016.
- J. To measure school culture and climate, CPS administers – in partnership with the Consortium on Chicago School Research at the University of Chicago – the My Voice, My School 5Essentials survey. Aldridge received the lowest rating category on the 5Essentials survey, which is Not Yet Organized, the lowest overall category. The school's rating for the Collaborative Teachers and Involved Families essentials was Neutral. Its rating for the Ambitious Instruction and Supportive Environment essentials was Weak. Most notably, the school's rating for the Effective Leaders essential was Very Weak, the lowest rating.
- K. Additionally, Aldridge is also at the bottom of Network 13 elementary schools for SQRP ratings. During the 2015-2016 school year, Aldridge ranked last with a 1.8 SQRP rating out of the 31 elementary schools in Network 13. Similarly, at the beginning of the 2016-2017 school year, Aldridge is ranked last with a 2.1 SQRP rating out of the 29 elementary schools in Network 13.

- L. Aldridge had an approved 2014-2016 Continuous Improvement Work Plan (CIWP) (previously referred to as a School Improvement Plan). The 2014-2016 CIWP for Aldridge has specific steps that the Aldridge local school council and school staff must take to correct the identified deficiencies and specific objective criteria by which the Aldridge school's subsequent progress would be determined. Unfortunately, the Aldridge 2014-2016 CIWP goals for SQRP scores were not met in most categories.
- M. The budget for Aldridge during the 2016 fiscal year totaled nearly \$2 million dollars. The Aldridge 2016 fiscal year school budget did include specific expenditures directly calculated to correct educational and operational deficiencies as identified by the school administration and others. These expenditures included, but were not limited to, the following:
  - 1) \$11,716.00 from Title 1 Office of Strategic School Support Services for the purpose of additional teacher professional development training; and
  - 2) \$25,000.00 from Title 1 School Improvement Priority Initiatives for reading and/or math programming.
- N. The accountability notices were sent to Ms. Khan and she knew or should have known about the academic status of Aldridge.
- O. Aldridge did not make adequate progress in correcting those identified deficiencies.
- P. The removal and replacement of Ms. Khan from Aldridge will assist the school in making adequate progress in correcting those identified deficiencies.

If the Board adopts the CEO's recommendation to remove the Aldridge principal, the following actions will occur:

1. The CEO will appoint an interim principal for Aldridge. The interim principal will serve at the pleasure of the CEO;
2. The LSC shall have no authority to select a new four-year contract principal until Aldridge makes sufficient academic progress to be removed from probation; and
3. The Uniform Principal's Performance Contract of Shaheena Khan will be terminated effective August 28, 2017.

**LSC REVIEW:** LSC approval is not applicable to this report.

**FINANCIAL:** The interim principal position will be filled at a cost within current budget appropriations.

**PERSONNEL IMPLICATIONS:** An Interim Principal will be selected, who will serve at the pleasure of the CEO. Until the school comes off probation, the Local School Council of Aldridge will have no authority to select a new four-year contract principal, as required by Board Policy.

**17-0828-EX26**

**AUTHORIZE AND RATIFY RESIDENCY WAIVER FOR THE SENIOR VICE PRESIDENT OF FINANCE,  
SPECIAL NEEDS POSITION EFFECTIVE AUGUST 21, 2017  
(RONALD DENARD)**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THAT:**

Pursuant to the Residency Policy for All Employees of the Board of Education (Board Report 08-0227-PO1) ("the Policy") and the Board's prior appointment of Ronald DeNard (Board Report 15-0826-EX12) as Senior Vice President of Finance, the Board shall grant to Ronald DeNard a special needs waiver for the position of Senior Vice President of Finance, with the provisions that the waiver shall expire on March 31, 2018 and that no further special needs waiver or extension shall be granted to Ronald DeNard in the future.

**Vice President Guzman abstained on Board Report 17-0828-EX26.**

17-0828-EX27

**ADOPT FINDING THAT PUPILS ARE NON-RESIDENTS  
OF THE CITY OF CHICAGO INDEBTED TO THE  
CHICAGO PUBLIC SCHOOLS FOR NON-RESIDENT TUITION**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:**

That the Chicago Board of Education: (i) find that the custodial parents of CPS pupils (I.D.# 50401556; I.D.# 50401539; and I.D. # 50401406) were non-residents of the City of Chicago from the time they enrolled the pupils to the present academic school year, for the time that the identified pupils attended CPS schools; (ii) hold the pupils' custodial parents accountable as indebted to the Board for non-resident tuition for the pupils' attendance in the Chicago Public Schools for the pupils' respective times of enrollment, which occurred during the 2014-2015 school year and the 2016-2017 school year, in the total amount of \$38,632.68; (iii) reject any objections by the parents to the Board's findings; and (iv) disenroll the pupils from their current school of attendance.

**DESCRIPTION:**

Sections 10-20.12a and 10-20.12b (105 ILCS 5/10-20.12a and 10-20.12b) of the Illinois School Code and Board Rule 5-12 authorize and empower the Board to charge tuition, not exceeding 110% of the per capita cost of maintaining its schools during the preceding school year, to pupils enrolled in the Chicago Public Schools determined to be non-residents of the City of Chicago. Further, section 10-20.12b provides that a hearing be held, when requested by the person who enrolled the pupils, to determine whether or not a pupil who is believed to be a non-resident resides within the City of Chicago. If after notice of the initial determination of non-residency, the person who enrolled the pupil does not request a hearing or, if requested, the hearing results in a finding that the pupil does not reside in the district, the person who enrolled the pupil shall be charged tuition for the period of non-resident school attendance and the pupil shall be barred from attending school in the district. The parents did not request a hearing in this case.

**LSC REVIEW:** LSC review is not applicable to this report.

**AFFIRMATIVE ACTION REVIEW:** Affirmative action review is not applicable to this report.

**FINANCIAL:** If the pupils are found to have been non-residents during any time the pupils attended the Chicago Public Schools, the person(s) who enrolled the pupils shall be charged tuition for that time.

**PERSONNEL IMPLICATIONS:** None.

**President Clark indicated that if there are no objections, Board Reports 17-0828-EX16 through 17-0828-EX27, with the noted abstention, would be adopted by the last favorable roll call vote, all members voting therefore.**

**President Clark thereupon declared Board Reports 17-0828-EX16 through 17-0828-EX27 adopted.**

17-0828-RS10

**RESOLUTION BY THE BOARD OF EDUCATION OF THE CITY OF CHICAGO  
REGARDING THE DISMISSAL OF LORI NEREN, TENURED TEACHER  
ASSIGNED TO DANIEL BOONE ELEMENTARY SCHOOL**

**WHEREAS**, pursuant to Section 34-85 of the Illinois School Code, 105 ILCS 5/34-85, a hearing was conducted before an impartial hearing officer, Anne L. Weiland, certified by the Illinois State Board of Education; and

**WHEREAS**, after the conclusion of the dismissal hearing afforded to Lori Neren, the Hearing Officer made written findings of fact and conclusions of law and recommended the discharge of Ms. Neren; and

**WHEREAS**, the Board of Education of the City of Chicago has reviewed the post-hearing briefs and hearing transcript and exhibits ("record"), along with the findings of fact, conclusions of law, and recommendation of Hearing Officer Weiland regarding the dismissal charges preferred against Ms. Neren; and

**WHEREAS**, the parties were given an opportunity to submit exceptions and a memorandum of law in support of or in opposition to the Board's adoption of Hearing Officer Weiland's recommendation; and

**WHEREAS**, the Board of Education of the City of Chicago accepts the factual findings and conclusions of the hearing officer and concludes that the record establishes sufficient cause for dismissal of Ms. Neren.



**NOW THEREFORE**, be it resolved by the Board of Education of the City of Chicago, as follows:

**Section 1:** After considering (a) the Hearing Officer's findings of fact, conclusions of law and recommendation, (b) the record of the dismissal hearing, and (c) any exceptions and memoranda of law submitted by the parties, the Board of Education of the City of Chicago accepts the Hearing Officer's findings of fact, legal conclusions and recommendation for discharge.

**Section 2:** Lori Neren is hereby dismissed from her employment with the Board of Education of the City of Chicago effective August 28, 2017.

**Section 3:** This Resolution shall take full force and effect upon its adoption.

**THEREFORE**, this Resolution is hereby adopted by the members of the Board of Education of the City of Chicago on August 28, 2017.

**17-0828-RS11**

**RESOLUTION APPROVING CHIEF EXECUTIVE OFFICER'S RECOMMENDATION TO DISMISS EDUCATIONAL SUPPORT PERSONNEL**

WHEREAS, on August 22, 2017, the Chief Executive Officer submitted a written recommendation, including the reasons for the recommendation, to the Board to dismiss the following educational support personnel pursuant to Board Rule 4-1:

Name	School	Effective Date
Eric Eberhardt	Walter H. Dyett High School for the Arts	August 28, 2017
Edna Flores	William Howard Taft High School	August 28, 2017
Lillie Jones	John Gregory Elementary School	August 28, 2017
Rosharon Jones	Wendell Phillips Academy	August 28, 2017
Rosa Martinez	Simpson Academy High School for Young Women	August 28, 2017

WHEREAS, the Chief Executive Officer followed the procedures established by him prior to making the recommendation;

WHEREAS, the Board has reviewed the reasons for the Chief Executive Officer's recommendation;

WHEREAS, the Chief Executive Officer or his designee has previously notified the affected educational support personnel of their pending dismissal;

NOW, THEREFORE, BE IT RESOLVED:

1. That pursuant to Board Rule 4-1, the above-referenced educational support personnel are dismissed from Board employment effective on the date set opposite their names.
2. The Board hereby approves all actions taken by the Chief Executive Officer or his designee to effectuate the dismissal of the above-named educational support personnel.
3. The Chief Executive Officer or his designee shall notify the above-named educational support personnel of their dismissal.

**17-0828-RS12**

**RESOLUTION APPROVING CHIEF EXECUTIVE OFFICER'S RECOMMENDATION TO DISMISS PROBATIONARY APPOINTED TEACHERS**

WHEREAS, on August 22, 2017, the Chief Executive Officer submitted written recommendations, including the reasons for the recommendations, to the Board to dismiss the following probationary appointed teachers pursuant to Board Rule 4-1 and 105 ILCS 5/34-84:

Name	School	Effective Date
Jennetta Ford-Barker	Ira Aldridge Elementary School	August 28, 2017
Erica Lehr	Davis Magnet School	August 28, 2017

WHEREAS, the Chief Executive Officer followed the procedures established by him prior to making the recommendation;

WHEREAS, the Board has reviewed the reasons for the Chief Executive Officer's recommendation;

WHEREAS, the Chief Executive Officer or his designee has previously notified the affected probationary appointed teachers of their pending dismissal;

NOW, THEREFORE, BE IT RESOLVED:

1. That pursuant to Board Rule 4-1 and 105 ILCS 5/34-84, the above-referenced probationary appointed teachers are dismissed from Board employment effective on the date set opposite their names.
2. The Board hereby approves all actions taken by the Chief Executive Officer or his designee to effectuate the dismissal of the above-named probationary appointed teachers.
3. The Chief Executive Officer or his designee shall notify the above-named probationary appointed teachers of their dismissal.

**The Secretary presented the following Statement for the Public Record:**

**I would like to note for the record that on August 22, 2017, the Board members and the Office of the Board received the CEO's recommendation to dismiss Probationary Appointed Teachers pursuant to Board Rule 4-1 and 105 ILCS 5/34-84. His recommendation included the names of the teachers affected and the reasons. He also noted that the teachers affected will be notified of their dismissal after adoption of the Resolution.**

**President Clark indicated that if there are no objections, Board Reports 17-0828-RS10 through 17-0828-RS12 would be adopted by the last favorable roll call vote, all members voting therefore.**

**President Clark thereupon declared Board Reports 17-0828-RS10 through 17-0828-RS12 adopted.**

**Vice President Guzman presented the following Motion:**

**17-0828-MO2**

**MOTION RE: ADOPT AND MAINTAIN AS CONFIDENTIAL  
CLOSED SESSION MINUTES FROM JULY 26, 2017**

**MOTION ADOPTED** that the Board adopt the minutes of the closed session meeting of July 26, 2017 pursuant to Section 2.06 of the Open Meetings Act. Board Members reviewed these minutes and determined that the need for confidentiality exists. Therefore, the minutes of the closed session meeting held on July 26, 2017 shall be maintained as confidential and not available for public inspection.

**Board Member Ward moved to adopt Motion 17-0828-MO2.**

**The Secretary called the roll and the vote was as follows:**

**Yeas: Mr. Furlong, Mr. Rivera, Mr. Guzman, Dr. Hines, Ms. Ward, and President Clark – 6**

**Nays: None**

**President Clark thereupon declared Motion 17-0828-MO2 adopted.**

**Board Member Furlong presented the following Motion:**

**17-0828-MO3**

**MOTION RE: APPROVAL OF RECORD OF PROCEEDINGS OF MEETING  
OPEN TO THE PUBLIC JULY 26, 2017**

**MOTION ADOPTED** that the record of proceedings of the Board Meeting of July 26, 2017 prepared by the Board Secretary be approved and that such records of proceedings be posted on the Chicago Board of Education website in accordance with Section 2.06(b) of the Open Meetings Act.

**Board Member Rivera moved to adopt Motion 17-0828-MO3.**

**The Secretary called the roll and the vote was as follows:**

**Yeas: Mr. Furlong, Mr. Rivera, Mr. Guzman, Dr. Hines, Ms. Ward, and President Clark – 6**

**Nays: None**

**President Clark thereupon declared Motion 17-0828-MO3 adopted.**

**17-0828-OP2**

**AMEND BOARD REPORT 17-0524-OP3  
DISPOSITION OF BIDS RECEIVED FOR THE SALE OF PROPERTY  
LOCATED AT 5055 S. STATE STREET (THE FORMER ATTUCKS-FARREN SCHOOL SITE)**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

That the Board request the City of Chicago ("the City") and er Public Building Commission ("PBC"), as necessary, convey to KMIS Developers LLC an Illinois Limited Company ("Purchaser"), the property located at 5055 S. State Street in Chicago, Illinois ("Property") as further described herein. The Offer to Purchase Real Estate contained in the bid solicitation which has been executed by the Purchaser will convert to a contract upon acceptance and execution by the Board. Information pertinent to this agreement is stated below.

This August 2017 amendment is required because the City of Chicago in Trust for Use of Schools (City) and PBC hold title to separate portions of the Property and to allow offices as an additional permitted use.

**LEGAL DESCRIPTION & PIN:** See the attached Exhibit A.

**BID INFORMATION:** In accordance with 105 ILCS 5/34-21, the Property was advertised for sale from January 12, 2017, to March 13, 2017. Bids were received by the Procurement Department by 2:00 p.m. on March 13, 2017, and opened on the same date. Two bids were received and negotiated with the following bidders:

Bidders	Initial Offer	Best & Final
1. Bourdeau-Griffin Interiors and Architectural Supplies	\$50,000	\$105,000
2. KMIS Developers LLC	\$100,000	\$100,000

**APPRAISAL:** In 2017, the Property was appraised indicating a disposition range of value as follows:

Appraiser: KMD Valuation Group LLC  
Disposition Value Range: \$100,000 to \$120,000

Disposition value takes into consideration the existing interior condition of the property, which requires substantial capital investment and renovation work, and the use restriction described below.

**RECOMMENDATION AND USE RESTRICTION:** The Property is not needed for school purposes. The Property previously housed the Attucks-Farren School. The sale of the Property is in the best interests of the Board in accordance with 105 ILCS 5/34-21 (2011). Pursuant to said Statute, the Board has determined that the bid submitted by KMIS Developers LLC is the highest responsible bid due to the job opportunities, apprenticeship and entrepreneurial programs that KMIS will offer on the Property and in response to the restrictive covenant that will be incorporated into the deed.

The City and PBC, as necessary, shall include a restrictive covenant in the deed stating that all or a portion of the Attucks-Farren Elementary School building must be used for one or more of the following purposes and for no other purpose without the prior written approval of the Board's Chief Operating Officer of the Chicago Board of Education ("Board"): (1) Youth and/or adult recreational, educational, counseling and mentoring programs; (2) Career, trade, and entrepreneurial business training programs; (3) Housing; (4) Retail; and (5) Manufacturing and/or technology space; and (6) offices. In addition, the site may not be used for: (1) The sale or manufacturing of liquor; or (2) K-12 public, charter or tuition free school purposes. In addition, the Grantee must use the property for one or more of the required uses within three (3) years of the date of the deed. The deeds for the Property will include this restriction. Title to the Property will revert back to the City of Chicago, in Trust for Use of Schools, as legal title holder of record for the benefit of the Chicago Board of Education ("Board") if this restriction is breached without the prior written approval of the Board's Chief Operating Officer.

The Property shall be sold "as-is where-is". In addition, the sale includes a lease of 53 designated parking spaces in the parking lot immediately to the north of and adjacent to the Property shared with Ounce of Prevention Fund pursuant to a Lease dated April 1, 1998 and amended June 23, 2010 ("Parking Lot Lease"). Purchaser shall have the right to use the parking spaces provided it complies with the terms of the Parking Lot Lease. The Parking Lot Lease terminates on March 31, 2097.

The bids received were reviewed and evaluated and it is recommended the following bid be accepted:

**Bidder Name:** KMIS Developers LLC  
**Address:** 207 East Ohio Street, Suite 438, Chicago, Illinois 60611  
**Contact:** Kamau Murray  
**Phone:** (872) 226-3067  
**Grantee Name:** KMIS Developers LLC  
**Offer:** \$100,000

**AUTHORIZATION:** Authorize the President and Secretary to execute the Offer to Purchase agreement and to modify the legal description if necessary upon receipt of a title commitment and survey. Authorize the City and PBC, as necessary, to issue a quit claim deeds in favor of KMIS Developers LLC. Authorize the General Counsel and Chief Operating Officer to execute any and all ancillary documents required to administer or effectuate this transaction, including assignment or amendment of the Parking Lot Lease with Ounce of Prevention.

**AFFIRMATIVE ACTION:** Exempt.

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

**FINANCIAL:** Proceeds (Purchaser's best and final offer, less closing costs) to be credited to the Capital Asset Fund.

**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 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 agreement.

**Ethics –** The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

**EXHIBIT A  
PROPERTY OFFERED FOR SALE  
THE BOARD RESERVES THE RIGHT TO MAKE CHANGES AS NECESSARY.**

**PROPERTY:** FORMER ATTUCKS/FARREN ELEMENTARY SCHOOL

**ADDRESS:** 5055 SOUTH STATE STREET, CHICAGO, ILLINOIS

**PIN(s):** 20-10-118-001 and 20-10-118-004 (Part of)

**LEGAL DESCRIPTION:**

THAT PART OF LOTS 1 TO 48, BOTH INCLUSIVE, IN BLOCK 3 AND LOTS 5 TO 48, BOTH INCLUSIVE, IN BLOCK 4 IN WILLIAM M DERBY'S SUBDIVISION OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN AND SUB-LOTS 1,2 AND 3 IN HARRIS AND MC GIMSIE'S RESUBDIVISION OF LOTS 1,2,3 AND 4 IN BLOCK 4 IN WILLIAM M. DERBY'S SUBDIVISION OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WILL ALL OF THE VACATED NORTH AND SOUTH 20 FOOT ALLEYS LYING BETWEEN THE LOTS IN SAID BLOCKS 3 AND 4 IN WILLIAM M. DERBY'S SUBDIVISION AFORESAID, AND TOGETHER WITH THE VACATED PART OF 50TH STREET LYING BETWEEN SAID BLOCKS 3 AND 4 IN WILLIAM M. DERBY'S SUBDIVISION AND THE VACATED ALLEYS IN SAID BLOCKS, TAKEN AS A TRACT, LYING SOUTH OF AND EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

COMMENCING AT THE NORTH LINE OF VACATED 50TH STREET AND THE EAST LINE OF SOUTH STATE STREET; THENCE SOUTH ALONG SAID EAST LINE OF SOUTH STATE STREET, 16.00 FEET TO THE POINT OF BEGINNING; THENCE EAST AT RIGHT ANGLES TO THE LAST DESCRIBED COURSE, 238.04 FEET; THENCE SOUTH AND PARALLEL TO THE WEST LINE OF SOUTH WABASH AVENUE, 294.97 FEET; THENCE EAST AND PERPENDICULAR TO THE WEST LINE OF SOUTH WABASH AVENUE, 103.36 FEET TO THE WEST LINE OF SOUTH WABASH AVENUE; THENCE SOUTH ALONG SAID WEST LINE OF SOUTH WABASH AVENUE, 238.32 FEET; THENCE WEST AT RIGHT ANGLES TO THE LAST DESCRIBED COURSE, 167.67 FEET; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO THE LAST DESCRIBED LINE HAVING A RADIUS OF 8.00 FEET, DELTA 76 DEGREES 48 MINUTES 52 SECONDS AND AN ARC OF 10.73; THENCE NORTHERLY ALONG A LINE TANGENT TO THE LAST DESCRIBED CURVE, 7.80 FEET; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO THE LAST DESCRIBED LINE HAVING A RADIUS OF 12.00 FEET, DELTA 63 DEGREES 40 MINUTES 24 SECONDS AND AN ARC LENGTH OF 13.34 FEET; THENCE NORTHERLY ALONG A LINE TANGENT TO THE LAST DESCRIBED CURVE 11.90 FEET; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO THE LAST DESCRIBED COURSE HAVING A RADIUS OF 16.00 FEET, DELTA 64 DEGREES 08 MINUTES 15 SECONDS AND AN ARC LENGTH TO THE LAST 17.91 FEET; THENCE NORTHERLY ALONG A LINE TANGENT TO THE LAST DESCRIBED CURVE, 11.99 FEET; THENCE NORTHWESTERLY ALONG A CURVE TANGENT TO THE LAST DESCRIBED LINE HAVING A RADIUS OF 12.00 FEET, DELTA 64 DEGREES 07 MINUTES 04 SECONDS, AND AN ARC LENGTH OF 13.43; THENCE NORTHWESTERLY ALONG A LINE TANGENT TO THE LAST DESCRIBED CURVE, 11.28 FEET; THENCE NORTH ALONG A LINE PARALLEL WITH THE EAST LINE OF THE SOUTH STATE STREET, 148.66 FEET; THENCE WEST AND PERPENDICULAR TO THE EAST LINE OF SOUTH STATE STREET, 108.50 FEET TO THE EAST LINE OF SOUTH STATE STREET; THENCE NORTH ALONG THE EAST LINE OF SOUTH STATE STREET, 323.69 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS. SAID PARCEL CONTAINING 1.464 ACRES (63,779 SQ.FT.), MORE OR LESS.

**AND A LONG TERM LEASE FOR 53 DESIGNATED PARKING SPACES IN THE PARKING LOT IMMEDIATELY NORTH OF AND ADJACENT TO THE PROPERTY SHARED WITH THE OUNCE OF PREVENTION FUND PURSUANT TO THE LEASE DATED APRIL 1, 1998 AND AMENDED ON JUNE 23, 2010.**

**17-0828-OP3**

**DISPOSITION OF BIDS RECEIVED FOR THE SALE OF PROPERTY LOCATED AT  
2221 S. LAWDALE (FORMER IGNACE PADEREWSKI SCHOOL)**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

That the Board request the Public Building Commission of Chicago ("PBC") and/or the City of Chicago ("City") convey to Montclare Paderewski, LLC an Illinois Limited Liability Company ("Purchaser"), the former Ignace Paderewski School site at 2221 S. Lawndale Avenue, Chicago, Illinois ("Property") as further described herein. The Offer to Purchase Real Estate contained in the bid solicitation, which has been executed by the Purchaser, will convert to a contract upon acceptance and execution by the Board. Information pertinent to this agreement is stated below.

**LEGAL DESCRIPTION, PIN AND USE RESTRICTIONS:** See the attached Exhibit A.

**BID INFORMATION:** In accordance with 105 ILCS 5/34-21, the Property was advertised for sale from January 12, 2017, through March 13, 2017. Bids were received by the Procurement Department by 2:00 p.m. on March 13, 2017, and opened on the same date. One bid was received for the Property from the following bidder:

<u>Bidder</u>	<u>Initial Offer</u>	<u>Best and Final Offer</u>
MR Properties LLC	\$10,000.00	\$50,000.00

The Purchaser's proposal is to convert and redevelop the Property with affordable housing units for seniors ages 62 and older. Ten thousand (10,000) square feet of ground floor space in the building will be designated for and leased to community based organizations. The conveyance will be subject to a six (6) months temporary construction easement to the BNSF Railroad and/or its contractors to repair and/or replace the retaining wall on the southern boundary of the Property.

**APPRAISAL:** The Property was vandalized. A disposition appraisal of the Property was obtained for the Board, indicating that as of March 1, 2017, the "As Is" value of the Property, subject to the restrictive covenant and reverter as described below and on Exhibit A was:

Appraiser:	KMD Valuation Group, LLC
Disposition Value Estimate:	\$50,000 to \$75,000

**RECOMMENDATION:** The Property is not needed for school purposes. The Property previously housed Paderewski Elementary School, which closed in 2013. The sale of the Property is in the best interests of the Board in accordance with 105 ILCS 5/34-21. The Purchaser's proposal is to redevelop the Property with affordable housing units for seniors ages 62 and older and to provide 10,000 square feet of ground floor space for lease to community based organizations for community functions.

The PBC and/or the City shall include the restrictive covenant and reverter described on Exhibit A attached hereto. The deed conveying title to the Property will include these restrictions. Title to the Property will revert back to the City of Chicago, in Trust for Use of Schools as legal title holder of record for the benefit of the Board if the restrictions are breached without the Board's Chief Operating Officer's prior written approval. The Property shall be sold "as is, where is." The Board shall retain the six (6) month temporary construction easement fee paid for the Property in 2017.

The appraisal and bid received were reviewed and it is recommended that the following bid be accepted:

Name:	MR Properties, LLC
Address:	701 Lee Street Suite 802 DesPlaines, IL. 60016
Contact:	Phillip Mappa 847-699-6600 <a href="mailto:pmappa@mrpropertiesllc.com">pmappa@mrpropertiesllc.com</a>
Grantee:	Montclare Paderewski, LLC
Amount:	\$50,000

**AUTHORIZATION:** Authorize the President and Secretary to execute the Offer to Purchase agreement and to modify the legal description if necessary upon receipt of a title commitment and survey. Authorize the PBC and/or the City to issue a deed in favor of Montclare Paderewski, LLC. Authorize the General Counsel to take any and all actions required to effectuate this transaction. Authorize the General Counsel and Chief Operating Officer to execute any and all ancillary documents required to administer or effectuate this transaction.

**AFFIRMATIVE ACTION:** Exempt.

**LSC REVIEW:** Is not applicable to this transaction.

**FINANCIAL:** Proceeds (Purchaser's bid price, less closing costs and seller's brokerage fee) to be credited to the Capital Asset Fund.

**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 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 agreement.

Ethics – The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

**EXHIBIT A**

**THE BOARD RESERVES THE RIGHT TO MAKE CHANGES AS NECESSARY.**

**PROPERTY:** FORMER IGNACE PADEREWSKI SCHOOL  
**ADDRESS:** 2221 S. LAWDALE AVE. CHICAGO, ILLINOIS 60623  
**PINs:** 16-26-105-081, 16-26-105-082, 16-26-105-083 and 16-26-106-010

**PARCEL 1:**

LOTS 19 TO 25, INCLUSIVE, IN BLOCK 1 OF THE SUBDIVISION OF LOT 2 IN CHAS. C. MOWRY'S SUBDIVISION OF THE EAST HALF OF THE NORTH WEST QUARTER AND THE WEST HALF OF THE WEST HALF OF THE NORTH EAST QUARTER IN SECTION 26, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN; ALSO

**PARCEL 2:**

LOTS 1 TO 4, INCLUSIVE, IN KESLER AND HAIRS SUBDIVISION OF THAT PART OF BLOCK 3 IN CHAS. C. MOWRY'S SUBDIVISION OF THE EAST HALF OF THE NORTH WEST QUARTER AND THE WEST HALF OF THE WEST HALF OF THE NORTH EAST QUARTER IN SECTION 26, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE CHICAGO, BURLINGTON AND QUINCY RAIL ROAD; ALL IN COOK COUNTY, ILLINOIS; ALSO

**PARCEL 3:**

PART OF LOT 6 (EXCEPT THE EAST 8 FEET THEREOF AND THAT PART OPENED FOR ALLEY), ALL OF LOTS 7 TO 11, BOTH INCLUSIVE AND ALL OF LOT A IN BLOCK 7 IN MILLARD AND DECKER'S SUBDIVISION OF THE EAST HALF OF THE EAST HALF OF THE NORTH WEST QUARTER OF SECTION 26, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, AND VACATED ALLEY.

**USE RESTRICTION:**

ALL OR A PORTION OF THE FORMER PADEREWSKI SCHOOL SITE MUST BE REPURPOSED AND USED FOR ONE OR MORE OF THE FOLLOWING PURPOSES:

- (1.) CHILD CARE AND/OR HEADSTART PROGRAMMING;
- (2.) AN ALTERNATIVE-OPTIONS HIGH SCHOOL;
- (3.) FAMILY SUPPORT AND SOCIAL SERVICES;
- (4.) COMMUNITY MEETING SPACE (MINIMUM OF 10,000 SF ON THE GROUND FLOOR); AND
- (5.) OFFICES FOR NOT FOR PROFIT ENTITIES.

**THE PROPERTY MAY NOT BE USED AS A K-12 CHARTER SCHOOL**

THE DEED FOR THE PROPERTY WILL INCLUDE THIS RESTRICTION. TITLE TO THE PROPERTY WILL REVERT BACK TO THE CITY OF CHICAGO, IN TRUST FOR USE OF SCHOOLS, AS LEGAL TITLE HOLDER OF RECORD FOR THE BENEFIT OF THE CHICAGO BOARD OF EDUCATION ("BOARD") IF THIS RESTRICTION IS BREACHED WITHOUT THE PRIOR WRITTEN APPROVAL OF THE BOARD'S CHIEF OPERATING OFFICER OR GRANTEE FAILS TO USE THE PROPERTY FOR ONE OR MORE OF THE REQUIRED USES LISTED ABOVE WITHIN THREE YEARS OF THE DATE OF THE DEED.

**17-0828-OP4**

**DISPOSITION OF BIDS RECEIVED FOR THE SALE OF PROPERTY LOCATED AT  
6206 S. RACINE (FORMER WOODS COMMUNITY ACADEMY)**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

That the Board requests the Public Building Commission of Chicago ("PBC") and/or the City of Chicago ("City") convey to Greater Southwest Development Corporation, an Illinois Not For Profit Corporation ("Purchaser"), the former Woods Community Academy at 6206 S. Racine Avenue, Chicago, Illinois ("Property") as further described herein. The Offer to Purchase Real Estate contained in the bid solicitation, which has been executed by the Purchaser, will convert to a contract upon acceptance and execution by the Board. Information pertinent to this agreement is stated below.

**LEGAL DESCRIPTION, PIN AND USE RESTRICTIONS:** See the attached Exhibit A.

**BID INFORMATION:** In accordance with 105 ILCS 5/34-21, the Property was advertised for sale from January 12, 2017, to March 13, 2017. Bids were received by the Procurement Department by 2:00 p.m. on March 13, 2017, and opened on the same date. Two bids were received and negotiated with the following two bidders:

Bidders	Initial Offer	Best & Final
1. Shepherd's Home Limited	\$75,000	\$90,000
2. Greater Southwest Development Corporation	\$30,000	\$90,000

**APPRAISAL:** In 2017, the Property was appraised indicating a disposition range of value as follows:

Appraiser: KMD Valuation Group LLC  
Disposition Value Range: \$75,000 to \$100,000

Disposition value takes into consideration the existing interior condition of the property, which requires substantial capital investment and renovation work, and the use restriction described below.

**RECOMMENDATION AND USE RESTRICTION:** The Property is not needed for school purposes. The Property previously housed the Woods Community Academy. The sale of the Property is in the best interests of the Board in accordance with 105 ILCS 5/34-21 (2011). Pursuant to said Statute, the Board has determined that the bid submitted by Greater Southwest Development Corporation (GSDC) is the highest responsible bid due to Community support and GSDC's Rebuilding Exchange proposal that will provide job training opportunities, apprenticeship and entrepreneurial programs and support the expansion of the 63<sup>rd</sup> Street Educational and Commercial Corridor.

The PBC and/or the City shall include a restrictive covenant in the deed prohibiting the Property from being used as K-12 Charter school and requiring the Grantee to obtain a Certificate of Occupancy from the City of Chicago within three years of the date of the deed. The deed to the title will include this restriction. Title to the Property will revert back to the City of Chicago, in Trust for Use of Schools as legal title holder of record for the benefit of the Board if this restriction is breached without the Board's Chief Operating Officer's prior written approval. The Property shall be sold "as is, where is."

The appraisal and the bid received were reviewed and it is recommended that the following bid be accepted:

Name: Greater Southwest Development Corporation  
Address: 2601 W. 63<sup>rd</sup> Street Chicago, Illinois 60029  
Contact: Ghian Foreman 773-362-3374 [g.foreman@greatersouthwest.org](mailto:g.foreman@greatersouthwest.org)  
Grantee: Greater Southwest Development Corporation  
Amount: \$90,000

**AUTHORIZATION:** Authorize the President and Secretary to execute the Offer to Purchase agreement and to modify the legal description if necessary upon receipt of a title commitment and survey. Authorize the PBC and/or the City to issue a deed in favor of Greater Southwest Development Corporation. Authorize the General Counsel to take any and all actions required to effectuate this transaction. Authorize the General Counsel and Chief Operating Officer to execute any and all ancillary documents required to administer or effectuate this transaction.

**AFFIRMATIVE ACTION:** Exempt.

**LSC REVIEW:** Is not applicable to this transaction.

**FINANCIAL:** Proceeds (Purchaser's bid price, less closing costs and seller's brokerage fee) to be credited to the Capital Asset Fund.

**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 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 agreement.

Ethics – The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).



EXHIBIT A

PROPERTY OFFERED FOR SALE

THE BOARD RESERVES THE RIGHT TO MAKE CHANGES AS NECESSARY.

**PROPERTY:** FORMER WOODS COMMUNITY ACADEMY

**ADDRESS:** 6206 SOUTH RACINE AVENUE, CHICAGO, ILLINOIS

**PINs:** 20-17-332-001, 20-17-332-002, 20-17-332-003, 20-17-332-004, 20-17-332-005, 20-17-332-006, 20-17-332-007, 20-17-332-009, 20-17-332-010, 20-17-332-018, 20-17-332-019, 20-17-332-020, 20-17-332-021, 20-17-332-022, 20-17-332-023, 20-17-332-024, 20-17-332-025, 20-17-332-026, 20-17-332-027, 20-17-332-039, 20-17-332-040, 20-17-332-041, 20-17-332-042

**LEGAL DESCRIPTION:**

LOTS 11 TO 22, BOTH INCLUSIVE, AND VACATED ALLEY IN R.H. DOCKRILL'S SUBDIVISION OF THE NORTH HALF OF THE SOUTH 14.3322 CHAINS OF THE EAST 10.466 CHAINS OF THE EAST HALF OF THE SOUTH WEST QUARTER OF SECTION 17, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS; ALSO,

LOTS 1 TO 6, BOTH INCLUSIVE, ALL OF LOTS 21, 22 AND 23, AND VACATED ALLEY IN BLOCK 1 IN SPRINGER'S SUBDIVISION OF THE SOUTH HALF OF THE SOUTH 14.3322 CHAINS OF THE EAST 10.466 CHAINS OF THE EAST HALF OF THE SOUTH EAST QUARTER OF THE SOUTH WEST QUARTER OF SECTION 17, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY ILLINOIS (EXCEPT THE SOUTH 16 FEET OF LOT 21 OPENED/DEDICATED FOR PUBLIC ALLEY).

**USE RESTRICTION:**

*THE PROPERTY MAY NOT BE USED AS A K-12 CHARTER SCHOOL.*

THE DEED FOR THE PROPERTY WILL INCLUDE THIS RESTRICTION. TITLE TO THE PROPERTY WILL REVERT BACK TO THE CITY OF CHICAGO, IN TRUST FOR USE OF SCHOOLS, AS LEGAL TITLE HOLDER OF RECORD FOR THE BENEFIT OF THE BOARD IF THIS RESTRICTION IS BREACHED WITHOUT THE PRIOR WRITTEN APPROVAL OF THE BOARD'S CHIEF OPERATING OFFICER OR, GRANTEE FAILS TO OBTAIN A CERTIFICATE OF OCCUPANCY FROM THE CITY OF CHICAGO FOR THE PROPERTY WITHIN THREE YEARS OF THE DATE OF THE DEED.

**President Clark indicated that if there are no objections, Board Reports 17-0828-OP2 through 17-0828-OP4 would be adopted by the last favorable roll call vote, all members voting therefore.**

**President Clark thereupon declared Board Reports 17-0828-OP2 through 17-0828-OP4 adopted.**

**17-0828-RS1**

**FINAL**

**RESOLUTION ADOPTING THE ANNUAL SCHOOL BUDGET FOR FISCAL YEAR 2018**

**WHEREAS**, pursuant to Section 34-43 of The Illinois School Code (the "Code"), the Board of Education of the City of Chicago (the "Board") is required to adopt an annual school budget for each fiscal year of the Board no later than 60 days after the beginning of the fiscal year of the Board to which such budget relates; and

**WHEREAS**, the Board is directed by the provisions of Section 34-43 of the Code to balance its budget in each year within standards established by the Board; and

**WHEREAS**, Section 34-43 of the Code authorizes the Board's budget for any fiscal year to (i) provide for the accumulation of funds for educational purposes as the Board may direct or for capital improvements or in order to achieve a balanced budget in a future year within the four-year period of the Board's financial plan to begin in that budget year; and (ii) to provide for a reserve in the educational fund to ensure uninterrupted services in the event of unfavorable budget variances; and

**WHEREAS**, Section 34-45 of the Code directs that the budget shall include the organization units, purposes, and objects for which appropriations are made; the amount appropriated for each organization unit, purpose or object; and the fund from or to which each amount appropriated is to be paid or charged; and

**WHEREAS**, the Board is empowered and directed by the General Assembly pursuant to the provisions of Section 34-3.3 of the Code to: (i) increase the quality of educational services in the Chicago Public Schools; (ii) reduce the cost of non-educational services and implement cost-saving measures including the privatization of services where deemed appropriate; and (iii) streamline and strengthen the management of the system, including a responsible school-based budgeting process, in order to focus resources on student achievement; and

**WHEREAS**, the District has provided most schools with budget allocations using a Student Based Budgeting model which calculates allocations for core instruction funding based on a per-pupil formula and further provides a principal with discretion on the use of per-pupil funds; and

**WHEREAS**, the Board's Debt Management Policy, Section III.I. (Board Report 13-0724-PO1), authorizes the Board to use its operating funds to establish a reserve balance accounted for within the Debt Service funds to be used for any governmental purpose approved by the Board and delegates authority to the Senior Vice President of Finance as the Chief Financial Officer of the Board to authorize any transfer to or from Debt Service funds; and

**WHEREAS**, the President and Members of the Board desire to declare their intent that the Board reimburse itself for the payment of all or a portion of capital expenditures as outlined in Resolution 17-0828-RS2, Exhibit A and the website [www.cps.edu/capitalplan](http://www.cps.edu/capitalplan) with the proceeds of tax-exempt Bonds when such proceeds are available, which declaration of intent is intended to comply with Section 1.150-2 of the Federal Income Tax Regulations; and

**WHEREAS**, the Board currently expects that the proceeds of the Bonds will be applied to so reimburse itself not later than 18 months after the later of (a) the date the original expenditure is paid, or (b) the date the Project is placed in service, but in no event more than three years after the original expenditure is paid; and

**WHEREAS**, it is now appropriate for the Board to adopt its annual school budget for its Fiscal Year 2018 and related standards and policies;

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF EDUCATION OF THE CITY OF CHICAGO as follows:**

**Section 1. Findings.** It is found, declared and determined as follows.

(a) Pursuant to section 34-43 of the Code, the Board has previously established standards by which its budgets shall be balanced in each fiscal year, consistent with the requirements of the Code. These standards provide that each budget of the Board shall cover a fiscal year of the Board and shall be developed and adopted in accordance with the requirements of the Code, including, but not limited to, Sections 34-42 through 34-51 thereof. These standards also provide that each budget shall be prepared in accordance with generally accepted accounting principles and shall be balanced such that, for each fund, the estimated sum of all revenues for the fiscal year from all sources and the amount of Fund Balance Available for appropriation in the fiscal year is greater than or equal to the estimated sum of all appropriations required to defray the amount of all expenditures and charges to be made or incurred during the fiscal year and the amount of all unpaid liabilities at the beginning of the fiscal year. The standards further provide that in determining the amount of the Fund Balance Available for appropriation in the Educational Fund, there shall be deducted (i) the amount, if any, which the Board directs to be accumulated to achieve a balanced budget in a future year within the four-year period of the financial plan to begin in the budget year or for capital improvements, and (ii) any reserve to insure uninterrupted services in the event of unfavorable budget variances. The Board's goal is to have a balanced budget over the period of the four-year financial plan that is to be developed.

(b) The annual school budget for Fiscal Year 2018 was prepared in tentative form by the Board and was available for public inspection for at least fifteen days prior to adoption (to wit, since August 11, 2017) by having at least five copies of the tentative budget on file in the Office of the Board and was posted August 11, 2017, on the district's web site at [www.cps.edu/budget](http://www.cps.edu/budget).

(c) On August 23, 2017, two public hearings were held concerning the adoption of the annual school budget for Fiscal Year 2018, notice of such hearings having been given by publication on August 18, 2017, in a newspaper of general circulation in the City of Chicago.

**Section 2. Budget Approval.** The Annual School Budget for Fiscal Year 2018, incorporating Exhibit A of this Resolution and the web site at <http://cps.edu/FY18Budget>, is adopted.

**Section 3. Transfers Between Appropriations.** The Office of Management and Budget may approve transfers within any Board fund and within an object group and purpose in accordance with this Section. Except for matters approved by the Board as being within the discretion of the Office of Management and Budget, transfers within a fund and between object groups and purposes must be recommended by the Office of Management and Budget and approved by the Board by a vote of two-thirds of the members, provided that such transfers shall not exceed 10% of the fund during the first half of the fiscal year, and no appropriation shall be reduced below an amount sufficient to cover all obligations that will be incurred against the appropriation. The Chief Executive Officer shall define object groups and purposes that are subject to these requirements.

The Senior Vice President of Finance is hereby authorized to transfer and use Debt Service funds not otherwise restricted under bond documents for the purpose of operating and capital expenditures to support cash flow during the fiscal year. Transfers from the Debt Service funds for this purpose will be repaid from the next receipts of property tax revenues.

**Section 4. Capital Budgeting Process.** The Chief Executive Officer proposed a one-year Capital Improvement Plan (the "CIP") consistent with the annual budget and the requirements of Section 34-215 of the Code on August 11, 2017, for the Board's approval. Three public hearings were held to receive public comment on the proposed CIP. Such meetings were held on August 21, 2017, at three different locations.

The Board reasonably expects to reimburse itself for the payment of capital expenditures incurred and paid by the Board from its own funds with the proceeds of the tax-exempt Bonds upon the issuance thereof. These capital expenditures are outlined in Resolution 17-0828-RS2, Exhibit A and the website [www.cps.edu/capitalplan](http://www.cps.edu/capitalplan).

**Section 5. Grants.** The Grants Finance Office shall be responsible for the structure and accountability of the school district's grants management process. The Office of Management and Budget is designated as the managing fiscal agent for the Board for all grant money received from funding agencies.

The principal of a local school or unit head, serving as an agent of the Board, is responsible for the implementation and management of all school-based or unit-based grants from governmental and non-governmental agencies. The principal or unit head is responsible for implementing the program in a timely fashion, as approved by the funding agency, and for expending funds in accordance with the terms, budget, and liquidation requirements of the approved proposal.

**Section 6. Budget Allocations.** Any Policy that refers to the use of a quota formula to determine school budget allocations or other related requirement is hereby deemed to constitute reference to the Student Based Budgeting model referenced in this Resolution.

**Section 7. Personnel Policies.** The appropriations herein made for personnel services shall be regarded as maximum amounts to be expended from such appropriations. Such expenditures shall be limited to personnel only as needed, or as may be required by law, not to exceed the maximum that may be employed for any position by title. Notwithstanding any item in the budget, one person may be employed or more than one person may be employed, upon recommendation of the Budget Officer and the Chief Executive Officer, whether such title is printed in the singular or plural. The salary or wage rate fixed shall be regarded as the maximum salary or wage rate for the respective positions, provided that salaries or wage rates are subject to change by the Board during the fiscal year in accordance with collective bargaining agreements approved by the Board.

Initial appointments to any position, transfers among positions and resignations of Board personnel shall be made in accordance with, and subject to, current Board Policies and Rules, as may be amended, from time to time.

**Section 8. Settlement Agreements and Judgments.** No expenditure may be made from any fund or line item account herein for the purpose of executing settlement agreements, entering into consent orders or paying judgments except upon the approval of the Board; provided, however, that this section shall not apply to judgments, settlement agreements or consent orders involving an amount up to \$50,000 or to labor arbitrations. In those cases, the General Counsel is authorized to approve such documents and expend such funds without approval of the Board.

**Section 9. Fiscal Stability.** Pursuant to the Fund Balance and Budget Management Policy (Board Report 08-0827-PO8, as may be amended), in the event that the stabilization fund decreases below 5% of the operating and debt service budget, the Senior Vice President of Finance will prepare and present to the Board a plan to replenish the reserve. The Board must approve and adopt a plan to restore these balances to the target levels within a 12-month period. If the restoration of the reserve cannot occur within a 12-month period, the Senior Vice President of Finance or Budget Officer can request that the Board approve an extension of this deadline.

It is anticipated and planned in the FY 2018 budget that the stabilization fund will be below 5% of the operating and debt service budget. Moreover, the FY 2019 budget is anticipated to present similar financial challenges and the Senior Vice President of Finance does not reasonably foresee the fund balance being restored during FY 2019. Therefore, the Board extends the restoration deadline to the end of FY 2020. The Senior Vice President of Finance will submit as part of the FY 2019 budget a plan to restore the fund balance by the end of FY 2020.

**Section 10. Severability.** To the extent that any prior resolution or policy of the Board (excluding Board Rules) is in conflict with the provisions of this Resolution, the provisions of this Resolution shall be controlling. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the other provisions of this Resolution.

**Section 11. Effectiveness.** This Resolution is effective immediately upon its adoption.



**Fund Summary by Department**  
(Network and Collaboratives Collapsed)

EXHIBIT A

Department	Special Education Fund - FG114	General Education Fund - FG115	Workers' & Unemployment Compensation/Tort - FG210	Public Building Commission O & M - FG230	General Funds
Board of Trustees - U10110		1,085,138			1,085,138
Law Office Total - U10200	500,000	14,488,616			14,988,616
Inspector General - U10320		2,080,916			2,080,916
Executive Office Total - U10402		1,295,792			1,295,792
Accountability Total - U11200		3,617,791			3,617,791
Title I and School Improvement Programs Total - U11205					
Network Offices Total - U02000		16,384,760			16,384,760
Arts - U10890		901,650			901,650
Literacy - U13700		509,580			509,580
Literacy Total - U13709		509,580			509,580
Core Curriculum Office Total - U10802		1,751,045			1,751,045
Chief Teaching & Learning Officer - U10810		2,475,830			2,475,830
Department of Personalized Learning - U10825		495,264			495,264
Personalized Learning Office Total - U10829		495,264			495,264
Instructional Supports - U11551		3,750,440			3,750,440
Early Childhood Development - U11350					
Early Childhood Development - City Wide - U11355	400,000	613,976			1,013,976
Early Childhood Development Total - U11358	400,000	613,976			1,013,976
Grant Funded Programs Office - U12620		166,560			166,560
Grant Funded Programs Office - City Wide - U12625					
Grant Funded Programs Total - U12605		166,560			166,560
Sports Administration - City Wide - U13737		14,281,594			14,281,594
Office of Student Health & Wellness - U14050		4,161,513			4,161,513
Language & Cultural Education - U11510		388,927			388,927
Language & Cultural Education - City Wide - U11540		168,897			168,897
Language & Cultural Education Total - U11500		557,824			557,824
Chief Education Office Total - U10800	220,524,948	54,313,800			275,238,748
Magnet-Gifted and IB Programs - U10645		4,834,758			4,834,758
Student Support and Engagement - U11371		6,752,374			6,752,374
Counseling and Postsecondary Advising - U10850		1,054,911			1,054,911
Counseling and Postsecondary Advising - City Wide - U10855		36,681			36,681
Counseling and Postsecondary Advising Total - U10859		1,091,593			1,091,593
College and Career Success Office - U10870		455,368			455,368
Science Technology Engineering & Math (STEM) Programs - U10871		932,804			932,804
Social and Emotional Learning - U10885		1,080,253			1,080,253
Social and Emotional Learning - City Wide - U10898		1,903,869			1,903,869
Social and Emotional Learning Total - U10899		2,984,122			2,984,122
Early College and Career - U13725		234,793			234,793
Early College and Career - City Wide - U13727		929,763			929,763
Early College and Career Total - U13729		1,164,556			1,164,556
College and Career Success Total - U11460		12,910,390			12,910,390
Diverse Learner Supports & Services Total - U11600	220,524,948	3,000			220,627,948
LSC Relations Total - U10905		1,472,422			1,472,422
Family & Community Engagement Office Total - U10901		5,788,402			5,788,402
Intergovernmental Affairs - U10450		1,430,729			1,430,729
Intergovernmental Relations Total - U10900		1,430,729			1,430,729
Communications Office Total - U10500		1,826,541			1,826,541
Innovation and Incubation Office - U13610		2,723,189			2,723,189
New School Development - City Wide - U13615		1,000,000			1,000,000
Innovation and Incubation Total - U10404		3,723,189			3,723,189
Human Capital Office - City Wide - U11070		4,669,592			4,669,592
Human Capital Office Total - U11005		4,669,592			4,669,592
Talent Office - U11010		10,781,682			10,781,682
Talent Office Total - U11000		15,431,274			15,431,274
Pensions and District-Wide Set-Asides Total - U00180	1,000,000	720,625,246	3,624,602		725,549,848
School Support Center - City Wide - U15010		6,906,731			6,906,731
Payroll Services - U12450		2,166,548			2,166,548
Office of Planning and Data Management - U15500		814,017			814,017
Food Services Total - U12000					
Budget Management Office Total - U00010		2,427,408			2,427,408
Office of Internal Audit and Compliance - U10430		4,087,522			4,087,522
Business Diversity - U12280		417,469			417,469
Corporate Accounting Total - U12400		5,680,235			5,680,235
Risk Management - U12460		186,414	6,803,706		7,000,120
Treasury Total - U12305		1,682,736			1,682,736
Facility Operations & Management Total - U11600		2,324,298		332,911,490	335,235,787
Student Transportation Total - U11900	95,700,764	25,734,241			121,435,005
Safety & Security Total - U10600		18,877,450	14,412,854		33,290,304
Information & Technology Services Total - U12500		77,811,300			77,811,300
Procurement and Contracts Total - U12200		2,218,396			2,218,396
Chief Administrative Office Total - U14000	95,700,764	53,562,488	14,412,854	332,911,490	486,587,596
Network 1 Total - U02410	11,656,849	212,442,012	3,761,964		227,860,824
Network 2 Total - U02420	6,504,829	144,916,470	2,942,448		154,363,746
Network 3 Total - U02430	3,262,419	119,462,856	2,872,960		125,598,234
Network 4 Total - U02440	2,627,519	144,463,996	2,696,075		149,786,990
Network 5 Total - U02450	4,006,610	90,401,819	3,417,020		97,827,448
Network 6 Total - U02460	5,669,880	101,994,888	2,862,408		110,427,187
Network 7 Total - U02470	2,942,746	92,793,831	2,529,394		98,265,971
Network 8 Total - U02480	3,025,119	123,849,316	3,684,836		130,359,071
Network 9 Total - U02490	2,737,374	86,710,164	3,519,132		92,966,669
Network 10 Total - U02500	7,803,600	161,927,192	3,745,656		173,476,448
Network 11 Total - U02510	7,908,673	97,250,559	3,846,287		109,005,519
Network 12 Total - U02520	5,343,958	91,843,476	3,695,903		100,882,937
Network 13 Total - U02530	2,716,627	103,496,444	3,629,713		109,844,785
AJSL Schools Network Total - U20100	2,475,500	103,326,630	3,126,354		109,128,884
Contract Schools Network Total - U83000	4,182,600	20,905,196	168,204		25,255,000
Charter Schools Network Total - U69005	83,485,850	511,215,325	292,082		594,993,257
Non-Public Schools Network Total - U69000					
Independent Schools Network Total - U02270	12,508,757	341,602,013	8,238,194		362,348,965
School Networks Total - U02005	168,761,320	2,548,603,588	55,028,029		2,772,392,936
Total Departments	486,887,033	3,549,232,862	79,889,191	332,911,490	4,448,900,576



**Fund Summary by Department**  
(Network and Collaboratives Collapsed)

EXHIBIT A

Department	Tuition Based Program - FG117	School Special Income Fund - FG124	Supplemental General State Aid - FG225	School Based Funds	Federal Special Education IDEA Programs - FG220
Board of Trustees - U10110					
Law Office Total - U10200		11,542		11,542	
Inspector General - U10320					
Executive Office Total - U10402					
Accountability Total - U11220					
Title I and School Improvement Programs Total - U11205					
Network Offices Total - U02000		1,281,342		1,281,342	
Arts - U10890					
Literacy - U13700		30,398		30,398	
Literacy Total - U13709		30,398		30,398	
Core Curriculum Office Total - U10802		345,164		345,164	
Chief Teaching & Learning Officer - U10810					
Department of Personalized Learning - U10825		270,000		270,000	
Personalized Learning Office Total - U10829		270,000		270,000	
Instructional Supports - U11551					
Early Childhood Development - U11360					
Early Childhood Development - City Wide - U11385	139,590	2,392		141,982	
Early Childhood Development Total - U11369	139,590	2,392		141,982	
Grant Funded Programs Office - U12620					
Grant Funded Programs Office - City Wide - U12625					3,820,564
Grant Funded Programs Total - U12605					3,820,564
Sports Administration - City Wide - U13737		2,410,350		2,410,350	
Office of Student Health & Wellness - U14050		18,648		18,648	
Language & Cultural Education - U11810					
Language & Cultural Education - City Wide - U11540		324,792		324,792	
Language & Cultural Education Total - U11500		324,792		324,792	
Chief Education Office Total - U10800	139,590	2,897,789		3,037,389	15,368,316
Magnet-Gifted and IB Programs - U10845					
Student Support and Engagement - U11371		135,744		135,744	
Counseling and Postsecondary Advising - U10850		2,325		2,325	
Counseling and Postsecondary Advising - City Wide - U10855					
Counseling and Postsecondary Advising Total - U10859		2,325		2,325	
College and Career Success Office - U10870					
Science Technology Engineering & Math (STEM) Programs - U10871					
Social and Emotional Learning - U10895		50,037		50,037	
Social and Emotional Learning - City Wide - U10898		197,596		197,596	
Social and Emotional Learning Total - U10899		248,032		248,032	
Early College and Career - U13725					
Early College and Career - City Wide - U13727		63,021		63,021	
Early College and Career Total - U13729		63,021		63,021	
College and Career Success Total - U11400		449,606		449,606	
Diverse Learner Supports & Services Total - U11600					15,368,316
LSC Relations Total - U10905					
Family & Community Engagement Office Total - U10901					
Intergovernmental Affairs - U10450					
Intergovernmental Relations Total - U10900					
Communications Office Total - U10500					
Innovation and Incubation Office - U13610					
New School Development - City Wide - U13615					
Innovation and Incubation Total - U10404					
Human Capital Office - City Wide - U11070					1,098,276
Human Capital Office Total - U11005					1,098,276
Talent Office - U11010		113,934		113,934	
Talent Office Total - U11000		113,934		113,934	1,098,276
Pensions and District-Wide Set-Asides Total - U00180	475,750	46,514,500	8,000,000	54,990,250	5,854,662
School Support Center - City Wide - U15010					
Payroll Services - U12450					
Office of Planning and Data Management - U15500					
Food Services Total - U12000					
Budget Management Office Total - U00010					
Office of Internal Audit and Compliance - U10430					
Business Diversity - U12280					
Corporate Accounting Total - U12400		286,195		286,195	
Risk Management - U12450					
Treasury Total - U12305					
Facility Operations & Management Total - U11800		295,603		295,603	
Student Transportation Total - U11900					
Safety & Security Total - U10600		311,042		311,042	
Information & Technology Services Total - U12500		40,077		40,077	
Procurement and Contracts Total - U12200					
Chief Administrative Office Total - U14000		626,293		626,293	
Network 1 Total - U02410	207,882	893,990	20,747,916	21,849,788	11,327,601
Network 2 Total - U02420	202,436	877,730	15,649,111	16,728,277	5,394,411
Network 3 Total - U02430		299,987	15,011,092	15,301,079	2,953,213
Network 4 Total - U02440	1,638,743	1,967,103	10,834,405	14,438,251	2,614,111
Network 5 Total - U02450		246,722	11,496,274	11,742,995	3,437,723
Network 6 Total - U02460		1,469,569	9,506,053	10,975,622	4,653,260
Network 7 Total - U02470		59,266	12,324,344	12,383,610	2,624,536
Network 8 Total - U02480		91,004	15,729,311	15,820,315	2,684,719
Network 9 Total - U02490		127,937	9,449,611	9,577,549	2,712,135
Network 10 Total - U02500		279,090	18,065,569	18,344,658	7,789,356
Network 11 Total - U02510		95,008	11,610,438	11,705,446	4,322,222
Network 12 Total - U02520		77,920	10,151,201	10,229,121	4,127,604
Network 13 Total - U02530		106,373	11,802,151	11,908,524	2,604,764
AJSL Schools Network Total - U02010		682,020	13,767,823	14,649,943	1,000,522
Contract Schools Network Total - U63000		34,906	1,681,667	1,716,573	
Charter Schools Network Total - U60005		37,531	46,717,010	46,754,541	
Non-Public Schools Network Total - U69000					
Independent Schools Network Total - U02270	1,050,546	1,452,979	36,155,194	38,658,718	11,851,005
<b>School Networks Total - U02005</b>	<b>3,097,606</b>	<b>9,969,134</b>	<b>270,899,270</b>	<b>282,786,010</b>	<b>76,407,162</b>
<b>Total Departments</b>	<b>3,712,946</b>	<b>61,689,794</b>	<b>278,699,270</b>	<b>344,302,010</b>	<b>96,549,000</b>



**Fund Summary by Department**  
(Network and Collaboratives Collapsed)

EXHIBIT A

Department	Lunchroom Fund - FG312	Lunchroom - Lighthouse - FG314	Miscellaneous Federal & State Block Grants - FG324	Government Funded School Based Grants - FG326	NCLB Title I Regular Fund - FG332
Board of Trustees - U10110					
Law Office Total - U10200					
Inspector General - U10320					
Executive Office Total - U10402					
Accountability Total - U11200					
Title I and School Improvement Programs Total - U11205					
<b>Network Offices Total - U02000</b>			<b>1,546,028</b>		<b>7,382,688</b>
Arts - U10890					68,170
Literacy - U13700			130,761		291,307
Literacy Total - U13709			130,761		291,307
Core Curriculum Office Total - U10802			258,868		580,692
Chief Teaching & Learning Officer - U10810					127,000
Department of Personalized Learning - U10825					1,037,715
Personalized Learning Office Total - U10829					1,037,715
Instructional Supports - U11551			353,737		10,588,630
Early Childhood Development - U11360					
Early Childhood Development - City Wide - U11385					161,079
Early Childhood Development Total - U11389					161,079
Grant Funded Programs Office - U12620					1,689,303
Grant Funded Programs Office - City Wide - U12625					23,069,721
Grant Funded Programs Total - U12605					24,778,025
Sports Administration - City Wide - U13737					
Office of Student Health & Wellness - U14050	711,905		995,456		
Language & Cultural Education - U11510					89,880
Language & Cultural Education - City Wide - U11540			351,818		80,064
Language & Cultural Education Total - U11500			351,818		169,924
Chief Education Office Total - U10800			16,675,577		39,227,152
Magnet-Gifted and IB Programs - U10845					
Student Support and Engagement - U11371			1,771,519		5,661,022
Counseling and Postsecondary Advising - U10850			71,869		1,080,109
Counseling and Postsecondary Advising - City Wide - U10855			2,285,503		
Counseling and Postsecondary Advising Total - U10859			2,357,472		1,080,109
College and Career Success Office - U10870					
Science Technology Engineering & Math (STEM) Programs - U10871					1,210,035
Social and Emotional Learning - U10885			49,698		992,696
Social and Emotional Learning - City Wide - U10888			1,928,460		6,131,819
Social and Emotional Learning Total - U10899			1,978,159		7,124,517
Early College and Career - U13725			84,967		
Early College and Career - City Wide - U13727			844,854		2,831,849
Early College and Career Total - U13729			929,821		2,831,849
College and Career Success Total - U11400			13,790,809		17,917,497
Diverse Learner Supports & Services Total - U11600			374,317		
LSC Relations Total - U10905					296,435
Family & Community Engagement Office Total - U10901			1,800,000		1,354,107
Intergovernmental Affairs - U10450					
<b>Intergovernmental Relations Total - U10900</b>					
Communications Office Total - U10900					
Innovation and Incubation Office - U13610			66,566		
New School Development - City Wide - U13615					
Innovation and Incubation Total - U10404			66,566		
Human Capital Office - City Wide - U11070					
Human Capital Office Total - U11005					
Talent Office - U11010					
Talent Office Total - U11000					
Pensions and District-Wide Set-Asides Total - U00180	16,389,441	4,290,170	14,790,089	213,327	6,139,555
School Support Center - City Wide - U15010					
Payroll Services - U12450					
Office of Planning and Data Management - U15500					
Food Services Total - U12000	119,299,229	6,805,970	2,391,451		
Budget Management Office Total - U00010					104,871
Office of Internal Audit and Compliance - U10430					79,188
Business Diversity - U12280					
Corporate Accounting Total - U12400					313,878
Risk Management - U12460					
Treasury Total - U12305					
Facility Operations & Management Total - U11800					
Student Transportation Total - U11900					224,887
Safety & Security Total - U10600			1,166,662		
Information & Technology Services Total - U12500			23,000		506,062
Procurement and Contracts Total - U12200					
Chief Administrative Office Total - U14000	120,011,134	6,805,970	4,553,569		224,887
Network 1 Total - U02410	6,252,193				10,326,423
Network 2 Total - U02420	5,790,843				10,604,605
Network 3 Total - U02430	5,471,799			17,672	11,794,025
Network 4 Total - U02440	4,431,822				5,216,808
Network 5 Total - U02450	5,052,016				10,004,573
Network 6 Total - U02460	4,009,568		122,796		6,491,281
Network 7 Total - U02470	4,730,823				9,047,144
Network 8 Total - U02480	5,684,489			28,181	12,052,697
Network 9 Total - U02490	3,674,230			47,785	7,110,862
Network 10 Total - U02500	5,281,052				11,833,406
Network 11 Total - U02510	4,762,805				17,285,019
Network 12 Total - U02520	4,476,845		77,353	40,385	8,210,855
Network 13 Total - U02530	4,599,361				10,195,927
AUSL Schools Network Total - U20100	5,452,031				10,984,306
Contract Schools Network Total - U69000	466,711				1,315,437
Charter Schools Network Total - U60005	3,275,155		850,000		38,224,750
Non-Public Schools Network Total - U69000					
Independent Schools Network Total - U02270	11,797,325			38,641	22,111,145
<b>School Networks Total - U02005</b>	<b>85,269,167</b>		<b>1,232,819</b>	<b>172,673</b>	<b>293,899,794</b>
<b>Total Departments</b>	<b>221,609,742</b>	<b>11,096,141</b>	<b>38,235,153</b>	<b>386,000</b>	<b>276,532,500</b>



**Fund Summary by Department**  
(Network and Collaboratives Collapsed)

EXHIBIT A

Department	NCLB Title I - Neglected & Delinquent - FG334	NCLB Title V Fund - FG336	Title II - Teacher Quality - FG353	Title III - Emergency Immigrant Language Acquisition - FG356	Early Childhood Development - FG362
Board of Trustees - U10110					
Law Office Total - U10200					
Inspector General - U10320					
Executive Office Total - U10402					
Accountability Total - U11200					
Title I and School Improvement Programs Total - U11205					
Network Offices Total - U02000			8,740,434	124,410	
Arts - U10890		647,265	22,723		
Literacy - U13700			525,437		
Literacy Total - U13709			525,437		
Core Curriculum Office Total - U10802		647,265	658,276		
Chief Teaching & Learning Officer - U10810			569,592		
Department of Personalized Learning - U10825			610,018		
Personalized Learning Office Total - U10829			610,018		
Instructional Supports - U11551			40,943		
Early Childhood Development - U11360			30,784		856,721
Early Childhood Development - City Wide - U11385					71,155,891
Early Childhood Development Total - U11369					72,012,612
Grant Funded Programs Office - U12620					
Grant Funded Programs Office - City Wide - U12625	774,830		2,521,010	420,716	
Grant Funded Programs Total - U12605	774,830		2,521,010	420,716	
Sports Administration - City Wide - U13737					
Office of Student Health & Wellness - U14050					476,904
Language & Cultural Education - U11510			29,953	581,804	
Language & Cultural Education - City Wide - U11540			26,688	6,121,541	
Language & Cultural Education Total - U11500			56,641	6,703,345	
Chief Education Office Total - U10800	1,182,089	647,265	12,068,473	6,827,755	76,520,072
Magnet-Gifted and IB Programs - U10845					
Student Support and Engagement - U11371					
Counseling and Postsecondary Advising - U10850			54,847		
Counseling and Postsecondary Advising - City Wide - U10855					
Counseling and Postsecondary Advising Total - U10859			54,847		
College and Career Success Office - U10870					
Science Technology Engineering & Math (STEM) Programs - U10871			579,011		
Social and Emotional Learning - U10895					
Social and Emotional Learning - City Wide - U10898			279,939		
Social and Emotional Learning Total - U10899			279,939		
Early College and Career - U13725					
Early College and Career - City Wide - U13727					
Early College and Career Total - U13729					
College and Career Success Total - U11400	1,182,089		582,886		4,507,469
Diverse Learner Supports & Services Total - U11600					
LSC Relations Total - U10905					
Family & Community Engagement Office Total - U10901					
Intergovernmental Affairs - U10450					
Intergovernmental Relations Total - U10900					
Communications Office Total - U10500					
Innovation and Incubation Office - U13810					
New School Development - City Wide - U13615					
Innovation and Incubation Total - U10404					
Human Capital Office - City Wide - U11070			535,671		
Human Capital Office Total - U11005			535,671		
Talent Office - U11010			4,461,152		
Talent Office Total - U11000			4,996,823		
Pensions and District-Wide Set-Asides Total - U00180	147		3,021,116		27,007,127
School Support Center - City Wide - U15010					
Payroll Services - U12450					
Office of Planning and Data Management - U15500					
Food Services Total - U12000					
Budget Management Office Total - U00010					
Office of Internal Audit and Compliance - U10430				183,769	
Business Diversity - U12280					
Corporate Accounting Total - U12400					
Risk Management - U12460					
Treasury Total - U12305					
Facility Operations & Management Total - U11600					833,550
Student Transportation Total - U11900					
Safety & Security Total - U10600	252,000				
Information & Technology Services Total - U12500	6,000		120,813		
Procurement and Contracts Total - U12200					
Chief Administrative Office Total - U14000	252,000				1,310,454
Network 1 Total - U02410			1,520,000	3,079,946	10,594,873
Network 2 Total - U02420			600,554	3,133,670	8,074,211
Network 3 Total - U02430			587,111	1,386,514	10,168,405
Network 4 Total - U02440			800,000	1,726,778	6,515,276
Network 5 Total - U02450			240,000	688,726	11,800,027
Network 6 Total - U02460			480,000	1,101,651	3,696,276
Network 7 Total - U02470			160,000	2,210,227	7,026,407
Network 8 Total - U02480			160,000	2,019,245	5,064,296
Network 9 Total - U02490			240,000	363,605	7,542,167
Network 10 Total - U02500			602,154	1,588,548	5,970,241
Network 11 Total - U02510			160,000	336,842	9,939,926
Network 12 Total - U02520			203,148	370,321	4,831,737
Network 13 Total - U02530			519,435	446,484	7,260,141
AUSL Schools Network Total - U20100			240,072	590,764	7,365,827
Contract Schools Network Total - U63000			119,519		
Charter Schools Network Total - U60005			2,816,671	3,344,211	
Non-Public Schools Network Total - U69000	55,933				
Independent Schools Network Total - U02270			1,760,000	4,374,069	16,890,536
School Networks Total - U02005	55,933		11,468,764	26,785,598	122,742,347
Total Departments	2,281,000	647,265	34,167,000	26,689,000	227,580,000



**Fund Summary by Department**  
(Network and Collaboratives Collapsed)

EXHIBIT A

Department	Title I - Comprehensive School Reform - FG367	Title I - School Improvement Carl Perkins - FG369	Other Operating Funds	Operating Funds	All Fund Grant
Board of Trustees - U10110				1,005,136	1,005,136
Law Office Total - U10200				15,000,158	15,000,158
Inspector General - U10320				2,080,916	2,080,916
Executive Office Total - U10402				1,295,792	1,295,792
Accountability Total - U11200				3,617,791	3,617,791
Title I and School Improvement Programs Total - U11205	374,998		374,998	374,998	374,998
Network Offices Total - U02000	3,085,878		20,889,539	38,555,641	38,555,641
Arts - U10890			738,158	1,639,808	1,639,808
Literacy - U13700			947,505	1,487,483	1,487,483
Literacy Total - U13709			947,505	1,487,483	1,487,483
Core Curriculum Office Total - U10882			2,145,103	4,241,312	4,241,312
Chief Teaching & Learning Officer - U10810			716,592	3,192,422	3,192,422
Department of Personalized Learning - U10825			1,847,733	2,612,997	2,612,997
Personalized Learning Office Total - U10829			1,847,733	2,612,997	2,612,997
Instructional Supports - U11551			10,983,311	14,733,751	14,733,751
Early Childhood Development - U11360			887,505	887,505	887,505
Early Childhood Development - City Wide - U11385			71,316,970	72,472,927	72,472,927
Early Childhood Development Total - U11369			72,204,475	73,360,432	73,360,432
Grant Funded Programs Office - U12620	2,805,646		4,494,949	4,661,509	4,661,509
Grant Funded Programs Office - City Wide - U12625			30,626,842	30,626,842	30,626,842
Grant Funded Programs Total - U12605	2,805,646		35,121,791	35,288,351	35,288,351
Sports Administration - City Wide - U13737				16,691,844	16,691,844
Office of Student Health & Wellness - U14050			2,184,255	6,365,426	6,365,426
Language & Cultural Education - U11510			701,517	1,090,545	1,090,545
Language & Cultural Education - City Wide - U11540			6,580,111	7,073,800	7,073,800
Language & Cultural Education Total - U11500			7,281,728	8,164,345	8,164,345
Chief Education Office Total - U10880	3,488,569	10,161,460	182,206,727	460,482,825	460,482,825
Magnet-Gifted and IB Programs - U10845				4,834,758	4,834,758
Student Support and Engagement - U11371			7,432,541	14,320,659	14,320,659
Counseling and Postsecondary Advising - U10850		275,275	1,482,200	2,539,437	2,539,437
Counseling and Postsecondary Advising - City Wide - U10855			2,285,503	2,322,185	2,322,185
Counseling and Postsecondary Advising Total - U10659		275,275	3,767,704	4,861,622	4,861,622
College and Career Success Office - U10870				455,368	455,368
Science Technology Engineering & Math (STEM) Programs - U10671			1,789,047	2,721,851	2,721,851
Social and Emotional Learning - U10895			1,042,298	2,172,886	2,172,886
Social and Emotional Learning - City Wide - U10896	17,592		8,958,911	10,460,775	10,460,775
Social and Emotional Learning Total - U10899	17,592		9,401,207	12,633,361	12,633,361
Early College and Career - U13725		2,378,327	2,463,324	2,698,117	2,698,117
Early College and Career - City Wide - U13727		7,507,858	11,184,561	12,177,345	12,177,345
Early College and Career Total - U13729		9,886,185	13,647,885	14,875,462	14,875,462
College and Career Success Total - U11400	17,592	10,161,460	43,662,334	57,022,330	57,022,330
Diverse Learner Supports & Services Total - U11600			20,250,093	240,778,042	240,778,042
LSC Relations Total - U10905			296,435	1,768,857	1,768,857
Family & Community Engagement Office Total - U10901			2,354,107	8,142,509	8,142,509
Intergovernmental Affairs - U10450				1,430,729	1,430,729
Intergovernmental Relations Total - U10900				1,430,729	1,430,729
Communications Office Total - U10500				1,828,541	1,828,541
Innovation and Incubation Office - U13810			66,566	2,789,755	2,789,755
New School Development - City Wide - U13615				1,000,000	1,000,000
Innovation and Incubation Total - U10404			66,566	3,789,755	3,789,755
Human Capital Office - City Wide - U11070			1,633,946	6,303,538	6,303,538
Human Capital Office Total - U11005			1,633,946	6,303,538	6,303,538
Talent Office - U11010			4,461,152	15,336,768	15,336,768
Talent Office Total - U11009			6,095,098	21,640,306	21,640,306
Pensions and District-Wide Set-Asides Total - U00180	1,000,195	700,802	71,851,493	852,391,592	852,391,592
School Support Center - City Wide - U15010				8,906,731	8,906,731
Payroll Services - U12450				2,156,548	2,156,548
Office of Planning and Data Management - U15500				814,017	814,017
Food Services Total - U12000			128,496,650	128,496,650	128,496,650
Budget Management Office Total - U00010			104,871	2,532,279	2,532,279
Office of Internal Audit and Compliance - U10430			262,967	4,350,489	4,350,489
Business Diversity - U12280				417,469	417,469
Corporate Accounting Total - U12400			313,879	6,290,310	6,290,310
Risk Management - U12450				7,000,120	7,000,120
Treasury Total - U12305				1,682,736	599,934,988
Facility Operations & Management Total - U11800			833,550	336,364,941	472,599,374
Student Transportation Total - U11800			224,887	121,659,892	121,659,892
Safety & Security Total - U10600			1,418,862	35,020,008	35,020,008
Information & Technology Services Total - U12500			655,875	78,507,253	78,507,253
Procurement and Contracts Total - U12200				2,218,396	2,218,396
Chief Administrative Office Total - U14000			133,158,015	630,371,904	766,805,338
Network 1 Total - U02410		104,397	43,205,433	292,916,045	292,916,045
Network 2 Total - U02420		36,906	33,879,785	204,972,809	204,972,809
Network 3 Total - U02430			32,418,925	173,318,238	173,318,238
Network 4 Total - U02440			21,304,695	185,529,936	185,529,936
Network 5 Total - U02450	174,320		31,397,385	140,967,828	140,967,828
Network 6 Total - U02460			20,856,833	142,259,642	142,259,642
Network 7 Total - U02470			25,795,137	136,448,717	136,448,717
Network 8 Total - U02480	1,000,119	45,740	28,749,485	174,928,872	174,928,872
Network 9 Total - U02490	274,510	45,740	22,010,744	124,554,961	124,554,961
Network 10 Total - U02500			93,064,757	224,885,864	224,885,864
Network 11 Total - U02510	237,430		37,044,243	157,755,208	157,755,208
Network 12 Total - U02520	437,211	49,885	22,825,353	133,937,412	133,937,412
Network 13 Total - U02530		41,002	25,670,115	147,423,424	147,423,424
AI/SL Schools Network Total - U20100			25,633,521	149,412,348	149,412,348
Contract Schools Network Total - U83000			1,901,767	28,874,341	28,874,341
Charter Schools Network Total - U60005			49,610,786	691,358,584	691,358,584
Non-Public Schools Network Total - U89000			55,933	55,933	55,933
Independent Schools Network Total - U02270		316,359	65,139,080	470,146,763	470,146,763
School Networks Total - U82005	2,123,890	840,038	524,567,977	3,578,746,925	3,578,746,925
Total Departments	9,418,000	11,502,000	958,692,800	5,749,895,386	6,478,382,071



17-0828-RS2

**RESOLUTION ADOPTING A FINAL ONE-YEAR CAPITAL IMPROVEMENT PLAN  
OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO FOR FISCAL YEAR 2018**

**BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE CITY OF CHICAGO as follows:**

**Section 1. Findings.** The Board of Education of the City of Chicago (the "Board") does hereby find and declare as follows:

(a) Pursuant to the provisions of 105 ILCS 5/34-215 (the "Act"), the Board is required to adopt a final one-year capital improvement plan no more than 45 days after adopting the annual budget.

(b) On August 28, 2017, the Board adopted a Resolution, which, among other things, adopted the Annual School Budget for Fiscal Year 2018 (the "FY18 Budget").

**Section 2. Initial Capital Improvement Plan.** In accordance with the provisions of the Act, on or before May 1, 2017, the Chief Executive Officer of the Board published or caused to be published a proposed one-year capital improvement plan (the "Initial Capital Improvement Plan") consistent with the provisions of the Act.

**Section 3. Final Capital Improvement Plan.** Attached hereto as Exhibit A, which is incorporated and made a part of this Resolution, is a Final Capital Improvement Plan (the "Capital Improvement Plan") which includes the necessary information required with respect to all capital projects for which funds have been appropriated in the FY18 Budget. The Capital Improvement Plan has been presented to the Board for consideration.

**Section 4. Approval of Capital Improvement Plan.** The Capital Improvement Plan is hereby approved and adopted.

**Section 5. Effectiveness.** This Resolution is effective and in full force immediately upon its adoption.

**EXHIBIT A**

**CAPITAL IMPROVEMENT PLAN – FISCAL YEAR 2018**

**Summary – FY18 Capital Plan**

Chicago Public Schools FY18 capital plan includes \$136 million of investments to provide for urgent facility renovation and maintenance projects as well as IT investments and school security equipment. The new investments included in the FY18 capital plan will be funded by proceeds from the sale of real estate, remaining prior year bond proceeds, and other capital funds and bond proceeds as they become available.

Three capital budget hearings in which this plan was presented to the public were held on August 21, 2017.

Projects were identified and selected through the Board's capital planning process. Details relating to each project are set forth on the following pages in accordance with the provisions of 105 ILCS 5/34-215.

FY18 Capital Plan

Chicago Board of Education

Capital Plan - 2018 Budget Year



	Sep-17	Sep-18	\$	109,000,000	\$	
<b>Facility Needs</b>						
Priority Roof/Envelope/Mechanical Projects	Sep-17	Sep-18	\$	73,000,000		Various
Emergency/Unanticipated Facility Repairs	Sep-17	Sep-18	\$	30,000,000		Various
Maintenance Priorities	Sep-17	Sep-18	\$	6,000,000		Various
<b>IT &amp; Security Investments</b>						
Student Information Systems Implementation	Sep-17	Sep-18	\$	7,316,000		Citywide
Firewall Replacement	Sep-17	Sep-18	\$	3,130,000		Citywide
Server Upgrade	Sep-17	Sep-18	\$	850,000		Citywide
Accounts Payable System Emergency Upgrade	Sep-17	Sep-18	\$	186,000		Citywide
Disaster Recovery	Sep-17	Sep-18	\$	900,000		Citywide
Critical School Security Equipment	Sep-17	Sep-18	\$	250,000		Citywide
	Sep-17	Sep-18	\$	2,000,000		Various
<b>Capital Project Support Services</b>						
Program Management and Design	Sep-17	Sep-18	\$	12,918,433		Citywide
Cost Estimator	Sep-17	Sep-18	\$	10,250,000		Citywide
CPS Personnel	Sep-17	Sep-18	\$	750,000		Citywide
Legal Fees	Sep-17	Sep-18	\$	918,433		Citywide
Environmental Investigation for Potential Property	Sep-17	Sep-18	\$	800,000		Citywide
	Sep-17	Sep-18	\$	200,000		Citywide
<b>Potential Funding for Externally Funded Projects</b>			\$		\$	7,000,000
<b>FY2018 Project Totals</b>			\$	129,234,433	\$	7,000,000
<b>Total FY2018 Capital Plan</b>			\$		\$	136,234,433

**Accounts Payable System Upgrade and Automation**

**Project Summary**

Project Type: ITS & Other Projects	Budget Amount: \$900,000
Department: ITS	Budget Year: 2018
Status: Planning	Estimated Project Start: July, 2017
Unit Number: 12150	Estimated Project Complete: June, 2018

The purpose of this project is to upgrade CPS core finance systems to maintain system functionality and reduce administrative costs.

**Financial Details**

Project Phase	Original Budget		
Design:		Current Estimate:	\$900,000
Construction:		Expenditure to Date:	\$0
Environmental:		Percent Complete:	0%
Management:		Funding Source:	CPS Resources
<b>Project Total:</b>	<b>\$900,000</b>	Operating Impact:	\$0

**Details**

**Scope**

The scope of work includes IPM upgrade to Oracle Enterprise WebCenter, IAMS vendor consolidation, implementation of electronic invoicing system.

**Cost Estimator**

**Project Summary**

Project Type: Capital Project Support Services	<b>Budget Amount:</b> \$750,000
Department: Facilities	Budget Year: 2018
Status: Planning	Estimated Project Start: July, 2017
Unit Number:	Estimated Project Complete: June, 2018

n/a

**Financial Details**

<u>Project Phase</u>	<u>Original Budget</u>	
Design:		<b>Current Estimate:</b> \$750,000
Construction:		<b>Expenditure to Date:</b> \$0
Environmental:		<b>Percent Complete:</b> 0%
Management:		<b>Funding Source:</b> CPS Resources
<b>Project Total:</b>	<b>\$750,000</b>	<b>Operating Impact:</b> \$0

**Details**

**Scope**

n/a

**CPS Personnel**

**Project Summary**

Project Type: Capital Project Support Services	<b>Budget Amount: \$918,433</b>
Department: Facilities	Budget Year: 2018
Status: Planning	Estimated Project Start: July, 2017
Unit Number:	Estimated Project Complete: June, 2018

n/a

**Financial Details**

<u>Project Phase</u>	<u>Original Budget</u>		
Design:		Current Estimate:	\$918,433
Construction:		Expenditure to Date:	\$0
Environmental:		Percent Complete:	0%
Management:		Funding Source:	CPS Resources
<b>Project Total:</b>	<b>\$918,433</b>	Operating Impact:	\$0

**Details**

**Scope**

n/a

**Critical School Security Equipment**

**Project Summary**

Project Type: ITS & Other Projects	<b>Budget Amount: \$2,000,000</b>
Department: Safety and Security	Budget Year: 2018
Status: Planning	Estimated Project Start: July, 2017
Unit Number: 10615	Estimated Project Complete: June, 2018

The purpose of this project is to install new and replacement security equipment to help ensure student safety.

**Financial Details**

<u>Project Phase</u>	<u>Original Budget</u>	
Design:		<b>Current Estimate: \$2,000,000</b>
Construction:		<b>Expenditure to Date: \$0</b>
Environmental:		<b>Percent Complete: 0%</b>
Management:		<b>Funding Source: CPS Resources</b>
<b>Project Total:</b>	<b>\$2,000,000</b>	<b>Operating Impact: \$0</b>

**Details**

**Scope**

The scope of work includes installation of new and replacement security cameras, metal detectors, x-ray machines, AI phones, and other security equipment.

**Disaster Recovery**

**Project Summary**

Project Type: ITS & Other Projects	Budget Amount: <b>\$250,000</b>
Department: ITS	Budget Year: 2018
Status: Planning	Estimated Project Start: July, 2017
Unit Number: 12150	Estimated Project Complete: June, 2018

The purpose of this project is database replication for CIM, SSM, Verify and other apps as needed would create a non-tape based back-up environment for this data, and server host recovery would allow users to continue using enterprise applications in the event of a disaster.

**Financial Details**

Project Phase	Original Budget	Current Estimate:	\$250,000
Design:		Expenditure to Date:	\$0
Construction:		Percent Complete:	0%
Environmental:		Funding Source:	CPS Resources
Management:		Operating Impact:	\$0
<b>Project Total:</b>	<b>\$250,000</b>		

**Details**

**Scope**

The scope of work includes additional capacity for supporting database replication for CIM, SSM, Verify, other apps as needed, and server host recovery.

**Emergency/Unanticipated Facility Repairs**

**Project Summary**

Project Type: Facility Needs	<b>Budget Amount: \$30,000,000</b>
Department: Facilities	Budget Year: 2018
Status: Planning	Estimated Project Start: TBD
Unit Number: TBD	Estimated Project Complete: TBD

The purpose of this project is to provide funding for unanticipated emergency projects that arise throughout FY18.

**Financial Details**

<u>Project Phase</u>	<u>Original Budget</u>		
Design:		<b>Current Estimate:</b>	<b>\$30,000,000</b>
Construction:		<b>Expenditure to Date:</b>	<b>\$0</b>
Environmental:		<b>Percent Complete:</b>	<b>0%</b>
Management:		<b>Funding Source:</b>	<b>CPS Resources</b>
<b>Project Total:</b>	<b>\$30,000,000</b>	<b>Operating Impact:</b>	<b>\$0</b>

**Details**

**Scope**

n/a



**Environmental Investigation for Potential Property**

**Project Summary**

Project Type: Capital Project Support Services	Budget Amount: \$200,000
Department: Facilities	Budget Year: 2018
Status: Planning	Estimated Project Start: July, 2017
Unit Number:	Estimated Project Complete: June, 2018

n/a

**Financial Details**

<u>Project Phase</u>	<u>Original Budget</u>		
Design:		Current Estimate:	\$200,000
Construction:		Expenditure to Date:	\$0
Environmental:		Percent Complete:	0%
Management:		Funding Source:	CPS Resources
<b>Project Total:</b>	<b>\$200,000</b>	Operating Impact:	\$0

**Details**

**Scope**

n/a

**Firewall Replacement**

**Project Summary**

Project Type: ITS & Other Projects	Budget Amount: <b>\$850,000</b>
Department: ITS	Budget Year: 2018
Status: Planning	Estimated Project Start: July, 2017
Unit Number: 12150	Estimated Project Complete: June, 2018

The purpose of this project is to replace our current internal firewalls. The current firewalls are near capacity and need to be replaced in order to support the District's applications and data needs.

**Financial Details**

Project Phase	Original Budget	Current Estimate:	\$850,000
Design:		Expenditure to Date:	\$0
Construction:		Percent Complete:	0%
Environmental:		Funding Source:	CPS Resources
Management:		Operating Impact:	\$0
<b>Project Total:</b>	<b>\$850,000</b>		

**Details**

**Scope**

The scope of work includes replacing existing firewalls with new appliances/software and management servers in the CoLo Datacenter, Disaster Recovery Datacenter and extend capabilities into the Azure Cloud. Scope also includes related installation services

**Legal Fees**

**Project Summary**

Project Type: Capital Project Support Services	<b>Budget Amount: \$800,000</b>
Department: Facilities	Budget Year: 2018
Status: Planning	Estimated Project Start: July, 2017
Unit Number:	Estimated Project Complete: June, 2018

n/a

**Financial Details**

<u>Project Phase</u>	<u>Original Budget</u>		
Design:		<b>Current Estimate:</b>	<b>\$800,000</b>
Construction:		<b>Expenditure to Date:</b>	<b>\$0</b>
Environmental:		<b>Percent Complete:</b>	<b>0%</b>
Management:		<b>Funding Source:</b>	<b>CPS Resources</b>
<b>Project Total:</b>	<b>\$800,000</b>	<b>Operating Impact:</b>	<b>\$0</b>

**Details**

**Scope**

n/a

**Maintenance Priorities**

**Project Summary**

Project Type: Facility Needs	Budget Amount: <b>\$6,000,000</b>
Department: Facilities	Budget Year: 2018
Status: Planning	Estimated Project Start: TBD
Unit Number: TBD	Estimated Project Complete: TBD

n/a

**Financial Details**

Project Phase	Original Budget	Current Estimate:	\$6,000,000
Design:		Expenditure to Date:	\$0
Construction:		Percent Complete:	0%
Environmental:		Funding Source:	CPS Resources
Management:		Operating Impact:	\$0
<b>Project Total:</b>	<b>\$6,000,000</b>		

**Details**

**Scope**

n/a

**Priority Roof/Envelope Projects/Mechanical Projects**

**Project Summary**

Project Type: Facility Needs	<b>Budget Amount: \$73,000,000</b>
Department: Facilities	Budget Year: 2018
Status: Planning	Estimated Project Start: TBD
Unit Number: TBD	Estimated Project Complete: TBD

The purpose of these projects is to provide targeted building envelope (roof, windows and masonry) and mechanical system renovations to multiple schools.

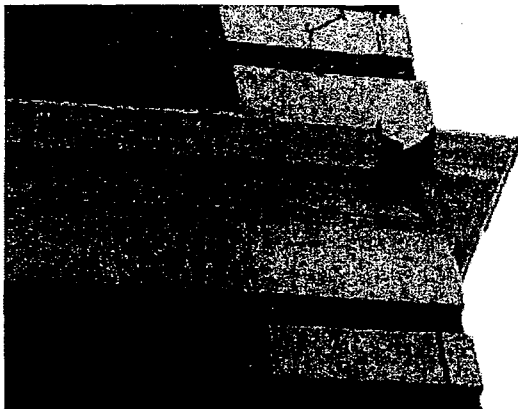
**Financial Details**

Project Phase	Original Budget	Current Estimate:	\$73,000,000
Design:		Expenditure to Date:	\$0
Construction:		Percent Complete:	0%
Environmental:		Funding Source:	CPS Resources
Management:		Operating Impact:	\$0
<b>Project Total:</b>	<b>\$73,000,000</b>		

**Details**

**Scope**

The proposed scope of work includes roof, window and mechanical system replacement and targeted masonry repair.



Priority Roof/Envelope Projects/Mechanical Projects

Priority Roof/Envelope Projects/Mechanical Projects

8/8/2017

**Program Management and Design Fees**

**Project Summary**

Project Type: Capital Project Support Services	<b>Budget Amount: \$10,250,000</b>
Department: Facilities	Budget Year: 2018
Status: Planning	Estimated Project Start: July, 2017
Unit Number:	Estimated Project Complete: June, 2018

n/a

**Financial Details**

Project Phase	Original Budget		
Design:		Current Estimate:	\$10,250,000
Construction:		Expenditure to Date:	\$0
Environmental:		Percent Complete:	0%
Management:		Funding Source:	CPS Resources
<b>Project Total:</b>	<b>\$10,250,000</b>	Operating Impact:	\$0

**Details**

**Scope**

n/a

**Server Upgrade**

**Project Summary**

Project Type: ITS & Other Projects	<b>Budget Amount: \$186,000</b>
Department: ITS	Budget Year: 2018
Status: Planning	Estimated Project Start: July, 2017
Unit Number: 12150	Estimated Project Complete: June, 2018

The purpose of this project is to upgrade CPS core hyper-V environment to maintain system health, security, functionality and comply with vendor recommended best practices.

**Financial Details**

<u>Project Phase</u>	<u>Original Budget</u>		
Design:		Current Estimate:	\$186,000
Construction:		Expenditure to Date:	\$0
Environmental:		Percent Complete:	0%
Management:		Funding Source:	CPS Resources
<b>Project Total:</b>	<b>\$186,000</b>	Operating Impact:	\$0

**Details**

**Scope**

The scope of work includes migration of servers running in 2008 to Azure or Windows Server 2016R2 running in Hyper-V. Scope also includes Hybrid Cloud integration and validation of End User Functionality and Application Integrity after migration.

**Student Information Systems Implementation**

**Project Summary**

Project Type: ITS & Other Projects	Budget Amount: \$3,130,000
Department: ITS	Budget Year: 2018
Status: Planning	Estimated Project Start: July, 2017
Unit Number: 12150	Estimated Project Complete: June, 2018

The purpose of this project is to replace four current IMPACT Software Products. This new tool will greatly consolidate our current Student Information toolset, add new Parent/Student Portal capabilities, as well as a Teacher Portal, SIS Mobile Apps of both a informational and transaction nature, built-in standards-based grading and many other features. FY17-18 Capital Dollars includes payments for the software, software hosting and the Year 2 Implementation effort to both Follett and our pool of consultants (business analysts and Data Solutions ETL developers) who are helping guide the project to a successful conclusion.

**Financial Details**

Project Phase	Original Budget		
Design:		Current Estimate:	\$3,130,000
Construction:		Expenditure to Date:	\$0
Environmental:		Percent Complete:	0%
Management:		Funding Source:	CPS Resources
<b>Project Total:</b>	<b>\$3,130,000</b>	Operating Impact:	\$0

**Details**

**Scope**

CPS will be replacing four of its current student information system (SIS) software products with a single software product, Follett's Aspen. ITS will complete implementation, software customization, SIS data conversion, training and data sourcing.



RESOLUTION LEVYING PROPERTY TAXES AND AUTHORIZING AND DIRECTING THE FILING OF A CONTROLLER'S CERTIFICATE FOR THE FISCAL YEAR 2017-2018 FOR SCHOOL PURPOSES OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO

BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE CITY OF CHICAGO as follows:

Section 1. Findings. The Board of Education of the City of Chicago does hereby find and declare as follows:

(a) The Board adopted on August 28, 2017, its Annual School Budget, which sets forth the appropriations and liabilities of the Board for Fiscal Year 2017-2018, which begins on July 1, 2017 and ends on June 30, 2018;

(b) The Board requires to be levied, and it is necessary for the Board to levy, real estate taxes in the amount of Two Billion, Seven hundred and Thirty Five Million, Two Hundred and Fifty Two Thousand, One Hundred and Twenty Four (\$2,735,252,124) for its 2017-2018 Fiscal Year, as set forth in Section 2 of this Resolution.

Section 2. Levy. There are levied for the Board's Fiscal Year 2017-2018, upon all taxable property in the City of Chicago, real estate taxes for the purpose of establishing and supporting free schools and defraying their expenses, for the following specific purposes:

(a) For educational purposes, including without limitation, in addition to general education purposes, including, as authorized before the adoption of Public Act 89-15, constructing, acquiring, leasing (other than from the Public Building Commission of Chicago), operating, maintaining, improving, repairing, and renovating land, buildings, furnishings, and equipment for school houses and buildings, and related incidental expenses; provision of special education; furnishing free textbooks and instructional aids and school supplies; establishing, equipping, maintaining, and operating supervised playgrounds under the control of the Board, school extracurricular, activities, and stadia, social centers and summer swimming pool programs open to the public in connection with any public school; making an employer contribution to the Public School Teachers' Pension and Retirement Fund as required by Section 17-129 of the Illinois Pension Code, 40 ILCS 5/17-129; providing an agricultural science school, including site development and improvements, maintenance, repairs, and supplies; and student transportation expenses . . . . . \$2,422,751,701

(b) For the purpose of paying tort judgments and settlements; paying costs of insurance, individual or joint self-insurance (including reserves thereon), including all operating and administrative costs and expenses directly associated therewith, claims services and risk management directly attributable to loss prevention and loss reduction, legal services directly attributable to the insurance, self-insurance or joint self-insurance program, and educational, inspectional and supervisory services directly relating to loss prevention and loss reduction; discharging obligations under Section 34-18.1 of the School Code, 105 ILCS 5/34-18.1; paying the cost of risk management programs; establishing reserves for executed losses for any liability or loss as provided in 745 ILCS 10/9-107; and protection against and reduction of liability or loss as described above under Federal or State statutory or common law, the Workers' Compensation Act, Workers' Occupational Disease Act, and the Unemployment Insurance Act . . . . . \$ 29,000,000

(c) For the purpose of making an employer contribution to the Public School Teachers' Pension and Retirement Fund of Chicago as authorized by P.A. 99-521 and 105 ILCS 5/34-53, as amended effective June 1, 2017, the proceeds to be paid directly to the Public School Teachers' Pension and Retirement Fund of Chicago as soon as possible after collection . . . . . \$283,500,423

Any reductions in extensions required by the Property Tax Extension Limitation Law shall be as directed by the Board as provided in the Controller's Certificate, including as it may be amended from time to time, as provided in Section 34-54.1 of the School Code, 105 ILCS 5/34-54.1, to be filed with the County Clerks of the Counties of Cook and DuPage.

All taxes levied by this Resolution are in addition to any taxes levied for any previous fiscal year or for any lease rentals for the Public Building Commission of Chicago or any Bonds of the Board.

**Section 3. Certificate.** It is certified that the Board requires the real estate taxes to be levied as provided in Section 2 of this Resolution upon all taxable property in the City of Chicago. The Controller is authorized and directed to file with the County Clerks of the Counties of Cook and DuPage a Controller's Certificate as required by Section 34-54.1 of the School Code, 105 ILCS 5/34-54.1, pertaining to the extension of real estate tax levies in calendar year 2018, substantially in the form as provided in Exhibit A which is attached hereto and made a part of this Resolution.

**Section 4. Amendment to Certificate.** The Controller's Certificate shall be amended as may be necessary in the opinion of the General Counsel to the Board to conform to subsequent changes in law or interpretation of the law.

**Section 5. Effectiveness.** This Resolution is effective and in full force immediately upon its adoption.

**EXHIBIT A**

**CERTIFICATE OF THE CONTROLLER OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO SETTING FORTH SCHOOL TAXES TO BE EXTENDED FOR COLLECTION IN CALENDAR YEAR 2018**

To the County Clerks of Cook and DuPage Counties, Illinois:

On August 28, 2017, the Board adopted Resolutions levying real estate taxes for the Board's 2018 Fiscal Year (the "2017-2018 School Tax Levy Resolution" and the "2017-2018 Capital Improvement Tax Levy Resolution"). Copies, certified by the Secretary of the Board, of the 2017-2018 School Tax Levy Resolution and the 2017-2018 Capital Improvement Tax Levy Resolution are being filed with your office concurrently with this Certificate. (A copy of the 2017-2018 School Tax Levy Resolution and the 2017-2018 Capital Improvement Tax Levy is attached to this Certificate.)

Pursuant to Section 34-54.1 of the School Code, 105 ILCS 5/34-54.1, as authorized and directed by the Board, I, Melinda Gildart, Controller of the Board, certify and direct as follows:

1. You are directed to extend for collection, upon the value of all taxable property within the City of Chicago (the "City"), the boundaries of which are coterminous with the boundaries of the school district governed by the Board, as equalized or assessed by the Illinois Department of Revenue for tax year 2017, the following taxes:

(a) The following amounts of taxes levied by the 2016-2017 School Tax Levy Resolution for the Board's 2017 Fiscal Year which are required to provide necessary revenue to defray expenditures, charges and liabilities incurred by the Board (but such amounts shall always be subject to the limiting provisions set forth below):

For educational purposes, including without limitation, in addition to general education purposes, including, as authorized before the adoption of Public Act 89-15, constructing, acquiring, leasing (other than from the Public Building Commission of Chicago), operating, maintaining, improving, repairing, and renovating land, buildings, furnishings, and equipment for school houses and buildings, and related incidental expenses; provision of special education; furnishing free textbooks and instructional aids and school supplies; establishing, equipping, maintaining, and operating supervised playgrounds under the control of the Board, school extracurricular activities, and stadia, social centers and summer swimming pool programs open to the public in connection with any public school; making an employer contribution to the Public School Teachers' Pension and Retirement Fund as required by Section 17-129 of the Illinois Pension Code, 40 ILCS 5/17-129; providing an agricultural science school, including site development and improvements, maintenance, repairs, and supplies; and student transportation expenses . . . . . \$253,892,024

(b) The following amounts of school taxes levied by the 2017-2018 School Tax Levy Resolution and the 2017-2018 Capital Improvement Tax Levy Resolution for the Board's 2018 Fiscal Year, which are required to provide necessary revenue to defray expenditures, charges and liabilities incurred by the Board (but such amounts shall always be subject to the limiting provisions set forth below):

For educational purposes, including without limitation, in addition to general education purposes, including, as authorized before the adoption of Public Act 89-15, constructing, acquiring, leasing (other than from the Public Building Commission of Chicago), operating, maintaining, improving, repairing, and renovating land, buildings, furnishings, and equipment for school houses and

buildings, and related incidental expenses; provision of special education; furnishing free textbooks and instructional aids and school supplies; establishing, equipping, maintaining, and operating supervised playgrounds under the control of the Board, school extracurricular activities, and stadia, social centers and summer swimming pool programs open to the public in connection with any public school; making an employer contribution to the Public School Teachers' Pension and Retirement Fund as required by Section 17-129 of the Illinois Pension Code, 40 ILCS 5/17-129; providing an agricultural science school, including site development and improvements, maintenance, repairs, and supplies; and student transportation expenses . . . . . \$2,422,751,701

For the purpose of paying tort judgments and settlements; paying costs of insurance, individual or joint self-insurance (including reserves thereon), including all operating and administrative costs and expenses directly associated therewith, claims services and risk management directly attributable to loss prevention and loss reduction, legal services directly attributable to the insurance, self-insurance or joint self-insurance program, and educational, inspectional and supervisory services directly relating to loss prevention and loss reduction; discharging obligations under Section 34-18.1 of the School Code, 105 ILCS 5/34-18.1; paying the cost of risk management programs; establishing reserves for executed losses for any liability or loss as provided in 745 ILCS 10/9-107; and protection against and reduction of liability or loss as described above under Federal or State statutory or common law, the Workers' Compensation Act, Workers' Occupational Disease Act, and the Unemployment Insurance Act . . . . . \$29,000,000

For capital improvement purposes as authorized Under Section 34-53.5(a) of the School Code, 105 ILCS 5/34-53.5, including the construction and equipping of new school buildings or additions to existing buildings, the purchase of land for the construction of new school buildings or additions to existing buildings, the rehabilitation, renovation, and equipping of of existing school buildings . . . . . \$7,923,710

For the purpose of making an employer contribution to the Public School Teachers' Pension and Retirement Fund of Chicago as authorized by P.A. 99-521 and 105 ILCS 5/34-53, as amended effective June 1, 2017, the proceeds to be paid directly to the Public School Teachers' Pension and Retirement Fund of Chicago as soon as possible after collection . . . . \$283,500,423

2. The aggregate amount of school real estate taxes which are to be extended for collection in calendar year 2018, as set forth in Section 1 of this Certificate, are as follows (but such amounts shall always be subject to the limiting provisions set forth below):

For Educational Purposes as described in Section 1 of this Certificate . . . . .	\$2,676,643,725
For Liability Protection Purposes as described in Section 1 of this Certificate . . . . .	\$29,000,000
For Capital Improvement Purposes described in Section 1 of this Certificate . . . . .	\$7,923,710
For Teacher Pension Purposes described in Section 1 of this Certificate . . . . .	\$283,500,423

3. The Board has previously enacted, and filed with you, its resolutions levying direct annual taxes to be extended for collection in calendar year 2018 for the purpose of providing revenue for the payment of rent provided for in various leases entered into between the Board and the Public Building Commission of Chicago. You are directed to extend these taxes for collection in calendar year 2018, as provided by those resolutions and by law, except to the extent that the Board files with you an abatement of any or all of those taxes.

4. The Board has previously enacted, and filed with you, its resolutions levying direct annual taxes to be extended for collection in calendar year 2018 for the purpose of paying principal and interest on the Unlimited Tax General Obligation Bonds (Dedicated Revenue) Series Series 1997A, 1998B-1, 1999A, 2002A, 2003C, 2004A, 2005A, 2005B, 2006A, 2006B, 2007B, 2007C, 2007D, 2008A, 2008B, 2008C, 2009D, 2009EF, 2009G, 2010C, 2010D, 2010F, 2010G, 2011A, 2011C, 2012A, 2012B, 2013A, 2015A, 2015C, 2015E, 2015G, 2016A, 2016B, 2017A, 2017B. You are directed to extend these taxes for collection in calendar year 2018, as provided by those resolutions and by law, except to the extent that the Board files with you an abatement of any or all of those taxes

5. Any reduction in extensions required by the Property Tax Extension Limitation Law shall be taken solely from the extension for Educational Purposes, except as subsequently directed by the Controller.

Dated: August 28, 2017

Melinda Gildart  
CONTROLLER  
BOARD OF EDUCATION OF  
THE CITY OF CHICAGO

17-0828-RS4

**RESOLUTION LEVYING PROPERTY TAXES AND AUTHORIZING AND DIRECTING THE FILING OF A CONTROLLER'S CERTIFICATE FOR THE FISCAL YEAR 2017-2018 FOR CAPITAL IMPROVEMENT PURPOSES OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO**

**BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE CITY OF CHICAGO as follows:**

**Section 1. Findings.** The Board of Education of the City of Chicago does hereby find and declare as follows:

(a) The Board adopted on August 28, 2017, its Annual School Budget, which sets forth the appropriations and liabilities of the Board for Fiscal Year 2017-2018, which begins on July 1, 2017 and ends on June 30, 2018;

(b) The Board requires to be levied, and it is necessary for the Board to levy, real estate taxes in the amount of Seven Million, Nine Hundred and Twenty Three Thousand and Seven Hundred and Ten (\$7,923,710) for its 2017-2018 Fiscal Year, as set forth in Section 2 of this Resolution.

**Section 2. Levy.** Pursuant to the provisions of 105 ILCS 5/34-53.5, there are levied for the Board's Fiscal Year 2017-2018, upon all taxable property in the City of Chicago, real estate taxes for the purpose of providing a reliable source or revenue for capital improvement purposes, including, without limitation, (i) the construct and equipping of new school buildings or additions to existing school buildings; (ii) the purchase of school grounds on which any new school buildings or additions to existing school buildings may be constructed or located; and (iii) the rehabilitation, renovation, and equipping of existing school buildings: ..... \$7,923,710

All taxes levied by this Resolution are in addition to any taxes levied for any previous fiscal year or for any lease rentals for the Public Building Commission of Chicago or any Bonds of the Board.

**Section 3. Certificate.** It is certified that the Board requires the real estate taxes to be levied as provided in Section 2 of this Resolution upon all taxable property in the City of Chicago. The Controller is authorized and directed to file with the County Clerks of the Counties of Cook and DuPage a Controller's Certificate as required by Section 34-54.1 of the School Code, 105 ILCS 5/34-54.1, pertaining to the extension of real estate tax levies in calendar year 2018, substantially in the form as provided in Exhibit A which is attached hereto and made a part of this Resolution.

**Section 4. Amendment to Certificate.** The Controller's Certificate shall be amended as may be necessary in the opinion of the General Counsel to the Board to conform to subsequent changes in law or interpretation of the law.

**Section 5. Effectiveness.** This Resolution is effective and in full force immediately upon its adoption.

**EXHIBIT A**

**CERTIFICATE OF THE CONTROLLER OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO SETTING FORTH SCHOOL TAXES TO BE EXTENDED FOR COLLECTION IN CALENDAR YEAR 2018**

To the County Clerks of Cook and DuPage Counties, Illinois:

On August 28, 2017, the Board adopted Resolutions levying real estate taxes for the Board's 2018 Fiscal Year (the "2017-2018 School Tax Levy Resolution" and the "2017-2018 Capital Improvement Tax Levy Resolution"). Copies, certified by the Secretary of the Board, of the 2017-2018 School Tax Levy Resolution and the 2017-2018 Capital Improvement Tax Levy Resolution are being filed with your office concurrently with this Certificate. (A copy of the 2017-2018 School Tax Levy Resolution and the 2017-2018 Capital Improvement Tax Levy is attached to this Certificate.)

Pursuant to Section 34-54.1 of the School Code, 105 ILCS 5/34-54.1, as authorized and directed by the Board, I, Melinda Gildart, Controller of the Board, certify and direct as follows:

1. You are directed to extend for collection, upon the value of all taxable property within the City of Chicago (the "City"), the boundaries of which are coterminous with the boundaries of the school district governed by the Board, as equalized or assessed by the Illinois Department of Revenue for tax year 2017, the following taxes:

(a) The following amounts of taxes levied by the 2016-2017 School Tax Levy Resolution for the Board's 2017 Fiscal Year which are required to provide necessary revenue to defray expenditures, charges and liabilities incurred by the Board (but such amounts shall always be subject to the limiting provisions set forth below):

For educational purposes, including without limitation, in addition to general education purposes, including, as authorized before the adoption of Public Act 89-15, constructing, acquiring, leasing (other than from the Public Building Commission of Chicago), operating, maintaining, improving, repairing, and renovating land, buildings, furnishings, and equipment for school houses and buildings, and related incidental expenses; provision of special education; furnishing free textbooks and instructional aids and school supplies; establishing, equipping, maintaining, and operating supervised playgrounds under the control of the Board, school extracurricular activities, and stadia, social centers and summer swimming pool programs open to the public in connection with any public school; making an employer contribution to the Public School Teachers' Pension and Retirement Fund as required by Section 17-129 of the Illinois Pension Code, 40 ILCS 5/17-129; providing an agricultural science school, including site development and improvements, maintenance, repairs, and supplies; and student transportation expenses . . . . . \$253,892,024

(b) The following amounts of school taxes levied by the 2017--2018 School Tax Levy Resolution and the 2017-2018 Capital Improvement Tax Levy Resolution for the Board's 2018 Fiscal Year, which are required to provide necessary revenue to defray expenditures, charges and liabilities incurred by the Board (but such amounts shall always be subject to the limiting provisions set forth below):

For educational purposes, including without limitation, in addition to general education purposes, including, as authorized before the adoption of Public Act 89-15, constructing, acquiring, leasing (other than from the Public Building Commission of Chicago), operating, maintaining, improving, repairing, and renovating land, buildings, furnishings, and equipment for school houses and buildings, and related incidental expenses; provision of special education; furnishing free textbooks and instructional aids and school supplies; establishing, equipping, maintaining, and operating supervised playgrounds under the control of the Board, school extracurricular activities, and stadia, social centers and summer swimming pool programs open to the public in connection with any public school; making an employer contribution to the Public School Teachers' Pension and Retirement Fund as required by Section 17-129 of the Illinois Pension Code, 40 ILCS 5/17-129; providing an agricultural science school, including site development and improvements, maintenance, repairs, and supplies; and student transportation expenses . . . . . \$2,422,751,701

For the purpose of paying tort judgments and settlements; paying costs of insurance, individual or joint self-insurance (including reserves thereon), including all operating and administrative costs and expenses directly associated therewith, claims services and risk management directly attributable to loss prevention and loss reduction, legal services directly attributable to the insurance, self-insurance or joint self-insurance program, and educational, inspectional and supervisory services directly relating to loss prevention and loss reduction; discharging obligations under Section 34-18.1 of the School Code, 105 ILCS 5/34-18.1; paying the cost of risk management programs; establishing reserves for executed losses for any liability or loss as provided in 745 ILCS 10/9-107; and protection against and reduction of liability or loss as described above under Federal or State statutory or common law, the Workers' Compensation Act, Workers' Occupational Disease Act, and the Unemployment Insurance Act . . . . . \$29,000,000

For capital improvement purposes as authorized Under Section 34-53.5(a) of the School Code, 105 ILCS 5/34-53.5, including the construction and equipping of new school buildings or additions to existing buildings, the purchase of land for the construction of new school buildings or additions to existing buildings, the rehabilitation, renovation, and equipping of of existing school buildings . . . . . \$7,923,710

For the purpose of making an employer contribution to the Public School Teachers' Pension and Retirement Fund of Chicago as authorized by P.A. 99-521 and 105 ILCS 5/34-53, as amended effective June 1, 2017, the proceeds to be paid directly to the Public School Teachers' Pension and Retirement Fund of Chicago as soon as possible after collection . . . . \$283,500,423

2. The aggregate amount of school real estate taxes which are to be extended for collection in calendar year 2018, as set forth in Section 1 of this Certificate, are as follows (but such amounts shall always be subject to the limiting provisions set forth below):

For Educational Purposes as described in Section 1 of this Certificate . . . . .	\$2,676,643,725
For Liability Protection Purposes as described in Section 1 of this Certificate . . . . .	\$29,000,000
For Capital Improvement Purposes described in Section 1 of this Certificate . . . . .	\$7,923,710
For Teacher Pension Purposes described in Section 1 of this Certificate . . . . .	\$283,500,423

3. The Board has previously enacted, and filed with you, its resolutions levying direct annual taxes to be extended for collection in calendar year 2018 for the purpose of providing revenue for the payment of rent provided for in various leases entered into between the Board and the Public Building Commission of Chicago. You are directed to extend these taxes for collection in calendar year 2018, as provided by those resolutions and by law, except to the extent that the Board files with you an abatement of any or all of those taxes.

4. The Board has previously enacted, and filed with you, its resolutions levying direct annual taxes to be extended for collection in calendar year 2018 for the purpose of paying principal and interest on the Unlimited Tax General Obligation Bonds (Dedicated Revenue) Series Series 1997A, 1998B-1, 1999A, 2002A, 2003C, 2004A, 2005A, 2005B, 2006A, 2006B, 2007B, 2007C, 2007D, 2008A, 2008B, 2008C, 2009D, 2009EF, 2009G, 2010C, 2010D, 2010F, 2010G, 2011A, 2011C, 2012A, 2012B, 2013A, 2015A, 2015C, 2015E, 2015G, 2016A, 2016B, 2017A, 2017B. You are directed to extend these taxes for collection in calendar year 2018, as provided by those resolutions and by law, except to the extent that the Board files with you an abatement of any or all of those taxes

5. Any reduction in extensions required by the Property Tax Extension Limitation Law shall be taken solely from the extension for Educational Purposes, except as subsequently directed by the Controller.

Dated: August 28, 2017

\_\_\_\_\_  
Melinda Gildart  
CONTROLLER  
BOARD OF EDUCATION OF  
THE CITY OF CHICAGO

17-0828-RS5

**RESOLUTION AUTHORIZING THE ISSUANCE OF EDUCATIONAL PURPOSES TAX ANTICIPATION WARRANTS AND NOTES OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO, ILLINOIS, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,550,000,000**

WHEREAS, pursuant to the provisions of Article 34 of the School Code, 105 Illinois Compiled Statutes 5, as amended (the "**School Code**"), the City of Chicago, Illinois, constitutes one school district (the "**School District**"), which is a body politic and corporate by the name of Board of Education of the City of Chicago, which School District is governed by the Chicago Board of Education (the "**Board**") and the provisions of Article 34 of the School Code; and

WHEREAS, the 2017 Tax Levy of the Board for educational purposes (the "**2017 Tax Levy**") will be not less than \$2,442,751,701 (which includes amounts levied for tax revenues payable to the School District in connection with the establishment or existence of a transit facility improvement area pursuant to the Tax Increment Allocation Redevelopment Act, 65 Illinois Compiled Statutes 5/11-74.4, as amended (the "**TIF Act**")), and such levy is anticipated to be filed in the manner provided by law with the County Clerk of the County of Cook, Illinois, and the County Clerk of the County of DuPage, Illinois; and

WHEREAS, pursuant to Section 34-23 of the School Code, the Board is authorized to issue tax anticipation warrants against and in anticipation of taxes levied for the payment of expenditures for educational purposes in an amount not to exceed 85% of the 2017 Tax Levy; and

WHEREAS, pursuant to Section 34-23.5 of the School Code and in lieu of issuing the tax anticipation warrants authorized by Section 34-23 of the School Code, the Board is authorized to issue notes, bonds, or other obligations (and in connection with that issuance, establish lines of credit with one or more banks) in anticipation of the receipt of the taxes levied for educational purposes; and

WHEREAS, no such warrants, notes, bonds, or other obligations have been issued in anticipation of the receipt of the 2017 Tax Levy for such purposes; and

WHEREAS, the Board wishes to authorize at this time the issuance of Tax Anticipation Obligations (as defined herein) pursuant to the terms of this Resolution in an aggregate principal amount of not to exceed \$1,550,000,000; and

WHEREAS, the aggregate principal amount of all warrants, notes, or other obligations (including the Tax Anticipation Obligations issued pursuant to this Resolution), issued in anticipation of the collection of the 2017 Tax Levy will not exceed 85% of the 2017 Tax Levy; and

WHEREAS, the Board has not established a working cash fund pursuant to Sections 34-30 through 34-36 of the School Code.

NOW, THEREFORE, Be It and It is Hereby Resolved by the Chicago Board of Education of the City of Chicago as follows:

1. *Incorporation of Preambles.* The Board hereby finds that all of the recitals contained in the preambles to this Resolution are full, true and correct and does incorporate them into this Resolution by this reference.

2. *Definitions.* For all purposes of this Resolution and in addition to the defined terms in the preambles to this Resolution, except as otherwise expressly provided or unless the context otherwise requires and in addition to the terms defined in the preambles hereto, the terms defined in this Section shall have the meanings set forth below, and shall include the plural as well as the singular.

"Designated Officials" shall mean the President, the Vice President, the Senior Vice President of Finance of the Board and the Chief Financial Officer of the Board.

"Lending Agreement" means one or more agreements by and between the Board and one or more banks pursuant to which the banks will agree to establish one or more Lines of Credit or Loans in connection with the issuance of Notes.

"Line of Credit" shall mean any line of credit authorized under this Resolution and established with a bank for the benefit of the Board in connection with the issuance of Notes.

"Loan" shall mean any borrowing authorized under this Resolution and obtained from a bank for the benefit of the Board in connection with the issuance of Notes.

"Note Purchase Agreement" means one or more agreements between the Board and one or more financial institutions pursuant to which such financial institutions will agree to purchase any Notes.

"Notes" shall mean the tax anticipation notes of the Board authorized to be issued under this Resolution.

"Tax Anticipation Obligations" means the Warrants or the Notes, if Notes are issued in lieu of the Warrants.

"Tax Escrow Agreement" means the agreement by and among the Board, the trustee under each Trust Indenture and a bank, trust company or national banking association having trust powers and appointed by one of the Designated Officials to act as escrow agent under the Tax Escrow Agreement.

"Tax Increment Revenue" means the portion, if any, of taxes levied upon each taxable lot, block, tract or parcel of real property which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in any transit facility improvement area established by the City of Chicago, over and above the initial equalized assessed value of such property existing at the time tax increment financing was adopted, minus the total current homestead exemptions pertaining to each piece of property provided by Article 15 of the Property Tax Code, 35 Illinois Compiled Statutes 200, as amended, in the transit facility improvement area.



"Tax Receipts" means the tax revenue collected from the 2017 Tax Levy; provided, however, such "tax revenue collected" shall not include any Tax Increment Revenue paid or payable to the School District pursuant to Section 8 of the TIF Act.

"Trust Indenture" means one or more agreements providing for the issuance of the Tax Anticipation Obligations and for their repayment from property tax revenues, by and between the Board and a bank, trust company or national banking association having trust powers and appointed by one of the Designated Officials to act as trustee under the Trust Indenture. As used in this Resolution, the term "Trust Indenture" includes any "Master Trust Indenture" and any "Supplemental Trust Indenture."

"Warrants" shall mean the tax anticipation warrants of the Board issued pursuant to Section 34-23 of the School Code and authorized to be issued under this Resolution.

"2017 GANS" means any of the Grant Anticipation Revenue Notes, Series 2017A and the Grant Anticipation Revenue Notes, Series 2017B, of the Board.

3. *Findings.* It is found and determined that (A) the borrowing from time to time of moneys in anticipation of the collection of the Tax Receipts is necessary so that sufficient moneys will be in the treasury of the School District at all times to meet the ordinary and necessary expenses of the School District for educational purposes; (B) that authorizing the issuance of Warrants, the establishment of Lines of Credit or Loans and the issuance of the Notes will provide the needed access to funds to meet such ordinary and necessary expenses; and (C) that no person holding an office of the Board, either by election or appointment, is in any manner interested, either directly or indirectly, in such person's own name or the name of any other person, association, trust or corporation, in the transactions contemplated by the Warrants or by the Notes and the Lines of Credit or Loans.

4. *Determination to Authorize Tax Anticipation Warrants.* The Board is hereby authorized to issue Warrants in anticipation of the collection of the 2017 Tax Levy in an aggregate principal amount of not to exceed \$1,550,000,000. The Warrants are to be issued in accordance with the provisions of Section 34-23 of the School Code and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, as amended (the "**Local Government Debt Reform Act**").

5. *Determination to Authorize Lines of Credit, Loans, Note Purchase Agreements and Tax Anticipation Notes.* Pursuant to Section 34-23.5 of the School Code and in lieu of the issuance of the Warrants authorized by Section 4 hereof, the Board is hereby authorized, as shall be determined from time to time by the Senior Vice President of Finance or the Chief Financial Officer as hereafter provided, to (i) enter into Lending Agreements with one or more banks for the provision of Lines of Credit or Loans for the Board and to evidence borrowings under such Lines of Credit or Loans by the issuance of one or more series of Notes, (ii) enter into Note Purchase Agreements with one or more financial institutions pursuant to which such financial institutions will purchase one or more series of Notes, and (iii) on December 28, 2017, exchange one or more series of Notes for outstanding 2017 GANS, provided, any such Notes shall have a like date, maturity, interest rate, accrued interest and tenor and be in the same

outstanding principal amount of the 2017 GANS being exchanged. The Board is hereby authorized to issue such Notes in anticipation of the collection of the 2017 Tax Levy in an aggregate principal amount outstanding at any time of not to exceed \$1,550,000,000. Such Notes are to be issued in accordance with the provisions of Section 34-23.5 of the School Code and the Local Government Debt Reform Act.

6. *Authorization and Terms.* The Tax Anticipation Obligations are hereby authorized to be issued and, if Notes are issued in lieu of the issuance of Warrants, the Lines of Credit or Loans are hereby authorized to be established or obtained and the Note Purchase Agreements and Lending Agreements are authorized to be executed as provided herein, in either case to provide funds to defray the necessary expenses and liabilities of the School District incurred for educational purposes prior to the receipt of taxes levied for such purposes pursuant to the 2017 Tax Levy. The Tax Anticipation Obligations shall be drawn against and in anticipation of the collection of the 2017 Tax Levy. The Tax Anticipation Obligations shall be limited obligations of the Board payable solely from the Tax Receipts when collected.

The Tax Receipts are hereby irrevocably pledged and assigned as security for the payment of the Tax Anticipation Obligations and such Tax Receipts, when collected, shall be set apart and held for the payment of the Tax Anticipation Obligations.

All moneys borrowed pursuant to this Resolution shall be repaid exclusively from the Tax Receipts derived from the 2017 Tax Levy, and such payment shall be made, from time to time, as determined by any of the Designated Officials, with the final payment to be made within 60 days after the Tax Receipts have been distributed to or received by the escrow agent pursuant to the Tax Escrow Agreement. Any of the Designated Officials are hereby authorized to determine, at their discretion, to retire the borrowing by the making of partial payments or payment in full. The application of the Tax Receipts to the payment of the Tax Anticipation Obligations authorized hereunder shall be subject to the applicable provisions of the Lending Agreement, the Note Purchase Agreement, the Trust Indenture and the Tax Escrow Agreement, as any of such agreements or indentures may be supplemented or amended as hereinafter authorized.

The Tax Anticipation Obligations shall bear interest at a rate or rates, fixed or variable, as determined by any of the Designated Officials, not to exceed the maximum rate permitted under Section 2 of the Bond Authorization Act, 30 Illinois Compiled Statutes 305, from the date of their issuance until paid.

7. *Execution.* The Tax Anticipation Obligations shall be executed on behalf of the Board with the manual or duly authorized facsimile signatures of the President and Secretary of the Board, all as such officers shall determine. In case any officer whose signature shall appear on the Tax Anticipation Obligations shall cease to be such officer before the delivery of such Tax Anticipation Obligations, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

8. *Tax Escrow Direction.* Each of the Designated Officials is hereby authorized, pursuant to authority contained in (A) Section 14 of the Local Government Debt Reform Act in the case of Warrants and (B) Section 20-90 of the Property Tax Code, 35 Illinois Compiled Statutes 200, in the case of Notes; to execute a written direction to the County Collectors of The Counties of Cook and DuPage, Illinois (the "**County Collectors**"), and to deposit the collections of Tax Receipts under the 2017 Tax Levy as and when extended for collection directly with such escrow agent designated pursuant to this Resolution in order to secure the payment of the principal of and interest on the Tax Anticipation Obligations. The Designated Officials are authorized to cause a certified copy of this Resolution to be filed with each of the County Collectors.

9. *Approval of Documents.* The form of Master Trust Indenture for the Tax Anticipation Obligations attached hereto as Exhibit A and the form of Supplemental Trust Indenture for a series of Tax Anticipation Obligations attached hereto as Exhibit B, are each hereby approved and, on behalf of the Board, each of the Designated Officials is authorized to enter into one or more such Trust Indentures, in either case with such revisions, insertions, completions and modifications thereof as shall be approved by the Designated Official executing the same, and that are not inconsistent with the terms and provisions of this Resolution, such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of such revisions, insertions, completions and modifications thereof.

Each of the Designated Officials is authorized to execute, and the Secretary is authorized to attest, one or more of such Trust Indentures in substantially the forms described above, but with such revisions, insertions, completions and modifications thereof as shall be approved by the Designated Official executing the same, and that are not inconsistent with the terms and provisions of this Resolution, such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of such revisions, insertions, completions and modifications thereof.

Each of the Designated Officials is authorized to enter into a Tax Escrow Agreement, on behalf of the Board, in substantially the same form as approved in connection with the Board's prior issuance of Tax Anticipation Obligations in 2015, 2016 and 2017, but with such revisions, insertions, completions and modifications thereof as shall be approved by the Designated Official executing the same, and that are not inconsistent with the terms and provisions of this Resolution, such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of such revisions, insertions, completions and modifications thereof.

Each of the Designated Officials is authorized to enter into (i) one or more Note Purchase Agreements in substantially the same form as approved in connection with the Board's prior issuance of Tax Anticipation Obligations in 2015, 2016 and 2017, or (ii) one or more Lending Agreements in substantially the same form as approved in connection with the Board's prior issuance of Tax Anticipation Obligations in 2015, 2016 and 2017, in either case with such revisions, insertions, completions and modifications thereof as shall be approved by the Designated Official executing the same, and that are

not inconsistent with the terms and provisions of this Resolution, such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of such revisions, insertions, completions and modifications thereof.

Any series of the Notes issued (i) to evidence borrowings under a Lending Agreement and Line of Credit or Loan shall be issued pursuant to Trust Indentures in substantially the forms described above, (ii) to be sold pursuant to a Note Purchase Agreement shall be issued pursuant to Trust Indentures in substantially the forms described above, or (iii) to be exchanged for outstanding 2017 GANS shall be issued pursuant to Trust Indentures in substantially the forms described above. Each of the Designated Officials is authorized to execute, and the Secretary is authorized to attest, one or more such Trust Indentures, with such revisions, insertions, completions and modifications thereof as shall be approved by the Designated Official executing the same, and that are not inconsistent with the terms and provisions of this Resolution, such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of such revisions, insertions, completions and modifications thereof.

Each of the Designated Officials is authorized to enter into such supplements and amendments to, or amendments and restatements of, the documents authorized and approved under this Section 9 as such Designated Official shall deem necessary to facilitate the issuance of the Notes upon terms that are not inconsistent with the terms and provisions of this Resolution.

If determined to be necessary by a Designated Official in connection with the initial sale, subsequent reoffering or exchange of any Tax Anticipation Obligations, the preparation, use and distribution of a Preliminary Official Statement, Private Placement Memorandum, Limited Offering Memorandum or Notice of Public Sale relating to each issue of Tax Anticipation Obligations (the "Disclosure Document") in substantially the respective forms delivered in connection with previous issues, is hereby authorized and approved. The Designated Officials are each hereby authorized to execute and deliver such Disclosure Document on behalf of the Board. The Disclosure Document herein authorized may contain a description of the terms and provisions of, and security for, such obligations, the use of proceeds of such obligations, financial information relating to the Board, and such other information as any Designated Officer determines to be advisable under the circumstances.

10. *Application of Proceeds and Other Moneys.* Proceeds of sale of the Tax Anticipation Obligations are expected to be appropriated for the educational expenses of the Board and for the payment of costs of issuance of the Notes and related fees.

11. *Further Acts.* Each of the Designated Officials, officials or officers of the Board are hereby authorized to execute and deliver the documents approved by this Resolution, and such other documents and agreements and perform such other acts as may be necessary or desirable in connection with the Tax Anticipation Obligations, the Lending Agreements, the Trust Indentures, the Tax Escrow Agreement, any Disclosure Document and the Note Purchase Agreements, including, but not limited to, provisions relating to increased costs and indemnification, and the exercise following the delivery date of the Tax

Anticipation Obligations of any power or authority delegated to such official under this Resolution with respect to the Tax Anticipation Obligations and the Lending Agreements, but subject to any limitations on or restrictions of such power or authority as herein set forth. The General Counsel is authorized to select and engage attorneys and other professionals to provide services related to the transactions described in this Resolution. The General Counsel may make such selection of professionals based upon substantial demonstrated prior experience.

All actions of the officials or officers of the Board that are in conformity with the purposes and intent of this Resolution are hereby in all respects ratified, approved, and confirmed.

12. *Severability.* The provisions of this Resolution are hereby declared to be severable; and if any section, phrase, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, or provisions.

13. *Repealer and Effective Date.* All Resolutions or parts of resolution in conflict herewith are, to the extent of such conflict, hereby repealed. This Resolution is effective immediately upon its adoption.

EXHIBIT A  
FORM OF MASTER INDENTURE

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MASTER TRUST INDENTURE

by and between

BOARD OF EDUCATION OF THE CITY OF CHICAGO

and

ZIONS BANK, A DIVISION OF ZB, NATIONAL ASSOCIATION  
as Trustee

Dated as of September 1, 2017

SECURING BOARD OF EDUCATION OF THE CITY OF CHICAGO EDUCATIONAL  
PURPOSES TAX ANTICIPATION NOTES

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THIS MASTER TRUST INDENTURE dated as of September 1, 2017 (the "*Indenture*"), by and between the Board of Education of the City of Chicago, a school district organized and existing under the laws of the State of Illinois, and Zions Bank, a division of ZB, National Association, a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out as trustee (the "*Trustee*");

**WITNESSETH:**

WHEREAS, pursuant to the provisions of Article 34 of the School Code, 105 Illinois Compiled Statutes 5/34, as amended (the "*School Code*"), the City of Chicago constitutes one school district (the "*School District*") which is a body politic and corporate by the name of the "Board of Education of the City of Chicago," governed by the Chicago Board of Education (the "*Board*"); and

WHEREAS, the 2017 tax levy of the Board for educational purposes (the "*2017 Tax Levy*") is in the amount of \$2,442,751,701 and such levy has been duly adopted by the Board and filed in the manner provided by law with the County Clerk of The County of Cook, Illinois and the County Clerk of the County of DuPage, Illinois; and

WHEREAS, pursuant to Section 34-23.5 of the School Code and in lieu of issuing the tax anticipation warrants authorized by Section 34-23 of the School Code, the Board is authorized to issue notes, bonds, or other obligations (and in connection with that issuance, establish lines of credit with one or more banks) in anticipation of the receipt of the taxes levied for educational purposes in an amount not to exceed 85% of the 2017 Tax Levy; and

WHEREAS, in accordance with the provisions of Section 34-23.5 of the School Code and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, as amended, (the "*Act*"), the Board, on the 28th day of August, 2017, adopted Resolution No. 17-0828-RS-\_\_ (the "*Note Resolution*") authorizing the issuance, from time to time, in one or more series, of its Educational Purposes Tax Anticipation Notes in an aggregate principal amount not to exceed \$1,550,000,000 (the "*Tax Anticipation Notes*") to enable the Board to borrow money in anticipation of the tax revenue to be derived from the 2017 Tax Levy for the purposes permitted under the School Code and the Act; and

WHEREAS, the Board has determined that it is advisable, necessary and in the best interests of the Board and the residents of the School District to issue Tax Anticipation Notes from time to time in one or more series pursuant to this Indenture (the "*Notes*"); and

WHEREAS, the Notes will be payable exclusively from Pledged Tax Receipts (as defined herein); and

WHEREAS, pursuant to authority granted in the Note Resolution, the Board has appointed Zions Bank, a division of ZB, National Association, to act as Trustee under this Indenture; and

WHEREAS, no Notes or other obligations have heretofore been issued by the Board pursuant to the Note Resolution or other authority in anticipation of the receipt of the Pledged Tax Receipts; and

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WHEREAS, the Board has not heretofore pledged the Pledged Tax Receipts as security for the payment of any bond, note or other obligation of the Board; and

WHEREAS, all things necessary to make the Notes, when authenticated by the Trustee and issued as in this Indenture provided, the valid, binding and legal limited obligations of the Board according to the import thereof, and to constitute this Indenture a valid pledge of and grant of a lien on the following Trust Estate for the purpose of securing the payment of the principal of, premium, if any, and interest on the Notes have been done and performed, in due form and time, as required by law; and

WHEREAS, the execution and delivery of this Indenture and the execution and issuance of the Notes, subject to the terms hereof, have in all respects been duly authorized;

### GRANTING CLAUSES

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That in order to secure the payment of the principal of, premium, if any, and interest on all Notes issued and to be issued hereunder, according to the import thereof, and the performance and observance of each and every covenant and condition herein and in the Notes contained, and for and in consideration of the premises and of the acceptance by the Trustee of the trusts hereby created, and of the acquisition and acceptance of the Notes by the respective Owners (as hereinafter defined) thereof, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Notes shall be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become Owners thereof, the Board does hereby pledge and grant a lien upon the following Trust Estate to the Trustee and its successors in trust and assigns, for the benefit of the Owners to the extent provided in this Indenture:

(a) The Pledged Tax Receipts, provided that the pledge of the Pledged Tax Receipts shall be irrevocable and on parity with respect to all Notes issued and Outstanding under this Indenture; and

(b) All moneys and securities and earnings thereon held in the Escrow Account maintained under the Tax Escrow Agreement (as defined herein), provided that such pledge is on a parity with the pledge of the moneys and securities held in the Escrow Account for the benefit and security of all Notes issued and Outstanding under this Indenture and is subject to the allocation of the moneys and securities in said Escrow Account in accordance with the terms and provisions of the Tax Escrow Agreement; and

(c) All moneys and securities and earnings thereon in all funds, accounts and sub-accounts established pursuant to this Indenture; and

(d) Any and all other moneys, securities and property furnished from time to time to the Trustee by the Board or on behalf of the Board or by any other persons to be held by the Trustee under the terms of this Indenture;

*BUT IN TRUST NEVERTHELESS*, and except as herein otherwise provided, for the equal and proportionate benefit and security of the Notes issued hereunder and secured by this Indenture, including any Notes hereafter issued, without preference, priority or distinction as to participation in the lien, benefit and protection hereof of any one Note over any other or from the others by reason of priority in the issue or negotiation thereof or by reason of the date or dates of maturity thereof, or for any other reason whatsoever (except as expressly provided in this Indenture), so that each and all of such Notes shall have the same right, lien and privilege under this Indenture and shall be equally secured hereby, with the same effect as if the same had all been made, issued and negotiated upon the delivery hereof (all except as expressly provided in this Indenture, as aforesaid).

*PROVIDED FURTHER, HOWEVER*, that the Board has reserved the right, upon compliance with the provisions of this Indenture, to issue Additional Notes (as hereinafter defined) on a parity with and sharing ratably and equally in the Pledged Tax Receipts with the Notes.

*PROVIDED FURTHER, HOWEVER*, that these presents are upon the condition that, if the Board, or its successors, shall well and truly pay or cause to be paid, or provide for the payment of all principal, premium, if any, and interest on the Notes due or to become due thereon and all other amounts secured hereby, at the times and in the manner stipulated therein and herein, then this Indenture and the rights hereby granted shall cease, terminate and be void, but shall otherwise be and remain in full force.

AND IT IS HEREBY COVENANTED AND AGREED by and among the Board, the Trustee and the Owners of the Notes from time to time, that the terms and conditions upon which the Notes are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become the Owners thereof, and the trusts and conditions upon which the moneys and securities hereby pledged are to be held and disposed of, which trusts and conditions the Trustee hereby accepts, are as follows:

**ARTICLE I**  
**Definitions and Construction**

**Section 101. Definitions.** The following terms shall, for all purposes of this Indenture, have the following meanings unless a different meaning clearly appears from the context:

"*Account*" means any account so designated by the Board pursuant to Section 402.

"*Act*" means the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, as amended.

"*Additional Notes*" means any Notes authorized and delivered on original issuance pursuant to Section 203.

"*Affiliate*" means, with respect to a Person, any Person (whether for profit or not for profit), which "controls" or is "controlled" by or is under common "control" with such Person. For purposes of this definition, a Person "controls" another Person when the first Person possesses or exercises directly, or indirectly through one or more other affiliates or related

entities, the power to direct the management and policies of the other Person, whether through the ownership of voting rights, membership, the power to appoint members, trustees or directors, by contract, or otherwise.

*"Authorized Denominations"* means the denominations of the Notes of a Series as determined in the Supplemental Indenture authorizing such Series.

*"Authorized Officer"* means (i) the President of the Board, (ii) the Senior Vice President of Finance of the Board, (iii) the Chief Financial Officer of the Board or (iv) any other officer or employee of the Board authorized to perform specific acts or duties under this Indenture by resolution duly adopted by the Board.

*"Board"* means the governing body of the School District, which is a body politic and corporate by the name of the "Board of Education of the City of Chicago," pursuant to Article 34 of the School Code.

*"Bond Counsel"* means any law firm designated by the Board having a national reputation in the field of municipal law whose opinions are generally accepted by purchasers of municipal bonds, acceptable to the Trustee.

*"Business Day"* means any day other than (a) a Saturday, Sunday or (b) a day on which banking institutions located (i) in the city in which the designated office of the Trustee is located, or (ii) in the city in which the designated office of the Escrow Agent is located, are closed.

*"Code"* or *"Code and Regulations"* means the Internal Revenue Code of 1986, as amended, and the regulations promulgated or proposed pursuant thereto as the same may be in effect from time to time.

*"Counsel's Opinion"* or *"Opinion of Counsel"* means an opinion signed by an attorney or firm of attorneys of recognized standing in the area of law to which the opinion relates, who may be counsel to the Board (including the internal counsel to the Board) or Bond Counsel.

*"County Collectors"* means, collectively, the County Treasurers of The Counties of Cook and DuPage, Illinois, in their respective capacities as county collector, or, respectively, such other officer as may be lawfully appointed in the future to serve as county collector in either of said counties.

*"Debt Service Deposit Account"* means the Debt Service Deposit Account established in Section 402.

*"Debt Service Fund"* means the Debt Service Fund established in Section 402.

*"Defeasance Obligations"* means Government Obligations which are not subject to redemption other than at the option of the holder thereof.

*"Depository"* means any bank, national banking association or trust company having a capital and undivided surplus aggregating at least \$20,000,000, selected by an Authorized

Officer as a depository of moneys and securities held under the provisions of this Indenture, and may include the Trustee.

"*Escrow Agent*" means Zions Bank, a division of ZB, National Association, or its successor as escrow agent under the Tax Escrow Agreement.

"*Event of Default*" means any event so designated and specified in Section 701.

"*Exchange Notes*" mean the Notes issued on December 28, 2017, in exchange for the 2017 GANS.

"*Fiduciary*" or "*Fiduciaries*" means the Trustee, the Registrar and the Paying Agent, or any or all of them, as may be appropriate.

"*Fitch*" means Fitch Ratings, its successors and assigns, and, if Fitch shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Board (with the prior written consent of the Purchaser, which consent shall not be unreasonably withheld) by notice to the Trustee.

"*Forward Supply Contract*" means any contract entered into between the Board and a supplier of Investment Securities selected by or pursuant to the direction of the Board (a "*Counterparty*") pursuant to which the Counterparty agrees to sell to the Board (or to the Trustee on behalf of the Board) and the Board (or the Trustee on behalf of the Board) agrees to purchase specified Investment Securities on specific dates at specific purchase prices, all as established at the time of the execution and delivery of such contract and as set forth in such contract. Any amounts due and owing from the Board to the Counterparty pursuant to any Forward Supply Contract (other than the specified purchase prices of the Investment Securities set forth therein) shall be treated as current operating expenses of the Board subject to annual appropriation, and shall not constitute indebtedness of the Board.

"*Funds*" means the Debt Service Fund and any other special funds created and established pursuant to Article IV or any Supplemental Indenture.

"*Government Obligations*" means (a) any direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America and (b) certificates of ownership of the principal of or interest on obligations of the type described in clause (a) of this definition, (i) which obligations are held in trust by a commercial bank which is a member of the Federal Reserve System in the capacity of a custodian, (ii) the owner of which certificate is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying obligations, and (iii) for which the underlying obligations are held in safekeeping in a special account, segregated from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated.

"*Indenture*" means this Master Trust Indenture, dated as of September 1, 2017, by and between the Board and the Trustee, as from time to time amended and supplemented.

"*Interest Payment Date*" shall, for each Series of Notes, have the meaning ascribed to such term in the Supplemental Indenture relating to such Series of Notes.

"*Investment Policy*" means the Investment Policy approved by the Board, as currently in effect and as may be amended from time to time.

"*Investment Securities*" means any of the following securities authorized by law and the Investment Policy as permitted investments of Board funds at the time of purchase thereof:

- (a) Government Obligations;
- (b) Obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:
  - Export Import Bank
  - Farm Credit System Financial Assistance Corporation
  - Farmers Home Administration
  - General Services Administration
  - U.S. Maritime Administration
  - Small Business Administration
  - Government National Mortgage Association (GNMA)
  - U.S. Department of Housing & Urban Development (PHA's)
  - Federal Housing Administration;
- (c) Senior debt obligations issued by the Fannie Mae or the Federal Home Loan Mortgage Corporation and senior debt obligations of other government agencies which at the time of purchase are rated within the 4 highest general classifications established by a rating service of nationally recognized expertise or are expressly secured by the full faith and credit of the United States of America;
- (d) U.S. dollar denominated deposit accounts, certificates of deposit (including those placed by a third party pursuant to an agreement between the Trustee and the Board), demand deposits, including interest bearing money market accounts, trust deposits, time deposits, federal funds and banker's acceptances with domestic commercial banks (including the Trustee and its affiliates) which on the date of purchase have any two of the following ratings on their short term certificates of deposit: "A 1" or "A 1+" by S&P, "P 1" by Moody's and "F1" or "F1+" by Fitch, and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);
- (e) Commercial paper which at the time of purchase has any two of the following ratings: "A 1" or above by S&P, "P 1" by Moody's and "F1" by Fitch, and which matures not more than 180 days after the date of purchase;
- (f) Investments in a money market fund which at the time of purchase is rated "AAAm" or "AAAm G" or better by S&P, including those for which the Trustee or an

affiliate performs services for a fee, whether as a custodian, transfer agent, investment advisor or otherwise;

- (g) Repurchase Agreements; and
- (h) Forward Supply Contracts.

Ratings of Investment Securities referred to herein shall be determined at the time of purchase of such Investment Securities and without regard to ratings subcategories.

"*Kroll*" means Kroll Bond Rating Agency, Inc., its successors and assigns, and, if Kroll shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "*Kroll*" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Board (with the prior written consent of the Purchaser, which consent shall not be unreasonably withheld) by notice to the Trustee.

"*Maturity Date*" shall, for each Series of Notes, have the meaning ascribed to such term in the Supplemental Indenture relating to such Series of Notes.

"*Moody's*" means Moody's Investors Service, its successors and assigns, and, if Moody's shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "*Moody's*" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Board (with the prior written consent of the Purchaser, which consent shall not be unreasonably withheld) by notice to the Trustee.

"*Notes*" means any Tax Anticipation Notes authenticated and delivered under and pursuant this Indenture and pursuant to a Supplemental Indenture, including any Additional Notes and the Exchange Notes.

"*Note Resolution*" means Resolution No. 17-0828-RS-\_\_, adopted by the Board on August 28, 2017, authorizing the issuance of the Notes, as the same may be supplemented or amended.

"*Opinion of Bond Counsel*" means a written opinion of Bond Counsel in form and substance acceptable to the Board and the Trustee, which opinion may be based on a ruling or rulings of the Internal Revenue Service.

"*Outstanding*" means, with respect to a Series of the Notes, as of any date, all Notes of such series theretofore or thereupon being authenticated and delivered under this Indenture except:

- (i) Any Notes of such Series (or portions thereof) canceled by the Trustee at or prior to such date;
- (ii) Notes of such Series (or portions thereof) for the payment or redemption of which moneys and/or Defeasance Obligations, equal to the principal amount or Redemption Price thereof, as the case may be, with interest to the date of maturity or date fixed for redemption, are held in trust under this Indenture and set aside for such payment



or redemption (whether at or prior to the Maturity Date or Redemption Date), provided that if such Notes (or portions thereof) are to be redeemed, notice of such redemption shall have been given as provided in the Supplemental Indenture authorizing the issuance of such Series or provision satisfactory to the Trustee shall have been made for the giving of such notice;

(iii) Notes in lieu of or in substitution for which other Notes shall have been authenticated and delivered pursuant to Article II, Section 304 or Section 1006;

(iv) Notes deemed to have been paid as provided in Section 1101(B); and

(v) Notes purchased by the Board and cancelled pursuant to Section 305 hereof.

"*Owner*" means any person who shall be the registered owner of any Note or Notes.

"*Paying Agent*" means the Trustee and any other bank, national banking association or trust company designated by Supplemental Indenture or by an Authorized Officer as a paying agent for the Notes of any Series, and any successor or successors appointed by an Authorized Officer under this Indenture.

"*Payment Date*" shall mean any date on which the principal or Redemption Price of or interest on any Series of Notes is payable in accordance with its terms and the terms.

"*Person*" means and includes an association, unincorporated organization, a limited liability company, a corporation, a partnership, a joint venture, a business trust, or a government or an agency or a political subdivision thereof, or any other public or private entity, or a natural person.

"*Pledged Tax Receipts*" means all of the money derived from the collection of the Pledged Taxes, to the extent such money has not been released to the Board free and clear of the lien of this Indenture pursuant to the provisions of this Indenture; provided, however, such "Pledged Taxes Receipts" shall not include any Tax Increment Revenue paid or payable to the School District pursuant to Section 8 of the TIF Act.

"*Pledged Taxes*" means the annual ad valorem tax levied by the Board upon all taxable property located in the School District for educational purposes for the year 2017.

"*Principal and Interest SubAccount*" means each Principal and Interest SubAccount established pursuant to Section 402.

"*Principal Payment Date*" means, with respect to any Series of Notes, (i) each date that principal on such Series of Notes is paid pursuant to this Indenture and the applicable Supplemental Indenture, (ii) each Redemption Date with respect to such Note and (iii) the Maturity Date of such Note.

"*Purchase Date*" means any date on which a Series of Notes is purchased and cancelled at the direction of the Board pursuant to the terms of the Supplemental Indenture.

"*Purchaser*" means any entity that (i) purchases a beneficial ownership interest in a Series of Notes from the Board or (ii) makes a loan to the Board in exchange for a beneficial ownership interest in a Series of Notes and, with respect to a Series of Notes, shall have the meaning further ascribed to such term in the Supplemental Indenture relating to such Series of Notes.

"*Record Date*" means, (i) with respect to any Interest Payment Date for the Notes, the Business Day immediately preceding such Interest Payment Date for such Notes and (ii) any date determined by the Trustee pursuant to Section 702(I) hereof.

"*Redemption Account*" means the Redemption Account established in Section 402.

"*Redemption Date*" means, with respect to a Note of any Series (or portion thereof), the date identified in the Supplemental Indenture applicable to such Series.

"*Redemption Event*" means any event which causes an extraordinary mandatory redemption of any Series of Notes pursuant to the Supplemental Indenture applicable to such Series.

"*Redemption Fund*" means the Redemption Fund established in Section 402.

"*Redemption Price*" means, with respect to a Note of any Series (or portion thereof), the principal amount thereof payable upon the date fixed for redemption.

"*Registrar*" means the Trustee and any other bank, national banking association or trust company appointed by an Authorized Officer under this Indenture and designated as registrar for the Notes, and its successor or successors.

"*Released Funds Account*" means the Released Funds Account established in Section 402.

"*Repayment Commencement Date*" means that date which is 14 days after the Tax Penalty Date.

"*Repurchase Agreements*" means repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986 subject to the provisions of said Act and the Regulations issued thereunder. The government securities that are the subject of such repurchase agreements, unless registered or inscribed in the name of the Board, shall be purchased through banks or trust companies authorized to do business in the State of Illinois.

"*School Code*" means the School Code, 105 Illinois Compiled Statutes 5/34, as amended.

"*School District*" means the school district constituted by the City of Chicago pursuant to Article 34 of the School Code, and governed by the Chicago Board of Education.

"*SLGS*" means United States Treasury Certificates of Indebtedness, Notes and Bonds – State and Local Government Series.

"S&P" means Standard & Poor's, a Division of The McGraw Hill Companies, Inc., its successors and assigns, and, if S&P shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Board (with the prior written consent of the Purchaser, which consent shall not be unreasonably withheld) by notice to the Trustee.

"Series" means all of the Notes designated as a series and authenticated and delivered on original issuances in a simultaneous transaction, and any Notes thereafter authenticated and delivered in lieu of or in substitution for such Notes pursuant to Article III or Section 1006 or the provisions of a Supplemental Indenture.

"State" means the State of Illinois.

"Supplemental Indenture" means any Supplemental Indenture between the Board and the Trustee authorized pursuant to Article IX.

"Tax Escrow Agreement" means the Tax Escrow Agreement dated as of September 1, 2017, as amended from time to time, by and between the Board and the Escrow Agent.

"Tax Anticipation Notes" means any tax anticipation note, tax anticipation warrant or similar indebtedness issued by the Board in anticipation of the collection of the taxes levied by the Board for educational purposes for the 2017 Tax Levy.

"Tax Increment Revenue" means the portion, if any, of taxes levied upon each taxable lot, block, tract or parcel of real property which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in any transit facility improvement area established by the City of Chicago, over and above the initial equalized assessed value of such property existing at the time tax increment financing was adopted, minus the total current homestead exemptions pertaining to each piece of property provided by Article 15 of the Property Tax Code, 35 Illinois Compiled Statutes 200, as amended, in the transit facility improvement area.

"Tax Penalty Date" means the last day on which the second installment of the Pledged Taxes may be paid without penalty with respect to taxable property located in The County of Cook, Illinois.

"Testing Period" means (i) the period beginning on April 3, 2018 to (but excluding) the Repayment Commencement Date and (ii) at any time not described in the preceding clause (i), any period during which an Event of Default has occurred and is continuing.

"TIF Act" means the Tax Increment Allocation Redevelopment Act, 65 Illinois Compiled Statutes 5/11-74.4, as amended.

"Trust Estate" means the Pledged Tax Receipts and all other property pledged to the Trustee pursuant to the Granting Clauses of this Indenture.

"Trustee" means Zions Bank, a division of ZB, National Association, and any successor or successors appointed under this Indenture as hereinafter provided. The "designated office" of

the Trustee means 111 West Washington Street, Suite 1860, Chicago, Illinois 60602, or such other address as is provided by the Trustee.

"*Uncollected Pledged Taxes*" means, as of any date of calculation, an amount equal to the difference between (i) \$2,442,751,701 or, when known, the actual extended amount of the 2017 Tax Levy and (ii) the aggregate amount of the Pledged Taxes deposited into the Tax Escrow Agreement as of such date of calculation.

"*Variable Rate*" shall, for each Series of Notes, have the meaning ascribed to such term in the Supplemental Indenture relating to such Series of Notes.

"*Year*" or "*year*" means a calendar year.

"*2017 GANS*" means any of the Grant Anticipation Revenue Notes, Series 2017A and the Grant Anticipation Revenue Notes, Series 2017B, of the Board.

**Section 102. Interpretations.** As used herein, and unless the context shall otherwise indicate, the words "Note," "Owner" and "Person" shall include the plural as well as the singular number.

As used herein, the terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Indenture.

Unless the context shall otherwise indicate, references herein to articles, sections, subsections, clauses, paragraphs and other subdivisions refer to the designated articles, sections, subsections, clauses, paragraphs and other subdivisions of this Indenture as originally executed.

Any headings preceding the texts of the several Articles and Sections hereof, and any Table of Contents appended to copies hereof, are solely for convenience of reference and do not constitute a part of this Indenture, nor do they affect its meaning, construction or effect.

## ARTICLE II Authorization and Issuance of Notes

**Section 201. Authorization of Notes.** (A) The Board shall not issue any Tax Anticipation Notes while this Indenture is in effect except in accordance with the provisions of this Article II. All Notes issued under this Indenture shall be designated "Educational Purposes Tax Anticipation Notes" and shall include such further appropriate designations as the Board may determine. The total principal amount of Notes that may be issued and Outstanding hereunder is expressly limited to \$1,550,000,000.

(B) Notes may be issued in one or more Series and each Note shall bear upon its face the designation determined for its Series. Each Series of Notes evidences a borrowing by the Board. The Notes shall be issued pursuant to the Note Resolution, this Indenture and a Supplemental Indenture. Any two or more Series may be consolidated for purposes of sale in such manner as may be provided in the Supplemental Indenture authorizing such Series.

(C) The Notes of each Series shall be issuable as fully registered notes, without coupons, in Authorized Denominations, substantially in the form attached to the Supplemental Indenture relating to such Notes, with such appropriate variations, omissions and insertions as are permitted or required by this Indenture. The Notes of each Series shall be lettered and numbered, be dated, mature and be subject to redemption or purchase for cancellation as provided in the Supplemental Indenture authorizing such Series of Notes.

**Section 202. General Provisions for Issuance of Notes.** (a) Each Series of Notes shall be executed by the Board and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Board or upon its order, but only upon the receipt by the Trustee, at or prior to such authentication, of:

(1) A Counsel's Opinion regarding the validity and enforceability of such Series.

(2) A written order as to the delivery of such Series signed by an Authorized Officer, which order shall direct, among other things, the application of the proceeds of such Series.

(3) A copy of the Note Resolution, certified by the Secretary of the Board.

(4) An executed copy of the Supplemental Indenture authorizing such Series, which shall specify:

(a) The authorized principal amount, designation and Series of such Notes.

(b) The purposes for which such Series of Notes is being issued.

(c) The date, and the maturity date or dates, of the Notes of such Series.

(d) The interest rate or rates of the Notes of such Series, or the manner of determining such interest rate or rates, and the Payment Dates and Record Dates therefor.

(e) The Authorized Denominations and the manner of dating, numbering and lettering of the Notes of such Series.

(f) The Registrar and the Paying Agent for the Notes of such Series.

(g) The Redemption Price or Prices, if any, or the method for determining Redemption Prices and any redemption dates and terms for the Notes of such Series.

(5) Such further documents, moneys and securities as are required by the provisions of this Indenture or any Supplemental Indenture.

(B) Notes of the same Series and maturity shall be of like tenor except as to interest rate, denomination and form. After the original issuance of Notes of a Series, no Notes of such Series shall be issued except in lieu of or in substitution for other Notes of such Series pursuant to this Indenture or as permitted by a Supplemental Indenture.

**Section 203. Additional Notes.** Any one or more Series of Tax Anticipation Notes entitled to the benefit, protection and security of this Indenture and constituting a Series of Notes may be authorized and delivered pursuant to a Supplemental Indenture. Any such Additional Notes shall be authenticated and delivered by the Trustee only upon receipt by it of the documents required by Section 202.

### ARTICLE III

#### General Terms and Provisions of Notes

**Section 301. Medium of Payment; Form and Date; Letters and Numbers.** The Notes shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Any Notes of a Series shall be issued only in the form of fully registered Notes without coupons or, pursuant to the provisions of a Supplemental Indenture, in any other form permitted by law at the time of original issuance, including, but not limited to, Notes which are transferable through a book-entry system. Each Note shall be lettered and numbered as provided in this Indenture or the Supplemental Indenture authorizing the Series of which such Note is a part and so as to be distinguished from every other Note. Notes shall be dated as provided in this Indenture or the Supplemental Indenture authorizing the Notes of such Series.

**Section 302. Legends.** The Notes of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of this Indenture as may be necessary or desirable to comply with custom, law, the rules of any securities exchange or commission or brokerage board, or otherwise, as may be determined by the Board or the Trustee prior to the authentication and delivery thereof.

**Section 303. Execution and Authentication.** (A) The Notes shall be executed in the name of the Board by the manual or facsimile signatures of its President or Vice President and attested by the manual or facsimile signature of its Secretary. The signature of the Chief Executive Officer or the Senior Vice President of Finance of the Board may also appear on the Notes. In case any one or more of the officers who shall have signed any of the Notes shall cease to be such officer before the Notes so signed shall have been authenticated and delivered by the Trustee, such Notes may, nevertheless, be authenticated and delivered as herein provided, and may be issued as if the persons who signed such Notes had not ceased to hold such offices. Any Note may be signed on behalf of the Board by such persons who at the time of the execution of such Note shall hold the proper office of the Board, although at the date of such Note such persons may not have been so authorized or have held such office.

(B) The Notes shall bear a certificate of authentication, in the form set forth in the Supplemental Indenture authorizing such Notes, executed manually by the Trustee. Only such Notes as shall bear such certificate of authentication shall be entitled to any right or benefit under

this Indenture, and no such Note shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any such Note executed on behalf of the Board shall be conclusive evidence that the Note so authenticated has been duly authenticated and delivered under this Indenture and that the Owner thereof is entitled to the benefits of this Indenture.

**Section 304. Exchangeability of Notes.** Subject to the provisions of Section 305, any Note, upon surrender at the corporate trust office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Owner or its duly authorized attorney, may, at the option of the Owner and upon payment of any charges which the Trustee may make as provided in Section 305, be exchanged for an equal aggregate principal amount of fully registered Notes of the same Series, maturity, and interest rate and tenor of any other Authorized Denominations.

**Section 305. Negotiability, Transfer and Registration.** (A) Subject to the limitations contained in any Supplemental Indenture, upon surrender for registration of transfer of any Note at the designated office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by the Owner or such Owner's attorney duly authorized in writing, the Board shall execute, and the Trustee shall authenticate and deliver, in the name of the transferee or transferees a new Note or Notes of the same Series and of like date and tenor in Authorized Denominations for the aggregate principal amount which the Owner is entitled to receive bearing numbers not contemporaneously Outstanding. Subject to the limitations contained in any Supplemental Indenture, Notes may be exchanged at such times at such designated office of the Trustee upon surrender thereof together with an assignment duly executed by the Owner thereof or such Owner's attorney in such form and with guarantee of signature as shall be satisfactory to the Trustee for an equal aggregate principal amount of Notes of the same Series and of like date and tenor of any Authorized Denomination as the Notes surrendered for exchange bearing numbers not contemporaneously Outstanding. The execution by the Board of any Note of any Authorized Denomination shall constitute full and due authorization of such Authorized Denomination, and the Trustee shall thereby be authorized to authenticate and deliver such registered Note.

(B) No service charge shall be imposed upon the Owners for any exchange or transfer of Notes. The Board and the Trustee may, however, require payment by the person requesting an exchange or transfer of Notes of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto, except in the case of the issuance of a Note for the unredeemed portion of a Note surrendered for redemption in part.

(C) The Board, the Trustee and any Paying Agent may treat the Owner of any Note as the absolute owner thereof for all purposes, whether or not such Note shall be overdue, and shall not be bound by any notice to the contrary. All payments of or on account of the principal of, premium, if any, and interest on any such Note as herein provided shall be made only to or upon the written order of the Owner thereof or such Owner's legal representative, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

(D) Notes delivered upon any registration of transfer or exchange as provided herein or as provided in Section 306 shall be valid limited obligations of the Board, evidencing the same debt as the Notes surrendered, shall be secured by this Indenture and shall be entitled to all of the security and benefits hereof to the same extent as the Note surrendered.

**Section 306. Notes Mutilated, Destroyed, Stolen or Lost.** In case any Note shall become mutilated or be destroyed, stolen or lost, the Board shall execute, and thereupon the Trustee shall authenticate and deliver, a new Note of the same Series and of like tenor and principal amount, as the Notes so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note, upon surrender and cancellation of such mutilated Note or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Trustee evidence satisfactory to the Board and the Trustee that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Board and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as the Board or the Trustee may prescribe and paying such expenses as the Board and Trustee may incur. All Notes so surrendered to the Trustee shall be canceled by the Trustee in accordance with Section 1105. Any such new Notes issued pursuant to this Section in substitution for Notes alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the Board, whether or not the Notes so alleged to be destroyed, stolen or lost shall be found at any time or be enforceable by anyone, shall be entitled to equal and proportionate benefits with all other Notes issued under this Indenture and shall be equally secured by the moneys or securities held by the Trustee for the benefit of the Owners.

#### ARTICLE IV

##### Pledge of Trust Estate and Application of Funds

**Section 401. Pledge Effected by This Indenture.** (A) There are hereby assigned and pledged for the payment of the principal and Redemption Price of, and interest on, the Notes, in accordance with their terms and the provisions of this Indenture, and a lien is hereby granted for such purpose, subject only to the provisions of this Indenture permitting or requiring the application thereof for the purposes and on the terms and conditions set forth in this Indenture, on the Trust Estate as described in the Granting Clauses hereto.

(B) Pursuant to Section 13 of the Act, the moneys, securities and properties hereby pledged by the Board and received by the Escrow Agent as the agent of the Board shall immediately be subject to the lien and the irrevocable pledge hereof without any physical delivery or further act, and the lien and pledge hereof shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Board, irrespective of whether such parties have notice hereof.

(C) The Notes are limited obligations of the Board payable solely from the Pledged Tax Receipts and the other moneys pledged for their payment in accordance with this Indenture. Neither the full faith and credit nor the general taxing power of the Board (other than the Pledged Taxes) is pledged to, or otherwise available for, the payment of any Note.

**Section 402. Establishment of Funds and Accounts.** The Debt Service Fund and the Redemption Fund are hereby established as special funds of the Board to be held by the Trustee.



Within the Debt Service Fund, the Trustee shall establish a separate Debt Service Deposit Account for each outstanding Series of Notes and a Released Funds Account. Within the Debt Service Deposit Account for each Series of Notes is created a Principal and Interest SubAccount. Within the Redemption Fund, the Trustee shall establish a separate Redemption Account for each outstanding Series of Notes. At the direction of an Authorized Officer, the Board may establish the Program Expense Fund as a special fund of the Board to be held by the Trustee.

**Section 403. Deposit and Application of Pledged Tax Receipts.**

(A) All Pledged Tax Receipts shall be deposited with the Escrow Agent for application in accordance with the Tax Escrow Agreement. All Pledged Tax Receipts paid to the Trustee with respect to any Series of Notes then Outstanding shall be deposited immediately into the Debt Service Deposit Accounts of the Debt Service Fund on a pro-rata basis for each such Series of Notes.

(B) With respect to all proceeds of the Pledged Tax Receipts collected as part of the first installment of Pledged Taxes expected to be received in March 2018, on each Business Day prior to the Repayment Commencement Date, if (i) no Event of Default has occurred and is continuing hereunder and (ii) the aggregate principal amount of all Outstanding obligations secured by Pledged Tax Receipts, including all then Outstanding Notes and any other Notes being issued on such date does not exceed the lesser of (1) \$1,550,000,000 on or before April 2, 2018 or \$950,000,000 on or after April 3, 2018 and (2) eighty percent (80%) of the Uncollected Pledged Taxes, the Trustee shall apply the moneys in each Debt Service Deposit Account of the Debt Service Fund in the following order of priority:

*First:* to the related Principal and Interest SubAccount for payment to the Noteholders of any Series of Notes then Outstanding, for the payment of the accrued and unpaid interest on such Notes when due on each Interest Payment Date. In calculating the amount of the moneys to be deposited into such Principal and Interest SubAccount pursuant to this paragraph for payment of interest on such Notes, interest shall be deemed to accrue on such Notes at the rate of 9% per annum for any date for which the actual variable rate of interest on such Notes is not then known.

*Second:* to the related Principal and Interest SubAccount for payment to the Noteholders of any Series of Notes maturing, being redeemed, or being purchased on or before April 2, 2018, for the payment of principal of such Notes as the same shall become due on any applicable Maturity Date, Redemption Date, or Purchase Date.

*Third:* to the Released Funds Account for payment to, or pursuant to the direction of, the Board, any amount remaining in the Debt Service Fund after the payment of all interest on and principal of the Notes of the applicable Series then Outstanding as provided in Clause First and Clause Second above.

(C) With respect to all other proceeds of the Pledged Tax Receipts collected and not applied pursuant to Paragraph (B) above, on (i) each Business Day (1) prior to the Repayment Commencement Date on which the aggregate principal amount of all outstanding obligations secured by Pledged Tax Receipts, including all then Outstanding Notes, is equal to or greater

than 80% of the Uncollected Pledged Taxes and (2) on and after the Repayment Commencement Date, until the Maturity Date for all then Outstanding Notes and (ii) the Maturity Date for all then Outstanding Notes, the Trustee shall apply the moneys in each Debt Service Deposit Account of the Debt Service Fund in the following order of priority:

*First:* to the related Principal and Interest SubAccount for payment to the Noteholders of any Series of Notes then Outstanding, for the payment of the accrued and unpaid interest on such Notes when due on each Interest Payment Date. In calculating the amount of the moneys to be deposited into such Principal and Interest SubAccount pursuant to this paragraph for payment of interest on such Notes, interest shall be deemed to accrue on such Notes at the rate of 9% per annum for any date for which the actual variable rate of interest on such Notes is not then known.

*Second:* to the related Principal and Interest SubAccount for payment to the Noteholders of any Series of Notes then Outstanding, for the payment of principal of their Notes as the same shall become due on any Purchase Date, any Redemption Date or the Maturity Date.

*Third:* to the Released Funds Account for payment to, or pursuant to the direction of, the Board, any amount remaining in the Debt Service Fund after the payment of all interest on and principal of the Notes of the applicable Series then Outstanding as provided in Clause First and Clause Second above.

(D) On each Purchase Date, the Trustee shall apply moneys in the related Debt Service Deposit Account of the Debt Service Fund to the payment of the purchase price of the Notes of the applicable Series to be purchased on such Purchase Date pursuant to the Supplemental Indenture relating to such Notes, including the accrued interest on such Notes payable on the Purchase Date.

(E) On any Business Day that no Notes are then Outstanding, any moneys held in the Debt Service Deposit Accounts of the Debt Service Fund and any Pledged Tax Receipts received by the Trustee on that Business Day shall immediately be transferred to the Released Funds Account for immediate payment to, or pursuant to the direction of, the Board, free from the lien of this Indenture and any Supplemental Indentures.

(F) On each Business Day on which money is paid to, or pursuant to the direction of, the Board pursuant to this Section 403, the Trustee shall provide to the City Treasurer of the City of Chicago, as custodian of the Board's tax moneys, notice of the date and amount of such payment to, or pursuant to the direction of, the Board.

(G) Notwithstanding the provisions of this Section 403, if an Event of Default has occurred, all Pledged Tax Receipts then on deposit with the Trustee shall be allocated or reallocated and transferred and deposited immediately into the Debt Service Deposit Accounts of the Debt Service Fund on a pro-rata basis for each Outstanding Series of Notes, along with any Pledged Tax Receipts thereafter received.

**Section 404. Redemption Fund.** Amounts paid to the Trustee by the Board for the redemption of Notes shall be deposited into the Redemption Account for each outstanding Series of Notes on a pro-rata basis and applied on the applicable Redemption Date for the payment of the Redemption Price and accrued interest on the Notes to be redeemed pursuant to the Supplemental Indenture relating to such Notes.

**Section 405. Program Expense Fund.** The Board may, at its option, deposit moneys in the Program Expense Fund from time to time. Any moneys on deposit in the Program Expense Fund shall be paid out by the Trustee, at the direction of the Board, to pay the costs of issuance of any Notes, and to pay the ongoing fees of the Fiduciaries as and when such fees come due. Notwithstanding the foregoing, the Board may at any time direct the Trustee to withdraw any or all amounts on deposit in the Program Expense Fund and the Trustee shall promptly pay such amounts to the Board.

#### ARTICLE V

#### Depositaries, Security for Deposits and Investments of Funds

**Section 501. Depositaries.** All moneys held by the Trustee under the provisions of this Indenture may be deposited with one or more Depositaries selected by an Authorized Officer in the name of and in trust for the Trustee. All moneys deposited under the provisions of this Indenture with the Trustee or any Depositary shall be held in trust and applied only in accordance with the provisions of this Indenture, and each of the Funds, Sub-Funds, Accounts and Sub-Accounts established by this Indenture shall be a trust fund.

**Section 502. Deposits.** (A) All moneys held by any Depositary under this Indenture may be placed on demand or time deposit, as directed by an Authorized Officer, provided that such deposits shall permit the moneys so held to be available for use when needed. Any such deposit may be made in the commercial banking department of any Fiduciary which may honor checks and drafts on such deposit as if it were not a Fiduciary. All moneys held by a Fiduciary may be deposited in its banking department on demand or, if and to the extent directed by an Authorized Officer, on time deposit, provided that such moneys on deposit be available for use when needed. Such Fiduciary shall allow and credit on such moneys such interest, if any, as it customarily allows upon similar funds of similar size.

(B) All moneys on deposit to the credit of the Debt Service Fund (i) held by a Depositary other than the Trustee and (ii) not otherwise secured by deposit insurance, shall be continuously and fully secured by the Trustee for the benefit of the Board and the Owners of the Notes by lodging with the Trustee as collateral security, Government Obligations having a market value (exclusive of accrued interest) of not less than the amount of such moneys. All other moneys held for the Board under this Indenture shall be continuously and fully secured for the benefit of the Board and the Owners of the Notes in the same manner as provided by the Board for similar funds of the Board.

(C) All moneys deposited with the Trustee and each Depositary shall be credited to the particular Fund, Sub-Fund, Account or Sub-Account to which such moneys belong.

**Section 503. Investment of Moneys.** (A) Moneys held in the several Funds, Sub-Funds, Accounts and Sub-Accounts shall be invested and reinvested by the Trustee at the written direction of the Chief Financial Officer or other Authorized Officer in Investment Securities within the parameters of this Indenture and the Investment Policy which mature no later than necessary to provide moneys when needed for payments to be made from such Fund, Sub-Fund, Account or Sub-Account. The Trustee may conclusively rely upon the Chief Financial Officer's or other Authorized Officer's written instructions as to both the suitability and legality of the directed investments. Ratings of Investment Securities shall be determined at the time of purchase of such Investment Securities. In the absence of written investment instructions from the Board, the Trustee shall not be responsible or liable for keeping the moneys held by it hereunder fully invested in Investment Securities, but shall immediately notify the Board in the event moneys are being held uninvested hereunder. Nothing contained in this Indenture shall be construed to prevent such Chief Financial Officer or Authorized Officer from directing the Trustee to make any such investments or reinvestments through the use of a Forward Supply Contract, to the extent permitted by State law and the Investment Policy, and the Trustee shall comply with the terms and provisions of any such Forward Supply Contract. The Trustee may make any and all such investments through its trust department or the bond department of any bank (including the Trustee) or trust company under common control with the Trustee. The Board has provided a certified copy of the Investment Policy to the Trustee and the Board covenants and agrees to provide to the Trustee in a timely fashion any amendments to or revisions of such Investment Policy. The Trustee shall be entitled to conclusively rely on the Investment Policy provided to it by the Board as the Investment Policy in effect at the time any investment is made. All investment income shall be retained in the Fund or Account to which the investment is credited from which such income is derived.

(B) The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including cash sweep account fees. In the absence of investment instructions from the Board, the Trustee shall not be responsible or liable for keeping the moneys held by it hereunder fully invested in Investment Securities. The Trustee shall notify the Board in the event any moneys are being held uninvested pursuant hereto. The Trustee shall not be liable or responsible for the performance or adverse tax consequences of, or any losses on, any investment made pursuant to this Section. Although the Board recognizes that they may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Board hereby agrees that confirmations of Investment Securities are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any Fund if no activity occurred in such Fund during such month.

(C) Valuations of Investment Securities held in the Funds, Sub-Funds, Accounts and Sub-Accounts established hereunder shall be made by the Trustee as often as may be necessary or requested by the Board to determine the amounts held therein. In computing the amounts in such Funds, Sub-Funds, Accounts and Sub-Accounts, Investment Securities therein shall be valued as provided in Subsection (D) of this Section 503. Investment Securities in any Fund created under the provisions of this Indenture or any Supplemental Indenture shall be deemed at all times to be part of such Fund and any profit realized from the liquidation of such investment shall be credited to such Fund and any loss resulting from liquidation of such investment shall be charged to such Fund.

(D) The value of Investment Securities shall mean the fair market value thereof, provided, however, that all United States Treasury Securities — State and Local Government Series shall be valued at par and those obligations which are redeemable at the option of the holder shall be valued at the price at which such obligations are then redeemable.

(E) Except as otherwise provided in this Indenture, the Trustee at the direction of the Chief Financial Officer or other Authorized Officer shall sell at the best price reasonably obtainable, or present for redemption, any Investment Security held in any Fund, Sub-Fund, Account or Sub-Account held by the Trustee whenever it shall be necessary to provide moneys to meet any payment or transfer from such Fund, Sub-Fund, Account or Sub-Account as the case may be. The Trustee and the Board shall not be liable or responsible for making any such investment in the manner provided above or for any loss resulting from any such investment.

## ARTICLE VI

### Particular Covenants and Representations of the Board

**Section 601. Payment of Notes.** (A) The Board covenants and agrees that it will pay solely from the Pledged Tax Receipts the principal of every Outstanding Note and the interest thereon, at the places, on the dates and in the manner provided in this Indenture, any Supplemental Indenture and in the Notes.

(B) If the maturity of any Series of Notes or installment of interest shall be extended pursuant to the written consent of the Owner thereof, such Series of Notes or installment of interest shall not be entitled, in case of any default under this Indenture, to the benefit of this Indenture or to payment out of the Trust Estate (except moneys held in trust for the payment of such Series of Notes or installment of interest) until the prior payment of the principal of all Notes Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Notes as shall not be represented by such extended claims for interest.

**Section 602. Further Assurance.** At any and all times the Board shall, as far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further indentures, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming, all and singular, the rights, and the Pledged Tax Receipts and other moneys, securities and funds hereby pledged or assigned, or which the Board may become bound to pledge or assign.

**Section 603. Power to Issue Notes and Pledge Trust Estate.** The Board is duly authorized under all applicable laws to issue the Notes, to execute and deliver documents relating to the Notes, to pledge the Pledged Tax Receipts and to grant the lien granted by this Indenture thereon in the manner and to the extent provided in this Indenture. The Notes and the provisions of this Indenture are and will be valid and legally enforceable limited obligations of the Board in accordance with their terms and the terms of this Indenture, except to the extent enforceability may be limited by bankruptcy, insolvency and other laws affecting conditions, rights or remedies and the availability of equitable remedies generally. The Board covenants that upon the issuance of any of the Notes, all conditions, acts and things required by the Constitution and laws of the State of Illinois and this Indenture to exist, to have happened and to have been performed

precedent to or in the issuance of such Notes shall exist, have happened and have been performed. The Board shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of and lien on the Pledged Tax Receipts and all the rights of the Owners in and to such Pledged Tax Receipts against all claims and demands.

**Section 604. Tax Anticipation Notes.** The Board reserves the right to continue to issue Notes as Additional Notes payable from all or any portion of the Pledged Taxes, and any such Additional Notes shall share ratably and equally in the Pledged Tax Receipts with the Notes; *provided, however*, that (i) the Board shall not issue any other obligations secured by Pledged Tax Receipts while any Notes or the 2017 GANS are outstanding; (ii) no Notes shall be issued later than the 15th day next following the Tax Penalty Date; (iii) no Notes shall be issued if, as of the time immediately following the issuance of such Notes, the aggregate principal amount of all outstanding obligations secured by Pledged Tax Receipts, including all outstanding Notes, would exceed the lesser of (1) \$1,550,000,000 on or before April 3, 2018 or \$950,000,000 on or after April 3, 2018 and (2) eighty percent (80%) of the Uncollected Pledged Taxes; *provided, however*, while the 2017 GANS are outstanding, the Board shall not issue any Notes, other than Exchange Notes, if such issuance would cause the sum of (i) the principal amount of then outstanding Notes, (ii) the principal amount of then outstanding 2017 GANS and (iii) the principal amount of then authorized but unissued 2017 GANS, to exceed eighty percent (80%) of the Uncollected Pledged Taxes.

**Section 605. Covenants Regarding Pledged Tax Receipts.** The Board has directed the County Collectors to deposit all collections of Pledged Tax Receipts directly with the Escrow Agent for application in accordance with the provisions of the Tax Escrow Agreement. As long as any of the Notes remain Outstanding, the Board will not modify or amend such direction or the terms of the Tax Escrow Agreement, except for such modifications or amendments as may be necessitated by changes in State law, procedures, rules or regulations thereunder with respect to the collection and distribution of ad valorem property taxes; *provided*, that no such modification or amendment shall provide for the deposit with the Escrow Agent of less than all of the Pledged Tax Receipts. The Board shall provide to each Purchaser a copy of any such modification or amendment. As long as there are any Outstanding Notes, the Board and its officers will comply with all present and future applicable laws in order to assure that the Pledged Tax Receipts may be collected, deposited and applied as described in the Tax Escrow Agreement and this Indenture.

**Section 606. Accounts and Reports.** (A) The Board shall keep and cause the Escrow Agent to keep proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Pledged Tax Receipts, and which, together with all other books and financial records of the Board, shall at all reasonable times be available for the inspection of the Trustee and the Owners of not less than twenty five percent (25%) in aggregate principal amount of Outstanding Notes or their representatives duly authorized in writing.

(B) During the Testing Period, the Trustee shall provide to the Board and each Purchaser on each day the Trustee receives Pledged Tax Receipts from the Escrow Agent a notice in the form attached to a Supplemental Indenture, as applicable, providing information with respect to the amount of Pledged Tax Receipts received by the Trustee from the Escrow

Agent on each such day and of such amounts so received; (A) the amounts released to the Board free and clear of the lien of this Indenture pursuant to Section 403(C) hereof and (B) the amounts retained in the Debt Service Fund for application to the payment of the principal of and interest on the Notes.

**Section 607. Third Party Engagement and Deliverables.** If at any time, the Board shall engage, or shall cause to be engaged on its behalf, any third party consultant for the purpose of preparing any restructuring or insolvency plans with respect to the Board or the School District, the Board (i) shall promptly; and in any event within five (5) days following the engagement thereof, notify the applicable Purchaser of such engagement and the scope of such engagement, (ii) at the request of the applicable Purchaser and to the extent permitted by the related engagement letter and to the extent subject to disclosure pursuant to the Illinois Freedom of Information Act, 5 ILCS 140 et. seq. (or any successor act thereto) (the "*Freedom of Information Act*"), shall provide to the applicable Purchaser a copy of such related engagement letter, (iii) at the request of the applicable Purchaser and to the extent subject to disclosure pursuant to the Freedom of Information Act, shall provide to the applicable Purchaser a copy of any final report of such consultant delivered to the Board, and (iv) shall allow each applicable Purchaser to provide a copy of any such final report received by such Purchaser to any potential subsequent Purchaser with respect to the Notes.

#### **ARTICLE VII Remedies of Owners**

**Section 701. Events of Default.** Each of the following events is hereby declared an "*Event of Default*":

(1) if a default shall occur in the due and punctual payment of the principal or Redemption Price of any Note when and as the same shall become due and payable, whether at maturity or by call for redemption or otherwise;

(2) if a default shall occur in the due and punctual payment of interest on any Note, when and as such interest shall become due and payable;

(3) if a default shall occur in the performance or observance by the Board of any other of the covenants, agreements or conditions in this Indenture or in the Notes contained, and such default shall continue for a period of 60 days after written notice thereof to the Board by the Trustee or after written notice thereof to the Board and to the Trustee by the Owners of not less than a majority in principal amount of the Outstanding Notes, provided that if the nature of the default is such that it cannot be cured within the initial 60-day period but can be cured within an additional period of not to exceed 60 days from the end of the initial 60-day cure period, no event of default shall occur if the Board institutes corrective action within the initial 60-day cure period and diligently pursues such action until the default is corrected (provided such default is corrected within the additional 60-day period described above);

(4) if the Board shall file a petition seeking a composition of indebtedness under the federal bankruptcy laws or under any other applicable law or statute of the United States of America or of the State; or

(5) (i) if the Board shall default on the payment of the principal of or interest on any Notes, beyond the period of grace, if any, provided in the instrument or agreement under which such Notes were issued; or (ii) if any Purchaser shall provide the Board and the Trustee with notice of the occurrence of an event of default following the lapse of any applicable cure in the observance or performance of any agreement or condition relating to any Notes or contained in any instrument or agreement evidencing, securing or relating thereto has occurred.

**Section 702. Proceedings Brought by Trustee.** (A) If an Event of Default shall occur and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon identical written request of the Owners of not less than a majority in aggregate principal amount of the Notes Outstanding and upon being indemnified to its satisfaction shall proceed, to protect and enforce its rights and the rights of the Owners of the Notes under the Notes or this Indenture forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the Board as if the Board were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under this Indenture or enforce any of the rights or interests of the Owners of the Notes under the Notes or this Indenture.

(B) All rights of action (including without limitation, the right to file proof of claims) under this Indenture may be enforced by the Trustee without the possession of any of the Notes or the production thereof in any suit or other proceeding, and any such suit or other proceeding instituted by the Trustee shall be brought in its name.

(C) All actions against the Board under this Indenture shall be brought in a State or federal court located in the County of Cook, Illinois.

(D) The Owners of not less than a majority in aggregate principal amount of the Notes then Outstanding may direct the time, method and place of conducting any proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture or for the enforcement of any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, *provided* that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Owners not parties to such direction.

(E) Upon commencing any suit at law or in equity or upon commencement of other judicial proceedings by the Trustee to enforce any right under this Indenture, the Trustee shall be entitled to exercise any and all rights and powers conferred in this Indenture and provided to be exercised by the Trustee upon the occurrence of any Event of Default.



(F) Regardless of the happening of an Event of Default, the Trustee shall have power, but unless requested in writing by the Owners of a majority in aggregate principal amount of the Notes then Outstanding, and furnished with security and indemnity to its satisfaction, shall be under no obligation, to institute and maintain such suits and proceedings as may be necessary or expedient to prevent any impairment of the security under this Indenture and to preserve or protect its interests and the interest of the Owners.

(G) During the continuance of an Event of Default, the Trustee shall apply all Pledged Tax Receipts paid to the Trustee and the income therefrom as follows and in the following order:

(1) to the payment of the reasonable and proper charges and expenses of the Trustee, including the reasonable fees and expenses of counsel employed by it; it being understood that payment of such charges and expenses shall not be made from any moneys already held for the payments of the principal of, interest on and or purchase price of Notes that were not presented for payment when due.

(2) to the payment of the principal of, Redemption Price and interest on the Notes then due, as follows:

*First:* to the payment to the persons entitled thereto of all installments of interest then due on the Notes in the order of the maturity of such installments; together with accrued and unpaid interest on the Notes theretofore called for redemption, and, if the amount available shall not be sufficient to pay in full any installment or installments of interest maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference (provided, however, that no payment shall be made with respect to Notes owned by the Board); and

*Second:* to the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Notes which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Notes due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference (*provided, however*, that no payment shall be made with respect to Notes owned by the Board); and

(H) If and whenever all overdue installments of principal and Redemption Price of and interest on, Notes, together with the reasonable and proper charges and expenses of the Trustee, and all other overdue sums payable by the Board under this Indenture, including the overdue principal and Redemption Price of and accrued unpaid interest on, all Notes held by or for the account of the Board, or provision satisfactory to the Trustee shall be made for such payments, all defaults under this Indenture or the Notes shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the Board all moneys, securities and funds then remaining unexpended in the hands of the Trustee (except moneys, securities and funds deposited or pledged, or required by the terms of this Indenture to be deposited or pledged, with the Trustee),

and thereupon the Board, the Trustee and the Owners shall be restored, respectively, to their former positions and rights under this Indenture. No such payment to the Board by the Trustee nor such restoration of the Board and the Trustee to their former positions and rights shall extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

(I) Whenever moneys are to be applied pursuant to the provisions of this Section, the Trustee may, in its discretion, establish and maintain a reserve for future fees and expenses, and may apply moneys to be distributed at such times, and from time to time, as the Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix a date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such dates, and for which moneys are available, shall cease to accrue. The Trustee shall also select a Record Date for such payment date. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any moneys and of the fixing of any such Record Date and payment date, and shall not be required to make payment to the Owner of any Series of Notes until such Series of Notes shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

(J) Under no circumstance may the Trustee declare the principal of or interest on any Notes to be due and payable prior to the Maturity Date of such Notes following the occurrence of an Event of Default under this Indenture.

**Section 703. Restriction on Owners' Action.** (A) No Owner of any Note shall have any right to institute any suit or proceeding at law or in equity for the enforcement or violation of any provision of this Indenture or the execution of any trust under this Indenture or for any remedy under this Indenture, unless such Owner shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the Owners of at least a majority in aggregate principal amount of the Notes then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity either to exercise the powers granted in this Indenture or by the laws of Illinois or to institute such suit or proceeding in its own name, and unless such Owners shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or failed to comply with such request within sixty (60) days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Owners of Notes shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the pledge created by this Indenture or to enforce any right under this Indenture, except in the manner herein provided; and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner provided in this Indenture and for the equal benefit of all Owners of the Outstanding Notes.

(B) Nothing in this Indenture or in the Notes contained shall affect or impair the obligation of the Board, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of and interest on the Notes to the respective Owners thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Owner to enforce by any suit or proceeding, including by writ of mandamus, such

payment of its Note solely from the sources provided herein and the Supplemental Indenture pursuant to which such Note was issued.

**Section 704. Remedies Not Exclusive.** No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or the Owners is intended to be exclusive of any other remedy, but each remedy shall be cumulative and shall be in addition to every other remedy given under this Indenture or existing at law or in equity or by statute on or after the date of the execution and delivery of this Indenture.

**Section 705. Effect of Waiver and Other Circumstances.** (A) No delay or omission of the Trustee or any Owner to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or be an acquiescence therein.

(B) The Owners of not less than two-thirds in aggregate principal amount of the Notes then Outstanding, or their attorneys-in-fact duly authorized may on behalf of the Owners of all of the Notes waive any past default under this Indenture and its consequences, except a default in the payment of interest on or principal or Redemption Price of any of the Notes. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

#### **ARTICLE VIII Concerning the Fiduciaries**

**Section 801. Trustee; Appointment and Acceptance of Duties.** The Trustee hereby accepts and agrees to the trusts hereby created, but only upon the additional terms set forth in this Article, to all of which the Board agrees and the respective Owners of the Notes, by their purchase and acceptance thereof, agree. Except during the continuance of an Event of Default, the Trustee undertakes such duties and only such duties as are specifically set forth in this Indenture.

**Section 802. Paying Agents; Appointment and Acceptance of Duties.** (A) The Trustee is hereby appointed Paying Agent for each Series of Notes. The Board may at any time or from time to time appoint one or more other Paying Agents for the Notes of each Series. Any Paying Agent shall be a bank with trust powers or a trust company organized under the laws of any state of the United States or a national banking association, having capital stock and surplus aggregating at least \$15,000,000, or shall be a wholly owned subsidiary of such an entity, willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

(B) The Trustee hereby accepts the duties and obligations imposed upon it as Paying Agent by this Indenture. Each other Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the Board and to the Trustee a written acceptance thereof.

(C) Unless otherwise provided, the corporate trust offices of the Paying Agents in the City of Chicago, Illinois are designated as the respective offices or agencies of the Board for the payment of the principal or Redemption Price of the Notes.

**Section 803. Registrar; Appointment and Acceptance of Duties.** The Trustee is hereby appointed Registrar for the Notes. The Board may at any time or from time to time appoint one or more other Registrars. Any Registrar shall be a bank, trust company or national banking association doing business and having an office in the United States, if there be such a bank, trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture. The Trustee hereby accepts the duties and obligations imposed upon it as Registrar by this Indenture. Each other Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the Board and to the Trustee a written acceptance thereof.

**Section 804. Responsibilities of Fiduciaries.** (A) The recitals of fact herein and in the Notes contained shall be taken as the statements of the Board and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of this Indenture or of any Notes issued hereunder or as to the security afforded by this Indenture, and no Fiduciary shall incur any liability in respect thereof. The Trustee shall, however, be responsible for any representation contained in its certificate on the Notes. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to the Board or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof, or to advance any of its own moneys, unless properly indemnified to its reasonable satisfaction. Subject to the provisions of paragraph (B) of this Section, no Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

(B) In case an Event of Default has occurred and has not been remedied or waived, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs. Any provision of this Indenture relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Article.

(C) Before taking any action under this Indenture relating to an event of default or in connection with its duties under this Indenture other than making payments of principal and interest on the Notes as they become due, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability adjudicated.

**Section 805. Evidence on Which Fiduciaries May Act.** (A) Each Fiduciary shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, opinion (including a Counsel's Opinion), or other paper or document furnished to it pursuant to and conforming to the requirements of this Indenture, and believed by it to be genuine and to have been signed or presented by the proper party or parties.

(B) Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter (unless this Indenture specifically requires other evidence thereof) may be deemed to be

conclusively proved and established by a certificate of an Authorized Officer, but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(C) Except as otherwise expressly provided in this Indenture, any request, order, notice or other direction required or permitted to be furnished by the Board to any Fiduciary shall be sufficiently executed if signed by an Authorized Officer.

(D) The Trustee may consult with counsel and the written advice of such counsel or an Opinion of Counsel shall be full and complete authorization and protection for any action taken, suffered or omitted by it in good faith and in accordance with such advice or opinion.

(E) In the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of Owners of Notes, each representing less than a majority in aggregate principal amount of the Notes Outstanding, pursuant to the provision of this Indenture, the Trustee, in its sole discretion, may determine what actions, if any, shall be taken.

(F) The Trustee shall have the right to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured email, facsimile transmission or other similar unsecured electronic methods, *provided, however*, that the Board shall provide to the Trustee an incumbency certificate listing designated persons with the authority to provide such instructions and containing specimen signatures of such designated persons, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Board agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

**Section 806. Compensation.** Unless otherwise determined by contract between the Board and each Fiduciary, the Board shall pay to each Fiduciary from time to time reasonable compensation as may be mutually agreed upon by the Board and the Fiduciary for all services rendered under this Indenture. The Board shall pay each Fiduciary for any extraordinary services or expenses performed or incurred by the Trustee in connection with its duties under this Indenture if, to the extent reasonably possible, notified in writing prior to the performance of those services or the incurring of those expenses so as to allow the Board to appropriate sufficient funds for their payment.

**Section 807. Certain Permitted Acts.** Any Fiduciary may become the Owner of any Notes, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depositary for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners or to effect or aid in any reorganization growing out of the enforcement of the Notes or this Indenture, whether or not any such committee shall represent the Owners of a majority in aggregate principal amount of the Notes then Outstanding.

**Section 808. Resignation of Trustee.** The Trustee may at any time resign and be discharged of the duties and obligations imposed upon it by this Indenture by giving not less than sixty (60) days' written notice to the Board, all Owners of the Notes and the other Fiduciaries, and such resignation shall take effect upon the day specified in such notice but only if a successor shall have been appointed by the Board or the Owners as provided in Section 810 and shall have accepted such appointment, in which event such resignation shall take effect immediately on the acceptance of such appointment by such successor whether or not the date specified for such resignation to take effect has arrived. If a successor Trustee shall not have been appointed and accepted such appointment within a period of sixty (60) days following the giving of notice, then the Trustee, at the expense of the Board, shall be authorized to petition any court of competent jurisdiction to appoint a successor Trustee as provided in Section 810.

**Section 809. Removal of Trustee.** The Trustee may be removed at any time by an instrument in writing approved by and executed in the name of the Board and delivered to the Trustee; provided, however, that if an Event of Default shall have occurred and be continuing, the Trustee may be so removed by the Board only with the written concurrence of the Owners of a majority in aggregate principal amount of Notes then Outstanding (excluding Notes held by or for the account of the Board). The Trustee may be removed at any time by the Owners of a majority in aggregate principal amount of the Notes then Outstanding, excluding any Notes held by or for the account of the Board, by an instrument or concurrent instruments in writing signed and duly acknowledged by such Owners or their attorneys in fact duly authorized, and delivered to the Board. Copies of each such instrument shall be delivered by the Board to each Fiduciary.

**Section 810. Appointment of Successor Trustee.** (A) In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer or court shall take charge or control of the Trustee, or of its property or affairs, the Board shall appoint a successor Trustee. The Board shall cause notice of any such appointment made by it to be mailed to all Owners of the Notes.

(B) If no appointment of a Trustee shall be made by the Board within sixty (60) days following such resignation or removal pursuant to the foregoing provisions of this Section 810, the Trustee or the Owners of a majority in principal amount of the Notes then Outstanding hereunder may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

(C) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a bank or trust company or national banking association, doing business and having a corporate trust office in the State, and having a capital stock and surplus aggregating at least \$15,000,000, or shall be a wholly owned subsidiary of such an entity, if there be such a bank, trust company, national banking association or subsidiary willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

(D) Notwithstanding any of the provisions of this Article VIII to the contrary concerning the resignation or removal of the Trustee or the appointment of a successor Trustee,

no such resignation, removal or appointment shall be effective until the successor Trustee accepts its appointment.

**Section 811. Transfer of Rights and Property to Successor Trustee.** Any successor Trustee appointed under this Indenture shall execute, acknowledge and deliver to its predecessor Trustee, and also to the Board, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee; but the predecessor Trustee shall nevertheless, on the written request of the Board or of the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurances and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all its right, title and interest in and to any property held by it under this Indenture, and shall pay over, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument from the Board be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such moneys, estates, properties, rights, powers and duties, such deed, conveyance or instrument shall be executed, acknowledged and delivered by the Board. Any such successor Trustee shall promptly notify the Paying Agents of its appointment as Trustee.

**Section 812. Merger or Consolidation.** Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which all or substantially all of the corporate trust business of any Fiduciary may be sold or transferred, shall be the successor to such Fiduciary and be bound to the obligations and duties of such Fiduciary hereunder without the execution or filing of any paper or the performance of any further act, unless such successor delivers written notice of its resignation pursuant to the provisions of this Article; *provided, however*, that such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association and shall be authorized by law to perform all the duties imposed upon it by this Indenture.

**Section 813. Adoption of Authentication.** In case any of the Notes contemplated to be issued under this Indenture shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Notes and deliver such Notes so authenticated; and in case any of the said Notes shall not have been authenticated, any successor Trustee may authenticate such Notes in the name of the predecessor Trustee or in its own name.

**Section 814. Trustee Not Deemed to Have Notice of Default.** The Trustee shall not be deemed to have notice of any default hereunder, except a Note payment default under clause (1) or (2) of Section 701 or the failure of the Board to file with the Trustee any document required by this Indenture, unless any officer in its corporate trust office shall have actual knowledge thereof or the Trustee shall be specifically notified in writing of such default by the Board, by the Owners of not less than a majority in aggregate principal amount of the Notes then Outstanding. All notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the corporate trust office of the Trustee.

**Section 815. Monthly Report by Trustee.** Within twenty (20) days after the end of each calendar month, the Trustee shall prepare a written report for each Fund and Account held by it pursuant to the provisions of this Indenture. Such report shall set out the receipts and disbursements, both principal and income, and shall list the Investment Securities held by the Trustee at the end of the month. A copy of each such report shall be furnished to the Board, the applicable Purchaser and any persons designated by the Board.

In addition, the Trustee shall, at any time when requested, furnish to the Board, the applicable Purchaser and any persons designated by the Board a report of the amount of moneys, including Investment Securities, held in each Fund by the Trustee. For purposes of this certification, the Investment Securities in each such Fund shall be treated as having a value equal to their aggregate market value as of the date of the request.

**ARTICLE IX**  
**Supplemental Indentures**

**Section 901. Supplemental Indentures Not Requiring Consent of Owners.** The Board and the Trustee may without the consent of, or notice to, any of the Owners, enter into a Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

- (1) to authorize a Series of Notes and to specify, determine or authorize any matters and things concerning any such Series which are not contrary to or inconsistent with this Indenture;
- (2) to close this Indenture against, or impose additional limitations or restrictions on, the issuance of Notes, or of other notes, bonds, obligations or evidences of indebtedness;
- (3) to impose additional covenants or agreements to be observed by the Board;
- (4) to impose other limitations or restrictions upon the Board;
- (5) to surrender any right, power or privilege reserved to or conferred upon the Board by this Indenture;
- (6) to confirm, as further assurance, any pledge of or lien upon the Trust Estate or any other moneys, securities or funds;
- (7) to cure any ambiguity, omission or defect in this Indenture which, in the judgment of the Trustee, is not to the prejudice in any regard of the Trustee or the Owners;
- (8) to provide for the appointment of a successor securities depository in the event any Series of Notes is held in book-entry only form;
- (9) to provide for the appointment of any successor Fiduciary;



(10) to conform the provisions of the Indenture to the provisions of the TIF Act, the Act, the School Code, the Code and Regulations, or other applicable law; and

(11) to make any other change which, in the judgment of the Trustee, is not to the prejudice in any regard of the Trustee or the Owners.

**Section 902. Supplemental Indentures Effective upon Consent of Owners.** Any Supplemental Indenture not effective in accordance with Section 901 shall take effect only if permitted and approved and in the manner prescribed by Article X.

**Section 903. Filing of Counsel's Opinion.** Each Supplemental Indenture described in Section 901 shall be accompanied, when filed with the Trustee, by a Counsel's Opinion to the effect that such Supplemental Indenture has been duly authorized by the Board in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture and, when executed and delivered, will be valid and binding upon the Board, the Owners and the Trustee.

#### **ARTICLE X Amendments**

**Section 1001. Mailing.** Any provision in this Article for the mailing of a notice or other information to Owners shall be fully complied with if it is mailed by first class mail, postage prepaid or delivered only to each Owner of Notes then Outstanding at its address, if any, appearing upon the registration books of the Board kept by the Registrar.

**Section 1002. Powers of Amendment.** Except for Supplemental Indentures described in Section 901, any modification or amendment of this Indenture and of the rights and obligations of the Board and of the Owners of the Notes hereunder, in any particular, may be made by a Supplemental Indenture with the written consent given as provided in Section 1003 hereof of the Owners of at least a majority in aggregate principal amount of the Notes then Outstanding at the time such consent is given; *provided, however,* that if such modification or amendment will, by its terms, not take effect so long as any Notes of any specified like Series and maturity remain Outstanding, the consent of the Owners of such Notes shall not be required and such Notes shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Notes under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Notes, or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the Owner of such Note, or shall reduce the percentages or otherwise affect the classes of Notes the consent of the Owners of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto.

For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of this Indenture if the same adversely affects or diminishes the rights of the Owners of Notes of such Series. The Trustee may in its discretion determine whether or not the rights of the Owners of Notes of any particular Series or maturity would be adversely affected or diminished by any such modification or amendment, and its determination shall be binding and conclusive on the Board and all Owners of the Notes.

**Section 1003. Consent of Owners.** The Board may at any time authorize the execution and delivery of a Supplemental Indenture making a modification or amendment permitted by the provisions of Section 1002, to take effect when and as provided in this Section.

Upon the authorization of such Supplemental Indenture, a copy thereof shall be delivered to and held by the Trustee for the inspection of the Owners. A copy of such Supplemental Indenture (or summary thereof or reference thereto in form approved by the Trustee) together with a request to Owners for their consent thereto in form satisfactory to the Trustee, shall be mailed to the Owners, but failure to mail such copy and request shall not affect the validity of such Supplemental Indenture when consented to as in this Section provided. Such Supplemental Indenture shall not be effective unless and until, and shall take effect in accordance with its terms when (a) there shall have been filed with the Trustee (i) the written consents of the Owners of the required principal amount of Outstanding Notes, and (ii) a Counsel's Opinion stating that the execution and delivery of such Supplemental Indenture has been duly authorized by the Board in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture and, when effective, will be valid and binding upon the Board, the Owners and the Trustee, and (b) a notice shall have been mailed as hereinafter in this Section provided. A certificate or certificates by the Trustee delivered to the Board that consents have been given by the Owners of the Notes described in such certificate or certificates of the Trustee shall be conclusive. Any such consent shall be binding upon the Owner of the Notes giving such consent and upon any subsequent Owner of such Notes and of any Notes issued in exchange therefor whether or not such subsequent Owner has notice thereof; *provided, however*, that any consent may be revoked by any Owner of such Notes by filing with the Trustee, prior to the time when the Trustee's written statement hereafter in this Section referred to is filed, a written revocation, with proof that such Notes are held by the signer of such revocation. The fact that a consent has not been revoked may be proved by a certificate of the Trustee to the effect that no revocation thereof is on file with it. Any consent, or revocation thereof, may be delivered or filed prior to any mailing or publication required by this Article and shall not be deemed ineffective by reason of such prior delivery or filing.

Within 30 days of any date on which the consents on file with the Trustee and not theretofore revoked shall be sufficient under this Section, the Trustee shall make and deliver to the Board a written statement that the consents of the Owners of the required principal amount of Outstanding Notes have been filed with the Trustee. Such written statement shall be conclusive that such consents have been so filed. Any time thereafter notice, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required principal amount of Outstanding Notes and will be effective as provided in this Section, shall be given by mailing to the Owners (but failure to mail such notice or any defect therein shall not prevent such Supplemental Indenture from becoming effective and binding). The Trustee shall deliver to the Board proof of the mailing of such notice. A record, consisting of the information required or permitted by this Section to be delivered by or to the Trustee, shall be proof of the matters therein stated.

**Section 1004. Modifications by Unanimous Action.** The Indenture and the rights and obligations of the Board and of the Owners of the Notes thereunder may be modified or amended in any respect by a Supplemental Indenture effecting such modification or amendment and with the consents of the Owners of all the Notes then Outstanding, each such consent to be

accompanied by proof of the holding at the date of such consent of the Notes with respect to which such consent is given. Such Supplemental Indenture shall take effect upon the filing (a) with the Trustee of (i) a copy thereof, (ii) such consents and accompanying proofs and (iii) the Counsel's Opinion referred to in Section 1003 and (b) with the Board of the Trustee's written statement that the consents of the Owners of all Outstanding Notes have been filed with it. No mailing or publication of any Supplemental Indenture (or reference thereto or summary thereof) or of any request or notice shall be required. No such modification or amendment, however, shall change or modify any of the rights or obligations of any Fiduciary without its written consent thereto.

**Section 1005. Exclusion of Notes.** Notes owned or held by or for the account of the Board shall not be deemed Outstanding and shall be excluded for the purpose of any calculation required by this Article. At the time of any consent or other action taken under this Article, the Board shall furnish the Trustee a certificate of an Authorized Officer, upon which the Trustee may rely, identifying all Notes so to be excluded.

**Section 1006. Notation on Notes.** Notes authenticated and delivered after the effective date of any action taken as in Article IX or this Article provided may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the Board and the Trustee as to such action, and upon demand of the Owner of any Note Outstanding at such effective date and presentation of its Note to the Trustee, suitable notation shall be made on such Note by the Trustee as to any such action. If the Board or the Trustee shall so determine, new Notes so modified which, in the opinion of the Trustee and the Board, conform to such action may be prepared, authenticated and delivered, and upon demand of the Owner of any Note then Outstanding shall be exchanged, without cost to such Owner, for such Note then Outstanding.

## **ARTICLE XI Miscellaneous**

**Section 1101. Defeasance.** (A) If the Board shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Notes the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, then the pledge of the Trust Estate and other moneys and securities pledged under this Indenture and all covenants, agreements and other obligations of the Board to the Owners shall thereupon be discharged and satisfied. In such event, the Trustee, upon request of the Board, shall provide an accounting of the assets managed by the Trustee to be prepared and filed with the Board for any year or part thereof requested, and shall execute and deliver to the Board all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to the Board all moneys and securities held by them pursuant to this Indenture which are not required for the payment of Notes not previously surrendered for such payment or redemption. If the Board shall pay or cause to be paid, or there shall otherwise be paid, to the Owners of all Outstanding Notes of a particular Series, maturity within a Series or portion of any maturity within a Series, the principal or Redemption Price, if applicable, thereof and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, such Notes shall cease to be entitled to any lien, benefit

or security under this Indenture, and all covenants, agreements and obligations of the Board to the Owners of such Notes and to the Trustee shall thereupon be discharged and satisfied.

(B) Notes or interest installments for the payment or redemption of which moneys shall have been set aside and held in trust by the Trustee at or prior to their maturity or redemption date shall be deemed to have been paid within the meaning of and with the effect expressed in this Section 1101 if the Board shall have delivered to or deposited with the Trustee (i) irrevocable instructions to pay or redeem all of said Notes in specified amounts no less than the respective amounts of, and on specified dates no later than the respective due dates of, their principal, (ii) irrevocable instructions to publish or mail the required notice of redemption of any Notes so to be redeemed, (iii) either moneys in an amount which shall be sufficient, or Defeasance Obligations the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Notes on and prior to each specified redemption date or maturity date thereof, as the case may be, (iv) if any of said Notes are not to be redeemed within the next succeeding 60 days, irrevocable instructions to mail to all Owners of said Notes a notice that such deposit has been made with the Trustee and that said Notes are deemed to have been paid in accordance with this Section and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, of said Notes. In determining the amount of any deposit to be made pursuant to clause (iii) of the preceding sentence, the Variable Rate borne by the Notes shall be assumed to be 9% for any period of time during which the actual Variable Rate borne by the Notes is not known. The Defeasance Obligations and moneys deposited with the Trustee pursuant to this Section shall be held in trust for the payment of the principal or Redemption Price, if applicable, and interest on said Notes. No payments of principal of any such Defeasance Obligations or interest thereon shall be withdrawn or used for any purpose other than the payment of such principal or Redemption Price of, or interest on, said Notes unless after such withdrawal the amount held by the Trustee and interest to accrue on Defeasance Obligations so held shall be sufficient to provide fully for the payment of the principal of or Redemption Price and interest on such Notes, at maturity or upon redemption, as the case may be.

(C) Each Fiduciary shall continue to be entitled to reasonable compensation for all services rendered under this Indenture, notwithstanding that any Notes are deemed to be paid pursuant to this Section 1101.

(D) Any moneys held by a Fiduciary in trust for the payment and discharge of any of the Notes which remain unclaimed for two years after the date when Notes have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for two years after the date of deposit of such moneys if deposited with the Fiduciary after the said date when such Notes become due and payable, shall, at the written request of the Board, be repaid by the Fiduciary to the Board, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Owners of such Notes shall look only to the Board for the payment of such Notes.

**Section 1102. Evidence of Signatures of Owners and Ownership of Notes.** (A) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any Person of the Notes shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(1) The fact and date of the execution by any Owner or its attorney of such instruments may be proved by a guarantee of the signature thereon by a bank, national banking association or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instruments acknowledged to that person the execution thereof, or by an affidavit of witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of authority.

(2) The ownership of Notes and the amount, numbers and other identification and date of holding the same shall be proved by the registration book maintained by the Registrar.

(B) Any request or consent by the Owner of any Note shall bind all future Owners of such Note in respect of anything done or suffered to be done by the Board or any Fiduciary in accordance therewith.

**Section 1103. Moneys Held for Particular Notes.** The amounts held by any Fiduciary for the payment of interest, principal or Redemption Price due on any date with respect to particular Notes shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Notes entitled thereto.

**Section 1104. Preservation and Inspection of Documents.** All documents received by any Fiduciary under the provisions of this Indenture, shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Board, any other Fiduciary, and any Owner and their agents and their representatives, any of whom may make copies thereof.

**Section 1105. Cancellation and Destruction of Notes.** All Notes paid or redeemed, either at or before maturity, and all mutilated Notes surrendered pursuant to Section 307, shall be delivered to the Trustee when such payment or redemption is made or upon surrender, as the case may be, and such Notes, together with all Notes purchased by the Trustee, shall thereupon be promptly cancelled. Notes so cancelled may at any time be destroyed by the Trustee, who shall execute a certificate of destruction in duplicate by the signature of one of its authorized officers describing the Notes so destroyed, and one executed certificate shall be delivered to the Board and the other retained by the Trustee.

**Section 1106. Parties Interested Herein.** Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any Person, other than the Board, the Fiduciaries and the Owners of the Notes, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the Board shall be for the sole and exclusive benefit of the Board, the Fiduciaries and the Owners of the Notes.

**Section 1107. No Recourse.** (A) No recourse shall be had for the payment of the principal or Redemption Price of or interest on the Notes or for any claim based thereon or on this Indenture against any past, present or future member of the Board, officer, employee or agent of the Board, or any successor, public body or any person executing the Notes, either directly or through the Board, under any rule of law or equity, statute or constitution or otherwise, and all such liability of any such officers, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of the Notes.

(B) No member of the Board, officer, director, agent or employee of the Board shall be individually or personally liable for the payment of the principal or Redemption Price of or interest on the Notes; but nothing herein contained shall relieve any such officer, director, agent or employee from the performance of any official duty provided by law.

(C) All covenants, stipulations, obligations and agreements of the Board contained in this Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the Board to the full extent authorized and permitted by the Constitution and laws of the State, and no covenants, stipulations, obligations or agreements contained herein shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member of the Board, officer, agent or employee of the Board in his or her individual capacity, and no officer executing the Notes shall be liable personally on the Notes or be subject to any personal liability or accountability by reason of the issue thereof. No member of the Board, officer, director, agent or employee of the Board shall incur any personal liability in acting or proceeding or in not acting or not proceeding in accordance with the terms of this Indenture.

**Section 1108. Successors and Assigns.** Whenever in this Indenture the Board is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this Indenture contained by or on behalf of the Board shall bind and inure to the benefit of its successors and assigns whether so expressed or not.

**Section 1109. Severability of Invalid Provisions.** If any one or more of the covenants or agreements provided in this Indenture on the part of the Board or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Indenture.

**Section 1110. Notices.** Any notice, demand, direction, request or other instruments authorized or required by this Indenture to be given to, delivered to or filed with the Board or the

Trustee shall be deemed to have been sufficiently given, delivered or filed for all purposes of the Indenture if and when sent by registered mail, return receipt requested:

To the Board, if addressed to: Board of Education of the City of Chicago  
42 West Madison Street  
2nd Floor  
Chicago, Illinois 60602  
Attention: Senior Vice President of Finance

With a copy to: Board of Education of the City of Chicago  
42 West Madison Street  
2nd Floor  
Chicago, Illinois 60602  
Attention: Chief Financial Officer

and

Board of Education of the City of Chicago  
1 North Dearborn Street  
Chicago, Illinois 60602  
Attention: General Counsel

to such other address as may be designated in writing by the Board to the Trustee; and

To the Trustee, if addressed to: Zions Bank  
111 West Washington Street, Suite 1860  
Chicago, Illinois 60602  
Attention: Corporate Trust Department

or at such other address as may be designated in writing by the Trustee to the Board.

**Section 1111. Construction.** The Indenture and all Supplemental Indentures shall be construed in accordance with the provisions of State law.

**Section 1112. Multiple Counterparts.** The Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Board of Education of the City of Chicago, has caused this Indenture to be executed in its name and its behalf by its Senior Vice President of Finance and attested by its Secretary and Zions Bank has caused this Indenture to be executed in its behalf by an Authorized Officer and its corporate seal to be impressed hereon and attested by an Authorized Officer, all as of the day and year first above written.

BOARD OF EDUCATION OF THE CITY OF  
CHICAGO

By: \_\_\_\_\_  
Senior Vice President of Finance, Board of  
Education of the City of Chicago

ATTEST:

\_\_\_\_\_  
Secretary, Board of Education of the  
City of Chicago

ZIONS BANK, a division of ZB, National  
Association, as Trustee

By: \_\_\_\_\_  
Authorized Officer

[SEAL]

ATTEST:

\_\_\_\_\_  
Authorized Officer

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EXHIBIT B

FORM OF SERIES INDENTURE

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\_\_\_\_ SUPPLEMENTAL INDENTURE

by and between

BOARD OF EDUCATION OF THE CITY OF CHICAGO

and

ZIONS BANK, A DIVISION OF ZB, NATIONAL ASSOCIATION  
as Trustee

Dated as of \_\_\_\_ 1, 2017

SECURING BOARD OF EDUCATION OF THE CITY OF CHICAGO  
Educational Purposes Tax Anticipation Notes

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THIS \_\_\_\_\_ SUPPLEMENTAL INDENTURE dated as of \_\_\_\_\_, 2017 (the “\_\_\_\_\_ *Supplemental Indenture*”), by and between the Board of Education of the City of Chicago, a school district organized and existing under the laws of the State of Illinois (the “*Board*”), and Zions Bank, a division of ZB, National Association, a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out, as Trustee (the “*Trustee*”) under the Master Trust Indenture dated as of August 1, 2017, by and between the Board and the Trustee securing Board of Education of the City of Chicago Educational Purposes Tax Anticipation Notes (the “*Indenture*”).

WITNESSETH:

WHEREAS, on \_\_\_\_\_, 2017, the Board adopted Resolution 17-0828-RS \_\_\_\_\_ (the “*Note Resolution*”) authorizing the issuance, from time to time, in one or more series, of its Educational Purposes Tax Anticipation Notes in an aggregate principal amount not to exceed \$ \_\_\_\_\_ (the “*Tax Anticipation Notes*”); and

WHEREAS, this \_\_\_\_\_ Supplemental Indenture is entered into pursuant to clause (1) of Section 901 of the Indenture and the Note Resolution to authorize the issue of Tax Anticipation Notes as two Series of Notes under the Indenture (each as herein defined) and to specify, determine and authorize any matters and things concerning each such Series which are not contrary to or inconsistent with the Indenture; and

WHEREAS, each Series of Tax Anticipation Notes, when issued, will be secured by a pledge of, lien on and security interest in the Trust Estate as defined in the Indenture; and

WHEREAS, the Board has determined to issue a (i) Series of Tax Anticipation Notes in the aggregate principal amount of \$ \_\_\_\_\_ (the “*Series 2017\_\_ Notes*”) and (ii) Series of Tax Anticipation Notes in the aggregate principal amount of \$ \_\_\_\_\_ (the “*Series 2017\_\_ Notes*” and, together with the Series 2017\_\_ Notes, the “*2017\_\_ Notes*”), pursuant to Article 34 of the School Code, 105 Illinois Compiled Statutes 5/34, as amended (the “*School Code*”), the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, as amended (the “*Act*”), the Note Resolution and the Indenture; and

WHEREAS, Zions Bank, a division of ZB, National Association, as Trustee under the Indenture has accepted its appointment as Trustee and does hereby acknowledge and accept the powers, duties and obligations of the Trustee under this \_\_\_\_\_ Supplemental Indenture; and

WHEREAS, all things necessary to make the 2017\_\_ Notes, when authenticated by the Trustee and issued as in the Indenture and in this \_\_\_\_\_ Supplemental Indenture provided, the valid, binding and legal limited obligations of the Board according to the import thereof, and to constitute the Indenture and this \_\_\_\_\_ Supplemental Indenture as a valid pledge of and grant of a lien on the Trust Estate for the purpose of securing the payment of the principal of, premium, if any, and interest on the 2017\_\_ Notes have been done and performed, in due form and time, as required by law; and

WHEREAS, the execution and delivery of this \_\_\_\_\_ Supplemental Indenture and the execution and issuance of the 2017\_\_ Notes, subject to the terms hereof, have in all respects been duly authorized;

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**GRANTING CLAUSES**

NOW, THEREFORE, THIS \_\_\_\_\_ SUPPLEMENTAL INDENTURE WITNESSETH:

That in order to secure the payment of the principal of, premium, if any, and interest on the 2017\_\_ Notes under the Indenture, according to the import thereof, and the performance and observance of each and every covenant and condition herein and in the 2017\_\_ Notes contained, and for and in consideration of the premises and of the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the 2017\_\_ Notes by the respective Owners (as hereinafter defined) thereof, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the 2017\_\_ Notes shall be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become Owners thereof, the Board does hereby confirm the pledge of and lien on the following Trust Estate to the Trustee and its successors in trust and assigns, to the extent provided in the Indenture:

(a) The Pledged Tax Receipts, provided that the pledge of the Pledged Tax Receipts to the Series 2017\_\_ Notes is on a parity with the pledge of the Pledged Tax Receipts to any other Tax Anticipation Notes; and

(b) All moneys and securities and earnings thereon held in the Escrow Account maintained under the Tax Escrow Agreement (as defined herein), provided that such pledge to the Series 2017\_\_ Notes is on a parity with the pledge of the moneys and securities held in the Escrow Account for the benefit and security of any other Tax Anticipation Notes and is subject to the allocation of the moneys and securities in said Escrow Account in accordance with the terms and provisions of the Tax Escrow Agreement; and

(c) All moneys and securities and earnings thereon in all funds, accounts and sub-accounts established pursuant to this Indenture; and

(d) Any and all other moneys, securities and property furnished from time to time to the Trustee by the Board or on behalf of the Board or by any other persons to be held by the Trustee under the terms of this \_\_\_\_\_ Supplemental Indenture.

THIS \_\_\_\_\_ SUPPLEMENTAL INDENTURE FURTHER WITNESSETH that, in addition to the terms, conditions and covenants of the Indenture, the Board, the Trustee and the Owners of the 2017\_\_ Notes, hereby agree to be bound by the terms, conditions and covenants of this \_\_\_\_\_ Supplemental Indenture, as follows:

**ARTICLE I.**

**Definitions and Construction**

**Section 101. Definitions.** All capitalized terms used in this \_\_\_\_\_ Supplemental Indenture, unless otherwise defined, shall have the same meaning as set forth in Section 101 of the Indenture. In addition, the following terms shall, for all purposes of this \_\_\_\_\_ Supplemental Indenture, have the following meanings unless a different meaning clearly appears from the context:

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“*Authorized Denominations*” means \$100,000 or any integral multiple of \$5,000 in excess of \$100,000.

“*Calculation Agent*” means, initially, \_\_\_\_\_, and thereafter any other Calculation Agent designated from time to time by the Board, with the approval of the then Owners of not less than a majority in principal amount of the Outstanding 2017\_\_ Notes, which approval shall not be unreasonably withheld.

“*DTC*” means The Depository Trust Company, as securities depository for the 2017\_\_ Notes.

“*DTC Participant*” shall mean any securities broker or dealer, bank, trust company, clearing corporation or other *organization* depositing 2017\_\_ Notes with DTC.

“*Indenture*” means the Master Trust Indenture, dated as of August 1, 2017, by and between the Board and the Trustee, securing Board of Education of the City of Chicago Educational Purposes Tax Anticipation Notes, as from time to time amended and supplemented.

“*Interest Payment Dates*” mean March 15, 2018 and September 17, 2018.

“*LIBOR Rate*” means \_\_\_\_\_.

“*Maximum Interest Rate*” means \_\_\_\_\_.

“*Owner*” means any person who shall be the registered owner of any 2017\_\_ Note or Notes.

“*Purchaser*” means \_\_\_\_\_, and its successors and assigns.

“\_\_\_\_\_ *Supplemental Indenture*” means this \_\_\_\_\_ Supplemental Indenture, dated as of \_\_\_\_\_ 1, 201\_\_\_\_, by and between the Board and the Trustee, as from time to time amended and supplemented.

“*Variable Rate*” means \_\_\_\_\_.

**Section 102. Interpretations.** As used herein, and unless the context shall otherwise indicate, the words “Note,” “Owner” and “Person” shall include the plural as well as the singular number.

As used herein, the terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof” and any similar terms refer to this \_\_\_\_\_ Supplemental Indenture.

Unless the context shall otherwise indicate, references herein to articles, sections, subsections, clauses, paragraphs and other subdivisions refer to the designated articles, sections, subsections, clauses, paragraphs and other subdivisions of this \_\_\_\_\_ Supplemental Indenture as originally executed.

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Any headings preceding the texts of the several Articles and Sections hereof, and any Table of Contents appended to copies hereof, are solely for convenience of reference and do not constitute a part of this \_\_\_\_\_ Supplemental Indenture, nor do they affect its meaning, construction or effect.

## ARTICLE II.

### Authorization and Issuance of 2017\_\_ Notes

**Section 201. Authorization of 2017\_\_ Notes.** The Series 2017\_\_ Notes and the Series 2017\_\_ Notes, each entitled to the benefit, protection and security of the Indenture and this \_\_\_\_\_ Supplemental Indenture, are hereby authorized in the aggregate principal amount of \$ \_\_\_\_\_ and \$ \_\_\_\_\_, respectively to finance the payment of general expenses and other payment obligations of the School District and to pay costs in connection with the issuance of the 2017\_\_ Notes. The Series 2017\_\_ Notes shall be designated as, and shall be distinguished from the Notes of all other Series, by the title "Educational Purposes Tax Anticipation Notes, Series 2017\_\_." The Series 2017\_\_ Notes shall be designated as, and shall be distinguished from the Notes of all other Series, by the title "Educational Purposes Tax Anticipation Notes, Series 2017\_\_."

**Section 202. General Provisions for Issuance.** The 2017\_\_ Notes shall be issued pursuant to Section 202 of the Indenture shall be executed by the Board and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Board or upon its order, but only upon the receipt by the Trustee, at or prior to such authentication, of each of the items listed in clauses (1), (2), (3) and (4) of Section 202(A) of the Indenture.

**Section 203. Terms of 2017\_\_ Notes.** (A) Each Series 2017\_\_ Note shall be in registered form and shall be initially dated September 1, 2017. Each Series 2017\_\_ Note shall be in registered form and shall be initially dated January 1, 2018.

(B) Each 2017\_\_ Note shall bear interest from its date at the rate per annum equal to the applicable Variable Rate. The Variable Rate shall be rounded to the \_\_\_\_\_ decimal place. The Variable Rate as effective from time to time for the Series 2017\_\_ Notes shall be calculated by the Calculation Agent and communicated to the Board and the Trustee, which calculations shall be deemed to be conclusive in the absence of manifest error. Interest on each 2017\_\_ Note shall be computed on the basis of the actual number of days elapsed over a 360 day year (actual/360). Interest on each 2017\_\_ Note shall be payable on the Interest Payment Dates and the earliest of its (i) maturity date, (ii) purchase date or (iii) redemption date.

(C) The Series 2017\_\_ Notes shall mature on the earlier of (i) \_\_\_\_\_, 201\_\_ if the Tax Penalty Date is on or after \_\_\_\_\_, 201\_\_ ; or (ii) 60 days after the Tax Penalty Date if the Tax Penalty Date is after \_\_\_\_\_, 201\_\_. The Series 2017\_\_ Notes shall mature on \_\_\_\_\_, 201\_\_.

(D) Each 2017\_\_ Note shall be in denominations of \$ \_\_\_\_\_ or any integral multiple of \$ \_\_\_\_\_ in excess of \$ \_\_\_\_\_ and each 2017\_\_ Note shall be numbered consecutively but need not be authenticated or delivered in consecutive order. The

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2017\_\_ Notes and the Trustee's Certificate of Authentication shall be in substantially the form set forth in *Exhibit A* attached hereto and by reference made a part hereof with such variations, omissions or insertions as are required or permitted by the Indenture.

(E) The principal of the 2017\_\_ Notes shall be payable at the designated corporate trust offices of the Trustee, in the City of Chicago, Illinois, as Paying Agent, and at such offices of any co-Paying Agent or successor Paying Agent or Paying Agents for the 2017\_\_ Notes appointed pursuant to the Indenture. Interest on the 2017\_\_ Notes shall be payable by check or bank draft mailed or delivered by the Trustee to the Owners as the same appear on the registration books of the Board maintained by the Registrar as of the Record Date or, at the option of any Owner, by wire transfer of current funds to such bank in the continental United States as said Owner shall request in writing to the Registrar.

(F) [The 2017\_\_ Notes shall be initially issued in the form of a separate single fully registered 2017\_\_ Note for each maturity. Upon initial issuance, the ownership of each such 2017\_\_ Note shall be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, and except as hereinafter provided, the ownership of all of the outstanding 2017\_\_ Notes shall be registered in the name of Cede & Co., as nominee of DTC.]

(G) With respect to 2017\_\_ Notes registered in the name of Cede & Co., as nominee of DTC, the Board and the Trustee shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the 2017\_\_ Notes. Without limiting the immediately preceding sentence, the Board and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in any 2017\_\_ Note, (ii) the delivery to any DTC Participant or any other Person, other than the Owner of any 2017\_\_ Note, of any notice with respect to such 2017\_\_ Note, (iii) the payment to any DTC Participant or any other Person, other than the Owner of any 2017\_\_ Note, of any amount with respect to principal or Redemption Price of or interest on such 2017\_\_ Note or (iv) any allocation method for the redemption, including any pro-rata redemption, of 2017\_\_ Notes among DTC Participants and the beneficial owners of the 2017\_\_ Notes. The Board, the Trustee and each other Paying Agent, if any, shall be entitled to treat and consider the Person in whose name each 2017\_\_ Note is registered as the absolute owner of such 2017\_\_ Note for the purpose of payment of principal and interest with respect to such 2017\_\_ Note, for the purpose of giving notices of redemption, for the purpose of registering transfers with respect to such 2017\_\_ Note and for all other purposes whatsoever. The Trustee and each other Paying Agent, if any, shall pay all principal of and interest on the 2017\_\_ Notes only to or upon the order of the respective Owners thereof, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to satisfy and discharge fully the Board's obligations with respect to payment of principal of and interest on the 2017\_\_ Notes to the extent of the sum or sums so paid. No Person other than an Owner of a 2017\_\_ Note shall receive a 2017\_\_ Note certificate evidencing the obligation of the Board to make payments of principal of and interest on the 2017\_\_ Notes pursuant to this Indenture.

(H) The Owners of the 2017\_\_ Notes have no right to the appointment or retention of a depository for such 2017\_\_ Notes. DTC may resign as securities depository under the conditions provided in the Letter of Representations. In the event of any such resignation, the

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Board shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and transfer or cause the transfer of one or more separate 2017\_\_ Note certificates to such successor securities depository or (ii) notify DTC of the availability through DTC of 2017\_\_ Note certificates and transfer or cause the transfer of one or more separate 2017\_\_ Note certificates to DTC Participants having 2017\_\_ Notes credited to their DTC accounts. In such event, the 2017\_\_ Notes shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names the DTC Participants receiving 2017\_\_ Notes shall designate, in accordance with the provisions of this Indenture.

(I) The Board has heretofore executed and delivered the Letter of Representations to DTC. So long as DTC, or its designee, is the Owner of all 2017\_\_ Notes, the provisions set forth in the Letter of Representations shall apply to the redemption of any 2017\_\_ Notes and to the payment of principal or Redemption Price of and interest on the 2017\_\_ Notes, including without limitation, that: (1) presentation of 2017\_\_ Notes to the Trustee at maturity shall be deemed made to the Trustee when the right to exercise ownership rights in the 2017\_\_ Notes through DTC or DTC's Participants is transferred by DTC on its books; and (2) DTC may present notices, approvals, waivers or other communications required or permitted to be made by Owners of 2017\_\_ Notes under this Indenture on a fractionalized basis on behalf of some or all of those Persons entitled to exercise ownership rights in the 2017\_\_ Notes through DTC or DTC's Participants.

(J) So long as the 2017\_\_ Notes are registered in the name of Cede & Co., as nominee of DTC, the Trustee agrees to comply with the terms and provisions of the Letter of Representations.

**Section 204. Application of Proceeds.** \$\_\_\_\_\_ of the net proceeds of sale of the 2017\_\_ Notes shall be deposited into the Program Expense Fund to pay costs of issuance of the 2017\_\_ Notes. All of the remaining \$\_\_\_\_\_ net proceeds of sale of the 2017\_\_ Notes shall be paid to the Board.

**Section 205. Optional Redemption.** (A) (i) The Series 2017\_\_ Notes shall be subject to redemption prior to their Maturity Date at the option of the Board, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day occurring on or after \_\_\_\_\_, 201\_\_, at a redemption price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to the Redemption Date. Any redemption of less than all of the Series 2017\_\_ Notes Outstanding shall be made in such a manner that all Series 2017\_\_ Notes Outstanding after such redemption are in Authorized Denominations and shall be made on a pro rata basis among all Outstanding Series 2017\_\_ Notes.

(ii) The Series 2017\_\_ Notes shall be subject to redemption prior to their Maturity Date at the option of the Board, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day occurring on or after \_\_\_\_\_, 201\_\_, at a redemption price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to the Redemption Date. Any redemption of less than all of the Series

2017\_\_ Notes Outstanding shall be made in such a manner that all Series 2017\_\_ Notes Outstanding after such redemption are in Authorized Denominations and shall be made on a pro rata basis among all Outstanding Series 2017\_\_ Notes.

(B) 2017\_\_ Notes shall be subject to redemption prior to their Maturity Date at the option of the Board, in whole, on any Business Day occurring on or after the Purchaser has provided the Board and the Trustee with notice of the occurrence of an Event of Default, at a redemption price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to the Redemption Date.

(C) 2017\_\_ Notes may be called for redemption by the Trustee pursuant to Section 208, upon receipt by the Trustee at least 25 days prior to the Redemption Date (or such shorter period as shall be acceptable to the Trustee) of a written request of the Board requesting such redemption.

**Section 206. Redemption at the Election or Direction of the Board.** In the case of any redemption of 2017\_\_ Notes at the election or direction of the Board, the Board shall give written notice to the Trustee of its election or direction so to redeem, of the date fixed for redemption, and of the principal amounts of the 2017\_\_ Notes to be redeemed. Such notice shall be given at least 25 days prior to the specified redemption date or such shorter period as shall be acceptable to the Trustee. In the event notice of redemption shall have been given as in Section 208 provided, there shall be paid on or prior to the specified redemption date to the Trustee an amount in cash or Government Obligations maturing on or before the specified redemption date which, together with other moneys, if any, available therefor held by the Trustee, will be sufficient to redeem all of the 2017\_\_ Notes to be redeemed on the specified redemption date at their Redemption Price plus interest accrued and unpaid to the date fixed for redemption. Such amount and moneys shall be held in a separate, segregated account for the benefit of the Owners of the 2017\_\_ Notes so called for redemption.

**Section 207. Selection of 2017\_\_ Notes to Be Redeemed.** If any 2017\_\_ Notes are redeemed pursuant to Section 205(b) of this \_\_\_\_\_ Supplemental Indenture, all 2017\_\_ Notes then Outstanding shall be redeemed on a pro-rata basis. If less than all the 2017\_\_ Notes shall be called for redemption under any provision of this \_\_\_\_\_ Supplemental Indenture permitting or requiring such partial redemption, the 2017\_\_ Notes or portions thereof to be redeemed shall be redeemed on a pro rata basis among all Outstanding 2017\_\_ Notes, and the portion of any 2017\_\_ Note to be redeemed shall be in a principal amount equal to an Authorized Denomination. If it is determined that one or more, but not all, of the integral multiples of the Authorized Denomination of principal amount represented by any 2017\_\_ Note is to be called for redemption, then, upon notice of intention to redeem such integral multiple of an Authorized Denomination, the Owner of such 2017\_\_ Note shall forthwith surrender such 2017\_\_ Note to the Trustee for (a) payment to such Owner of the redemption price of the integral multiple of the Authorized Denomination of principal amount called for redemption, and (b) delivery to such Owner of a new 2017\_\_ Note or 2017\_\_ Notes of such Series in the aggregate principal amount of the unredeemed balance of the principal amount of such 2017\_\_ Note. New 2017\_\_ Notes representing the unredeemed balance of the principal amount of such 2017\_\_ Note shall be issued to the Owner thereof without charge therefor.

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**Section 208. Notice of Redemption.** (A) Except as hereinafter provided, a copy of the notice of the call for any redemption identifying the 2017\_\_ Notes to be redeemed shall be given by first class mail, postage prepaid, or by facsimile transmission, not less than twenty (20) days prior to the date fixed for redemption. Such notice shall specify the 2017\_\_ Notes to be received, the Redemption Date, the redemption price, the place and manner of payment, and that from the Redemption Date interest will cease to accrue on the 2017\_\_ Notes which are the subject of such notice, and shall include such other information as the Trustee shall deem appropriate or necessary at the time such notice is given to comply with any applicable law, regulation or industry standard.

(A) In addition to the requirements of Section 208(a), notice of the redemption of 2017\_\_ Notes or any portion thereof identifying the 2017\_\_ Notes or portions thereof to be redeemed shall specify (i) the Series designation and certificate numbers of 2017\_\_ Notes being redeemed, (ii) the principal amount of 2017\_\_ Notes being redeemed and the redeemed amount for each certificate (for partial calls), (iii) the Redemption Date, and (iv) the redemption price.

(B) Failure to give notice in the manner prescribed in Section 208(a) and Section 208(b) with respect to any 2017\_\_ Note, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any 2017\_\_ Note with respect to which notice was properly given.

(C) If any 2017\_\_ Note is transferred or exchanged on the note register after notice has been given calling such 2017\_\_ Note for redemption, the Trustee will attach a copy of such notice to the 2017\_\_ Note issued in connection with such transfer or exchange.

**Section 209. Payment of Redeemed 2017\_\_ Notes.** Notice having been given in the manner provided in Section 208, the 2017\_\_ Notes or portions thereof so called for redemption shall become due and payable on the date fixed for redemption at the Redemption Price, plus interest accrued and unpaid to such date, and, upon presentation and surrender thereof at any place specified in such notice, such 2017\_\_ Notes, or portions thereof, shall be paid at the Redemption Price, plus interest accrued and unpaid to such date. If there shall be called for redemption less than all of a 2017\_\_ Note, the Board shall execute and the Trustee shall authenticate and the appropriate Fiduciary shall deliver, upon the surrender of such 2017\_\_ Note, without charge to the Owner thereof, for the unredeemed balance of the principal amount of the 2017\_\_ Note so surrendered, fully registered 2017\_\_ Notes of like maturity and interest rate in any Authorized Denominations. If, on the date fixed for redemption, moneys for the redemption of all the 2017\_\_ Notes or portions thereof of like maturity and interest rate to be redeemed, together with interest to such date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the date fixed for redemption, interest on the 2017\_\_ Notes or portions thereof of such maturity and interest rate so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the date fixed for redemption, such 2017\_\_ Notes or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

**Section 210. Purchase of 2017\_\_ Notes for Cancellation.** The Board, acting through an Authorized Officer, reserves the right to direct the Trustee to cause the purchase for

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immediate cancellation, on any **Business Day** (but solely after (i) \_\_\_\_\_, 201\_\_ with respect to the Series 2017\_\_ Notes and (ii) \_\_\_\_\_, 201\_\_ with respect to the Series 2017\_\_ Notes), of any 2017\_\_ Notes or beneficial interests therein from any Owner or Beneficial Owner of such 2017\_\_ Notes agreeing at its sole discretion to sell such 2017\_\_ Notes or beneficial interests therein. Each such purchase shall be made in Authorized Denominations and shall be made in a principal amount of \$5,000,000 or greater. Such direction from the Board shall be evidenced by a written notice delivered to the Trustee not later than the third Business Day preceding the related Purchase Date (i) directing the Trustee to cause DTC to process such purchase of 2017\_\_ Notes or beneficial interests therein and (ii) stating the principal amount of and purchase price for such 2017\_\_ Notes or beneficial interests therein to be so purchased and the applicable Purchase Date. Any such purchase shall be at a price of not more than par plus accrued interest to the Purchase Date and shall be made from funds on deposit in the Debt Service Fund. Upon such purchase, the 2017\_\_ Notes or beneficial interests therein shall be immediately cancelled and shall no longer be deemed to be Outstanding for purposes of the Indenture and this \_\_\_\_\_ Supplemental Indenture.

**Section 211. Investor Letter.** (A) Concurrently with the delivery of the 2017\_\_ Notes, \_\_\_\_\_ shall execute and deliver to the Board an Investor Letter substantially in the form attached hereto as *Exhibit B*.

(B) Each subsequent Owner or beneficial owner of any 2017\_\_ Note must be either (a) a “qualified institutional buyer”, as defined in Rule 144A promulgated under the Securities Act of 1933 (a “*QIB*”) or (b) an “accredited investor”, as defined in Rule 501 of Regulation D under the Securities Act of 1933.

(C) No sale or other transfer of a 2017\_\_ Note shall be made to an “accredited investor” unless in conjunction therewith such “accredited investor” shall execute, and shall deliver to the selling or transferring Owner and to the Board, an Investor Letter substantially in the form attached hereto as *Exhibit B*.

(D) With respect to a sale or other transfer of any 2017\_\_ Note to a QIB, such QIB, by virtue of such transfer or purchase, shall be deemed to have made all of the acknowledgements, representations and agreements contained in the Investor Letter as of the date of such transfer and purchase as if such QIB had executed an Investor Letter.

### ARTICLE III.

#### Particular Covenants of the Board

**Section 301. Authority for \_\_\_\_\_ Supplemental Indenture.** This First Supplemental Indenture is executed and delivered by the Board by virtue of and pursuant to the School Code, the Local Government Debt Reform Act and the Note Resolution. The Board has ascertained and hereby determines and declares that the execution and delivery of this \_\_\_\_\_ Supplemental Indenture is necessary to meet the public purposes and obligations of the Board, that each and every act, matter, thing or course of conduct as to which provision is made herein is necessary or convenient in order to carry out and effectuate such purposes of the Board and to carry out its powers and is in furtherance of the public benefit, safety and welfare and that each and every

covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the 2017\_\_ Notes and are contracts or agreements necessary, useful or convenient to carry out and effectuate the corporate purposes of the Board.

**Section 302. Indenture to Constitute Contract.** In consideration of the purchase and acceptance of 2017\_\_ Notes by those who shall hold the same from time to time, the provisions of the Indenture and this \_\_\_\_\_ Supplemental Indenture shall be a part of the contract of the Board with the Owners of the 2017\_\_ Notes and shall be deemed to be and shall constitute a contract between the Board, the Trustee and the Owners from time to time of the 2017\_\_ Notes. The Board covenants and agrees with the Owners of the 2017\_\_ Notes and the Trustee that it will faithfully perform all of the covenants and agreements contained in the Indenture, this \_\_\_\_\_ Supplemental Indenture and in the 2017\_\_ Notes.

**Section 303. Limited Obligations.** The 2017\_\_ Notes are limited obligations of the Board payable from amounts on deposit in the Debt Service Fund and secured by a pledge of, lien on and security interest in the Trust Estate pledged for their payment in accordance with the Indenture and this \_\_\_\_\_ Supplemental Indenture. Neither the full faith and credit nor the general taxing power of the Board is pledged to, or otherwise available for, the payment of any 2017\_\_ Note.

**Section 304. Tax Covenants.** The Board shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on any 2017\_\_ Note to become subject to federal income taxes in addition to federal income taxes to which interest on such 2017\_\_ Note is subject on the date of original issuance thereof. The Board shall not permit any of the proceeds of the 2017\_\_ Notes, or any facilities financed with such proceeds, to be used in any manner that would cause any 2017\_\_ Note to constitute a "private activity bond" within the meaning of Section 141 of the Code. The Board shall not permit any of the proceeds of the 2017\_\_ Notes or other moneys to be invested in any manner that would cause any 2017\_\_ Note to constitute an "arbitrage bond" within the meaning of Section 148 of the Code or a "hedge bond" within the meaning of Section 149(g) of the Code. The Board shall comply with the provisions of Section 148(f) of the Code relating to the rebate of certain investment earnings at periodic intervals to the United States of America.

#### ARTICLE IV.

##### Miscellaneous

**Section 401. Trustee Acceptance of Duties.** The Trustee hereby accepts and agrees to the trusts hereby created, but only upon the additional terms set forth in Article VIII of the Indenture, to all of which the Board agrees and the respective Owners of the 2017\_\_ Notes, by their purchase and acceptance thereof, agree. Except during the continuance of an Event of Default, the Trustee undertakes such duties and only such duties as are specifically set forth in the Indenture and this \_\_\_\_\_ Supplemental Indenture.

**Section 402. Appointment of Fiduciaries.** The Trustee is hereby appointed Paying Agent and Registrar for the 2017\_\_ Notes. The Trustee accepts the duties and obligations imposed upon it as Paying Agent and Registrar by the Indenture and this \_\_\_\_\_ Supplemental

Indenture. The Board may at any time or from time to time appoint one or more other Paying Agents for the 2017\_\_ Notes.

**Section 403. Amendment or Modifications.** This \_\_\_\_\_ Supplemental Indenture may be amended or modified in the same manner as the Indenture may be amended or modified in accordance with Article IX and Article X of the Indenture.

**Section 404. Defeasance.** If the Board shall pay to the Owners of the 2017\_\_ Notes, or provide for the payment of the principal, interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated in Section 1101 of the Indenture, then this \_\_\_\_\_ Supplemental Indenture shall be fully discharged and satisfied.

**Section 405. Preservation and Inspection of Documents.** All documents received by any Fiduciary under the provisions of this \_\_\_\_\_ Supplemental Indenture, shall be retained in its possession and shall be subject at all reasonable times to the inspection of the Board, any other Fiduciary, and any Owner and their agents and their representatives, any of whom may make copies thereof.

**Section 406. Parties Interested Herein.** Nothing in this \_\_\_\_\_ Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any Person, other than the Board, the Fiduciaries and the Owners of the 2017\_\_ Notes, any right, remedy or claim under or by reason of this \_\_\_\_\_ Supplemental Indenture or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this \_\_\_\_\_ Supplemental Indenture contained by and on behalf of the Board shall be for the sole and exclusive benefit of the Board, the Fiduciaries and the Owners of the 2017\_\_ Notes.

**Section 407. Successors and Assigns.** Whenever in this \_\_\_\_\_ Supplemental Indenture the Board is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this \_\_\_\_\_ Supplemental Indenture contained by or on behalf of the Board shall bind and inure to the benefit of its successors and assigns whether so expressed or not.

**Section 408. Severability of Invalid Provisions.** If any one or more of the covenants or agreements provided in this \_\_\_\_\_ Supplemental Indenture on the part of the Board or any Fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this \_\_\_\_\_ Supplemental Indenture.

**Section 409. Notices.** Any notice, demand, direction, request or other instruments authorized or required by this \_\_\_\_\_ Supplemental Indenture to be given to, delivered to or filed with the Board or the Trustee shall be deemed to have been sufficiently given, delivered or filed for all purposes of this \_\_\_\_\_ Supplemental Indenture if and when sent by registered mail, return receipt requested:

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To the Board, if addressed to: Board of Education of the City of Chicago  
42 West Madison Street, 2nd Floor  
Chicago, Illinois 60602  
Attention: Senior Vice President of Finance

With a copy to: Board of Education of the City of Chicago  
42 West Madison Street, 2nd Floor  
Chicago, Illinois 60602  
Attention: Chief Financial Officer

and

Board of Education of the City of Chicago  
1 N. Dearborn  
Chicago, Illinois 60602  
Attention: General Counsel

or to such other address as may be designated in writing by the Board to the Trust; and

To the Trustee, if addressed to: Zions Bank  
111 West Washington Street, Suite 1860  
Chicago, Illinois 60602  
Attention: Corporate Trust Department

or at such other address as may be designated in writing by the Trustee to the Board.

**Section 410. Construction.** This \_\_\_\_\_ Supplemental Indenture shall be construed in accordance with the provisions of State law.

**Section 411. Multiple Counterparts.** This \_\_\_\_\_ Supplemental Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Board of Education of the City of Chicago has caused this \_\_\_\_\_ Supplemental Indenture to be executed in its name and on its behalf by its Senior Vice President of Finance and attested by its Secretary and Zions Bank, a division of ZB, National Association, as Trustee, has caused this \_\_\_\_\_ Supplemental Indenture to be executed on its behalf and attested by its authorized officers, all as of the day and year first above written.

BOARD OF THE CITY OF THE  
CITY OF CHICAGO

\_\_\_\_\_  
Senior Vice President of Finance

Attest:

ZIONS BANK, A DIVISION OF ZB,  
NATIONAL ASSOCIATION

\_\_\_\_\_  
Authorized Officer

Attest:

\_\_\_\_\_  
Authorized Officer



**EXHIBIT A**  
**FORM OF 2017\_\_ NOTES**

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EXHIBIT A  
TO  
MASTER TRUST INDENTURE  
FORM OF SERIES 2017\_\_ NOTE

No. R-1

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
BOARD OF EDUCATION OF THE CITY OF CHICAGO  
EDUCATIONAL PURPOSES TAX ANTICIPATION NOTES, SERIES 2017\_\_

Issue Date: \_\_\_\_\_, 201\_\_

Registered Owner:

Principal Amount:

The BOARD OF EDUCATION OF THE CITY OF CHICAGO (the "Board"), a school district organized and existing under the laws of the State of Illinois, for value received, hereby promises to pay (but only out of the sources hereinafter provided) to the registered owner identified above, or registered assigns, on the maturity date specified herein, unless this Series 2017\_\_ Note shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the Principal Amount specified above, and to pay (but only out of the sources hereinafter provided) interest on the balance of said principal sum from time to time remaining unpaid from and including the Issue Date specified above, until payment of said Principal Amount has been made or duly provided for.

*Payments.* Interest on Series 2017\_\_ Notes shall be payable on each Interest Payment Date. The principal of the Series 2017\_\_ Notes shall be payable in applicable amounts on each Principal Payment Date.

The principal and interest on the Series 2017\_\_ Notes shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Payment of interest on Series 2017\_\_ Notes shall be paid on each Interest Payment Date by check or bank draft mailed or delivered by Zions Bank, a division of ZB, National Association, as trustee (the "Trustee") to the Owners as the same appear on the registration books of the Board maintained by the Registrar as of the Record Date or, at the option of any Owner of \$1,000,000 or more in aggregate principal amount of Series 2017\_\_ Notes, by wire

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transfer of immediately available funds to such bank in the continental United States as said Owner shall request in writing to the Registrar no later than the Record Date.

Interest accrued on the Series 2017\_\_\_ Notes shall be paid in arrears on each Interest Payment Date. Interest on the Series 2017\_\_\_ Notes shall be computed upon the basis of a 360-day year and actual days elapsed.

*Interest Rates.* The Series 2017\_\_\_ Notes shall bear interest at the Variable Rate as provided in the Indenture (as hereinafter defined). Under circumstances specified in the Indenture, the Series 2017\_\_\_ Notes may bear interest at a Taxable Rate or a Default Rate.

*General.* This Series 2017\_\_\_ Note is one of a duly authorized issue of not to exceed \$\_\_\_\_\_ aggregate principal amount Educational Purposes Tax Anticipation Notes, Series 2017\_\_\_, of the Board (the "Series 2017\_\_\_ Notes"). The Series 2017\_\_\_ Notes are issued pursuant to, under authority of and in full compliance with the Constitution and laws of the State of Illinois, including the School Code and the Local Government Debt Reform Act of the State of Illinois, as amended (the "Act"), a Master Trust Indenture dated as of \_\_\_\_\_, 2017 (the "Master Indenture"), by and between the Board and Zions Bank, a division of ZB, National Association, Chicago, Illinois, as trustee (the "Trustee"), as supplemented by a \_\_\_\_\_ Supplemental Indenture, dated as of \_\_\_\_\_, 201\_\_ between the Board and the Trustee (the "Supplemental Indenture" and, together with the Master Indenture as supplemented, the "Indenture"). The Series 2017\_\_\_ Notes are being issued in anticipation of property taxes levied by the Board for educational purposes for the year 2017.

*Limited Obligations.* The Series 2017\_\_\_ Notes are limited obligations of the Board and are payable solely from Pledged Tax Receipts (as defined in the Master Indenture), *provided* that the pledge of Pledged Tax Receipts with respect to the Series 2017\_\_\_ Notes is on a parity with the pledge thereof as security for the payment of other Tax Anticipation Notes of the Board. Neither the full faith and credit nor the taxing power of the Board is pledged to the payment of the principal of or interest on the Series 2017\_\_\_ Notes.

*Maturity Date.* The maturity date of this Series 2017\_\_\_ Note is \_\_\_\_\_, 201\_\_.

*Redemption and Prepayment.* The Series 2017\_\_\_ Notes shall be subject to redemption prior to their Maturity Date at the option of the Board, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day occurring on or after \_\_\_\_\_, 201\_\_, at a redemption price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to the Redemption Date. The Board reserves the right to direct the Trustee to purchase on any Business Day for immediate cancellation, any Series 2017\_\_\_ Notes or beneficial interests therein from the registered owner of any Series 2017\_\_\_ Notes or from the Beneficial Owner of any Series 2017\_\_\_ Notes, as provided in the Indenture.

In addition, if an event of default has occurred under the Supplemental Indenture or a default has occurred under Sections \_\_\_\_\_ of the \_\_\_\_\_ Supplemental Indenture without regard to any notice or cure period provided in Section \_\_\_\_\_ thereof, or if any of the events set forth below have occurred, the Board shall redeem the Series 2017\_\_\_ Notes in whole on or before

\_\_\_\_\_, 201\_\_\_\_, at a redemption price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to the Redemption Date.

The Board shall be required to immediately redeem the Series 2017\_\_ Notes upon the occurrence of any of the following events:

*Registration.* This Series 2017\_\_ Note is transferable by the registered owner hereof in person or by such registered owner's attorney duly authorized in writing at the principal corporate trust office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture.

*Defeasance.* Provision for payment of all or any portion of the Series 2017\_\_ Notes may be made, and the Indenture may be discharged, prior to payment of the Series 2017\_\_ Notes in the manner provided in the Indenture.

*Miscellaneous.* The registered owner of this Series 2017\_\_ Note shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

Copies of the Indenture are on file at the designated office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof is made for a description of the pledge and covenants securing the Series 2017\_\_ Notes, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the registered owners of the Series 2017\_\_ Notes, and the limitations on such rights and remedies.

Terms used in this Series 2017\_\_ Note shall have the same meanings as set forth in the Indenture.

It is hereby certified, recited and declared that this Series 2017\_\_ Note is issued in part pursuant to the Local Government Debt Reform Act and that all acts and conditions required to be done, exist and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Series 2017\_\_ Note have been performed in due time, form and manner as required by law; that the indebtedness of the Board, including the issue of Series 2017\_\_ Notes of which this is one, does not exceed any limitation imposed by law.

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This Series 2017\_\_\_ Note shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been duly executed by the Trustee.

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IN WITNESS WHEREOF, the Board of Education of the City of Chicago has caused this Series 2017\_\_ Note to be signed in its name and on its behalf by the manual or duly authorized facsimile signature of its President and attested by the manual or duly authorized facsimile signature of its Secretary, all as of the Dated Date identified above.

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By: \_\_\_\_\_  
President, Board of Education of the City  
of Chicago

By: \_\_\_\_\_  
Chief Executive Officer,  
Board of Education of the City of Chicago

ATTEST:

\_\_\_\_\_  
Secretary, Board of Education of the  
City of Chicago

[Form of Certificate of Authentication]

**TRUSTEE'S CERTIFICATE OF AUTHENTICATION**

This Series 2017\_\_ Note is one of the Series 2017\_\_ Notes described in the within-mentioned \_\_\_\_\_ Supplemental Indenture.

Date of Authentication and Delivery: Zions Bank, a division of ZB, National  
Association, as Trustee

\_\_\_\_\_, 201\_

By: \_\_\_\_\_  
Authorized Signatory

ASSIGNMENT

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	— as tenants in common	UNIF GIFT MIN ACT — Custodian
		_____
		(Cust)                      (Minor)
TENANT	— as tenants by the entirety	under Uniform Gifts to Minors Act
JT TEN	— as joint tenants with right of survivorship and not as tenants in common	_____
		(State)

Additional abbreviations may also be used though not in the above list

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
(Name and Address of Assignee)

this Series 2017\_\_ Note of the Board of Education of the City of Chicago and does hereby irrevocably constitute and appoint \_\_\_\_\_

to transfer said Series 2017\_\_ Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of this Series 2017\_\_ Note in every particular, without alteration or enlargement or any change whatever.

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**EXHIBIT B  
TO  
\_\_\_\_\_ SUPPLEMENTAL INDENTURE**

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**FORM OF INVESTOR LETTER**

C1137724.2



**EXHIBIT B**

**FORM OF INVESTOR LETTER**

\_\_\_\_\_, 20\_\_

Board of Education of the City of Chicago  
Office of Senior Vice President of Finance  
42 West Madison Street  
\_\_\_\_ Floor  
Chicago, IL 60602

Re: \$ \_\_\_\_\_  
Board of Education of the City of Chicago  
Educational Purposes Tax Anticipation Notes, Series 2017A

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to our purchase of all or a portion of the above-referenced Series 2017A Notes (the "Notes"). The Notes are issued under and secured in the manner set forth pursuant to a Master Trust Indenture dated as of \_\_\_\_\_, 2017 (the "Master Indenture"), by and between the Board of Education of the City of Chicago (the "Board") and Zions Bank, a Division of ZB, National Association, Chicago, Illinois, as trustee (the "Trustee"), as supplemented by a First Supplemental Indenture, dated as of \_\_\_\_\_, 2017 between the Board and the Trustee (the "Series Indenture;" and together with the Master Indenture, the "Indenture"). \_\_\_\_\_ (the "Purchaser," the "undersigned," "us" or "we," as applicable) is purchasing the Notes in the principal amount identified above, and in connection with such purchase, we hereby represent and warrant to you and agree with you as follows:

1. We understand that the Notes have not been registered pursuant to the Securities Act of 1933, as amended (the "1933 Act"), the securities laws of any state, nor has the Indenture been qualified pursuant to the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions set forth therein. We acknowledge that the Notes (i) are not being registered or otherwise qualified for sale under the "blue sky" laws and regulations of any state, (ii) will not be listed on any securities exchange, (iii) will not carry a rating from any rating service, and (iv) will not be delivered in a form that is readily marketable.

2. We have not offered, offered to sell, offered for sale or sold any of the Notes by means of any form of general solicitation or general advertising, and we are not an underwriter of the Notes within the meaning of Section 2(11) of the 1933 Act.

3. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt

C1137724.2

obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the Notes.

4. We have authority to purchase the Notes and to execute this letter and any other instruments and documents required to be executed by us in connection with the purchase of the Notes.

5. The undersigned is a duly appointed, qualified and acting representative of the Purchaser and is authorized to cause the Purchaser to make the certifications, representations and warranties contained herein by execution of this letter on behalf of the Purchaser.

6. The undersigned is either (a) a "qualified institutional buyer" as defined in Rule 144A promulgated under the 1933 Act (a "*QIB*") or (b) an "accredited investor" as defined in Rule 501 of Regulation D under the 1933 Act (an "*Accredited Investor*") and, as such, is able to bear the economic risks, and an entire loss, of such investment in the Notes. The Purchaser understands that, in certain circumstances, it may be required to hold the Notes until the maturity thereof.

7. The undersigned understands that a Limited Offering Memorandum was delivered by the Board as required pursuant to the terms of the Note Purchase Agreement, which Limited Offering Memorandum will not be updated after its delivery.

8. We understand and acknowledge that the Notes are limited obligations of the Board payable solely from the tax revenue collected from the tax levy of the Board for educational purposes for the year 2017, provided, however, such "tax revenue collected" shall not include any Tax Increment Revenue paid or payable to the Board pursuant to Section 8 of the Tax Increment Allocation Redevelopment Act, 65 Illinois Compiled Statutes 5/11-74.4, as amended, and that neither the full faith and credit nor the taxing power of the Board is pledged to the payment of the principal of or interest on the Notes.

9. The undersigned acknowledges that it is familiar with the condition, financial or otherwise, of the Board and it has either been supplied with or been given access to information, including financial statements and other financial information, regarding the Board, to which a reasonable investor would attach significance in making investment decisions, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Board, the Notes and the security therefor, so that, as a reasonable investor, it has been able to make its decision to purchase the Notes. The undersigned acknowledges that it does not require further information from the Board for purposes of purchasing the Notes.

10. The Purchaser has made its own inquiry and analysis with respect to the Board, the Notes and the security therefor, and other material factors affecting the security and payment of the Notes. The Purchaser has assumed responsibility for obtaining such information and making such review as the Purchaser deemed necessary

or desirable in connection with its decision to purchase the Notes. The Purchaser is aware that the business of the Board involves certain economic variables and risks that could adversely affect the security for the Notes.

11. The Notes are being acquired by the Purchaser for investment for its own account and not with a present view toward resale or distribution of the Notes; *provided, however,* that the Purchaser reserves the right to sell, transfer or redistribute its ownership in the Notes, subject to the provisions of the Indenture, and agrees that any such sale, transfer or distribution by the Purchaser shall be in accordance with the Indenture.

The Purchaser acknowledges that no sale or other transfer of a Note shall be made to a transferee or purchaser unless in conjunction therewith such transferee or purchaser shall execute, and shall deliver to the selling or transferring Owner and to the Board, an Investor Letter substantially in the form attached as Exhibit B to the Series Indenture.

12. The Purchaser agrees to comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Notes by it, and further acknowledges that any current exemption from registration of the Notes does not affect or diminish such requirements. The Purchaser agrees that it will only offer, sell, pledge, transfer or exchange a Note (or any legal or beneficial interest therein) in accordance with the transfer restrictions set forth in the Indenture.

Capitalized terms used herein without definition shall have the meanings assigned to such terms in the Indenture.

Very truly yours,

[NAME OF PURCHASER]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

17-0828-RS6

**RESOLUTION PROVIDING FOR THE ISSUE OF ONE OR MORE SERIES OF UNLIMITED TAX GENERAL OBLIGATION REFUNDING BONDS OF THE BOARD OF EDUCATION OF THE CITY OF CHICAGO IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$385,000,000 FOR THE PURPOSE OF PAYING THE COST OF REFUNDING OUTSTANDING BONDS OF SAID BOARD OF EDUCATION**

WHEREAS, pursuant to the provisions of Article 34 of the School Code, 105 Illinois Compiled Statutes 5 (the "**School Code**"), the City of Chicago, having a population exceeding 500,000, constitutes one school district (the "**School District**"), which is a body politic and corporate by the name of the "*Board of Education of the City of Chicago*" (the "**Board**"); and

WHEREAS, the Board is governed by the seven-member Chicago Board of Education, as successor to the Chicago School Reform Board of Trustees (the "**School Board**"); and

WHEREAS, pursuant to the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350 (the "**Debt Reform Act**") the School Board is authorized to issue general obligation bonds of the Board as "**Alternate Bonds**" as provided in Section 15 of the Debt Reform Act; and

WHEREAS, the School Board has heretofore authorized and issued various series of Alternate Bonds that are outstanding (the "**Outstanding Bonds**"); and

WHEREAS, the principal of and interest on the Outstanding Bonds is scheduled to become due and payable on various future payment dates and the School Board does hereby determine that it is in the best interests of the Board and the residents of the School District to refund certain of its Outstanding Bonds and to restructure its indebtedness by refunding various installments of principal of and interest on its Outstanding Bonds; and

WHEREAS, the Outstanding Bonds include (but are not limited to) the Unlimited Tax General Obligation Refunding Bonds (Dedicated Revenues), Series 2011C-2, of the Board (the "**Series 2011C-2 Bonds**"), the Unlimited Tax General Obligation Refunding Bonds (Dedicated Revenues), Series 2013A-2, of the Board (the "**Series 2013A-2 Bonds**"), the Unlimited Tax General Obligation Refunding Bonds (Dedicated Alternate Revenues), Series 2015A, of the Board (the "**Series 2015A Bonds**") and the Unlimited Tax General Obligation Refunding Bonds (Dedicated Alternate Revenues), Series 2015G, of the Board (the "**Series 2015G Bonds**"); and

WHEREAS, \$39,700,000 principal amount of the Series 2011C-2 Bonds are outstanding; \$124,320,000 principal amount of the Series 2013A-2 Bonds are outstanding; \$80,300,000 principal amount of the Series 2015A Bonds are outstanding and \$79,800,000 principal amount of the Series 2015G Bonds are outstanding; and

WHEREAS, pursuant to this Resolution the Board determines to authorize the refunding of the Outstanding Bonds and the restructuring of the debt service payable on the Outstanding Bonds (the "**Refunding**"); and

WHEREAS, Section 15(e) of the Debt Reform Act provides that Alternate Bonds (the "**Statutory Refunding Bonds**") may be issued to refund or advance refund alternate bonds without meeting any of the conditions set forth in Section 15 of the Debt Reform Act, except that the term of the refunding bonds shall not be longer than the term of the refunded bonds and that the debt service payable in any year on the refunding bonds shall not exceed the debt service payable in such year on the refunded bonds; and

WHEREAS, the Series 2011C-2 Bonds were authorized pursuant to Resolution No. 09-0722-RS11 (the "**2009 Authorization**") adopted by the Board on July 22, 2009 (the "**2009 Authorization**") and Resolution No. 11-1026-RS4 adopted by the Board on October 26, 2011 (the "**Series 2011C-2 Bond Resolution**"); and

WHEREAS, pursuant to the 2009 Authorization and the Series 2011C-2 Bond Resolution, the Series 2011C-2 Bonds, on a parity with other Alternate Bonds issued pursuant to the 2009 Authorization, are payable from and secured by a pledge of and lien on not more than \$300,000,000 of State Aid payments to be made to the Board in any year pursuant to Article 18 of the School Code, or such successor or replacement act as may be enacted in the future (the "**2009 Pledged Revenues**"); and

WHEREAS, the Series 2013A-2 Bonds were authorized pursuant to Resolution No. 13-0403-RS1 adopted by the Board on April 3, 2013 (the "**Series 2013A-2 Bond Resolution**"); and

WHEREAS, pursuant to Series 2013A-2 Bond Resolution, the principal installments of the Series 2013A-2 Bonds allocable to the sinking fund payments due in the years 2024 to 2031, both inclusive, are payable from and secured by a lien on not more than \$125,000,000 of State Aid payments to be made to the Board in any year pursuant to Article 18 of the School Code, or such other successor or replacement act as may be enacted in the future (the "**2006 Pledged Revenues**") as provided for pursuant to Resolution No. 06-0628-RS78 adopted by the Board on June 28, 2006 (the "**2006 Authorization**") which pledge is on a parity with other Alternate Bonds issued or secured pursuant to the 2006 Authorization; and

WHEREAS, pursuant to the Series 2013A-2 Bond Resolution, the principal installments of the Series 2013A-2 Bonds allocable to the sinking fund payments due in the years 2032 to 2035, are payable from and secured by a pledge of and lien on the 2009 Pledged Revenues on a parity with other Alternate Bonds issued or secured pursuant to the 2009 Authorization; and

WHEREAS, the Series 2015A Bonds were authorized pursuant to Resolution No. 15-0225-RS4 adopted by the Board on February 25, 2015 (the "**2015 Bond Resolution**"); and

WHEREAS, pursuant to the 2015 Bond Resolution, the Series 2015A Bonds are payable from and secured by a pledge of and lien on not more than \$175,000,000 of State Aid payments to be made to the Board in any year pursuant to Article 18 of the School Code, or such successor or replacement act as may be enacted in the future (the "**1998 Pledged Revenues**") as provided for pursuant to Resolution No. 98-0225-RS6 adopted by the Board on February 25, 1998 (the "**1998 Authorization**") which pledge is on a parity with other Alternate Bonds issued or secured pursuant to the 1998 Authorization; and

WHEREAS, the Series 2015G Bonds were authorized pursuant to the 2015 Bond Resolution; and

WHEREAS, pursuant to the 2015 Bond Resolution, the Series 2015G Bonds, on a parity with other Alternate Bonds issued pursuant to the 2009 Authorization, are payable from and secured by a pledge of and lien on the 2009 Pledged Revenues; and

WHEREAS, the 1998 Pledged Revenues, the 2006 Pledged Revenues and the 2009 Pledged Revenues are herein referred to collectively as the "Statutory Refunding Pledged Revenues" and the 2006 Pledged Revenues and the 2009 Pledged Revenues each constitute a "governmental revenue source" pursuant to the Debt Reform Act; and

WHEREAS, for the purposes, among others, of providing funds to pay a portion of the costs of the Refunding, including, in each case, legal, financial, bond discount, capitalized interest, printing and publication costs, reserves and other expenses, all in accordance with the provisions of the Debt Reform Act, the School Board, on August 24, 2016, adopted a resolution (the "2016 Authorization") authorizing the issuance of Alternate Bonds, in an aggregate principal amount not to exceed \$945,000,000 (the "2016 Authorization Bonds"); and

WHEREAS, the Alternate Bonds issued and to be issued pursuant to the 2016 Authorization may be payable from any or all of the following sources (the "2016 Authorization Pledged Revenues"): (i) the State Aid payments to be made to the Board in any year pursuant to Article 18 of the School Code, or such successor or replacement act as may be enacted in the future, in annual amounts, not more than the following amounts, to be available for the punctual payment of the principal and interest due on bonds and the punctual provision of debt service coverage for such bonds in the following bond payment years:

Bond Payment Year	Annual Amount
2017	\$27,000,000
2018 to 2037	\$50,000,000
2038 to 2042	\$51,000,000
2043	\$135,000,000
2044	\$138,000,000
2045 and 2046	\$189,000,000

(ii) amounts allocated and paid to the Board from the Personal Property Tax Replacement Fund of the State of Illinois pursuant to Section 12 of the State Revenue Sharing Act of the State of Illinois, as amended, or from such successor or replacement fund or act as may be enacted in the future, (iii) proceeds of all or any portion of a capital improvement tax levied and extended, and to be levied and extended, by the Board pursuant to Article 34 of the School Code, (iv) any monies lawfully available to and validly accepted by the Board pursuant to any currently existing or hereafter authorized and executed intergovernmental agreement by and between the School District and the City of Chicago (including, but not limited to, tax increment financing) or pursuant to an agreement with the Chicago Infrastructure Trust, (v) school construction project or debt service grants and other amounts to be paid to the Board pursuant to the School Construction Law of the State of Illinois, the Riverboat Gambling Act or such successor or replacement acts as may be enacted in the future, (vi) investment returns and earnings from the

investment of any of the foregoing sources, (vii) rental income derived from Board property and (viii) grants and other payments to be paid to the Board by the United States of America or any department, agency or instrumentality thereof; and

WHEREAS, pursuant to and in accordance with the Debt Reform Act and the 2016 Authorization, the Board caused to be published on August 26, 2016 in *The Chicago Sun-Times*, a newspaper of general circulation within the School District (the "**Sun-Times**"), a copy of the 2016 Authorization and a notice that the 2016 Alternate Bonds are subject to a "*back-door referendum*" under the Debt Reform Act; and

WHEREAS, no petition asking that the issuance of the 2016 Authorization Bonds be submitted to referendum has ever been filed with the Secretary of the Board (the "**Secretary**") and the 2016 Authorization Bonds have been authorized to be issued; and

WHEREAS; pursuant to and in accordance with the provisions of the Bond Issue Notification Act, 30 Illinois Compiled Statutes 352, the Board called a public hearing (the "**Hearing**") for August 24, 2016, concerning the intent of the Board to sell up to \$945,000,000 of the 2016 Authorization Bonds from time to time in one or more series; and

WHEREAS, notice of the Hearing was given by publication on August 16, 2016 in the *Sun-Times* and by posting a copy of the notice at least forty-eight (48) hours before the Hearing at the principal office of the Board; and

WHEREAS, the Hearing was held on August 24, 2016 and at the Hearing, the Board explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on August 24, 2016; and

WHEREAS, pursuant to the 2016 Authorization, the Board may issue 2016 Authorization Bonds; and

WHEREAS, pursuant to the 2016 Authorization, the Board has issued \$215,000,000 principal amount of the 2016 Authorization Bonds; and

WHEREAS, the 2016 Authorization Bonds authorized to be issued pursuant to this Resolution in accordance with the 2016 Authorization are herein referred to as the "**2016 Authorization Refunding Bonds**"; and

WHEREAS, the Board desires at this time, pursuant to Section 15 of the Debt Reform Act, to adopt this Resolution providing for the issuance of Alternate Bonds in an aggregate amount not to exceed \$385,000,000 for the purpose of refunding the Outstanding Bonds, all on the terms and conditions set forth in this Resolution; and

WHEREAS, the Alternate Bonds to be issued pursuant to this Resolution are herein referred to as the "**Bonds**"; and

WHEREAS, the Statutory Refunding Pledged Revenues and the 2016 Authorization Pledged Revenues are herein collectively referred to as the "**Pledged Revenues**"; and

WHEREAS, the Bonds may be issued in one or more series (each a "**Series**"); and

WHEREAS, each Series of the Statutory Refunding Bonds will be payable from (i) such of the Statutory Refunding Pledged Revenues as are currently pledged to the payment of the Outstanding Bonds to be refunded by such Series and (ii) the ad valorem taxes levied or to be levied against all of the taxable property in the School District without limitation as to rate or amount pursuant to **Section 3** of this Resolution (the "**Pledged Debt Service Taxes**"), for the purpose of providing funds in addition to the Pledged Revenues to pay the principal of and interest on the Bonds; and

WHEREAS, the 2016 Authorization Pledged Revenues constitute a "revenue source" pursuant to the Debt Reform Act and certain of the 2016 Authorization Pledged Revenues constitute a "governmental revenue source" pursuant to the Debt Reform Act; and

WHEREAS, the Board has determined that the 2016 Authorization Pledged Revenues, will provide in each year an amount not less than 1.10 times annual debt service on the 2016 Authorization Bonds to be paid from such governmental revenue sources and 1.25 times annual debt service on the 2016 Authorization Bonds to be paid from any 2016 Authorization Pledged Revenues that do not constitute a governmental revenue source as described above, which determination will be supported by the audit of the School District for the year ended June 30, 2016 (the "**Audit**"), or will be supported by the report of a feasibility analyst with a national reputation for expertise applicable to such revenue source (the "**Feasibility Report**") demonstrating the projected sufficiency of the 2016 Authorization Pledged Revenues to provide the School District with revenues, in an amount not less than 1.10 times annual debt service on the 2016 Authorization Bonds to be paid from governmental revenue sources and 1.25 times annual debt service on the 2016 Authorization Bonds to be paid from Pledged Revenues that do not constitute a governmental revenue source, (i) which Audit, has been accepted and approved by the Board or (ii) which Feasibility Report, when accepted and approved on behalf of the Board by either the Senior Vice President of Finance (including any interim Senior Vice President of Finance) of the Board (the "**Senior Vice President of Finance**") or the Chief Financial Officer of the Board (the "**Chief Financial Officer**") prior to the issuance of any 2016 Authorization Refunding Bonds; and

WHEREAS, the Bonds of each Series will be issued under and secured by one or more Trust Indentures (each, an "**Indenture**") between the Board and such bank, trust company or national banking association appointed to serve as trustee under the Indenture as provided in **Section 2(a)** of this Resolution (the "**Trustee**"); and

WHEREAS, the Bonds will be further secured by the Funds, Accounts and Sub-Accounts established and pledged pursuant to the applicable Indenture; and



WHEREAS, the Board may elect to pay the debt service on the Bonds from time to time from other sources and in accordance with Section 13 of the Debt Reform Act, the Board may elect to pledge additional moneys of the Board, which may be deposited into one or more special funds of the Board, to pay the debt service on the Bonds; and

WHEREAS, the Bonds of a Series may be sold (i) to an underwriter or a group of underwriters (the "**Underwriters**") to be designated by the Senior Vice President of Finance with respect to one or more Series of the Bonds pursuant to a separate Contract of Purchase (each, a "**Bond Purchase Agreement**") between the Underwriters and the Board, (ii) in a private placement with an individual investor or group of investors to be designated by the Senior Vice President of Finance (the "**Placement Purchasers**") with respect to one or more Series of the Bonds pursuant to a separate Placement Agreement between the Placement Purchasers and the Board or other similar agreement for the sale and purchase of the Bonds (each, a "**Placement Agreement**") or (iii) following distribution of a Notice of Sale and a competitive bidding process, to a bidder or syndicate submitting an offer to purchase one or more Series of the Bonds determined by the Senior Vice President of Finance to be in the best financial interest of the Board (the "**Competitive Purchasers**" and, together with the Underwriters and the Placement Purchasers being referred to herein as the "**Purchasers**") pursuant to an agreement between the Competitive Purchasers and the Board (each, a "**Competitive Sale Agreement**" and, together with the Bond Purchase Agreement and the Placement Agreement, a "**Purchase and Sale Agreement**"); and

WHEREAS, it is necessary for the Board to authorize the sale and issuance of the Bonds and to approve and to authorize and direct the sale of the Bonds pursuant to one or more of the methods described above, together with the execution of the Indenture, the Purchase and Sale Agreement and certain other agreements with respect to each Series and the performance of acts necessary or convenient in connection with the implementation of this Resolution and the issuance of the Bonds:

NOW, THEREFORE, Be It Hereby Resolved by the Chicago Board of Education of the Board of Education of the City of Chicago, as follows:

*Section 1. Incorporation of Preambles.* The preambles of this Resolution are hereby incorporated into this text as if set out herein in full.

*Section 2. Issuance of Bonds.* (a) There shall be authorized the borrowing on the credit of and for and on behalf of the Board the aggregate principal amount of not to exceed \$385,000,000 for the purposes of paying (i) the costs of the Refunding, (ii) capitalized interest on the Bonds, and (iii) costs of issuance of the Bonds, including the cost of bond insurance or other credit enhancement. The Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed \$385,000,000. The Bonds may be issued from time to time, as Alternate Bonds, in one or more Series, in said aggregate principal amount, or such lesser aggregate principal amounts, as may be determined by either (i) the President of the School Board (the "**President**"), or (ii) the Vice President of the School Board (the "**Vice President**") or any Member of the Board who is authorized to execute documents or take action in lieu of the President, (iii) the Chief Executive Officer, (iv) the Senior Vice President of Finance or (v) the Chief Financial Officer (each, a "**Designated Official**"). The Bonds of each Series shall be distinguished from

each other Series by a designation or title, including the words "**General Obligation Refunding Bonds**" and with such additions, modifications or revisions as shall be determined to be necessary by any Designated Official at the time of the sale of such Bonds to reflect the order of sale of such Bonds, whether such Bonds are Capital Appreciation Bonds, Current Interest Bonds, Convertible Bonds or Variable Rate Bonds (each as defined herein) and any other authorized features of such Bonds determined by any of the Designated Officials as desirable to be reflected in the title of the Bonds being issued and sold as part of such Series. The Designated Officials are each hereby authorized to appoint a Trustee for each Series of the Bonds so issued; provided, that such Trustee shall be a bank, trust company or national banking association doing business and having a corporate trust office in the State of Illinois and having capital and undivided surplus aggregating at least \$15,000,000 or shall be a wholly owned subsidiary of such an entity.

Any Series of Bonds may be issued as 2016 Authorization Refunding Bonds pursuant to the 2016 Authorization or as Statutory Refunding Bonds pursuant to Section 15(e) of the Debt Reform Act. 2016 Authorization Refunding Bonds may be issued to refund any principal of and interest on one or more of the Outstanding Bonds. Statutory Refunding Bonds may be issued to refund any principal of and interest on any one or more the Outstanding Bonds that are Series 2011C-2 Bonds, Series 2013A-2 Bonds, Series 2015A Bonds or Series 2015G Bonds.

The Bonds of each Series shall be issued and secured pursuant to the terms of an Indenture (i) authorizing Capital Appreciation Bonds, Current Interest Bonds, Convertible Bonds (a "**Fixed Rate Indenture**") or (ii) authorizing Variable Rate Bonds (a "**Variable Rate Indenture**"). Each of the Designated Officials is hereby authorized to execute and deliver, and the Secretary is hereby authorized to attest, each Fixed Rate Indenture or Variable Rate Indenture on behalf of the Board, each such Indenture to be in substantially the respective form executed and delivered in connection with previous issues of Fixed Rate Bonds and Variable Rate Bonds and previous issues secured by some or all of the Pledged Revenues, but with such changes therein as shall be within the authorizations granted by this Resolution as shall be approved by the Designated Official executing the same, with such execution to constitute conclusive evidence of such Designated Official's approval and this Board's approval of any changes or revisions therein from the respective forms of Fixed Rate Indenture and Variable Rate Indenture authorized hereby.

The details of the sale of each Series of the Bonds as described in the notification of sale of such Bonds delivered by a Designated Official pursuant to **Section 4(e)** of this Resolution and all provisions relating to the authorized denomination, registration, transfer and redemption of such Bonds, within the limitations set forth herein, shall be set forth in the applicable Indenture executed and delivered by a Designated Official as described herein.

Either of the Designated Officials is hereby authorized to determine the redemption date of each Outstanding Bond to be redeemed.

(b) In order to secure the payment of the principal of, redemption price of, interest on and the Compound Accreted Value (as hereinafter defined) of each Series of the Statutory Refunding Bonds, the Board hereby pledges the 1998 Pledged Revenues, 2006 Pledged Revenues and the 2009 Pledged Revenues, as appropriate, to the payment thereof, and the Board covenants and agrees to provide for, collect and apply such Statutory Refunding Pledged Revenues, to the payment of such Series of the Statutory Refunding Bonds and the provision of (i) an additional .25 times annual debt service of such Series of the Statutory Refunding Bonds secured by 1998 Pledged Revenues and (ii) an additional .10 times annual debt service of such Series of the Statutory Refunding Bonds secured by 2006 Pledged Revenues or 2009 Pledged Revenues. Each of the Designated Officials is authorized to allocate all or a portion of the Statutory Refunding Pledged Revenues, as appropriate to the payment of the principal of, redemption price of, interest on, and the Compound Accreted Value of, the applicable Series of the Statutory Refunding Bonds and the Indenture pursuant to which such Series of Statutory Refunding Bonds is issued and the notification of sale of such Series of the Statutory Refunding Bonds delivered by the Designated Officials pursuant to **Section 4(e)** of this Resolution shall identify the specific Statutory Refunding Pledged Revenues allocated to such Series.

(c) In order to secure the payment of the principal of, redemption price of, interest on and the Compound Accreted Value (as hereinafter defined) of each applicable Series of the 2016 Authorization Refunding Bonds, the Board hereby authorizes the inclusion in each Indenture securing 2016 Authorization Refunding Bonds of a pledge of all or a portion of the 2016 Authorization Pledged Revenues to the payment of such Series. In accordance with Section 15 of the Debt Reform Act, the Board covenants and agrees to provide for, collect and apply such 2016 Authorization Pledged Revenues, to the payment of the 2016 Authorization Refunding Bonds of such Series and the provision of an additional .10 times annual debt service in the case of 2016 Authorization Refunding Bonds to be paid from a governmental revenue source or an additional .25 times annual debt service in the case of 2016 Authorization Refunding Bonds to be paid from 2016 Authorization Pledged Revenues that do not constitute a governmental revenue source. The determination of the sufficiency of the 2016 Authorization Pledged Revenues pledged pursuant to this paragraph (c) is supported by the Audit or the Feasibility Report, as applicable, and acceptance of the Audit by the Board or of the Feasibility Report by the Senior Vice President of Finance or the Chief Financial Officer, on behalf of the Board, if applicable, shall constitute conclusive evidence that the conditions of Section 15 of the Debt Reform Act have been met. Each of the Designated Officials is authorized to allocate all or a portion of the 2016 Authorization Pledged Revenues to the payment of the principal of, redemption price of, interest on and the Compound Accreted Value of each Series of the 2016 Authorization Refunding Bonds and the Indenture pursuant to which such Series of 2016 Authorization Refunding Bonds is issued and the notification of sale of such Series of the 2016 Authorization Refunding Bonds delivered by the Designated Officials pursuant to Section 4(e) hereof shall identify the specific 2016 Authorization Pledged Revenues allocated to such Series.

(d) Once issued, the Bonds shall be and forever remain until paid or defeased the general obligation of the Board, for the payment of which its full faith and credit are pledged, and shall be payable, in addition to the applicable Pledged Revenues, from the levy of the Pledged Debt Service Taxes as provided in the Debt Reform Act and as set forth in **Section 3** hereof.

(e) All or any portion of the Bonds may be issued as bonds payable in one payment on a fixed date (the "**Capital Appreciation Bonds**"). Any Bonds issued as Capital Appreciation Bonds shall be dated the date of issuance thereof and shall also bear the date of authentication, shall be in fully registered form, shall be numbered determined by the Trustee and shall be in denominations equal to the original principal amounts of such Capital Appreciation Bonds or any integral multiple thereof, each such original principal amount representing Compound Accreted Value (as hereinafter defined) at maturity (the "**Maturity Amount**") of \$5,000 or any integral multiple thereof. As used herein, the "**Compound Accreted Value**" of a Capital Appreciation Bond on any date of determination shall be an amount equal to the original principal amount plus an investment return accrued to the date of such determination at a semiannual compounding rate which is necessary to produce the yield to maturity borne by such Capital Appreciation Bond.

All or any portion of the Bonds may be issued as Bonds bearing interest at fixed rates and paying interest semiannually (the "**Current Interest Bonds**"). The Current Interest Bonds shall be dated such date as shall be agreed upon by a Designated Official and the purchasers of the Current Interest Bonds, shall be in fully registered form and shall be numbered as determined by the Trustee.

The Bonds may be initially issued as Capital Appreciation Bonds containing provisions for the conversion of the Compound Accreted Value of such Bonds into Current Interest Bonds (the "**Convertible Bonds**") at such time following the initial issuance as shall be approved by a Designated Official. While in the form of Capital Appreciation Bonds, such Convertible Bonds shall be subject to all of the provisions and limitations of this Resolution relating to Capital Appreciation Bonds and while in the form of Current Interest Bonds, such Convertible Bonds shall be subject to all of the provisions and limitations of this Resolution relating to Current Interest Bonds. In connection with the issuance and sale of any Convertible Bonds, the terms and provisions relating to the conversion of the Compound Accreted Value of such Convertible Bonds into Current Interest Bonds shall be contained in the Fixed Rate Indenture executed and delivered by a Designated Official at the time of sale of such Convertible Bonds.

All or any portion of the Bonds may be issued as bonds bearing interest at variable rates adjustable and payable from time to time, including, but not limited to, bonds bearing interest at variable rates that are adjusted and reset from time to time as may be necessary to cause such Bonds to be remarketable from time to time (the "**Variable Rate Bonds**"). The Variable Rate Bonds shall be dated such date as shall be agreed upon by a Designated Official and shall be numbered as determined by the applicable Trustee. All references herein to the payment of principal of any Variable Rate Bonds shall also include the payment of tender or purchase price of such Bonds as shall be specified in the Variable

Rate Indenture executed and delivered by a Designated Official pursuant to which such Variable Rate Bonds are issued.

The Bonds shall be dated as of a date not earlier than September 1, 2017, as determined by a Designated Official at the time of sale thereof. The final maturity date of any Series of Statutory Refunding Bonds shall not be later than the final maturity date of the Outstanding Bonds refunded with the proceeds of such Series, all in accordance with Section 15(e) of the Debt Reform Act. The final maturity date of any Series of 2016 Authorization Refunding Bonds shall not be later than December 1, 2047. If issued as Current Interest Bonds, Capital Appreciation Bonds or Convertible Bonds, such Bonds shall bear interest at a rate or rates not to exceed 9 percent per annum (computed upon the basis of a 360-day year of twelve 30-day months) and payable on such dates as shall be determined by a Designated Official at the time of sale thereof, all as shall be determined by a Designated Official at the time of sale of such Bonds. The Bonds shall be issued in such denominations as permitted under the applicable Indenture securing such Bonds.

The Variable Rate Bonds shall bear interest from time to time at such rates determined (i) by such remarketing or other indexing agent as shall be selected by a Designated Official for that purpose or (ii) pursuant to such index or indices as shall be selected by a Designated Official for that purpose, which interest rate or rates shall not exceed the maximum permitted by law for obligations of the Board, but in no event more than 15 percent per annum, subject to the provisions of **Section 4(d)** of this Resolution. The method of determining the interest rate to be borne from time to time by the Variable Rate Bonds of any Series shall be specified in the applicable Variable Rate Indenture. Each Variable Rate Bond shall bear interest at such rates payable on such dates as shall be determined by a Designated Official at the time of sale of such Bonds and specified in the applicable Variable Rate Indenture.

(f) The Bonds of each Series may be redeemable prior to maturity at the option of the Board, in whole or in part on any date, at such times and at such redemption prices (to be expressed as a percentage of the principal amount of such Bonds being redeemed, plus accrued interest to the date of redemption), as shall be determined by a Designated Official at the time of the sale thereof. The Bonds of each Series may be made subject to sinking fund redemption, at par and accrued interest to the date fixed for redemption, as determined by a Designated Official at the time of the sale thereof; provided, that such Bonds shall mature not later than the respective date set forth in **Section 2(e)** of this Resolution.

Any Variable Rate Bonds may be made subject to optional or mandatory tender for purchase by the owners thereof at such times and at such prices (to be expressed as a percentage of the principal amount of such Bonds being tendered for purchase) as shall be determined by a Designated Official at the time of sale of such Variable Rate Bonds and specified in the applicable Variable Rate Indenture. In connection with the remarketing of any Variable Rate Bonds so tendered for purchase under the terms and conditions specified in the applicable Variable Rate Indenture, each of the Designated Officials is hereby authorized to execute on behalf of the Board one or more remarketing agreements with such national banking associations, banks, trust companies, investment bankers or other financial institutions as shall be selected by a Designated Official reflecting the terms and provisions of the Variable Rate Bonds and containing such provisions as the Designated Official executing the same shall determine are necessary or desirable in connection with the sale of some or all of the Bonds as Variable Rate Bonds.

(g) The Bonds of each Series may initially be issued in book-entry only form as provided in the applicable Indenture. The Bonds shall be executed by the manual or duly authorized facsimile signature of the President or Vice President and attested by the Secretary of the Board by the manual or duly authorized facsimile signature of the Secretary or her designee and prepared in the respective forms as provided in the applicable Indenture. The applicable Indenture may also require or permit the additional manual or duly authorized facsimile signature of the Chief Executive Officer, the Senior Vice President of Finance or the Chief Financial Officer.

(h) The determination that the term of the applicable Series of Statutory Refunding Bonds is not longer than the term of the Outstanding Bonds to be refunded by such Series, and that the debt service payable in any year on such Series of Statutory Refunding Bonds does not exceed the debt service payable in such year on Outstanding Bonds to be refunded by such Series, shall be made by a Designated Official, who shall also execute a certification attesting to said determination.

*Section 3. Tax Levy; Pledged Debt Service Taxes.* (a) For the purpose of providing funds in addition to the Pledged Revenues to pay the principal of and interest on the Bonds, there is hereby levied upon all of the taxable property within the School District, in the years for which any of the Bonds are outstanding, a direct annual tax for each of the years while the Bonds or any of them are outstanding, in amounts sufficient for that purpose, and there be and there hereby is levied upon all of the taxable property in the School District the following direct annual taxes:

FOR THE LEVY YEAR	PROPOSED LEVY WITHIN RESOLUTION
2017	\$ 29,171,000
2018	39,171,000
2019	39,517,000
2020	39,517,000
2021	39,517,000
2022	46,517,000
2023	46,517,000
2024	46,517,000
2025	46,517,000
2026	46,517,000
2027	46,517,000
2028	46,517,000
2029	46,517,000
2030	46,517,000
2031	46,517,000
2032	46,517,000
2033	46,517,000
2034	46,517,000
2035	46,517,000
2036	46,517,000
2037	46,517,000
2038	46,517,000
2039	46,517,000
2040	46,517,000
2041	46,517,000
2042	46,517,000
2043	111,200,000
2044	111,200,000
2045	111,200,000
2046	111,200,000

provided, that in connection with the issuance of Variable Rate Bonds, in furtherance of the general obligation full faith and credit promise of the Board to pay the principal and redemption price of and interest on the Bonds, the Board will take all actions necessary to levy upon all of the taxable property within the School District, in the years for which any of the Bonds are outstanding, a direct annual tax,

including any direct annual tax required to be levied in excess of that levied in this Resolution, for collection on a timely basis to make such payments (the taxes levied or to be levied pursuant to this **Section 3(a)**, being referred to herein as the "**Pledged Debt Service Taxes**").

(b) After this Resolution becomes effective and a Series of Bonds is sold, a copy of this Resolution, certified by the Secretary of the Board, shall be filed with each of the County Clerks of The Counties of Cook and DuPage, Illinois (the "**County Clerks**"); and the County Clerks shall in and for each of the years required, ascertain the rate percent required to produce the aggregate Pledged Debt Service Taxes hereinbefore provided to be levied in each of said years; and the County Clerks shall extend the same for collection on the tax books in connection with other taxes levied in said year in and by the Board for general corporate purposes of the Board; and in said year the Pledged Debt Service Taxes shall be levied and collected by and for and on behalf of the Board in like manner as taxes for general corporate purposes of the Board for said years are levied and collected, and in addition to and in excess of all other taxes, and when collected, if required pursuant to any escrow or similar agreement executed and delivered pursuant to **Section 5** of this Resolution, the taxes hereby levied shall be deposited with the designated bank, trust company or national banking association.

(c) At the time and in the manner set forth in each Indenture, the Board shall direct the abatement of the Pledged Debt Service Taxes in whole or in part.

(d) The notification of sale of any Series of the Bonds delivered by the Designated Officials pursuant to **Section 4(e)** of this Resolution may provide for the allocation of all or a portion of the Pledged Debt Service Taxes levied for any year pursuant to this Resolution to the payment of the principal and redemption price of and interest on such Series of the Bonds.

*Section 4. Sale of the Bonds, Purchase and Sale Agreements.* (a) Each Series of the Bonds shall be sold and delivered to the Purchasers, subject to the terms and conditions of the applicable Purchase and Sale Agreement; provided, (i) that the aggregate purchase price of any Current Interest Bonds or Variable Rate Bonds shall be not less than 97 percent of the principal amount thereof to be issued (less any original issue discount used in the marketing thereof) plus accrued interest from their date to the date of delivery thereof, (ii) that the aggregate purchase price of any Capital Appreciation Bonds or Convertible Bonds shall not be less than 97 percent of the aggregate original principal amount thereof and (iii) that the compensation paid to the Purchasers in connection with the sale of any Variable Rate Bonds shall not exceed 3 percent of the principal amount thereof. The Senior Vice President of Finance and the Chief Financial Officer each individually are hereby authorized to execute and deliver on behalf of the Board a Purchase and Sale Agreement with respect to the sale of the Bonds of each Series, which (i) in the case of a Bond Purchase Agreement or a Placement Agreement shall be in substantially the form used in previous and similar financings of the Board and (ii) in the case of a Competitive Sale Agreement shall contain terms and provisions no less favorable to the Board as those contained in a Bond Purchase Agreement or Placement Agreement. Any such Purchase and Sale Agreement shall contain such final terms as shall be approved by the person executing such document, such approval to be evidenced by such person's execution thereof, and the Senior Vice President of Finance and the Chief Financial Officer are each also individually authorized to do all things necessary and essential to

effectuate the provisions of such Purchase and Sale Agreement, as executed, including the execution of any documents and certificates incidental thereto or necessary to carry out the provisions thereof. The Senior Vice President of Finance or the Chief Financial Officer shall make a finding in connection with the execution of each Purchase and Sale Agreement that (i) the Bonds sold thereunder have been sold at such price and bear interest at such rate that neither the true interest cost (yield) nor the net interest rate received upon the sale of such Bonds exceeds the maximum rate otherwise authorized by applicable law, and (ii) that no person holding any office of the Board, either by election or appointment, is in any manner interested, either directly or indirectly, in his or her own name, in the name of any other person, association, trust or corporation, in the applicable Indenture, any escrow or similar agreement executed and delivered pursuant to **Section 5** of this Resolution, the applicable Purchase and Sale Agreement or any agreement with a Bond Insurer, Debt Reserve Credit Facility Provider or Credit Provider authorized by paragraphs (b), (c) and (d) of this Section, or in the issuance and sale of such Bonds, in accordance with the laws of the State of Illinois and the Code of Ethics of the Board (Board Rule No. 11-0525-PO2, as amended).

(b) In connection with any sale of the Bonds of each Series, each of the Designated Officials is hereby authorized to obtain a bond insurance policy from such recognized bond insurer as such Designated Official shall determine (the "**Bond Insurer**") if said Designated Official determines such bond insurance policy to be desirable in connection with the sale of such Series of Bonds. Each Designated Official is also authorized to enter into such agreements and make such covenants with any Bond Insurer that such Designated Official deems necessary and that are not inconsistent with the terms and provisions of this Resolution and to pay upfront or annual fees to the Bond Insurer in connection therewith.

(c) In lieu of, or in addition to, the deposit of proceeds of the Bonds of any Series or other funds into a debt service reserve fund as authorized in paragraph (g) of this Section, each of the Designated Officials is hereby authorized to obtain a debt reserve credit facility from such recognized provider as such Designated Official shall determine (the "**Debt Reserve Credit Facility Provider**") if such Designated Official determines such debt reserve credit facility to be desirable in providing for the funding of any required debt service reserve fund. Each Designated Official is also authorized to enter into such agreements and make such covenants with any Debt Reserve Credit Facility Provider that such Designated Official deems necessary and that are not inconsistent with the terms and provisions of this Resolution, including the payment of reasonable fees to any Debt Reserve Credit Facility Provider.

(d) In connection with the sale of the Bonds of any Series, to provide additional security and liquidity for such Bonds, each of the Designated Officials is hereby authorized to obtain a letter of credit, line of credit or other credit or liquidity facility, including similar agreements with or facilities issued by a Bond Insurer (a "**Credit Facility**"), if determined by such Designated Official to be desirable in connection with such sale of Bonds. Each of the Designated Officials is hereby further authorized to appoint one or more banks, Bond Insurers or other financial institutions to issue such Credit Facility (the "**Credit Provider**") and to execute and deliver on behalf of the Board a credit, reimbursement or similar



agreement (the "**Credit Agreement**") providing for the issuance of the Credit Facility and the obligation of the Board to repay funds borrowed under the Credit Facility or advances made by the Credit Provider under the Credit Facility with respect to such Bonds. The Credit Facility may be in a form that provides for the purchase of such Bonds by the Credit Provider (any such Bond so purchased being referred to as a "**Bank Bond**") and the Indenture as executed and delivered shall reflect the terms and provisions of such Bank Bonds. Any Bonds outstanding as Bank Bonds shall be secured as provided in the applicable Indenture. The annual fee paid to any Credit Provider for the provision of a Credit Facility shall not exceed 3 percent of the amount available to be drawn or advanced under such Credit Facility.

The Credit Agreement may provide that alternative interest rates or provisions will apply during such times as the Bonds constitute Bank Bonds or the Board has outstanding repayment obligations to the Credit Provider (the "**Credit Provider Rate**"), which Credit Provider Rate shall not exceed the maximum permitted by law, but in no event more than 15 percent per annum (the "**Maximum Credit Provider Rate**"). The Credit Agreement may further provide that to the extent the Credit Provider Rate determined at any time pursuant to the Credit Agreement exceeds the Maximum Credit Provider Rate, such excess may accrue at the then-applicable Credit Provider Rate (but in no event may such excess accrue at a rate in excess of 25 percent per annum) and be added to the Credit Provider Rate at such time or times thereafter as the Credit Provider Rate shall be less than the Maximum Credit Provider Rate; provided, that at no time shall the Credit Provider Rate per annum exceed the Maximum Credit Provider Rate.

(e) Subsequent to the sale of the Bonds of any Series, any Designated Officials shall file in the Office of the Secretary of the Board a notification of sale directed to the Board setting forth (i) the type of Bonds (Statutory Refunding or 2016 Authorization Refunding), aggregate original principal amount of, maturity schedule, redemption provisions and interest rates for the Bonds of each Series sold, (ii) a description of the specific Pledged Revenues pledged to the payment of the principal of, redemption price of, interest on and the Compound Accreted Value of the Bonds of such Series, (iii) the principal amounts of the Bonds of each Series sold as Current Interest Bonds, Capital Appreciation Bonds, Convertible Bonds and Variable Rate Bonds, respectively, (iv) in the case of Bonds sold as Capital Appreciation Bonds and Convertible Bonds, (A) the Original Principal Amounts of and Yields to Maturity on the Capital Appreciation Bonds and Convertible Bonds being sold, and (B) a table of Compound Accreted Value per \$5,000 Maturity Amount for any Capital Appreciation Bonds and Convertible Bonds being sold, setting forth the Compound Accreted Value of each such Capital Appreciation Bond and Convertible Bonds on each semiannual compounding date, (v) the interest rates on the Current Interest Bonds sold or, in the case of Variable Rate Bonds, a description of the method of determining the interest rate applicable from time to time to such Variable Rate Bonds, (vi) debt service schedules for the Bonds of each Series, together with determinable investment earnings from the investment of moneys held in the funds and accounts pursuant to the applicable Indenture, demonstrating that the Pledged Revenues and said investment earnings and moneys held in the funds and accounts pursuant to such Indenture, are

expected to be in an amount sufficient to provide the debt service coverage described in **Section 2(b)** or **Section 2(c)** of this Resolution, (vii) the terms and provisions for the conversion of the Compound Accrued Value of any Convertible Bonds issued hereunder into Current Interest Bonds, (viii) the application of the proceeds of such Bonds for the purposes and within the limitations set forth in paragraph (g) of this Section, (ix) if a bond insurance policy is obtained as authorized herein, the identity of the Bond Insurer issuing the bond insurance policy and the premium and any fees required to be paid thereto, (x) if a debt reserve credit facility is obtained as authorized herein, the identity of the Debt Reserve Credit Facility Provider issuing the debt reserve credit facility, (xi) if a Credit Facility is obtained as authorized herein, the identity of the Credit Provider Issuing the Credit Facility, and a copy of the Credit Agreement between the Board and such Credit Provider shall be attached to said notification of sale, (xii) the identity of the Trustee designated pursuant to **Section 2** of this Resolution with respect to the Bonds of such Series, (xiii) the applicable redemption date or dates of the Outstanding Bonds being refunded, (xiv) the identity of any bank or trust company selected by a Designated Official to serve as Refunding Escrow Agent pursuant to the authorization granted in paragraph (i) of this Section, (xv) if an escrow or other similar agreement is to be executed and delivered as authorized in **Section 5** of this Resolution, a copy of such agreement shall be attached to said notification of sale and (xvi) the identity of and the compensation paid to the Purchasers in connection with such sale.

In the event that the Designated Official executing such notification of sale determines that the Bonds have been sold in such principal amount or maturing or bearing interest so as to require the levy of taxes in any year less than the amount specified therefor in **Section 3(a)** of this Resolution, then such Designated Official shall include, in the notification of sale described in this Section, the amount of reduction in the amount levied in **Section 3(a)** of this Resolution for each year resulting from such sale, and in addition, any one or more of the Designated Officials shall file in the respective offices of the County Clerks certificates of tax abatement for such years. In the case of Variable Rate Bonds, such amounts to be abated from taxes levied may be determined by reference to any projections of debt service on such Variable Rate Bonds provided to the Board at the time of sale of such Bonds. No such reduction in the amounts levied in **Section 3(a)** of this Resolution need be made nor must any certificate of tax abatement be filed as described in the preceding sentence until either or both of the Designated Officials have determined that any amount so levied in **Section 3(a)** of this Resolution will not be needed to secure the Bonds being sold at that time or any Series of Bonds to be sold in the future. Any certificate of abatement delivered pursuant to this paragraph shall refer to the amount of taxes levied pursuant to **Section 3(a)** of this Resolution, shall indicate the amount of reduction in the amount of taxes levied by the Board resulting from the sale of such Bonds, which reduced amount is to be abated from such taxes, and shall further indicate the remainder of such taxes which is to be extended for collection by the County Clerks. Each of the Designated Officials is also authorized to file in the respective offices of the County Clerks certificates of tax abatement reflecting the refunding of the Outstanding Bonds.

(f) The distribution of a Preliminary Official Statement, Private Placement Memorandum or Notice of Public Sale relating to each Series of the Bonds (the "**Disclosure Document**") in substantially the respective forms delivered in connection with previous issues of Fixed Rate Bonds and Variable Rate Bonds and previous issues secured by some or all of the Pledged Revenues, but with such changes as shall be approved by a Designated Official to reflect the terms of the Bonds proposed to be sold and the method of sale of such Bonds, is hereby in all respects, ratified, authorized and approved and shall be "*deemed final*" for purposes of Rule 15c2-12, adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 ("**Rule 15c2-12**"), and the proposed use by the Underwriters or the Competitive Purchasers of a final Official Statement (in substantially the form (i) of the Preliminary Official Statement but with appropriate variations, omissions and insertions to reflect the final terms of the Bonds being sold or (ii) authorized herein for a Preliminary Official Statement if none is used in the marketing of the Bonds being sold) is hereby approved. Each Designated Official is hereby authorized and directed to execute the final Official Statement or other Disclosure Document, as appropriate, on behalf of the Board.

In connection with the sale of a Series of the Bonds, the Designated Officials are hereby authorized to provide to prospective Private Purchasers such information regarding the Board's operations and finances as would typically be included in a Disclosure Document and to enter into such discussions and negotiations with such prospective Private Purchasers as such Designated Officials shall deem appropriate. In addition, the Designated Officials are hereby authorized to prepare a Notice of Sale for distribution to potential bidders in connection with a public, competitive sale of a Series of the Bonds and to take all actions necessary to conduct any such sale.

(g) The proceeds from the sale of each Series of the Bonds shall be applied to (i) the payment of costs of the Refunding, (ii) capitalize such interest to become due on such Bonds for such period not to exceed 2 years as shall be determined by the Senior Vice President of Finance or the Chief Financial Officer, and (iii) the payment of the expenses related to the issuance of such Bonds, including, without limitation, fees to be paid to Bond Insurers or Credit Providers, and such proceeds shall be applied as provided in the applicable Indenture. In addition, proceeds from the sale of a Series of the Bonds in the amount of not to exceed 10% of the principal amount thereof may be deposited into a debt service reserve fund to be held under the applicable Indenture upon the direction of the Senior Vice President of Finance or the Chief Financial Officer if it is determined that the creation of such debt service reserve fund is necessary and required in connection with the sale of such Bonds and such proceeds shall also be applied as provided in the applicable Indenture. All of such proceeds are hereby appropriated for the purposes specified in this paragraph.

(h) The Senior Vice President of Finance and the Chief Financial Officer are hereby each authorized individually to enter into or approve such agreements with investment providers as shall be necessary or advisable in connection with the investment of any funds on deposit under the Indenture, to the extent such investments are authorized under the terms of the Indenture, the Investment Policy of the Board and applicable law, as in effect from time to time.

(i) For the purpose of providing for the Refunding, each of the Designated Officials is hereby authorized to execute and deliver one or more refunding escrow agreements (each, a "**Refunding Escrow Agreement**") on behalf of the Board, attested by the Secretary of the Board, such Refunding Escrow Agreements to be in substantially the form executed and delivered in connection with previous refundings of obligations issued by or on behalf of the Board, but with such changes therein as shall be approved by the Designated Official executing the same, with such execution to constitute conclusive evidence of such official's approval and this Board's approval of any changes or revisions therein from such form of Refunding Escrow Agreement. Each of the Designated Officials is hereby authorized to designate a bank or trust company to act as Refunding Escrow Agent under each Refunding Escrow Agreement. Each Refunding Escrow Agreement may include, to the extent permitted by law, agreements entered into between the Board and providers of securities under which agreements providers agree to purchase from or sell to the Board specified securities on specific dates at predetermined prices, all as established at the time of execution of any such agreement.

*Section 5. Escrow of Pledged Revenues and Pledged Debt Service Taxes.* If deemed necessary and desirable to provide additional security for any Bonds, each of the Designated Officials is hereby authorized to execute and deliver on behalf of the Board, and the Secretary is authorized to attest, a form of escrow or other similar agreement with a bank, trust company or national banking association having the same qualifications as those set forth in **Section 2(a)** of this Resolution for a Trustee, reflecting the issuance of the Bonds and such segregation of Pledged Revenues and the segregation of Pledged Debt Service Taxes as the Designated Official executing such agreement shall deem appropriate.

*Section 6. Pledged Taxes Escrow Direction.* Each of the Designated Officials is hereby authorized, pursuant to authority contained in Section 20-90 of the Property Tax Code of the State of Illinois, as amended, to execute a written direction to the County Collectors of The Counties of Cook and DuPage, Illinois (the "**County Collectors**"), (i) to deposit the collections of the Pledged Debt Service Taxes as and when extended for collection directly with such escrow agent designated pursuant to **Section 5** of this Resolution in order to secure the payment of the principal of and interest on the Bonds, and (ii) to the extent necessary, advising the County Collectors of the abatement of the Pledged Debt Service Taxes. The Designated Officials are authorized to file a certified copy of this Resolution with each of the County Collectors.

*Section 7. Tax-Exemption and Non-Arbitrage.* Each of the Designated Officials is hereby authorized to take any other actions and to execute any other documents and certificates necessary to assure that the interest payments with respect to the Bonds of each Series are excludable from gross income for Federal income tax purposes, to assure that the Bonds do not constitute "*arbitrage bonds*" or "*private activity bonds*" under the Internal Revenue Code of 1986, as amended, and to effectuate the issuance and delivery of the Bonds, including but not limited to the execution and delivery of a Tax Agreement; *provided*, however, that any of the Bonds may be issued as Bonds the interest on which is includible in the gross income of the owner thereof for federal income tax purposes if determined by a Designated Official to be beneficial to the Board.

*Section 8. Continuing Disclosure Undertaking.* Each of the Designated Officials is hereby authorized to execute and deliver one or more Continuing Disclosure Undertakings (each, a "**Continuing Disclosure Undertaking**") evidencing the Board's agreement to comply with the requirements of Section (b)(5) of Rule 15c2-12, as applicable to the Bonds of each Series. Notwithstanding any other provision of this Resolution or any Indenture, the sole remedies for any failure by the Board to comply with a Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond of the applicable Series to seek mandamus or specific performance by court order to cause the Board to comply with its obligations under such Continuing Disclosure Undertaking. Each Continuing Disclosure Undertaking shall be in substantially the form used in previous financings of the Board, but with such changes therein as shall be approved by the Designated Official executing the same, with such execution to constitute conclusive evidence of such official's approval and this Board's approval of any changes or revisions therein from such form of Continuing Disclosure Undertaking.

*Section 9. Further Acts.* Each of the Designated Officials, officials or officers of the Board are hereby authorized to execute and deliver such other documents and agreements and perform such other acts as may be necessary or desirable in connection with the Bonds, including, but not limited to, the exercise following the delivery date of the Bonds of any power or authority delegated to such official under this Resolution with respect to the Bonds upon original issuance, but subject to any limitations on or restrictions of such power or authority as herein set forth.

All actions of the officials or officers of the Board that are in conformity with the purposes and intent of this Resolution are hereby in all respects ratified, approved, and confirmed.

*Section 10. Severability.* The provisions of this Resolution are hereby declared to be severable; and if any section, phrase, or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases, or provisions.

*Section 11. Repealer and Effective Date.* All resolutions or parts of resolutions in conflict herewith are, to the extent of such conflict, hereby repealed. This Resolution is effective immediately upon its adoption.

17-0828-RS7

**AMEND BOARD REPORT 17-0524-RS4**  
**RESOLUTION**

**REQUEST THE PUBLIC BUILDING COMMISSION OF CHICAGO TO UNDERTAKE THE CONSTRUCTION OF THE DORE AND SOUTH LOOP REPLACEMENT SCHOOLS; BYRNE AND ZAPATA ANNEX PROJECTS AND TO DESIGN THE READ DUNNING MIDDLE SCHOOL PROJECT**

**WHEREAS**, on July 12, 1956, the Board of Education of the City of Chicago (the "Board") joined in the organization of the Public Building Commission of Chicago (the "PBC"); and

**WHEREAS**, the PBC provides a means of facilitating the acquisition, construction and improvement of public improvements, buildings and facilities for use by various governmental agencies in the furnishing of essential governmental, educational, health, safety and welfare services; and

**WHEREAS**, the Board has heretofore participated in the acquisition and construction of public schools and other facilities to provide essential governmental services in cooperation with the PBC and various other governmental agencies; and

**WHEREAS**, the Board has determined that it is necessary, desirable, advantageous, and in the public interest to undertake various capital projects in conjunction with the City of Chicago and other governmental agencies; and

**WHEREAS**, the projects would maximize the utilization of educational facilities operated and maintained by the Board by providing new school educational options and enhanced recreational and other facilities and improving the community areas located in the vicinity of school property; and

**WHEREAS**, the estimated FY17 Board Approved total cost of the projects (Dore Replacement School, South Loop Replacement School, Byrne Annex, Zapata Annex and Read Dunning) is anticipated not-to-exceed \$197,530,000. With this resolution, a partial undertaking with the PBC in the amount of ~~\$168,088,797~~ \$172,088,797 will be incurred by the Board for Project-related costs

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CHICAGO BOARD OF EDUCATION:**

1. The PBC is hereby requested to complete the Construction for Dore and South Loop Replacements Schools, Byrne Annex, and Zapata Annex and to complete the design of Read Dunning on behalf of the Board. The Chief Financial Officer and the Chief Operating Officer are hereby authorized to deliver a Project Notification to the PBC, as defined in the Intergovernmental Agreement between the Board and the PBC, dated February 1, 2007 (the "IGA").
2. These Projects are not part of the Modern Schools Across Chicago Program. These Projects will be funded with capital funds generated in Fiscal Year 2017 and TIF Funds or subsequent years. To the extent that other capital funds become available, the Board reserves the right to supplant Board Capital funds with other funding sources. The total cost of the Projects to be undertaken by the PBC shall not exceed ~~\$168,088,797~~ \$172,088,797. This dollar amount is necessary to cover project costs, including environmental, site preparation (Dore, South Loop, Byrne, Zapata and Read Dunning), contingency, management fees and construction. The project costs are appropriated in the FY17 Capital Budgets and miscellaneous capital funds.
3. The Board's General Counsel is hereby authorized to execute an assignment to the PBC of any and all contracts entered into by the Board in connection with this Project and to execute any and all other documents necessary to effectuate this transfer. Any such contract may include a requirement that all construction work is subject to the terms contained in Board's existing Project Labor Agreement.
4. No cost may be incurred in excess of the level set forth in paragraph 2 above without prior Board approval.
5. This resolution is effective immediately upon its adoption.

**FINANCIALS:**

Dore ES: 23381-486-56310-253508-00000-2015 \$41,500,000 (Capital Funds)

South Loop ES: 22631-435-56310-253508-00000-2015 \$46,588,797 (TIF Funds)

Byrne ES Annex: 22501-486-56310-253518-00000-2017 \$18,000,000 (Capital Funds)

Zapata ES: 23611-486-56310-253518-00000-2017 ~~\$18,000,000~~ \$22,000,000 (Capital Funds)

Read Dunning MS: 49171-486-56310-253518-00000-2017 \$44,000,000 (Capital Funds)

**17-0828-RS8**

**AMEND BOARD REPORT 17-0726-RS3**

**RESOLUTION**

**REQUEST THE PUBLIC BUILDING COMMISSION OF CHICAGO TO UNDERTAKE THE CONSTRUCTION OF THE SKINNER WEST AND SHERIDAN ANNEX PROJECTS**

**WHEREAS**, on July 12, 1956, the Board of Education of the City of Chicago (the "Board") joined in the organization of the Public Building Commission of Chicago (the "PBC"); and

**WHEREAS**, the PBC provides a means of facilitating the acquisition, construction and improvement of public improvements, buildings and facilities for use by various governmental agencies in the furnishing of essential governmental, educational, health, safety and welfare services; and

**WHEREAS**, the Board has heretofore participated in the acquisition and construction of public schools and other facilities to provide essential governmental services in cooperation with the PBC and various other governmental agencies; and

**WHEREAS**, the Board has determined that it is necessary, desirable, advantageous, and in the public interest to undertake various capital projects in conjunction with the City of Chicago and other governmental agencies; and

**WHEREAS**, the projects would maximize the utilization of educational facilities operated and maintained by the Board by providing new school educational options and enhanced recreational and other facilities and improving the community areas located in the vicinity of school property; and

**WHEREAS**, the estimated FY17 Board Approved total cost of the projects (Skinner West Annex and Sheridan Annex) is anticipated not-to-exceed ~~\$38,000,000~~ \$39,500,000. With this resolution, a partial undertaking with the PBC in the amount of ~~\$24,023,177~~ \$27,723,177 will be incurred by the Board for Project-related costs.

**NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CHICAGO BOARD OF EDUCATION:**

1. The PBC is hereby requested to complete the Construction of the Sheridan Annex and Skinner West Annex. The Chief Financial Officer and the Chief Operating Officer are hereby authorized to deliver a Project Notification to the PBC, as defined in the Intergovernmental Agreement between the Board and the PBC, dated February 1, 2007 (the "IGA").
2. These Projects are not part of the Modern Schools Across Chicago Program. These Projects will be funded with capital funds generated in Fiscal Year 2017 and TIF Funds or subsequent years. To the extent that other capital funds become available, the Board reserves the right to supplant Board Capital funds with other funding sources. The total cost of the Projects to be undertaken by the PBC shall not exceed ~~\$24,023,177~~ \$27,723,177. This dollar amount is necessary to cover project costs, including environmental, site preparation (Sheridan and Skinner West), contingency, management fees and construction. The project costs are appropriated in the FY17 Capital Budgets and miscellaneous capital funds.
3. The Board's General Counsel is hereby authorized to execute an assignment to the PBC of any and all contracts entered into by the Board in connection with this Project and to execute any and all other documents necessary to effectuate this transfer. Any such contract may include a requirement that all construction work is subject to the terms contained in Board's existing Project Labor Agreement.
4. No cost may be incurred in excess of the level set forth in paragraph 2 above without prior Board approval.
5. This resolution is effective immediately upon its adoption.

**FINANCIALS:**

Sheridan ES: 29201-486-56310-253508-00000-2015 \$5,000,000 (Capital Funds) – requesting ~~\$5,000,000~~ \$8,700,000 of ~~\$8,000,000~~ \$9,500,000

Skinner West ES: 29281-435-56310-253508-00000-2015 \$10,000,000 (TIF Funds) – no request at this time

Skinner West ES: 29281-486-56310-253518-00000-2017 \$19,023,177 (Capital Funds) – requesting \$19,023,177 of \$20,000,000

17-0828-RS9

**RESOLUTION  
AUTHORIZE APPOINTMENT OF MEMBERS  
TO LOCAL SCHOOL COUNCILS TO FILL VACANCIES**

**WHEREAS**, the Illinois School Code, 105 ILCS 5/34-2.1, authorizes the Board of Education of the City of Chicago ('Board') to appoint the teacher, non-teacher staff and high school student members of local school councils of regular attendance centers to fill mid-term vacancies after considering the preferences of the schools' staffs or students, as appropriate, for candidates for appointment as ascertained through non-binding advisory polls;

**WHEREAS**, the Governance of Alternative and Small Schools Policy, B. R. 07-0124-PO2 ("Governance Policy"), authorizes the Board to appoint all members of the appointed local school councils and boards of governors of alternative and small schools (including military academy high schools) to fill mid-term vacancies after considering candidates for appointment selected by the following methods and the Chief Executive Officer's recommendations of those or other candidates:

<u>Membership Category</u>	<u>Method of Candidate Selection</u>
Parent	Recommendation by serving LSC or Board
Community	Recommendation by serving LSC or Board
Advocate	Recommendation by serving LSC or Board
Teacher	Non-binding Advisory Staff Poll
Non-Teacher Staff Member	Non-binding Advisory Staff Poll
JROTC Instructor	Non-binding Advisory Staff Poll (military academy high schools only)
Student	Non-binding Advisory Student Poll or Student Serving as Cadet Battalion Commander or Senior Cadet (military academy high schools)

**WHEREAS**, the established methods of selection of candidates for Board appointment to fill mid-term vacancies on local school councils, appointed local school councils and/or boards of governors were employed at the schools identified on the attached Exhibit A and the candidates selected thereby and any other candidates recommended by the Chief Executive Officer have been submitted to the Board for consideration for appointment in the exercise of its absolute discretion;

**WHEREAS**, the Illinois School Code and the Governance Policy authorize the Board to exercise absolute discretion in the appointment process;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE CITY OF CHICAGO:**

1. The individuals identified on the attached Exhibit A are hereby appointed to serve in the specified categories on the local school councils, appointed local schools and/or boards of governors of the identified schools for the remainder of the current term of their respective offices.
2. This Resolution shall be effective immediately upon adoption.

**Exhibit A**

**NEW APPOINTED LSC MEMBER**

**TEACHER**

Eulene Carter  
Kevin M. Condon

**REPLACING**

Helene Pearson  
Mary M. Wirtz

**SCHOOL**

Black ES  
Stevenson ES

**NON TEACHER**

Kyle Green

**REPLACING**

Brandon Celio

**SCHOOL**

Ogden

**STUDENT**

Cecelia Mosley  
Juan Vaca  
Kimberly Lu  
Jalen Charles

**REPLACING**

Vacancy  
Vacancy  
Vacancy  
Vacancy

**SCHOOL**

Bogan HS  
Lincoln Park HS  
Northside Prep  
Simeon

17-0828-PO1

**RESCIND BOARD REPORT 04-0623-PO2 POLICY ON NCLB TITLE I COMPARABILITY OF SERVICES AND ADOPT A NEW POLICY ON ESSA COMPARABILITY OF SERVICES**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS:**

That the Board rescind the policy on No Child Left Behind ("NCLB") Title I Comparability of Services and adopt a new policy on Every Student Succeeds Act ("ESSA") Comparability of Services.

**HISTORY:**

In 2004, the Board adopted Board Report 04-0623-PO2, the Policy on NCLB Comparability of Services, in order to comply with the Comparability of Services provisions in NCLB. In 2015, NCLB was repealed and ESSA was enacted. ESSA incorporated Comparability of Services provisions previously found in NCLB.

**PURPOSE:**

In order to comply with ESSA, the Board must ensure that the services provided to schools that receive ESSA Title I funds are comparable to the services in schools that are not receiving Title I funds.

**POLICY TEXT:**

- I. The Board must provide equivalent educational and supplemental support services among all Title I and Non-Title I schools.
- II. In order to demonstrate compliance with I above, the Board will conduct an annual comparability analysis utilizing indicators specified by the Illinois State Board of Education ("ISBE").
- III. The Board authorizes the Chief Executive Officer ("CEO") or designee to develop guidelines to ensure compliance with the Comparability of Services provision in ESSA and this policy.
- IV. The Board will maintain records that are updated, documenting compliance with the Comparability of Services provision in ESSA and this policy, in accordance with guidance provided by ISBE.



- V. The Board shall, as required, provide written assurance to the ISBE that it has complied, and will continue to comply, with the equivalence requirements set out in Section 6321(c)(2)(A) of ESSA (20 U.S.C. § 6321(c)(2)(A)).

**President Clark indicated that if there are no objections, Board Reports 17-0828-RS1 through 17-0828-RS9 and 17-0828-PO1 would be adopted by the last favorable roll call vote, all members voting therefore.**

**President Clark thereupon declared Board Reports 17-0828-RS1 through 17-0828-RS9 and 17-0828-PO1 adopted.**

**17-0828-CO1**

**COMMUNICATION RE: LOCATION OF BOARD MEETING OF SEPTEMBER 27, 2017**

**Frank M. Clark President, and  
Members of the Board of Education  
Mark F. Furlong  
Jaime Guzman  
Dr. Mahalia A. Hines  
Arnie Rivera  
Gail D. Ward**

This is to advise that the Regular Meeting of the Board of Education scheduled for Wednesday, September 27, 2017 will be held at:

CPS Loop Office  
42 W. Madison Street, Garden Level, Board Room  
Chicago, IL 60602

The Board Meeting will begin at 10:30 a.m.

Public Participation Guidelines are available on [www.cpsboe.org](http://www.cpsboe.org) or by calling (773) 553-1600.

For the September 27, 2017 Board Meeting, advance registration to speak and observe will be available beginning Monday, September 25th at 10:30 a.m. and will close on Tuesday, September 26th at 5:00 p.m. or until all slots are filled. You can advance register during the registration period by the following methods:

Online: [www.cpsboe.org](http://www.cpsboe.org) (recommended)  
Phone: (773) 553-1600  
In Person: 1 North Dearborn, Suite 950

The Public Participation segment of the meeting will begin as indicated in the meeting agenda and proceed for no more than 60 registered speakers for the two hours.

**17-0828-EX1\***

**TRANSFER OF FUNDS  
Various Units and Objects**

THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:

The various transfers of funds were requested by the Central Office Departments during the month of July. All transfers are budget neutral. A brief explanation of each transfer is provided below:

1. Transfer from ASPIRA Business and Finance to Noble Street Charter High School - Pritzker College Prep Campus

20180000100

Rationale: FY17 charter claim reimbursement processed in FY18

**Transfer From:**

86255	ASPIRA Business and Finance
356	ELL & Bilingual Programs
54320	Student Tuition - Charter Schools
180040	English Language Learner (ELL/Lep) Programs
330504	Bilingual Ed Tpi & Tbe

Amount: \$1,023

**Transfer To:**

66142	Noble Street Charter High School - Pritzker College Prep Campus
356	ELL & Bilingual Programs
54320	Student Tuition - Charter Schools
180040	English Language Learner (ELL/Lep) Programs
330502	Bilingual Ed Tpi & Tbe

2. Transfer from Ombudsman Chicago - South to Noble Street Charter School -ITW David Speer Academy

20180000119

Rationale: FY17 charter claim reimbursement processed in FY18

Transfer From:

65014 Ombudsman Chicago - South  
356 ELL & Bilingual Programs  
54320 Student Tuition - Charter Schools  
180040 English Language Learner (ELL/Lep) Programs  
330504 Bilingual Ed Tpi & Tbe

Transfer To:

66149 Noble Street Charter School -ITW David Speer Academy  
356 ELL & Bilingual Programs  
54320 Student Tuition - Charter Schools  
180040 English Language Learner (ELL/Lep) Programs  
330502 Bilingual Ed Tpi & Tbe

Amount: \$1,040

3. Transfer from Rowe Elementary School to UNO Charter School - Bartolomé de las Casas Campus

20180000109

Rationale: FY17 charter claim reimbursement processed in FY18

Transfer From:

66571 Rowe Elementary School  
356 ELL & Bilingual Programs  
54320 Student Tuition - Charter Schools  
180040 English Language Learner (ELL/Lep) Programs  
330504 Bilingual Ed Tpi & Tbe

Transfer To:

66392 UNO Charter School - Bartolomé de las Casas Campus  
356 ELL & Bilingual Programs  
54320 Student Tuition - Charter Schools  
180040 English Language Learner (ELL/Lep) Programs  
330502 Bilingual Ed Tpi & Tbe

Amount: \$1,072

4. Transfer from Grant Funded Programs Office - City Wide to Christian Affiliate Schools

20180000012

Rationale: Private School Program Services

Transfer From:

12625 Grant Funded Programs Office - City Wide  
353 Title II - Teacher Quality  
57940 Miscellaneous Charges  
228958 Federal - Nonpublic Inst (Catholic)  
494059 Title Iia - Archdiocese Of Chgo. Suppl. Servc.

Transfer To:

69237 Christian Affiliate Schools  
353 Title II - Teacher Quality  
54305 Tuition  
228952 Federal - Nonpublic Inst (Christian)  
494060 Title Iia - Other Private Supplementary Servc.

Amount: \$1,207

5. Transfer from Grant Funded Programs Office - City Wide to Associated Talmud Torah Of Chicago

20180000023

Rationale: Private School Program Services

Transfer From:

12625 Grant Funded Programs Office - City Wide  
353 Title II - Teacher Quality  
57940 Miscellaneous Charges  
228958 Federal - Nonpublic Inst (Catholic)  
494059 Title Iia - Archdiocese Of Chgo. Suppl. Servc.

Transfer To:

69530 Associated Talmud Torah Of Chicago  
353 Title II - Teacher Quality  
54305 Tuition  
228953 Federal - Nonpublic Inst (Jewish)  
494060 Title Iia - Other Private Supplementary Servc.

Amount: \$1,247

6. Transfer from Instituto Health Sciences Career Academy to Horizon Science Academy-Southwest Chicago Charter

20180000092

Rationale: FY17 charter claim reimbursement processed in FY18

Transfer From:

63131 Instituto Health Sciences Career Academy  
356 ELL & Bilingual Programs  
54320 Student Tuition - Charter Schools  
180040 English Language Learner (ELL/Lep) Programs  
330504 Bilingual Ed Tpi & Tbe

Transfer To:

63181 Horizon Science Academy-Southwest Chicago Charter  
356 ELL & Bilingual Programs  
54320 Student Tuition - Charter Schools  
180040 English Language Learner (ELL/Lep) Programs  
330502 Bilingual Ed Tpi & Tbe

Amount: \$1,301

7. Transfer from Grant Funded Programs Office - City Wide to Lutheran Education Foundation

20180000030

Rationale: Private School Program Services

Transfer From:

12625 Grant Funded Programs Office - City Wide  
353 Title II - Teacher Quality  
57940 Miscellaneous Charges  
228958 Federal - Nonpublic Inst (Catholic)  
494059 Title Iia - Archdiocese Of Chgo. Suppl. Servc.

Transfer To:

69336 Lutheran Education Foundation  
353 Title II - Teacher Quality  
54305 Tuition  
221022 Federal - Nonpublic Inst (Lutheran)  
494060 Title Iia - Other Private Supplementary Servc.

Amount: \$1,315

72. Transfer from Grant Funded Programs Office - City Wide to Office of Catholic Schools

2018000004

Rationale: Private School Program Services

**Transfer From:**

12625 Grant Funded Programs Office - City Wide  
 353 Title II - Teacher Quality  
 57940 Miscellaneous Charges  
 228958 Federal - Nonpublic Inst (Catholic)  
 494059 Title Iia - Archdiocese Of Chgo. Suppl. Serv.

**Transfer To:**

69510 Office of Catholic Schools  
 353 Title II - Teacher Quality  
 54125 Services - Professional/Administrative  
 228958 Federal - Nonpublic Inst (Catholic)  
 494059 Title Iia - Archdiocese Of Chgo. Suppl. Serv.

Amount: \$295,682

73. Transfer from Capital/Operations - City Wide to Alfred Nobel Elementary School

20180000616

Rationale: Funds Transfer From Award# 2017-427-00-31 To Project# 2017-24691-MCR ; Change Reason : NA

**Transfer From:**

12150 Capital/Operations - City Wide  
 427 CIP Series 2016B  
 56310 Capitalized Construction  
 009506 Asset Management Repairs  
 000000 Default Value

**Transfer To:**

24691 Alfred Nobel Elementary School  
 427 CIP Series 2016B  
 56310 Capitalized Construction  
 253508 Renovations  
 000000 Default Value

Amount: \$443,331

74. Transfer from Grant Funded Programs Office - City Wide to Office of Catholic Schools

20180000071

Rationale: Transfer funds to process approved purchase order requests for Private Schools IDEA programs

**Transfer From:**

12625 Grant Funded Programs Office - City Wide  
 220 Federal Special Education IDEA Programs  
 57940 Miscellaneous Charges  
 370004 Nonpublic Instructional & Support Services  
 462068 Lea Flowthru Instruction - Nonpublic

**Transfer To:**

69510 Office of Catholic Schools  
 220 Federal Special Education IDEA Programs  
 54125 Services - Professional/Administrative  
 228958 Federal - Nonpublic Inst (Catholic)  
 462068 Lea Flowthru Instruction - Nonpublic

Amount: \$941,852

75. Transfer from Grant Funded Programs Office - City Wide to Office of Catholic Schools

20180000049

Rationale: Private School Program Services

**Transfer From:**

12625 Grant Funded Programs Office - City Wide  
 332 NCLB Title I Regular Fund  
 57940 Miscellaneous Charges  
 370004 Nonpublic Instructional & Support Services  
 430186 Nonpublic Inst. & Supp. Serv. - Catholic

**Transfer To:**

69510 Office of Catholic Schools  
 332 NCLB Title I Regular Fund  
 54125 Services - Professional/Administrative  
 370004 Nonpublic Instructional & Support Services  
 430186 Nonpublic Inst. & Supp. Serv. - Catholic

Amount: \$1,602,861

**\*[Note: The complete document will be on File in the Office of the Board]**

17-0828-EX2

APPROVE THE TITLE I DISTRICT PLAN

THE CHIEF EXECUTIVE OFFICER RECOMMENDS:

That the Board approve the Title I District Plan outlining the educational objectives for the district, as required by the Elementary and Secondary Education Act ("ESEA"), as amended by the Every Student Succeeds Act ("ESSA").

DESCRIPTION:

The Chief Executive Officer is requesting Board approval of the Title I District Plan. Title I, Part A, Section 1112 of the ESEA, as amended by ESSA, requires that all local educational agencies (LEAs) receiving Title I funds develop a Title I District Plan. The Illinois State Board of Education ("ISBE") requires that the Title I District Plan is approved by the local school board. An approved Title I District Plan is required for the FY18 ESSA consolidated grant application which is submitted to ISBE.

The Title I District Plan describes the measures the district will take to ensure all children receive a high-quality, well-rounded education and meet challenging State academic standards. The Title I District Plan is based on the CPS strategic plan, "Success Starts Here," and is further informed by input from key stakeholders, including Academic Leadership, Principals, and parents. Additional and ongoing stakeholder engagement is planned as part of the full transition from No Child Left Behind ("NCLB") to ESSA.

Once approved by the Board, the Grants Office will submit the plan to ISBE via its electronic, online grants system. The objectives described in the Title I District Plan will serve as goals for the use of funds in the ESSA consolidated grant application. The Chief Executive Officer requests the Board delegate authority to the Grants Office to review and revise as necessary.

**FINANCIAL:** A Board-approved Title I District Plan is required for approval of the FY18 ESSA consolidated grant application.

17-0828-EX3

**AMEND BOARD REPORT 13-0424-EX13  
AMEND BOARD REPORT 13-0227-EX9  
APPROVE THE RENEWAL OF THE CHARTER SCHOOL AGREEMENT WITH  
UNIVERSITY OF CHICAGO CHARTER SCHOOL CORPORATION**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:**

Approve the renewal of the Charter School Agreement with University of Chicago Charter School Corporation for an additional five-year period. A new Charter School Agreement applicable to this renewal term will be negotiated. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

This April 2013 amendment is necessary to authorize University of Chicago Charter School Corporation to (a) approve an increase in the at capacity enrollment of the University of Chicago Charter School - Woodlawn Campus by 60 to an at capacity enrollment of 650 students and (b) increase the overall at capacity enrollment of the charter by 60 to 2,026 students beginning in the fall of 2013. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education.

This August 2017 amendment is necessary to authorize University of Chicago Charter School Corporation to (a) increase the at capacity enrollment at the Woodlawn Campus by 100 students to 750 students, thereby increasing the overall at capacity enrollment of the charter school by 100 students to 2,126 students beginning in the fall of 2017, and (b) permanently relocate the Woodlawn Campus to an independent facility at 6300 S. University Avenue beginning in January 2018. The Board approval of this relocation site is contingent upon the subsequent approval of the facility by the CPS Facilities Department which shall include, without limitation, the receipt of all necessary zoning and occupancy permits and health and safety approvals for that site.

This August 2017 amendment is also necessary to authorize University of Chicago Charter School Corporation to consolidate the grade 6 offered at the Carter G. Woodson Campus with the grade 6 at the Woodlawn Campus and restrict the Carter G. Woodson Campus to offering grades 7 and 8 beginning in the fall 2017. The authority granted herein shall automatically rescind in the event a written amendment to the Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report.

**SCHOOL OPERATOR:** University of Chicago Charter School Corporation  
c/o of Urban Education Institute  
1313 E. 60<sup>th</sup> Street  
Chicago, IL 60637  
Phone: 773-702-2797  
Contact Person: Tim Knowles

**CHARTER SCHOOL:** University of Chicago Charter School  
1313 E. 60<sup>th</sup> Street  
Chicago, IL 60637  
Phone: 773-702-2797  
Contact Person: Tim Knowles

**OVERSIGHT:** Office of Innovation and Incubation  
425 S. Clark, 40<sup>th</sup> Floor 42 W. Madison St., 3<sup>rd</sup> Floor  
Chicago, IL 606032  
(773) 553-1530  
Contact Person: Sagar Gokhale, Interim Executive Director, Office of New Schools  
Mary K. Bradley, Executive Director

**ORIGINAL AGREEMENT:** The original Charter School Agreement (authorized by Board Report 97-1217-EX22) was for a term commencing July 1, 1998 and ending June 30, 2003 and authorized the operation of a charter school serving no more than 336 students in grades Pre-K - 8. The charter and Charter School Agreement were subsequently renewed for a term commencing July 1, 2003 and ending June 30, 2008 (authorized by Board Report 03-0225-EX05) and authorized an increase in the maximum

enrollment to 450 students in grades Pre-K - 8. The charter and Charter School Agreement were further renewed for an additional 5-year period commencing July 1, 2008 and ending June 30, 2013 (authorized by Board Report 08-0326-EX11) and authorized an increase in the maximum enrollment to 1,966 students in grades K – 12.

**CHARTER RENEWAL PROPOSAL:** The University of Chicago Charter School Corporation submitted a renewal proposal on September 4, 2012 to continue the operation of the University of Chicago Charter School under a unified mission to provide a technical career and college preparatory education. The charter school shall operate four (4) campuses and serve grades Kindergarten through 12 with a maximum enrollment of 1,966 students.

If the University of Chicago Charter School Corporation is authorized to operate a pre-kindergarten program in the same building as the charter school, the children enrolled in the pre-kindergarten will not be included in the enrollment of the charter school and the pre-kindergarten program will not be governed by the Charter School Agreement. To the extent the Board provides funding for the pre-kindergarten program, that program will be subject to a separate agreement with and separate funding authorized by the Office of Early Childhood Education. A material breach of any contract between the Board and the University of Chicago Charter School Corporation for the operation of a pre-kindergarten program or the charter school may be treated as a breach of the other contract.

The agreement will incorporate an accountability plan in which the charter school is evaluated by the Board each year based on numerous factors related to its academic, financial and operational performance.

In January 2013 the University of Chicago Charter School Corporation submitted a material modification to (a) approve an increase in the at capacity enrollment of the University of Chicago Charter School - Woodlawn Campus by 60 to an at capacity enrollment of 650 students and (b) increase the overall at capacity enrollment of the charter by 60 to 2,026 students beginning in the fall of 2013. A public hearing on the proposed change was held on Monday, April 15, 2013. The hearing was recorded and a summary report is available for review.

In February 2017, the University of Chicago Charter School Corporation submitted an application for amendment to (a) increase the at capacity enrollment at the Woodlawn Campus by 100 students to 750 students, thereby increasing the overall at capacity enrollment of the charter school by 100 students to 2,126 students beginning in the fall of 2017, and (b) permanently relocate the Woodlawn Campus to an independent facility at 6300 S. University Avenue beginning in January 2018. The Board approval of this relocation site is contingent upon the subsequent approval of the facility by the CPS Facilities Department which shall include, without limitation, the receipt of all necessary zoning and occupancy permits and health and safety approvals for that site.

In April 2017, the University of Chicago Charter School Corporation submitted an application for amendment to consolidate the grade 6 offered at the Carter G. Woodson Campus with the grade 6 at the Woodlawn Campus and restrict the Carter G. Woodson Campus to offering grades 7 and 8 beginning in the fall 2017.

A public hearing on the proposed changes was held on Monday, August 21, 2017. The hearing was recorded and a summary report is available for review.

Campus Name	Year Opened	Address	At Capacity Grades	2012-2013 enrollment	At Capacity Enrollment
North Kenwood/Oakland Campus	1998	1119 E. 46 <sup>th</sup> Street	K – 5 <sup>th</sup>	331	336
Donoghue Campus	2005	707 E. 37 <sup>th</sup> Street	K – 5 <sup>th</sup>	490	500
Woodlawn Campus	2006	6420 S. University Avenue (Until 1/2018)  6300 S. University Avenue (As of 1/2018)	6 <sup>th</sup> – 12 <sup>th</sup>	590	650 <u>750</u>
Carter G. Woodson Campus	2008	4444 S. Evans Avenue	6 <sup>th</sup> <u>7<sup>th</sup></u> – 8 <sup>th</sup>	385	540

**CHARTER EVALUATION:** After receiving the charter renewal proposal, the Office of New Schools conducted a comprehensive evaluation of University of Chicago Charter School's performance and operations. This evaluation included a review of the proposal, facilities surveys, financial analysis, and academic site visit of the school in which student performance, teaching and learning, leadership and governance, and the learning communities were assessed. A public hearing was held on February 21, 2013 for all charter schools going through renewals to receive public comments, including University of Chicago Charter School. In addition to the foregoing, the Office of New Schools evaluated the school's student performance. From 2007-2008 to 2011-2012, the North Kenwood/Oakland Campus received 35

out of 52 high ratings and 10 out of 52 middle ratings, the Donoghue Campus received 29 out of 52 high ratings and 14 out of 52 middle ratings, the Woodlawn Campus received 17 out of 62 high ratings and 13 out of 62 middle ratings and the Woodson Campus received 24 out of 35 high ratings and 4 out of 35 middle ratings on the school absolute student indicators found in the framework put forth by the district for assessing charter school pupil performance. From 2007-2008 to 2011-2012, University of Chicago Charter School's student attendance averaged approximately 96.2% at North Kenwood/Oakland, 94.9% at Donoghue, 93.7% at Woodlawn and 95.0% at Woodson. In 2011-2012, the percentage of students meeting/exceeding state standards on the ISAT Composite at North Kenwood/Oakland was 86.8%, an increase of 12.2 percentage points from 2007-2008, at Donoghue was 76.5%, an increase of 4.1% from 2010-2011, and at Woodson was 82.7%, an increase of 12.2% from 2009-2010. In 2011-2012, the percentage of students meeting/exceeding state standards on the PSAE Composite at Woodlawn was 24.0%, an increase of 5.1 percentage points from 2010-2011. The committee recommends that, based on the school's performance on these and other accountability criteria, University of Chicago Charter School be authorized to continue operating as a charter school.

**RENEWAL TERM:** The term of University of Chicago's charter and agreement is being extended for a five (5) year term commencing July 1, 2013 and ending June 30, 2018.

**ADDITIONAL TERMS AND CONDITIONS:** Additional terms and conditions will be communicated to the charter school and included as an attachment to the Charter School Agreement with University of Chicago Charter School Corporation.

**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written Charter School Agreement ~~and amendment, which shall reflect resolution of any and all outstanding issues between the Board and the governing body of the charter school including, but not limited to: site location, enrollment, funding, educational program, financial controls and practices, academic accountability and evaluations.~~ Authorize the President and Secretary to execute the written Charter School Agreement ~~and amendment.~~ Authorize the Interim Executive Director of the Office of New Schools Innovation and Incubation to issue a letter notifying the Illinois State Board of Education of the action(s) approved hereunder and to submit the approved proposal and signed Charter School Agreement to the Illinois State Board of Education for certification.

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

**FINANCIAL:** The financial implications will be addressed during the development of the 2014 ~~2017-2018~~ fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY4318 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, 1996 (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 May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

17-0828-EX4

**AMEND BOARD REPORT 13-0424-EX15**

**APPROVE THE GRANTING OF A CHARTER AND ENTERING INTO A CHARTER SCHOOL AGREEMENT WITH CHICAGO COLLEGIATE, INC., AN ILLINOIS NOT-FOR-PROFIT CORPORATION**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING DECISION:**

Approve the granting of a charter and entering into a Charter School Agreement with Chicago Collegiate, Inc. for a five-year period. The Charter School Agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education.

This August 2017 amendment is necessary to authorize the temporary relocation of the 9<sup>th</sup> grade to an independent facility at 10909 S. Cottage Grove beginning in the fall of 2017. This Board approval of the temporary site is contingent upon the subsequent approval of the facility by the CPS Facilities Department which shall include, without limitation, the receipt of all necessary zoning and occupancy permits and health and safety approvals for that site. The authority granted herein shall automatically rescind in the event a written amendment to the Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report.

This August 2017 amendment is also necessary to authorize the addition of grades K-3 to the grades served at the charter school and an increase in the maximum enrollment of the charter school by 220 students to 850 students beginning in the fall of 2018. The addition of grades K-3 to the grades served at the charter school and corresponding changes to enrollment are contingent upon the renewal of the Charter School Agreement with Chicago Collegiate, Inc. upon expiration of this term ending June 30, 2018.

**SCHOOL OPERATOR:** Chicago Collegiate, Inc.  
2521 W. North Ave.  
Chicago, Illinois 60647  
Phone: 312-206-5349  
Contact: Beth Carrera Napleton, Executive Director

**CHARTER SCHOOL:** Chicago Collegiate Charter School  
11816 S. Indiana &  
10909 S. Cottage Grove (9<sup>th</sup> grade only-2017-18 school year)  
Chicago, Illinois 60628  
Phone: 312-206-5349  
Contact: Beth Carrera Napleton, Executive Director

**OVERSIGHT:** Office of Innovation and Incubation  
425 S. Clark, 10<sup>th</sup> Floor 42 West Madison, 3<sup>rd</sup> Floor  
Chicago, IL 606032  
773-553-1530  
Contact Person: Sagar Gokhale, Interim Executive Director,  
Office of New Schools  
Mary K. Bradley, Executive Director

**DESCRIPTION:** The Charter Schools Law (105 ILCS 5/27A-1 et seq., as amended) provides that up to 70 charter schools may be operated in the City of Chicago. Proposals to operate charter schools are submitted to the Board for evaluation pursuant to the standards set forth in 105 ILCS 5/27A-8, and the Board convenes a public meeting to obtain information to assist in its decision to grant or deny each proposal and report its action to the Illinois State Board of Education. The State Board determines whether the approved charter school proposal and the proposed contract satisfy the provisions of the Charter Schools Law and, if so, certifies the charter school.

**CHARTER APPLICATION PROPOSAL:** The Chicago Collegiate Charter School (Chicago Collegiate) proposal was submitted by Chicago Collegiate, Inc. and received by the Board in August 2012. Chicago Collegiate's mission is to equip all students in grades four through twelve with the academic skills, intellectual habits, and character traits to succeed in the college of their choice, lead in their communities, and change the world. Chicago Collegiate uses a unique, expanded middle school model that starts at grade four, allowing the school to address students' growing literacy gap before they take on the demands of a true middle school curriculum. The research-based school design builds on the practices of the most successful schools in the country that serve low-income students from minority backgrounds and emphasize securing admission to and success through college. The school is slated to open in the fall of 2013 serving a maximum of 140 students in grades 4 and 5. The school will add grades in subsequent years with an at capacity enrollment of 630 students in grades 4-12. The school will be located in an independent facility at 11816 S. Indiana. Public hearings on charter school submissions submitted in 2012, as required by statute, were held on December 13, 2012.

In March 2013, Chicago Collegiate Inc. identified the independent facility at 11816 S. Indiana as the location for Chicago Collegiate Charter School, which will open in the fall of 2013. A public hearing on this proposed address was held on April 15, 2013. The hearing was recorded and a summary report is available for review.

In February 2017, Chicago Collegiate, Inc. submitted an application for amendment to temporarily relocate the 9<sup>th</sup> grade to an independent facility at 10909 S. Cottage Grove beginning in the fall of 2017. This Board approval of the temporary site is contingent upon the subsequent approval of the facility by the CPS Facilities Department which shall include, without limitation, the receipt of all necessary zoning and occupancy permits and health and safety approvals for that site.

Chicago Collegiate, Inc. also included in its application for amendment a request to add grades K-3 to the grades served at the charter school and to increase the maximum enrollment of the charter school by 220 students to 850 students beginning in the fall of 2018. The addition of grades K-3 to the grades served at the charter school and corresponding changes to enrollment are contingent upon the renewal of the Charter School Agreement with Chicago Collegiate, Inc. upon expiration of this term ending June 30, 2018.

A public hearing on the proposed changes was held on Monday, August 21, 2017. The hearing was recorded and a summary report is available for review.

**TERM:** The term of the Chicago Collegiate charter and agreement shall commence July 1, 2013 and end June 30, 2018.

**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written Charter School Agreement and amendment, which shall reflect resolution of any and all outstanding issues between the Board and the governing body of the charter school including, but not limited to: site location, enrollment, educational program, financial controls and practices, academic accountability and evaluations. Authorize the President and Secretary to execute the written Charter School Agreement and amendment. Authorize the Executive Director of the Office of New Schools Innovation and Incubation to issue a letter notifying the Illinois State Board of Education of the action(s) approved hereunder and to submit the approved proposal and signed Charter School Agreement to the Illinois State Board of Education for certification.

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

**AFFIRMATIVE ACTION:** Not applicable.

**FINANCIAL:** The financial implications will be addressed during the development of the 2017-2018 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY18 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~~1996 (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 May 25, 2011 (11-0525-PO2), as amended from time to time shall be incorporated into and made a part of the agreement.

17-0828-EX5

**AMEND BOARD REPORT 13-0626-EX2**

**APPROVE ESTABLISHMENT OF EXCEL ACADEMY OF ENGLEWOOD AND ENTERING INTO A SCHOOL MANAGEMENT AND PERFORMANCE AGREEMENT AND LEASE AGREEMENT FOR THE GUGGENHEIM SCHOOL BUILDING WITH CAMELOT ALT ED-ILLINOIS, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING DECISION:**

Approve the establishment of Excel Academy of Englewood at 7141 South Morgan Street, approve entering into a School Management and Performance Agreement for the operation of Excel Academy of Englewood, and approve entering into a Lease Agreement for the Guggenheim School Building with Camelot Alt Ed-Illinois, LLC, an Illinois limited liability company. A written School Management and Performance Agreement and Lease Agreement are currently being negotiated. The authority granted herein shall automatically rescind in the event a written School Management and Performance Agreement and Lease Agreement are not executed by the Board and the school operator within 120 days of the date of this Board Report. The information pertinent to these agreements is stated below.

This August 2017 amendment is necessary to authorize the addition of grade 8 to the grades served at the contract school contingent upon conditions to be outlined in a letter to be sent to the school operator by the Office of Innovation and Incubation. The authority granted herein shall automatically rescind in the event a written amendment to the School Management and Performance Agreement is not executed by the Board and the school operator within 120 days of the date of this amended Board Report.

**I. SCHOOL MANAGEMENT AND PERFORMANCE AGREEMENT**

**SCHOOL OPERATOR:** Camelot Alt Ed-Illinois, LLC  
4207 Highway 290 East  
Dripping Springs, TX 78620  
Contact: Joseph Carter  
Contact Phone: (512) 858-9900



**CONTRACT SCHOOL:** Excel Academy of Englewood  
7141 South Morgan Street  
Chicago, IL 60621  
Contact: Kevin Sweetland, Executive Director  
Contact Phone: (215) 526-4796

**OVERSIGHT:** ~~Alternative Network Office of Innovation & Incubation~~  
~~4655 S. Dearborn Street, Room 309A-42 W. Madison, 3<sup>rd</sup> Floor~~  
~~Chicago, IL 60602~~9~~~~  
Contact: Jennifer Vidis, Chief of Schools Mary K. Bradley, Executive Director  
Contact Phone: (773) 553-1530 535-8500

**DESCRIPTION:**

School Designation: Pursuant to 105 ILCS 5/34-1.1, 105 ILCS 5/34-18(30), the Board's Renaissance Schools Policy, 07-0627-P04, as amended ("Renaissance Policy") and the contingent authority granted by the Board on December 19, 2012 in Board Report 12-1219-EX3, Excel Academy of Englewood will open in the fall of 2013 as a Contract School located at 7141 South Morgan Street. The Board hereby designates the Excel Academy of Englewood as a Contract School pursuant to 105 ILCS 5/34-2.4b.

In February 2017, Camelot Alt Ed-Illinois, LLC submitted an application for amendment to add grade 8 at the contract school in order to serve an age cycle 15 population beginning in the fall of 2017.

Public Hearing: A public hearing on the opening of Excel Academy of Englewood as a Contract School was held on May 2, 2013 in the Board Chambers in accordance with the Renaissance Policy. The hearing was recorded and a summary report of the hearing is available for review.

A public hearing on the proposed addition of grade 8 was held on Monday, August 21, 2017. The hearing was recorded and a summary report is available for review.

Request for Proposals: In June 2012, the CEO made available the Call for Quality Schools to solicit responses from parties interested in providing a range of new school proposals, including alternative education school services. The Excel Academy of Englewood proposal was submitted by Camelot Alt Ed-Illinois, LLC in response to the Call for Quality Schools. The proposal was evaluated using the criteria and standards set forth in the Call for Quality Schools and on December 19, 2012, the Board provided contingent approval of the proposal (Board Report 12-1219-EX3).

Enrollment: Excel Academy of Englewood will be a citywide school that will enroll students in grade 8 who have been designated as age cycle 15 and students in grades 9-12 who are having challenges in the normal school setting or who may have dropped out of school or are at-risk of dropping out. Students will be admitted on an ongoing basis provided that seats are available. If there are more applicants than seats available, applicants will be placed on a waiting list and a random student admissions lottery will be conducted on a quarterly basis. Excel Academy of Englewood will accept enrollment for up to 375 students who will be recruited by the school for placement with the assent of the Alternative Network and/or its designee.

Curriculum: Excel Academy of Englewood will provide an alternative education program focused on youth who are at-risk or have dropped out of a traditional school. The program shall be designed to prepare students for graduation from high school and provide a post-secondary path. Excel Academy of Englewood will issue diplomas to students who successfully complete the program in accordance with state and CPS requirements.

Advisory Body: A school advisory body will be established in a timely manner pursuant to 105 ILCS 5/34-2.4b and the Board's Renaissance School Policy in the following manner: the CEO or her designee in consultation with Camelot Alt Ed-Illinois, LLC shall develop the composition and duties of the advisory body for approval by the Board. Such requirements shall be included in the agreement with Camelot Alt Ed-Illinois, LLC. The members of the advisory body will be appointed by the Board upon the recommendation of the CEO or her designee.

School Management Description: At a minimum, the School Management and Performance Agreement will address the student academic outcomes and financial and management practices of the school and will reflect resolution of any and all outstanding issues between the Board and the school operator including, but not limited to, enrollment, funding, educational program, financial controls and practices, academic accountability and evaluations. In accordance with the Board's Renaissance Policy, contract schools may request exemptions from Board Rule and Policies or alternative policies subject to and upon Board approval.

**TERM:** The term of the School Management and Performance Agreement shall commence July 1, 2013 and end June 30, 2018. Camelot Alt Ed-Illinois, LLC and the Excel Academy of Englewood's designation as a Renaissance Contract School will expire on June 30, 2018 unless renewed or terminated earlier by the Board.

**COMPENSATION:** Camelot Alt Ed-Illinois, LLC will be paid on a per-pupil basis for the operation of the Excel Academy of Englewood.

**FINANCIAL:** The financial implications will be addressed during the development of the 2013-2014 2017-2018 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY4318 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets.

**PERSONNEL IMPLICATIONS:** As a contract school, Excel Academy of Englewood will employ its own principal, teachers and staff.

**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 and Performance Agreement and amendment. Authorize the President and Secretary to execute the written School Management and Performance Agreement and amendment.

## II. LEASE AGREEMENT

**TENANT:** Camelot Alt Ed-Illinois, LLC  
4207 Highway 290 East  
Dripping Springs, TX 78620  
Contact: Joseph Carter  
Contact Phone: (512) 858-9900

**LANDLORD:** Board of Education of the City of Chicago

**PREMISES:** Tenant shall have sole possession and use of the building and land at the Guggenheim School located at 7141 S. Morgan Street (the "Premises").

**USE:** Tenant shall use the Premises to operate a contract school and related educational and community programs and for no other purpose.

**TERM:** The term of the lease agreement shall commence July 1, 2013 and shall end June 30, 2018. If Tenant's School Management and Performance Agreement is terminated, the lease agreement shall also terminate.

**RENT:** One dollar (\$1.00) per year.

**TENANT IMPROVEMENTS:** Tenant shall be responsible, at its sole cost and expense, for all capital improvements to the Premises. Landlord shall approve the scope of any and all capital improvements prior to Tenant commencing work, and such work shall be done in accordance with Landlord's specifications ("Required Improvements") and shall be completed prior to the commencement of the 2013-14 school year before Tenant can begin operating its educational programming. Tenant shall have the right, at its sole cost and expense, to make additional improvements outside of the Required Improvements ("Additional Improvements"); and such Additional Improvements shall also be subject to prior written Board approval. Tenant shall also be responsible for all maintenance and repairs to the Premises.

**REPAIRS/MAINTENANCE:** Tenant shall be responsible for any and all routine and structural repairs and maintenance of the building and the Premises.

**UTILITIES:** Tenant shall be responsible for the payment of all utilities associated with the Premises. When and where possible, utilities shall be separately metered and placed in Tenant's name. In the event any utilities cannot be separately metered, Tenant shall reimburse Landlord for such utility usage.

**OPERATING EXPENSES:** Tenant shall be the sole occupant and therefore shall be responsible for all operating expenses including, but not limited to, food service, security, custodial and utilities. Tenant shall be responsible for determining if some or all operating services shall be obtained from Landlord or from a third party. Tenant shall also provide its-own-furniture-for-its-operation-within the Premises.

**INSURANCE/INDEMNIFICATION:** The General Counsel shall negotiate all insurance and indemnification language for the lease agreement.

**ENVIRONMENTAL:** Tenant shall be responsible for any and all environmental conditions associated with eh Premises and shall comply with all environmental laws regarding same.

**FINANCIAL:** Credit to the General Fund \$1.00 per annum.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written lease agreement. Authorize the President and Secretary to execute the written lease agreement. Authorize the Chief Operating Officer to execute any and all ancillary documents related to the written lease agreement.

## III. TERMS APPLICABLE TO BOTH AGREEMENTS

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

**AFFIRMATIVE ACTION:** Not applicable.

**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 May 25, 2011 (11-0525-PO2), as amended from time to time shall be incorporated into and made a part of the agreement.

17-0828-EX6

**AMEND BOARD REPORT 14-0924-EX4**  
**AMEND BOARD REPORT 14-0625-EX4**

**AUTHORIZE THE ESTABLISHMENT OF EXCEL ACADEMY SOUTHWEST AND ENTERING INTO  
A SCHOOL MANAGEMENT AND PERFORMANCE AGREEMENT WITH  
CAMELOT ALT ED-ILLINOIS, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING DECISION:**

Authorize the establishment of Excel Academy Southwest at 8301 South Damen Avenue, and approve entering into a School Management and Performance Agreement with Camelot Alt Ed-Illinois, LLC, an Illinois limited liability company, for the operation of Excel Academy Southwest. A written School Management and Performance Agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written School Management and Performance Agreement is not executed by the Board and the school operator within 120 days of the date of this Board Report. Information pertinent to this matter is stated below.

This September 2014 amendment is necessary to change the location of Excel Academy Southwest from 8301 S. Damen Avenue to the independent facilities at 7014 S. Washtenaw Avenue and 7050 S. Washtenaw Avenue. The authority granted herein shall automatically rescind in the event a written School Management and Performance Agreement is not executed by the Board and the school operator within 120 days of the date of this amended Board Report.

This August 2017 amendment is necessary to authorize the addition of grade 8 to the grades served at the contract school contingent upon conditions to be outlined in a letter to be sent to the school operator by the Office of Innovation and Incubation. The authority granted herein shall automatically rescind in the event a written amendment to the School Management and Performance Agreement is not executed by the Board and the school operator within 120 days of the date of this amended Board Report.

**SCHOOL OPERATOR:** Camelot Alt Ed-Illinois, LLC  
7500 Rialto Blvd  
Building 1, Suite 260  
Austin, TX 78735  
Phone: (512) 858-9900  
Contact Person: Joseph Carter

**CONTRACT SCHOOL:** Excel Academy Southwest  
7014 S. Washtenaw Avenue (North Building) and  
7050 S. Washtenaw Avenue (South Building)  
Chicago, IL 60629  
Phone: (512) 858-9900  
Contact Person: Joseph Carter

**OVERSIGHT:** Office of Innovation and Incubation  
~~126 S. Clark, 10<sup>th</sup> Floor~~ 42 W. Madison, 3<sup>rd</sup> Floor  
Chicago, IL 60602  
(773) 553-1530  
Contact Person: ~~Jack Eisey, Chief Officer~~ Mary K. Bradley, Executive Director

**DESCRIPTION:**

School Designation: Pursuant to 105 ILCS 5/34-1.1, 105 ILCS 5/34-18(30) and the contingent authority granted by the Board on June 26, 2013 in Board Report 13-0626-EX3, Excel Academy Southwest will open in the fall of 2014 as a Contract School located at 8301 S. Damen Avenue. The Board hereby designates the Excel Academy Southwest as a Contract School pursuant to 105 ILCS 5/34-2.4b.

As of late September 2014, the location of Excel Academy Southwest shall be changed from 8301 S. Damen Avenue to 7014 S. Washtenaw Avenue and 7050 S. Washtenaw Avenue.

In February 2017, Camelot Alt Ed-Illinois, LLC submitted an application for amendment to add grade 8 at the contract school in order to serve an age cycle 15 population beginning in the fall of 2017.

**Public Hearing:** A public hearing on the opening of the Excel Academy Southwest as a Contract School at 8301 S. Damen Avenue was held on June 16, 2014 in the Board Chambers. The hearing was recorded and a summary report of the hearing is available for review.

A public hearing on the proposed change of location to 7014 S. Washtenaw Avenue and 7050 S. Washtenaw Avenue will be held on Monday, September 22, 2014. The hearing was recorded and a summary report is available for review.

A public hearing on the proposed addition of grade 8 was held on Monday, August 21, 2017. The hearing was recorded and a summary report is available for review.

**Request for Proposals:** In January 2013, the CEO made available the Request for Proposals for Alternative Options ("RFP") to solicit responses from parties interested in starting or expanding schools or programs to serve out-of-school youth or students at-risk of academic failure. The Excel Academy Southwest proposal was submitted by Camelot Alt Ed-Illinois, LLC in response to that RFP. The proposal was evaluated using the criteria pursuant to the Framework for Evaluation set forth in the RFP and on June 26, 2013, the Board provided contingent approval of the proposal (Board Report 13-0626-EX3) upon the school operator meeting the benchmark identified by the Office of Innovation and Incubation which was the identification of a school site. The CEO determined that Camelot Alt Ed-Illinois, LLC met that contingency.

**Enrollment:** Excel Academy Southwest will be a citywide school that will enroll students in grade 8 who have been designated as age cycle 15 and students in grades 9-12 who are having challenges in the normal school setting or who may have dropped out of school or are at-risk of dropping out. Students will be admitted on an ongoing basis provided that seats are available. If there are more applicants than seats available, applicants will be placed on a waiting list and a random student admissions lottery will be conducted on a quarterly basis. Excel Academy Southwest will accept enrollment for up to 375 students who will be recruited by the school for placement with the assent of the Office of Innovation and Incubation.

**Curriculum:** Excel Academy Southwest will provide an alternative education program focused on youth who are at-risk or have dropped out of a traditional school. The program shall be designed to prepare students for graduation from high school and provide a post-secondary path. Excel Academy Southwest will issue diplomas to students who successfully complete the program in accordance with state and CPS requirements.

**Advisory Body:** A school advisory body will be established in a timely manner pursuant to 105 ILCS 5/34-2.4b in the following manner: the CEO or her designee in consultation with Camelot Alt Ed-Illinois, LLC shall develop the composition and duties of the advisory body for approval by the Board. Such requirements shall be included in the agreement with Camelot Alt Ed-Illinois, LLC. The members of the advisory body will be appointed by the Board upon the recommendation of the CEO or her designee.

**School Management Description:** At a minimum, the School Management and 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, enrollment, funding, educational program, financial controls and practices, academic accountability and evaluations. In accordance with Board policy, contract schools may request exemptions from Board Rules and Policies or alternative policies subject to and upon Board approval.

**Term:** The term of the School Management and Performance Agreement shall commence July 1, 2014 and end June 30, 2019. Camelot Alt Ed-Illinois, LLC and the Excel Academy Southwest's designation as a Contract School will expire on June 30, 2019 unless renewed or terminated earlier by the Board.

**COMPENSATION:** Camelot Alt Ed-Illinois, LLC will be paid on a per-pupil basis for the operation of the Excel Academy Southwest.

**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 and Performance Agreement and amendment. Authorize the President and Secretary to execute the written School Management and Performance Agreement and amendment. Authorize the Executive Director of the Office of Chief Innovation and Incubation Officer to execute any documents related to the disbursement of the one-time incubation and startup funds for the Excel Academy Southwest.

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

**AFFIRMATIVE ACTION:** Not applicable.

**INCUBATION:** Upon the final approval of this contract school proposal and the submission of an Incubation Budget Plan by Camelot Alt Ed-Illinois, LLC, the Board will disburse an amount not to exceed \$160,000 in incubation funding for the Excel Academy Southwest. The use of the funding will be outlined by the Office of Innovation and Incubation.

**STARTUP FUNDING:** Upon the execution of the School Management and Performance Agreement with Camelot Alt Ed-Illinois, LLC, the Board will disburse an amount not to exceed \$636,079 in startup funding for Excel Academy Southwest. The use of the funding will be outlined by the Office of Innovation and Incubation.

**FINANCIAL:** The financial implications will be addressed during the development of the ~~2014-2015~~ 2017-2018 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY4418 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets.

**PERSONNEL IMPLICATIONS:** As a contract school, Excel Academy Southwest will employ its own principal, teachers and staff.

**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 May 25, 2011 (11-0525-PO2), as amended from time to time shall be incorporated into and made a part of the agreement.

**17-0828-EX7**

**AMEND BOARD REPORT 16-0427-EX11**  
**AMEND BOARD REPORT 15-0527-EX17**  
**AMEND BOARD REPORT 14-0528-EX5**  
**AMEND BOARD REPORT 13-0424-EX14**  
**AMEND BOARD REPORT 13-0227-EX10**

**APPROVE THE RENEWAL OF THE CHARTER SCHOOL AGREEMENT WITH UNO CHARTER SCHOOL NETWORK N/K/A ACERO CHARTER SCHOOLS**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:**

Approve the renewal of the Charter School Agreement with UNO Charter School Network for an additional five-year period. A new Charter School Agreement applicable to this renewal term will be negotiated. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

This April 2013 amendment is necessary to authorize the UNO Charter School Network to (a) change the name of UNO Charter School - Northside Elementary School Campus to UNO Charter School - Rogers Park Campus, (b) expand the grades offered at UNO Charter School - Rogers Park Campus to include grades 9 to 12, (c) increase the at capacity enrollment at the UNO Charter School - Rogers Park Campus from 630 to 1,340 students, thereby increasing the overall at capacity enrollment of the charter school by 710 to 10,950 students, (d) change the name of UNO Charter School - 51<sup>st</sup> and St. Louis Charter High School Campus to UNO Charter School - Soccer Academy High School Campus, (e) change the address of UNO Charter School - Soccer Academy High School Campus from 51<sup>st</sup> Street and South St. Louis Avenue to 5025 South St. Louis Avenue, (f) change the start dates of the UNO Charter School - UCSN 16 Campus and UNO Charter School - UCSN 17 Campus from fall of 2013 to fall 2014, (g) correct the address of the UNO Charter School - Elementary School Campus from 5050 W. Homan Avenue to 5050 S. Homan Avenue, and (h) identify the independent facility at 4420 S. Fairfield as the location for the UNO Charter School - UCSN 15 Campus. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education.

This May 2014 amendment is necessary to change the start dates of the UNO Charter School – UCSN 16 Campus and UNO Charter School – UCSN 17 Campus from fall 2014 to fall 2015. No written amendment to the Charter School Agreement is required.

This May 2015 amendment is necessary to rescind the authority to open the UNO Charter School – UCSN 16 Campus and UNO Charter School – UCSN 17 Campus in the fall of 2015 as sites for these campuses have not been identified.

This April 2016 amendment is necessary to (a) correct the overall at capacity enrollment of the charter school from 10,950 to 9,750 students and (b) change the student enrollment capacity for the charter school from the individual campus-level to the network-level beginning in the fall 2016. The overall network-level at capacity enrollment of the charter school will remain unchanged at 9,750 students. The authority granted herein shall automatically rescind in the event a written amendment to the Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report.

This August 2017 amendment is necessary to authorize UNO Charter School Network to (a) change the name of the school operator from UNO Charter School Network to Acero Charter Schools, (b) change the name of the charter school from UNO Charter School to Acero Charter Schools, and (c) change the name of the following campuses: (1) from Elementary School Campus to Jovita Idár Campus, (2) from Soccer Academy High School Campus to Victoria Soto Campus, (3) from Rogers Park Campus to Sor Juana Inés de la Cruz Campus, (4) from Near West Elementary Campus to Roberto Clemente Campus and (5) from UCSN 15 Campus to Brighton Park Campus. The authority granted herein shall automatically rescind in the event a written amendment to the Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report.

**SCHOOL OPERATOR:** UNO Charter School Network *n/k/a* Acero Charter Schools

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**ORIGINAL AGREEMENT:** The original Charter School Agreement (authorized by Board Report 97-1217-EX2) was for a term commencing July 1, 1998 and ending June 30, 2003 and authorized the operation of a charter school serving no more than 800 students in grades K – 8 on two campuses. The campus serving K – 3 was located at 2651 W. 23<sup>rd</sup> Street. The campus serving grades 4 – 8 was located at 2401 W. Congress. The charter and Charter School Agreement were subsequently renewed for a term commencing July 1, 2003 and ending June 30, 2008 (authorized by Board Report 03-0225-EX7) and authorized an increase in the maximum student enrollment to permit 1,060 students in grades Pre-K – 8. The charter and Charter School Agreement were renewed for an additional term commencing on July 1, 2008 and ending June 30, 2013 (authorized by Board Report 08-0602-EX7). The charter and Charter School Agreement were subsequently amended as follows:

- Board Report 08-0924-EX8: Approved the establishment of two new campuses, an elementary campus in 2009 and a high school campus in 2010, to be located in a new facility at the intersection of South Homan Avenue and 51<sup>st</sup> street; the increase in the overall at capacity enrollment of the charter school by 1,200 to 5,830; and the clarification of the relationship of any pre-kindergarten program to the charter school.
- Board Report 09-0826-EX8: Approved the change in names of the UNO Charter School – Archer Heights Campuses, identification of a temporary location for the UNO Charter School – Octavio Paz Primary and Intermediate Campuses for the 2009-2010 school year only, temporary adjustment in the at capacity enrollment for each of the Octavio Paz campuses, and the change in the start date for the UNO Charter School – Gage Park Campus.
- Board Report 09-1123-EX7: Approved the establishment of a new elementary school campus in the fall of 2011 at a facility to be determined, increase in the overall at capacity enrollment at the charter school by 600 to 6,430 students for the 2011-2012 school year, and the clarification of the authority period for the change in start date of the UNO Charter School – Gage Park Campus.
- Board Report 10-0428-EX2: Approved the identification of the independent facility at 2744 W. Pershing Avenue as the location for the UNO Charter School – Gage Park Campus, identification of the independent facility at 2651 W. 23<sup>rd</sup> Street as the permanent location for the UNO Charter School – Octavio Paz Campus, and the consolidation of the UNO Charter School – Octavio Paz Primary Campus and the UNO Charter School – Octavio Paz Intermediate Campus into one attendance center serving grades K-8.
- Board Report 10-0526-EX5: Approved the change of the start date of the UNO Charter School – Academy High School Campus from fall 2010 to fall 2011 and the modification of the at capacity enrollments of certain UNO Charter School Campuses.
- Board Report 11-0126-EX6: Approved the establishment of one new campus to open in the fall of 2011 at a location to be determined and the corresponding increase in the overall at capacity enrollment of the charter school by 630 to 7,060 students in the fall of 2011; establishment of two new campuses to open in the fall of 2012 at locations to be determined and the corresponding increase in the overall at capacity enrollment of the charter school by 1,260 to 8,320 students in

the fall of 2012; change in the name of the Academy High School Campus to the 51<sup>st</sup> and St. Louis Charter High School Campus; change in the start date of the UNO Charter School – Academy High School Campus from fall 2011 to fall 2012; increase in the grades served at the Academy High School Campus to serve grades 6 through 12; increase in the at capacity enrollment at the Academy High School Campus by 120 to a new at capacity enrollment of 720 students; and the increase in the overall at capacity enrollment of the charter school by 120 to 8,440 students in the fall of 2012.

- Board Report 11-0525-EX7: Approved the identification of the independent facility at 3434 W. 51<sup>st</sup> Street as the location for the UNO Charter School – Elementary School Campus and the identification of the independent facility at 2510 W. Cortez as the location for the UNO Charter School – UNO Elementary School Campus.
- Board Report 11-1214-EX6: Approved the establishment of three new elementary school campuses in the fall of 2013 at locations to be determined and the increase in the overall at capacity enrollment of the charter school by 1,800 to 10,240 students in the fall of 2013.
- Board Report 12-0725-EX3: Approved the change of the name of the Gage Park Campus to Sandra Cisneros Campus, identification of the independent facility at 2050 N. Natchez as the location for the UNO Charter School – Near West Elementary School Campus, identification of the independent facility at 7416 N. Ridge Blvd as the location for the UNO Charter School – Northside Elementary School Campus, and the change in the start date of the UNO Charter School – 51<sup>st</sup> and St. Louis Charter High School Campus from fall 2012 to fall 2013.

**CHARTER RENEWAL PROPOSAL:** UNO Charter School Network submitted a renewal proposal on September 4, 2012 to continue the operation of the UNO Charter School under a unified mission. The charter school shall serve grades Kindergarten through 12 with a maximum enrollment of 10,240 students.

If the UNO Charter School Network is authorized to operate a pre-kindergarten program in the same building as the charter school, the children enrolled in the pre-kindergarten will not be included in the enrollment of the charter school and the pre-kindergarten program will not be governed by the Charter School Agreement. To the extent the Board provides funding for the pre-kindergarten program, that program will be subject to a separate agreement with and separate funding authorized by the Office of Early Childhood Education. A material breach of any contract between the Board and the UNO Charter School Network for the operation of a pre-kindergarten program or the charter school may be treated as a breach of the other contract.

The agreement will incorporate an accountability plan in which the school is evaluated by the board each year based on numerous factors related to its academic, financial and operational performance.

In January and April 2013 UNO Charter School Network submitted a material modification to (a) change the name of UNO Charter School - Northside Elementary School Campus to UNO Charter School - Rogers Park Campus, (b) expand the grades offered at UNO Charter School - Rogers Park Campus to include grades 9 to 12, (c) increase the at capacity enrollment at the UNO Charter School - Rogers Park Campus from 630 to 1,340 students, thereby increasing the overall at capacity enrollment of the charter school by 710 to 10,950 students, (d) change the name of UNO Charter School - 51<sup>st</sup> and St. Louis Charter High School Campus to UNO Charter School - Soccer Academy High School Campus, (e) change the address of UNO Charter School - Soccer Academy High School Campus from 51<sup>st</sup> Street and South St. Louis Avenue to 5025 South St. Louis Avenue, (f) change the start dates of the UNO Charter School - UCSN 16 Campus and UNO Charter School - UCSN 17 Campus from fall of 2013 to fall 2014, (g) correct the address of the UNO Charter School - Elementary School Campus from 5050 W. Homan Avenue to 5050 S. Homan Avenue, and (h) identify the independent facility at 4420 S. Fairfield as the location for the UNO Charter School - UCSN 15 Campus. A public hearing on the proposed changes was held on Monday, April 15, 2013. The hearing was recorded and a summary report is available for review. In February 2014, UNO Charter School Network submitted a material modification to change the start dates of the UNO Charter School – UCSN 16 Campus and UNO Charter School – UCSN 17 Campus from fall 2014 to fall 2015. A public hearing on the proposed changes was held on Wednesday, May 14, 2014. The hearing was recorded and a summary report is available for review.

In May 2015, Board Report 15-0527-EX17 rescinded the authority for the charter operator to open the UNO Charter School – UCSN 16 Campus and UNO Charter School – UCSN 17 Campus in the fall of 2015. Removal of the campuses' enrollment decreased the overall at capacity enrollment of the charter school by 1,200 to 9,750 students. The overall at capacity enrollment of the charter school is being corrected to reflect these changes.

In January 2016, the UNO Charter School Network submitted an application to request a change in the student enrollment capacity for the charter school from the individual campus-level to the network-level beginning in the fall of 2016. The overall network-level at capacity enrollment of the charter school will remain unchanged at 9,750 students.

A public hearing on the proposed changes was held on Tuesday, April 19, 2016. The hearing was recorded and a summary report is available for review.

In February 2017, the UNO Charter School Network submitted an application for amendment to (a) change the name of the school operator from UNO Charter School Network to Acero Charter Schools, (b) change the name of the charter school from UNO Charter School to Acero Charter Schools, and (c) change the name of the following campuses: (1) from Elementary School Campus to Jovita Idár Campus, (2) from Soccer Academy High School Campus to Victoria Soto Campus, (3) from Rogers Park Campus to Sor Juana Inés de la Cruz Campus, (4) from Near West Elementary Campus to Roberto Clemente Campus and (5) from UCSN 15 Campus to Brighton Park Campus. A public hearing on the proposed changes was held on Monday, August 21, 2017. The hearing was recorded and a summary report is available for review.

Campus Name	Year Opened	Address	At Capacity Grades	2012 – 2013 enrollment	Estimated At Capacity Enrollment*
Octavio Paz	1998	2651 W. 23 <sup>rd</sup> Street	K – 8	445	620
Rufino Tamayo	2005	5135 S. California	K – 8	288	315
Bartolome de las Casas	2006	1641 W. 16 <sup>th</sup> Street	K – 8	288	315
Carlos Fuentes	2006	2845 W. Barry	K – 8	562	630
Officer Donald J. Marquez	2007	2916 W. 47 <sup>th</sup> Street	K – 8	576	630
SPC Daniel Zizumbo	2008	4248 W. 47 <sup>th</sup> Street	K – 8	638	670
PFC Omar E. Torres	2008	4248 W. 47 <sup>th</sup> Street	K – 8	635	670
Major Hector P. Garcia MD	2008	4248 W. 47 <sup>th</sup> Street	9 – 12	636	720
Sandra Cisneros	2010	2744 W. Pershing	K – 8	574	630
Soccer Academy High School Victoria Soto	2013	5025 South St. Louis Avenue	6 – 12	720 (in 13-14)	720
Elementary School Jovita Idár	2011	5050 S. Homan Avenue	K – 8	574	630
Esmeralda Santiago	2011	2510 W. Cortez	K – 8	270	630
Near-West Elementary Roberto Clemente	2012	2050 N. Natchez	K – 8	555	630
Rogers Park Sor Juana Inés de la Cruz	2012	7416 N. Ridge Blvd	K-12	486	1340
UCSN 15 Brighton Park	2013	4420 S. Fairfield	K – 8	600 (in 13-14)	600

\*At cap enrollment at individual campuses may fluctuate but overall network-level at cap enrollment will remain unchanged.

**CHARTER EVALUATION:** After receiving the charter renewal proposal, the Office of New Schools conducted a comprehensive evaluation of UNO Charter School's performance and operations. This evaluation included a review of the proposal, facilities surveys, financial analysis, and academic site visit of the school in which student performance, teaching and learning, leadership and governance, and the learning communities were assessed. A public hearing was held on February 21, 2013 for all charter schools going through renewals to receive public comments, including UNO Charter School. In addition to the foregoing, the Office of New Schools evaluated the school's student performance. Eight campuses currently have performance ratings, with four rated Level 1 (Paz, Marquez, Zizumbo, and Torres), two rated Level 2 (Fuentes and Garcia), and two rated Level 3 (Tamayo and Casas) based on data from school year 2011-2012 on the school absolute student indicators found in the framework put forth by the district for assessing charter school pupil performance. From 2007-2008 to 2011-2012, UNO Charter School's student attendance averaged approximately 96.6% at the elementary schools and 96.2% at the Garcia Campus, the high school. In 2011-2012, the average percentage of students meeting/exceeding state standards on the ISAT Composite was 81.4%, an increase of 5.6 percentage points from 2008-2009. In 2011-2012, the percentage of students meeting/exceeding state standards on the PSAE Composite was 39.5%. The committee recommends that, based on the school's performance on these and other accountability criteria, UNO Charter School be authorized to continue operating as a charter school.

**RENEWAL TERM:** The term of UNO Charter School's charter and agreement is being extended for a five (5) year term commencing July 1, 2013 and ending June 30, 2018.

**ADDITIONAL TERMS AND CONDITIONS:** Additional terms and conditions will be communicated to the charter school and included as an attachment to the Charter School Agreement with UNO Charter School Network.



**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written Charter School Agreement and amendment, which shall reflect resolution of any and all outstanding issues between the Board and the governing body of the charter school including, but not limited to: site location, enrollment, funding, educational program, financial controls and practices, academic accountability and evaluations. Authorize the President and Secretary to execute the written Charter School Agreement and amendment. Authorize the Executive Director of the Office of Innovation and Incubation to issue a letter notifying the Illinois State Board of Education of the action(s) approved hereunder and to submit the approved proposal and signed Charter School Agreement to the Illinois State Board of Education for certification.

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

**FINANCIAL:** The financial implications will be addressed during the development of the fiscal year 2016-17-2017-18 budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY1618 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, 1996 (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 May 25, 2011 (11-0525-PQ2), as amended from time to time, shall be incorporated into and made a part of the agreement.

17-0828-EX8

**AMEND BOARD REPORT 16-0427-EX14**  
**AMEND BOARD REPORT 15-1028-EX7**  
**AMEND BOARD REPORT 15-0624-EX7**  
**AMEND BOARD REPORT 14-0423-EX9**  
**AMEND BOARD REPORT 14-0226-EX9**  
**APPROVE THE RENEWAL OF THE CHARTER SCHOOL AGREEMENT WITH**  
**NOBLE NETWORK OF CHARTER SCHOOLS**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:**

Approve the renewal of the Charter School Agreement with Noble Network of Charter Schools for an additional five-year period. A new Charter School Agreement applicable to this renewal term will be negotiated. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

This April 2014 amendment is necessary to (a) authorize the final approval of the Noble Street Charter School – Noble Exeter Academy Campus proposal opening in the fall of 2014, (b) change the name of the Noble Street Charter School – Noble Exeter Academy Campus to the Noble Street Charter School – The Noble Academy Campus, (c) identify the independent facility located at 17 N. State Street as the temporary location of Noble Street Charter School - The Noble Academy Campus, (d) authorize the disbursement of one-time incubation and startup funds to Noble Network of Charter Schools for the new charter campuses opening in the fall of 2014, (e) approve the at capacity enrollment of 900 students at the Noble Street Charter School – The Noble Academy Campus and (f) increase the at capacity enrollment at the Noble Street Charter School – Pritzker College Prep Campus by 125 students to 1000 students, thus increasing the overall at capacity enrollment of the charter school from 12,975 to 14,000 in the fall of 2014.

This April 2014 amendment is also necessary to approve the name changes of (a) the Noble Street Charter School – Crimson Campus to the Noble Street Charter School – Butler College Prep, (b) the Noble Street Charter School – Orange Campus to the Noble Street Charter School – Baker College Prep, (c) the Noble Street Charter School – Purple Campus to the Noble Street Charter School – DRW College Prep and (d) the Noble Street Charter School – Silver Campus to Noble Street Charter School – Hansberry College Prep. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education.

This June 2015 amendment is necessary to temporarily relocate Noble Street Charter School - The Noble Academy Campus to the CPS facility at 1443 North Ogden Avenue for the 2015-2016 school year only. The interim CEO asks that the Board grant a waiver from the Charter School Capital and Facility Budget Policy, 08-0326-PO1, since the temporary relocation of the campus to a CPS facility was due to community input about its previously proposed location in the Uptown neighborhood. The authority granted herein shall automatically rescind in the event a written amendment to the Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report.

This October 2015 amendment is necessary to approve the proposal to establish one new high school campus, Noble #17 Campus, to open in the fall of 2016 and serve an at capacity enrollment of 1,100 students, thus increasing the overall at capacity enrollment of the charter school from 14,000 to 15,100 in the fall of 2016. The Noble Network of Charter Schools proposed to have Noble #17 Campus temporarily share an independent facility with a current Noble Street campus. The Noble Network of Charter Schools shall submit written communications to the CEO or his designee on the exact address of the temporary site for the Noble #17 Campus no later than 6 months prior to the start of the 2016-2017 school year. The authority granted herein shall automatically rescind in the event a written amendment to the Charter School Agreement for the temporary site is not executed by the Board and the charter school's governing board on or before June 15, 2016.

The Noble Network of Charter Schools also proposed to build a facility to permanently locate the Noble #17 Campus at the intersection of 47<sup>th</sup> Street and south California Avenue. The Noble Network of Charter Schools shall submit written communications to the CEO or his designee on the exact address of the permanent site for the Noble #17 Campus no later than 6 months prior to the proposed effective date of relocation. This Board approval of the permanent site is contingent upon the subsequent approval of the facility by the CPS Facilities Department which shall include, without limitation, the receipt of all necessary zoning and occupancy permits and health and safety approvals for that site. The authority granted herein shall automatically rescind in the event a written amendment to the Charter School Agreement is not executed by the Board and the charter school's governing board within 90 days of the date that the CPS Facilities Department approves the permanent site for the Noble #17 Campus.

This April 2016 amendment is necessary to change the student enrollment capacity for Noble Street Charter School from the individual campus-level to the network-level beginning in the fall of 2016. The overall network-level at capacity enrollment of the charter school will remain unchanged at 15,100 students. The charter school can change student enrollment between campuses based on parameters as may be set forth in the amendment so long as the overall network-level at capacity enrollment of the charter school does not change.

This April 2016 amendment is also necessary to (a) change the name of the Noble Street Charter School - Noble #17 Campus to the Noble Street Charter School- Mansueto High School Campus, (b) approve an extension for the Noble Street Charter School - The Noble Academy Campus to continue occupying the CPS facility at 1443 North Ogden Avenue for the 2016-2017 school year, and (c) identify the independent facility at 5101 South Keeler Avenue as the temporary location for the Noble Street Charter School - Noble #17 Campus for the 2016-2017 school year. This Board approval of the relocation site for the Noble #17 Campus is contingent upon the subsequent approval of the facility by the CPS Facilities Department which shall include, without limitation, the receipt of all necessary zoning and occupancy permits and health and safety approvals for that site. The authority granted herein shall automatically rescind in the event a written amendment to the Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report.

This August 2017 amendment is necessary to authorize an extension for the Noble Street Charter School - The Noble Academy Campus to continue occupying the CPS facility at 1443 North Ogden Avenue for the 2017-2018 and 2018-2019 school years. The authority granted herein shall automatically rescind in the event a written amendment to the Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report.

**SCHOOL OPERATOR:** Noble Network of Charter Schools  
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 Contact Person: Michael Milkie, Superintendent

**CHARTER SCHOOL:** Noble Street Charter School  
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 Contact Person: Michael Milkie, Superintendent

**OVERSIGHT:** Office of Innovation and Incubation  
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 Contact Person: Mary K. Bradley, Executive Director

**ORIGINAL AGREEMENT:** The original Charter School Agreement (authorized by Board Report 98-0429-EX12) was for a term commencing July 2, 1998 (with the charter school opening for the 1999 – 2000 school year) and ending June 30, 2004 and authorized the operation of a charter school serving no more than 500 students in grades 9 – 12. The charter and Charter School Agreement were then renewed for a term commencing July 1, 2004 and ending June 30, 2009 (authorized by Board Report 04-0225-EX3). The charter and Charter School Agreement were subsequently renewed for a term commencing July 1, 2009 and ending June 30, 2014 (authorized by Board Report 08-1217-EX7). The charter and Charter School Agreement were subsequently amended as follows:

- Board Report 09-0325-EX14: Approved the location for the Chicago Bulls College Prep Campus at 2040 W. Adams.
- Board Report 09-0422-EX3: Approved the location for the Bain NUSH Grammar School Campus at 1454 W. Superior. Also approved an increase in the first year enrollment of the Chicago Bulls College Prep Campus from 200 seats to 230 seats and an increase in the first year enrollment of the Muchin College Prep Campus from 200 seats to 280 seats.
- Board Report 09-0826-EX10: Approved the withdrawal of the Bain NUSH Grammar School Campus and decrease in the overall at capacity enrollment of the charter school by 600 students to 5,396 students. Also corrected the address of the Golder College Prep Campus to 1454 W. Superior.
- Board Report 09-1123-EX9: Approved the establishment of a new campus – Englewood Campus-in the fall of 2010 to be located at 6350 S. Stewart and an increase in the overall at capacity enrollment of the charter school by 600 students to 5,996 students. Also approved the withdrawal of the Osborn College Prep Campus.
- Board Report 10-0428-EX3: Approved an increase in the at capacity enrollment of the Pritzker College Prep Campus from 599 students to 750 students and an increase in the overall at capacity enrollment of the charter school by 151 students to 6,147 students in the fall of 2010.
- Board Report 10-0922-EX3: Approved changing the name of the Englewood Campus to the John and Eunice Johnson College Prep Campus.
- Board Report 11-0126-EX8: Approved the addition of grades 6 through 8 to the Gary Comer College Prep Campus and an increase in the at capacity enrollment at Gary Comer College Prep Campus from 600 students to 800 students, thereby increasing the overall at capacity enrollment of the charter school by 200 students to 6,347 students in the fall of 2011. Also approved an increase in the at capacity enrollment at UIC College Prep Campus from 600 students to 900 students and an increase in the at capacity enrollment at Chicago Bulls Campus College Prep from 600 students to 1000 students. Also approved an increase in the at capacity enrollment at Muchin College Prep Campus from 600 students to 850 students. Thus, the overall at capacity enrollment of the charter school increased by 950 students to 7,297 students in the fall of 2011.
- Board Report 11-1214-EX3: Approved the establishment of two new high school campuses to open in the fall of 2012 at locations to be determined and an increase in the overall at capacity enrollment of the charter school by 1,800 students to 9,097 students in the fall of 2012. Also approved the establishment of two new high school campuses to open in the fall of 2013 at locations to be determined and an increase in the overall at capacity enrollment of the charter school will increase by 1,800 to 10,897 students in the fall of 2013.
- Board Report 12-0328-EX7: Approved the location of the Silver Campus which opened in the fall of 2012. Also approved the location of the Purple Campus which opened in the fall of 2012 at 931 S. Homan. Also approved an increase in the at capacity enrollment at the Chicago Bulls College Prep Campus from 1,000 to 1,150 students and an increase in the at capacity enrollment at the Gary Comer College Prep Campus from 800 to 900 students. Also approved an increase in the at capacity enrollment at the John and Eunice Johnson College Prep Campus from 600 to 800 students and an increase in the at capacity enrollment at the Pritzker College Prep Campus from 750 to 800 students. Also approved an increase in the at capacity enrollment at the Noble Campus from 600 to 650 students. Thus, the overall at capacity enrollment for the charter school increased by 550 students to 11,447 students in the fall of 2012.
- Board Report 13-0424-EX6: Approved an increase in the at capacity enrollment at Noble Golder College Prep Campus from 599 to 650 students and an increase in the at capacity enrollment at John and Eunice Johnson College Prep Campus from 800 to 850 students. Also approved an increase in the at capacity enrollment at Muchin College Prep Campus from 850 to 900 students and an increase in the at capacity enrollment at Pritzker College Prep Campus from 800 to 875 students. Also approved an increase in the at capacity enrollment at Rauner College Prep Campus from 599 to 650 students and an increase in the at capacity enrollment at Rowe-Clark Math & Science Academy from 599 to 650 students. Thus, the overall at capacity enrollment of the charter school increased by 328 to 11,775 students in the fall of 2013. Also corrected the address of the Gary Comer College Prep Campus address to 7131 S. South Chicago Avenue.

- Board Report 13-0522-EX103: Approved the location of the Crimson Campus which opened in the fall of 2013 at 821 E. 103<sup>rd</sup> Street. Also approved the location of the Orange Campus which opened in the fall of 2013 at 2710 E. 89<sup>th</sup> Street. Also approved the relocation of grades 6 through 8 of the Gary Comer College Prep Campus to at 1010 E. 72<sup>nd</sup> Street.
- Board Report 14-0122-EX8: Approved an increase in the at capacity enrollment at Gary Comer College Prep Campus from 900 to 1200 students and an increase in the overall at capacity enrollment of the charter school by 300 to 12,075 students in the fall of 2013. Also approved the establishment of a high school campus - ITW David Speer Academy Campus – at a temporary location at 2456 N. Mango Avenue in the fall of 2014 and a permanent location at 5321 W. Grand Avenue starting in the fall of 2015. Also approved an at capacity enrollment at ITW David Speer Academy Campus of 900 students, thus increasing the overall at capacity enrollment of the charter school from 12,075 to 12,975 students in the fall of 2014.

**CHARTER RENEWAL PROPOSAL:** Noble Network of Charter Schools submitted a renewal proposal on September 3, 2013 to continue the operation of the Noble Street Charter School (Noble) under a unified mission, including commitments to operate the fifteen (15) campuses unified through the use of uniform assessment plans and performance standards, curriculum and school calendar alignment, as well as standard governance, operational, employment, educational and admissions policies. The charter school shall serve grades 6 through 12 with a maximum enrollment of 12,975 students.

The agreement will incorporate an accountability plan in which the charter school is evaluated by the Board each year based on numerous factors related to its academic, financial and operational performance.

Campus Name	Year Opened	Address	At Capacity Grades	2013 – 2014 Enrollment	Estimated At Capacity Enrollment*
Noble	1999	1010 N. Noble Street	9-12	602	650
Pritzker College Prep	2006	4131 W. Cortland Street	9-12	858	1000
Rauner College Prep	2006	1337 W. Ohio Street	9-12	640	650
Golder College Prep	2007	1454 W. Superior Street	9-12	635	650
Rowe-Clark Math & Science Academy	2007	3645 W. Chicago Avenue	9-12	650	650
UIC College Prep	2008	1231 S. Damen Avenue	9-12	851	900
Gary Comer College Prep	2008	7131 S. South Chicago Avenue & 1010 E. 72 <sup>nd</sup> Street	6-12	900	1200
Chicago Bulls College Prep	2009	2040 W. Adams Street	9-12	1079	1150
Muchin College Prep	2009	1 N. State Street	9-12	886	900
John and Eunice Johnson College Prep	2010	6350 S. Stewart Avenue	9-12	773	850
Hansberry College Prep	2012	8710-56 S. Aberdeen Street	9-12	498	900
DRW College Prep	2012	931 S. Homan Avenue	9-12	431	900
Butler College Prep	2013	821 E. 103 <sup>rd</sup> Street	9-12	102	900
Baker College Prep	2013	2710 E. 89 <sup>th</sup> Street	9-12	105	900
ITW David Speer Academy	2014	2456 N. Mango Avenue (in 14-15 only) 5321 W. Grand Avenue	9-12	270 (in 14 – 15)	900

		17 N. State Street (temporary facility for 2014-15 school year only)			
The Noble Academy	2014	1443 N. Ogden Avenue (2015-2017 school years only)	9-12	230 (in 14 - 15)	900
Mansueto High School	2016	5101 S. Keeler Avenue (temporary facility for 2016-17 school year only)  47th Street & S. California Avenue	9-12	300 (in 16 - 17)	1100

\*At capacity enrollment at individual campuses may fluctuate but overall network-level at cap enrollment will remain unchanged.

In March 2014, Noble Network of Charter Schools submitted requested materials in response to the contingencies for final approval of the proposal for the Noble Street Charter School – Noble Exeter Academy Campus which will now be known as The Noble Academy Campus. The Board reviewed these materials and determined that Noble Network of Charter Schools met the contingencies stated in the Letter of Conditions.

The Noble Academy Campus is proposed to open in the fall of 2014 in a temporary location at 17 N. State Street and will serve 230 students in grade 9. In successive years, that campus will grow one grade at a time, until reaching a capacity of 900 students in grades 9-12.

In February 2014, Noble Network of Charter Schools submitted a material modification requesting to increase the at capacity enrollment of the Noble Street Charter School - Pritzker College Prep by 125 to 1000 students, effective fall of 2014, thereby further increasing the overall at capacity enrollment of the charter school to 14,000 in the fall of 2014,

In February 2014, Noble Network of Charter Schools also submitted a material modification requesting to (a) change the name of the Noble Street Charter School – Crimson Campus to the Noble Street Charter School – Butler College Prep, (b) change the name of the Noble Street Charter School - Orange Campus to the Noble Street Charter School – Baker College Prep, (c) change the name of the Noble Street Charter School – Purple Campus to the Noble Street Charter School – DRW College Prep, and (d) change the name of the Noble Street Charter School – Silver Campus to Noble Street Charter School – Hansberry College Prep.

A public hearing on the proposed new high school campus and the proposed name and enrollment changes was held on Wednesday, April 16, 2014. The hearing was recorded and a summary report is available for review.

In February 2015, Noble Network of Charter Schools submitted a material modification requesting to identify the facility at 640 West Irving Park Road as the new location of Noble Street Charter School – The Noble Academy Campus beginning in the fall of 2015. However, in June 2015 Noble Network of Charter Schools submitted a revised material modification requesting to temporarily relocate Noble Street Charter School - The Noble Academy Campus to the CPS facility at 1443 North Ogden Avenue for the 2015-2016 school year only. Public hearings on the proposed relocation were held on May 21, 2015 and June 18, 2015. The hearings were recorded and summary reports are available for review.

On August 10, 2015, the Noble Network of Charter Schools submitted a proposal in response to the Request for Proposals issued by the Board in December 2014. It proposed to establish a new high school campus, Noble #17 Campus, to open in the fall of 2016 and serve 300 students in grade 9. In successive years, the campus will grow one grade at a time, until reaching an at capacity enrollment of 1,100 in grades 9-12, thereby increasing the overall at capacity enrollment of the charter school to 15,100 students in the fall of 2016.

The Noble Network of Charter Schools proposed to have Noble #17 Campus temporarily share an independent facility with a current Noble Street campus. The Noble Network of Charter Schools shall submit written communications to the CEO or his designee on the exact address of the temporary site for the Noble #17 Campus no later than 6 months prior to the start of the 2016-2017 school year.

The Noble Network of Charter Schools also proposed to build a facility to permanently locate the Noble #17 Campus at the intersection of 47<sup>th</sup> Street and south California Avenue. The Noble Network of Charter Schools shall submit written communications to the CEO or his designee on the exact address of the permanent site for the Noble #17 Campus no later than 6 months prior to the proposed effective date of relocation. This Board approval of the permanent site is contingent upon the subsequent approval of the facility by the CPS Facilities Department which shall include, without limitation, the receipt of all necessary zoning and occupancy permits and health and safety approvals for that site.

A public hearing on the proposed campus was held on Wednesday, September 30, 2015. The hearing was recorded and a summary report is available for review.

In January 2016, the Noble Network of Charter Schools submitted an application to request a change in the student enrollment capacity for Noble Street Charter School from the individual campus-level to the network-level beginning in the fall of 2016. The overall network-level at capacity enrollment of the charter school will remain unchanged at 15,100 students.

The Noble Network of Charter Schools also in its application requested (a) a change in the name of the Noble Street Charter School - Noble #17 Campus to the Noble Street Charter School - Mansueto High School Campus and (b) the identification of the independent facility at 5101 South Keeler Avenue as the temporary location for the Noble Street Charter School - Noble #17 Campus for the 2016-2017 school year. This Board approval of the relocation site for the Noble #17 Campus is contingent upon the subsequent approval of the facility by the CPS Facilities Department which shall include, without limitation, the receipt of all necessary zoning and occupancy permits and health and safety approvals for that site.

In February 2016, the Noble Network of Charter Schools requested that its Noble Street Charter School – The Noble Academy Campus continue to occupy its temporary location at the CPS facility at 1443 North Ogden Avenue for the 2016-2017 school year.

A public hearing on the proposed changes was held on Tuesday, April 19, 2016. The hearing was recorded and a summary report is available for review.

In February 2017, the Noble Network of Charter Schools submitted an application for amendment for the Noble Street Charter School – The Noble Academy Campus to continue to occupy its temporary location at the CPS facility at 1443 North Ogden Avenue for the 2017-2018 and the 2018-2019 school years.

**CHARTER EVALUATION:** After receiving the charter renewal proposal, the Office of New Schools within the Office of Innovation and Incubation conducted a comprehensive evaluation of Noble's academic performance, financial viability, and legal and contract compliance. This evaluation included a review of the proposal, academic results, financial analysis, governance documents, parental issues, facilities surveys, and special education documentation. A public hearing was held on February 19, 2014 for all charter schools going through renewals to receive public comments, including Noble. The committee recommends that, based on the school's academic performance and on other accountability criteria, as well as the school's demonstration of intent to satisfy the below "Additional Terms and Conditions", Noble be authorized to continue operating as a charter school.

**RENEWAL TERM:** The term of Noble's charter and agreement is being extended for a five (5) year term commencing July 1, 2014 and ending June 30, 2019.

**ADDITIONAL TERMS AND CONDITIONS:** One additional term and condition which is included as an attachment to the Charter School Agreement with Noble Network of Charter Schools is as follows:

- By July 1 of every year of this Agreement, the Charter School shall submit to I&I the materials to be used for the upcoming academic year's student application, enrollment process and lottery, and school admission requirements.

**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written Charter School Agreement and amendment. Authorize the President and Secretary to execute the written Charter School Agreement and amendment. Authorize the Executive Director of the Office of Innovation and Incubation to issue a letter notifying the Illinois State Board of Education of the action(s) approved hereunder and to submit the approved proposal and signed Charter School Agreement to the Illinois State Board of Education for certification. Authorize the Chief Innovation and Incubation Officer to execute any documents related to the disbursement of the one-time incubation and startup funds for the ITW David Speer Academy Campus and The Noble Academy Campus.

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

**AFFIRMATIVE ACTION:** Not applicable.

**INCUBATION:** Upon final approval of The Noble Academy proposal and submission of an Incubation Budget Plan by the Noble Network of Charter Schools, the Board will disburse an amount not to exceed \$320,000 in incubation funding for the Noble Street Charter School – ITW David Speer Academy and the Noble Street Charter School – The Noble Academy Campus. The use of the funding will be outlined by the Office of Innovation and Incubation.

**STARTUP FUNDING:** Upon the execution of the Charter School Agreement with Noble Network of Charter Schools, the Board will disburse an amount not to exceed \$523,939 in startup funding for the Noble Street Charter School – ITW David Speer Academy Campus and an amount not to exceed \$481,219 in startup funding for the Noble Street Charter School – The Noble Academy Campus. The use of the funding will be outlined by the Office of Innovation and Incubation.

**FINANCIAL:** The financial implications will be addressed during the development of the 2016-2017-2018 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY1618 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, 1996 (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 May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

**President Clark abstained on Board Report 17-0828-EX8.**

**17-0828-EX9**

**AMEND BOARD REPORT 16-0427-EX21**

**AMEND BOARD REPORT 15-0929-EX5**

**AMEND BOARD REPORT 15-0527-EX24**

**AUTHORIZE RENEWAL OF THE YOUTH CONNECTION CHARTER SCHOOL AGREEMENT**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:**

Authorize renewal of the Youth Connection Charter School Agreement (the "Charter School Agreement") for an additional five-year period. A new Charter School Agreement applicable to this renewal term will be negotiated. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

This September 2015 amendment is necessary to ratify the voluntary suspension of educational services at the YCCS Virtual High School Campus for the 2015-2016 school year. The 191 seats that were once allocated to the YCCS Virtual High School Campus have been temporarily redistributed across the 15 YCCS campuses as identified below. Youth Connection Charter School must notify the Office of Innovation and Incubation (I&I) of its intention to reinstate its educational services at YCCS Virtual High School Campus for the 2016-2017 school year by submitting a material modification that proposes a new campus location and outlines the educational and operational practices at the campus.

This September 2015 amendment is also necessary to ratify the approval of Charles Hamilton Houston Alternative High School Campus to remain at its location at 7847 S. Jeffery Boulevard until YCCS has provided I&I with all necessary zoning and occupancy permits and health and safety approvals for that campus to relocate into the independent facility at 6620 S. King Drive. The authority granted herein shall automatically rescind in the event a written amendment to the Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report.

This April 2016 amendment is necessary to (a) change the name of the Association House - El Cuarto Ano Campus to Association House High School Campus, (b) extend the suspension of the YCCS Virtual High School Campus for one additional year until the 2017-2018 school year and (c) update the location for Charles Hamilton Houston Alternative High School Campus to 6620 South King Drive. The authority granted herein shall automatically rescind in the event a written amendment to the Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report.

This August 2017 amendment is necessary to authorize (a) an extension of the suspension of the YCCS Virtual High School Campus for one additional year until the 2018-2019 school year, (b) changing the name of the Charles Hamilton Houston Alternative High School Campus to the Progressive Leadership Academy Campus, (c) changing the name of the Ada S. McKinley - Lakeside Campus to McKinley Lakeside Leadership Academy Campus and (d) an increase in the at capacity enrollment of the Westside Holistic Leadership Academy Campus by 200 students to 435 students, thereby increasing the overall at capacity enrollment of the charter school by 200 students to 4,417 students beginning in the fall of 2017. The authority granted herein shall automatically rescind in the event that a written amendment to the Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report.

**SCHOOL OPERATOR/ CHARTER SCHOOL:** Youth Connection Charter School (YCCS), an Illinois not-for-profit corporation  
10 W. 35th Street, Suite 11F4-2  
Chicago, Illinois 60616  
(312) 328-0799  
Contact Person: Sheila Venson, Executive Director

**OVERSIGHT:** Office of Innovation and Incubation  
42 West Madison Street, 3<sup>rd</sup> Floor  
Chicago, IL 60602  
Phone: 773-553-1530  
Contact Person: Mary K. Bradley, Executive Director

**ORIGINAL AGREEMENT:** The original Charter School Agreement (authorized by Board Report 97-0723-EX9) was for a term commencing August 1, 1997 and ending June 30, 2002. The agreement authorized YCCS to operate a multiple-campus charter school serving dropouts throughout Chicago. The agreement also limited their enrollment to no more than 1850 students. YCCS is governed by a single board with uniform policies that apply to all campuses regarding admissions, curriculum, school calendar, student assessments, performance goals, student discipline and employment policies. The charter and Charter School Agreement (authorized by Board Report 02-0424-EX02) were subsequently renewed for a term commencing July 1, 2002 and ending June 30, 2007. The agreement authorized YCCS to operate a multiple campus charter school with an enrollment gradually increasing to a maximum enrollment of 3200 students in 2006-07. The charter and Charter School Agreement were further renewed (authorized by Board Report 07-0627-EX7) for a term commencing July 1, 2007 and ending June 30, 2012. The charter and Charter School Agreement (authorized by Board Report 12-0328-EX14) were further renewed for a term commencing July 1, 2012 and ending June 30, 2015, serving no more than 4,004 students. The charter and Charter School Agreement were subsequently amended as follows:

- Board Report 12-0725-EX4: Approved the relocation of Charles Hamilton Houston Alternative High School to 4701 S. King Drive and the removal of the Rudy Lozano Leadership Academy from the list of YCCS Campuses. Also approved the relocation of the Innovations High School of Arts Integration to 17 N. State Street and the correction of the at capacity enrollment at each of the YCCS Campuses.
- Board Report 12-0822-EX5: Approved the establishment of a new campus called YCCS Chatham Academy opening in the fall of 2012 with an at capacity enrollment of 141 students.
- Board Report 13-0123-EX3: Approved the relocation of Charles Hamilton Houston Alternative High School to 7847 South Jeffrey Boulevard, effective January 31, 2013, and the removal of the Paul Simon Academy (Job Corps) from the list of YCCS Campuses. The 40 seats that were once allocated to the Paul Simon Academy (Job Corps) were redistributed across the following 5 YCCS Campuses: Dr. Pedro Albizu Campos Puerto Rican High School (5 seats), Community Services West-Community Christian Academy (5 seats), Innovations High School of Arts Integration (5 seats), West Town Academy Alternative High School (15 seats) and Howard Area Alternative High School (10 seats).
- Board Report 13-0724-EX4: Approved the removal of Options Laboratory School (175 seats) and the Howard Area Alternative High School (114 seats) from the list of YCCS campuses. The 289 seats that were allocated to both campuses were redistributed across the following YCCS campuses: Ada S. McKinley- Lakeside (11 seats), YCCS Chatham Academy (40 seats), Sullivan House Alternative High School (54 seats), Jane Adams (5 seats), Olive Harvey Middle College High School (5 seats), Truman Middle College High School (10 seats), YCCS Virtual High School (26 seats), Association House El Cuarto Año (15 seats), Innovations High School of Arts Integration (37 seats), West Town Academy Alternative High School (14 seats), Austin Career Education Center (5 seats), ASPIRA - Antonia Pantoja (17 seats) and Westside Holistic Leadership Academy (50 seats). Also approved the correction of the effective date of the relocation of the Charles Hamilton Houston Alternative High School from 4701 South King Drive to 7847 South Jeffrey Boulevard from January 31, 2013 to July 1, 2013.

**CHARTER RENEWAL PROPOSAL:** Youth Connection Charter School submitted a renewal proposal on November 12, 2014 to continue the operation of a multi-campus charter school serving dropouts throughout the city under a unified mission. The charter school shall serve grades 9 through 12 with a maximum enrollment of 4,217 students.

In April 2015, Youth Connection Charter School submitted a material modification to change the location of its Charles Hamilton Houston Alternative High School Campus to 6620 S. King Drive. A public hearing on the proposed relocation was held on Thursday, May 21, 2015. The hearing was recorded and a summary report is available for review.

The agreement will incorporate an accountability plan in which the charter school is evaluated by the Board each year based on numerous factors related to its academic, financial and operational performance.

In July 2015, Youth Connection Charter School submitted a material modification to voluntarily suspend educational services at the YCCS Virtual High School Campus for the 2015-2016 school year. The 191 seats that were once allocated to the YCCS Virtual High School Campus have been temporarily redistributed across the following 15 YCCS campuses: Community Service West - Academy of



Scholastic Achievement (20 seats), ASPIRA - Antonia Pantoja (10 seats), Association House - El Cuarto Ano (5 seats), Austin Career Education Center (10 seats), Community Services West - Community Christian Academy (10 seats), YCCS Chatham Academy (23 seats), Charles Hamilton Houston Alternative High School (10 seats), Community Youth Development Institute (10 seats), Dr. Pedro Albizu Campos Puerto Rican High School (5 seats), Innovations High School of Arts Integration (15 seats), Jane Addams (5 seats), Latino Youth Alternative High School (8 seats), Olive Harvey Middle College High School (10 seats), Sullivan House Alternative High School (30 seats) and West Town Academy Alternative High School (20 seats). Youth Connection Charter School must notify the Office of Innovation and Incubation (I&I) of its intention to reinstate its educational services at YCCS Virtual High School Campus for the 2016-2017 school year by submitting a material modification that proposes a new campus location and outlines the educational and operational practices at the campus.

In July 2015, Youth Connection Charter School submitted a material modification requesting that the Charles Hamilton Houston Alternative High School Campus remain at its location at 7847 S. Jeffery Boulevard. Youth Connection Charter School must provide I&I with all necessary zoning and occupancy permits and health and safety approvals in order for that campus to relocate into the independent facility at 6620 S. King Drive.

The public hearing on the proposed changes was held on Tuesday, September 22, 2015. The hearing was recorded and a summary report is available for review.

In January 2016, Youth Connection Charter School submitted an application to request (a) a change in the name of the Association House - El Cuarto Ano Campus to Association House High School Campus and (b) approval to extend the suspension of the YCCS Virtual High School Campus for one additional year until the 2017-2018 school year.

Also, in January 2016, Youth Connection Charter School relocated its Charles Hamilton Houston Alternative High School Campus into the independent facility at 6620 South King Drive after receiving the approval of I&I and the CPS Facilities Department which included, without limitation, the receipt of all necessary zoning and occupancy permits and health and safety approvals for that site.

A public hearing on the proposed changes was held on Tuesday, April 19, 2016. The hearing was recorded and a summary report is available for review.

In February 2017, Youth Connection Charter School submitted an application for amendment to (a) extend the suspension of the YCCS Virtual High School Campus for one additional year until the 2018-2019 school year, (b) change the name of the Charles Hamilton Houston Alternative High School Campus to the Progressive Leadership Academy Campus, (c) change the name of the Ada S. McKinley – Lakeside Campus to McKinley Lakeside Leadership Academy Campus, and (d) increase the at capacity enrollment of the Westside Holistic Leadership Academy Campus by 200 students to 435 students, thereby increasing the overall at capacity enrollment of the charter school by 200 students to 4,417 students beginning in the fall of 2017.

A public hearing on the proposed changes was held on Monday, August 21, 2017. The hearing was recorded and a summary report is available for review.

Campus Name	Address	At Capacity Grades	At Capacity Enrollment
Community Service West- Academy of Scholastic Achievement	4651 W. Madison Street	9-12	237
Ada S. McKinley – Lakeside McKinley Lakeside Leadership Academy	2920 S. Wabash Avenue	9-12	204
ASPIRA - Antonia Pantoja	3121 N. Pulaski Avenue	9-12	192
Association House High School	1116 N. Kedzie Avenue, 4 <sup>th</sup> Floor	9-12	155
Austin Career Education Center	5352 W. Chicago Avenue	11-12	195
Community Services West - Community Christian Academy	1231 S. Pulaski Avenue	9-12	241
YCCS Chatham Academy	9035 S. Langley Avenue	9- 12	204
Charles Hamilton Houston Alternative High School Progressive Leadership Academy	6620 S. King Drive	9-12	151
Community Youth Development Institute	7836 S. Union Street	10 -12	260

Dr. Pedro Albizu Campos Puerto Rican High School	2739 W. Division Street & 2700 W. Haddon Avenue	9-12	184
Innovations High School of Arts Integration	17 N. State Street	9-12	366
Jane Addams	1814 S. Union Street	9-12	210
Latino Youth Alternative High School	2001 S. California Avenue	9-12	201
Olive Harvey Middle College High School	10001 S. Woodlawn Avenue	9-12	199
Sullivan House Alternative High School	8164 S. South Chicago Ave.	9-12	334
Truman Middle College High School	1145 W. Wilson Avenue	9-12	210
YCCS Virtual High School	TBD	TBD	0 (voluntary suspension for 2015-16, and 2016-17, and 2017-2018 school years)
West Town Academy Alternative High School	500 N. Sacramento Blvd.	9-12	189
Westside Holistic Leadership Academy	4909 W. Division Street	9-12	<del>235</del> 435
Youth Connection Leadership	3424 S. State Street	9-12	250

**CHARTER EVALUATION:** After receiving the charter renewal proposal, the Office of Innovation and Incubation conducted a comprehensive evaluation of Youth Connection Charter School's academic performance, financial viability, and legal and contract compliance. This evaluation included a review of the proposal, academic results, financial performance, governance documents, parental issues, facilities surveys, and special education documentation. A public hearing was held on May 20, 2015 for all charter schools going through renewals to receive public comments, including Youth Connection Charter School. The Office of Innovation and Incubation recommends that, based on the school's performance on these and other accountability criteria, Youth Connection Charter School be authorized to continue operating as a charter school.

**RENEWAL TERM:** The term of Youth Connection Charter School's charter and agreement is being extended for a five (5) year term commencing July 1, 2015 and ending June 30, 2020. The YCCS Virtual High School Campus has been suspended for the 2015-2016, and 2016-2017 and 2017-2018 school years.

**ADDITIONAL TERMS AND CONDITIONS:** No additional terms and conditions are included as an attachment to the Charter School Agreement with Youth Connection Charter School.

**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written Charter School Agreement and amendment. Authorize the President and Secretary to execute the written Charter School Agreement and amendment. Authorize the Executive Director of the Office of Innovation and Incubation to issue a letter notifying the Illinois State Board of Education of the action(s) approved hereunder and to submit the approved proposal and signed Charter School Agreement to the Illinois State Board of Education for certification. Authorize the General Counsel to further negotiate and execute any amendments to the Charter School Agreement required by the Illinois State Board of Education.

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

**FINANCIAL:** The financial implications will be addressed during the development of the 2016-2017 2017-2018 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY4618 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, 1996 (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 May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

17-0828-EX10

**AMEND BOARD REPORT 16-1207-EX6**  
**AUTHORIZE RENEWAL OF THE CHICAGO INTERNATIONAL CHARTER SCHOOL AGREEMENT**  
**WITH CONDITIONS**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:**

Authorize renewal of the Chicago International Charter School Agreement (the "Charter School Agreement") with conditions for an additional ~~five~~<sup>seven</sup>-year period. A new Charter School Agreement applicable to this renewal term will be negotiated. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

This August 2017 amendment is necessary to authorize an extension of the term of the Charter School Agreement from its current end date of June 30, 2022 to June 30, 2024. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report.

**SCHOOL OPERATOR:** Chicago Charter School Foundation, an IL not-for-profit corporation  
11 E. Adams Street, Suite 600  
Chicago, Illinois 60603  
Phone: 312-651-5000  
Contact Persons: Laura Thonn, Board President  
Elizabeth Shaw, CEO

**CHARTER SCHOOL:** Chicago International Charter School  
11 E. Adams Street, Suite 600  
Chicago, Illinois 60603  
Phone: 312-651-5000  
Contact Person: Elizabeth Shaw, CEO

**OVERSIGHT:** Office of Innovation and Incubation  
42 W. Madison Street, 3<sup>rd</sup> Floor  
Chicago, IL 60602  
Phone: 773-553-1530  
Contact Person: Mary K. Bradley, Executive Director

**ORIGINAL AGREEMENT:** The original Charter School Agreement (authorized by Board Report 97-0122-EX4 as amended by Board Report 00-0223-EX3) was for a term commencing July 1, 1997 and ending June 30, 2002 and authorized the operation of a charter school serving no more than 5,000 students in grades K through 12. The charter and Charter School Agreement were subsequently renewed for a term commencing July 1, 2002 and ending June 30, 2007 (authorized by Board Report 01-1219-EX2). The charter and Charter School Agreement were further renewed for a term commencing July 1, 2007 and ending June 30, 2012, serving no more than 7,647 students (authorized by Board Report 07-0523-EX5). The charter and Charter School Agreement were then renewed for a term commencing July 1, 2012 and ending June 30, 2017, serving no more than 10,111 students (authorized by Board Report 12-0328-EX11). The charter and Charter School Agreement were subsequently amended as follows:

- Board Report 14-1022-EX4: Ratified the authorization to change the educational management organization at Chicago International Charter School – Irving Park Campus from Victory Educational Partners to Distinctive Schools effective July 1, 2013. Also corrected the at capacity enrollment at Chicago International Charter School – Ralph Ellison Campus from 630 to 570 students which decreased the overall at capacity enrollment of the charter school from 10,111 to 10,051 students. Also approved an increase in the at capacity enrollment at Chicago International Charter School – Northtown Campus by 50 students to 900 students which increased the overall at capacity enrollment of the charter school to 10,101 students in spring of 2015.

- Board Report 15-0527-EX22: Ratified the authorization to change the education management organization for the following campuses of the Chicago International Charter School from Edison Schools Inc. to Charter Schools USA, effective July 1, 2012: Larry Hawkins Campus, Lloyd Bond Campus, Longwood Campus and Loomis Primary Campus. Also corrected the at capacity enrollment for Chicago International Charter School – Ralph Ellison Campus from 570 to 630 students thus increasing the overall at capacity enrollment of the charter school from 10,101 to 10,161 students.
- Board Report 15-1216-EX2: Revoked the Chicago International Charter School – Larry Hawkins Campus at the end of 2015-2016 school year, thus decreasing the overall at capacity enrollment of the charter school to 9,261 students by the fall of 2016. Also authorized an amendment to the Charter School Agreement and a campus wind down agreement with respect to the revocation of the Larry Hawkins Campus.
- Board Report 16-0427-EX10: Ratified the authorization to change the education management organization for the following campuses of Chicago International Charter School from Victory to ReGeneration Schools, effective January 1, 2016: Avalon/South Shore Campus, Basil Campus and Washington Park Campus. Also changed the student enrollment capacity for Chicago International Charter School from the individual campus-level to the network-level beginning in the fall of 2016. The overall network-level at capacity enrollment of the charter school will remain unchanged at 9,261 students.

**CHARTER RENEWAL PROPOSAL:** Chicago Charter School Foundation submitted a renewal proposal on September 14, 2016 to continue the operation of Chicago International Charter School under a unified mission using, Civitas, Chicago Quest, Distinctive Schools, Charter Schools USA and ReGeneration Schools for comprehensive school management services. The charter school shall continue to serve grades K through 12 with a maximum enrollment of 9,261 students. The student enrollment capacity for the charter school shall continue to be at the network-level. The charter school can change student enrollment between campuses based on parameters set forth in the agreement so long as the overall network-level at capacity enrollment of the charter school does not change.

Also, in December 2015, the governing board of Chicago Charter School Foundation voted to no longer serve grades 6 through 8 at the Chicago International Charter School - ChicagoQuest North Campus beginning in the 2016-2017 school year. In December 2015, Chicago International Charter School held parent meetings to support families with placement at other Chicago International Charter School campuses. All 8<sup>th</sup> grade students were supported in matriculating to the 9<sup>th</sup> grade at ChicagoQuest North. Beginning in the 2016-2017 school year, no 6<sup>th</sup>-8<sup>th</sup> grade students were enrolled at ChicagoQuest North.

In October 2016, Chicago Charter School Foundation submitted a material modification to the Office of Innovation and Incubation to only serve grades 9 through 12 at the Chicago International Charter School - ChicagoQuest North Campus.

The Office of Innovation and Incubation recommends ratifying the authorization for Chicago Charter School Foundation to only serve grades 9 through 12 at the Chicago International Charter School - ChicagoQuest North Campus, effective July 1, 2016.

School Management Co.	Year Opened	Campus Name	Address	At Capacity Grades	2016-2017 Enrollment	Estimated At Capacity Enrollment*
Civitas	2002	Northtown	3900 W. Peterson	9-12	908	900
	2006	Ralph Ellison	1817 W. 80th Street	9-12	441	630
	2005	Wrightwood	8130 S. California	K-8	784	785
Chicago Quest	2011	ChicagoQuest North	1409 & 1443 N. Ogden	9-12	288	801
Distinctive Schools	1997	Bucktown	2235 N. Hamilton	K-8	704	670
	2007	Irving Park	3820 N. Spaulding	K-8	556	536
	1997	Prairie	11530 S. Prairie Avenue	K-8	420	405
	2002	West Belden	2245 N. McVicker	K-8	531	500
Charter Schools USA	2009	Lloyd Bond	13300 S. Langley	K-6	341	350
	1997	Longwood	1309 W. 95th Street	3-12	1,361	1,475
	2008	Loomis Primary	9535 S. Loomis	K-2	550	590

ReGeneration Schools	2005	Avalon/South Shore	1501 E. 83rd Place	K-8	501	426
	2002	Basil	1816 W. Garfield Blvd	K-8	749	733
	2001	Washington Park	6105 S. Michigan	K-8	482	460

\*At cap enrollment at individual campuses may fluctuate but overall network-level at cap enrollment will remain unchanged.

The agreement will incorporate an accountability plan in which the charter school is evaluated by the Board each year based on numerous factors related to its academic, financial and operational performance.

In February 2017, Chicago Charter School Foundation submitted an application for amendment to extend its Charter School Agreement beyond a five-year term. The term of the Charter School Agreement is being extended from its current end date of June 30, 2022 to June 30, 2024. A public hearing on the proposed extension was held on Monday, August 21, 2017. The hearing was recorded and a summary report is available for review.

**CHARTER EVALUATION:** After receiving the charter renewal proposal, the Office of Innovation and Incubation conducted a comprehensive evaluation of Chicago International Charter School's academic performance, financial viability, and legal and contract compliance. This evaluation included a review of the proposal, academic results, financial performance, governance documents, parental issues, facilities surveys, and special education documentation. A public hearing was held on November 21, 2016 for all contract and charter schools going through renewals to receive public comments, including Chicago International Charter School. The Office of Innovation and Incubation recommends that, based on the school's performance on these and other accountability criteria, as well as the school's demonstration of intent to satisfy the "Additional Terms and Conditions" referred to herein below, Chicago International Charter School be authorized to continue operating as a charter school.

**RENEWAL TERM:** The term of Chicago International Charter School's charter and agreement is being extended for a ~~five (5)~~ seven (7) year term commencing July 1, 2017 and ending June 30, 2024.

**ADDITIONAL TERMS AND CONDITIONS:** Additional terms and conditions will be communicated to the charter school by the Chief Executive officer or his designee in a formal Letter of Conditions and will be included as an attachment to the Charter School Agreement with Chicago Charter School Foundation.

**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written Charter School Agreement. Authorize the President and Secretary to execute the written Charter School Agreement. Authorize the Executive Director of the Office of Innovation and Incubation to issue a letter notifying the Illinois State Board of Education of the action(s) approved hereunder and to submit the approved proposal and signed Charter School Agreement to the Illinois State Board of Education for certification. Authorize the General Counsel to further negotiate and execute any amendments to the Charter School Agreement as required by the Illinois State Board of Education.

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

**FINANCIAL:** The financial implications will be addressed during the development of the 2017-2018 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY4718 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, 1996 (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 May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

17-0828-EX11

**AMEND BOARD REPORT 16-1207-EX7  
 AUTHORIZE RENEWAL OF THE INSTITUTO JUSTICE AND LEADERSHIP ACADEMY CHARTER  
 HIGH SCHOOL AGREEMENT WITH CONDITIONS**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:**

Authorize renewal of the Instituto Justice and Leadership Academy Charter High School Agreement (the "Charter School Agreement") with conditions for an additional three-year period. A new Charter School Agreement applicable to this renewal term will be negotiated. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

This August 2017 amendment is necessary to authorize the Institute for Latino Progress, Inc. to consolidate the Rudy Lozano Campus and the Rudy Lozano Leadership Academy – Mastery Campus into one campus to be named the Rudy Lozano Leadership Academy Campus with an at capacity enrollment of 165 students, effective September 1, 2017. Students from the original Rudy Lozano Leadership Academy – Mastery Campus at 2520 S. Western Avenue will move one block away to the consolidated campus which will be located at the current independent facility for the original Rudy Lozano Campus at 2570 S. Blue Island Avenue. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education.

**SCHOOL OPERATOR:** Institute for Latino Progress, Inc., an IL not-for-profit corporation  
 2520 S. Western Avenue  
 Chicago, Illinois 60608  
 Phone: 773-890-0055  
 Contact Persons: Andrea Saenz, Board Chair and  
Alejandra Garza, Interim President and CEO  
Juan Salgado, President and CEO

**CHARTER SCHOOL:** Instituto Justice and Leadership Academy Charter High School  
 2570 S. Blue Island Avenue  
 Chicago, Illinois 60608  
 Phone: 773-890-0055  
 Contact Person: Alejandra Garza, Interim President and CEO  
Juan Salgado, President and CEO

**OVERSIGHT:** Office of Innovation and Incubation  
 42 W. Madison Street, 3<sup>rd</sup> Floor  
 Chicago, IL 60602  
 Phone: 773-553-1530  
 Contact Person: Mary K. Bradley, Executive Director

**ORIGINAL AGREEMENT:** The original Charter School Agreement (authorized by Board Report 12-0425-EX6) was for a term commencing July 1, 2012 and ending June 30, 2017 and, pursuant to 105 ILCS 5/27A-4(b), authorized the operation of an multi-campus charter school that is devoted exclusively to re-enrolled high school dropouts and/or students 15 or 16 years old at risk of dropping out of school. The charter school served no more than 165 students in grades 9 through 12. The charter and Charter School Agreement were subsequently amended as follows:

- Board Report 13-0424-EX8: Approved the establishment of a second campus of the charter school to be named as Rudy Lozano Leadership Academy – Mastery Campus beginning in the fall of 2013 and identified the independent facility at 2520 S. Western Avenue as the location for that campus.

**CHARTER RENEWAL PROPOSAL:** Institute for Latino Progress, Inc. submitted a renewal proposal on September 14, 2016 to continue the operation of Instituto Justice and Leadership Academy Charter High School (Instituto Justice) under a unified mission. The charter school shall continue to serve grades 9 through 12 with a maximum enrollment of 330 students.

In June 2017, Institute for Latino Progress, Inc. submitted an application for amendment to consolidate the Rudy Lozano Campus and the Rudy Lozano Leadership Academy – Mastery Campus into one campus to be named the Rudy Lozano Leadership Academy Campus with an at capacity enrollment of 165 students, effective September 1, 2017. Students from the original Rudy Lozano Leadership Academy – Mastery Campus at 2520 S. Western Avenue will move one block away to the consolidated campus which will be located at the current independent facility for the original Rudy Lozano Campus at 2570 S. Blue Island Avenue. A public hearing on the proposed change was held on Monday, August 21, 2017. The hearing was recorded and a summary report is available for review.

Campus Name	Year Opened	Address	At Capacity Grades	2016-2017 Enrollment	At Capacity Enrollment
Rudy Lozano Leadership Academy	2012	2570 S. Blue Island Avenue	9-12	97	165
Rudy Lozano Leadership Academy—Mastery	2013	2520 S. Western Avenue	9-12	34	466

The agreement will incorporate an accountability plan in which the charter school is evaluated by the Board each year based on numerous factors related to its academic, financial and operational performance.

**CHARTER EVALUATION:** After receiving the charter renewal proposal, the Office of Innovation and Incubation conducted a comprehensive evaluation of Instituto Justice’s academic performance, financial viability, and legal and contract compliance. This evaluation included a review of the proposal, academic results, financial performance, governance documents, parental issues, facilities surveys, and special education documentation. A public hearing was held on November 21, 2016 for all contract and charter schools going through renewals to receive public comments, including Instituto Justice. The Office of Innovation and Incubation recommends that, based on the school’s performance on these and other accountability criteria, as well as the school’s demonstration of intent to satisfy the “Additional Terms and Conditions” referred to herein below, Instituto Justice be authorized to continue operating as a charter school.

**RENEWAL TERM:** The term of Instituto Justice’s charter and agreement is being extended for a three (3) year term commencing July 1, 2017 and ending June 30, 2020.

**ADDITIONAL TERMS AND CONDITIONS:** Additional terms and conditions will be communicated to the charter school by the Chief Executive Officer or his designee in a formal Letter of Conditions and will be included as an attachment to the Charter School Agreement with the Institute for Latino Progress, Inc.

**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written Charter School Agreement. Authorize the President and Secretary to execute the written Charter School Agreement. Authorize the Executive Director of the Office of Innovation and Incubation to issue a letter notifying the Illinois State Board of Education of the action(s) approved hereunder and to submit the approved proposal and signed Charter School Agreement to the Illinois State Board of Education for certification. Authorize the General Counsel to further negotiate and execute any amendments to the Charter School Agreement as required by the Illinois State Board of Education.

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

**FINANCIAL:** The financial implications will be addressed during the development of the 2017-2018 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY4718 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, 1996 (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 May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

17-0828-EX12

**AMEND BOARD REPORT 16-1207-EX8  
 AUTHORIZE RENEWAL OF THE KIPP CHICAGO CHARTER SCHOOLS AGREEMENT WITH  
 CONDITIONS**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:**

Authorize renewal of the KIPP Chicago Charter Schools Agreement (the “Charter School Agreement”) with conditions for an additional ~~five~~seven-year period. A new Charter School Agreement applicable to this renewal term will be negotiated. The authority granted herein shall automatically rescind in the event

a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

This August 2017 amendment is necessary to authorize (a) changing the name of KIPP Create Campus to KIPP Academy Chicago Campus in the fall of 2017, (b) a delay in the expansion of the KIPP Create Campus to serve primary grades (K-4) to the fall of 2018 and (c) an extension of the term of the Charter School Agreement from its current end date of June 30, 2022 to June 30, 2024.

This August 2017 amendment is also necessary to authorize an expansion of the grade structure at KIPP Bloom Campus to serve primary grades (K-4), thereby increasing the at capacity enrollment of the campus by 600 to 960 students in the fall of 2018. The overall at capacity enrollment of the charter school will increase by 600 students to 3,879 students in the fall of 2018. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education.

**SCHOOL OPERATOR:** KIPP Chicago Schools, an IL not-for-profit corporation  
2007 South Halsted Avenue  
Chicago, Illinois 60608  
Phone: 312-733-8108  
Contact Person: Benjamin Chereskin, Board President  
Nicole Boardman, COO

**CHARTER SCHOOL:** KIPP Chicago Charter Schools  
(f/k/a Academy of Communications and Technology Charter School)  
4818 W. Ohio  
Chicago, Illinois 60644  
Phone: 312-733-8108  
Contact Person: Nicole Boardman, COO

**OVERSIGHT:** Office of Innovation and Incubation  
42 W. Madison Street, 3<sup>rd</sup> Floor  
Chicago, IL 60602  
Phone: 773-553-1530  
Contact Person: Mary K. Bradley, Executive Director

**ORIGINAL AGREEMENT:** The original Charter School Agreement (authorized by Board Report 97-0122-EX4) was for a term commencing July 1, 1997 and ending June 30, 2002 and authorized the operation of Academy of Communications and Technology (ACT) Charter School serving no more than 300 students in grades 6 through 12. The charter and Charter School Agreement were subsequently renewed for a term commencing July 1, 2002 and ending June 30, 2004, serving no more than 375 students (authorized by Board Report 02-0123-EX3). The charter and Charter School Agreement were further renewed for a term commencing July 1, 2004 and ending June 30, 2007 (authorized by Board Report 04-0428-EX3). The charter and Charter School Agreement were then renewed for a term commencing July 1, 2007 and ending June 30, 2012, serving no more than 450 students in grades 7 through 12 (authorized by Board Report 07-0328-EX2). In May 2010, ACT Charter School requested to voluntarily suspend its educational services after the 2009-2010 school year for a period of no more than two years with an effective date of June 30, 2010 (authorized by Board Report 10-0526-EX4). In November 2011, ACT Charter School submitted a proposal to reinstate the operation of charter school with KIPP Chicago as an educational management organization providing comprehensive school management services at the charter school beginning in the fall of 2012. As a result, the charter and Charter School Agreement were again renewed with ACT Charter School for a term commencing July 1, 2012 and ending June 30, 2017, serving no more than 360 students in grades 5 through 8 (authorized by Board Report 12-0125-EX3). The charter and Charter School Agreement were subsequently amended as follows:

- Board Report 12-0328-EX9: Identified the CPS annex at 4837 W. Erie Street as the new location of the charter school beginning in the fall of 2012.
- Board Report 13-0424-EX7: Approved the change in the name of the existing charter school operator to KIPP Chicago Schools as a result of the proposed merger of two charter school operators, Academy of Communications and Technology Charter School and KIPP Chicago Schools, into one charter school operator to be named KIPP Chicago Schools. Also approved the change in the name of the charter school from Academy of Communications and Technology Charter School to KIPP Chicago Charter Schools; corrected the existing address of the charter school from 4837 W. Erie Street to 4818 W. Ohio Street; and authorized the original charter campus at 4818 W. Ohio Street to be named the KIPP Create Campus. Additionally, approved the establishment of one new elementary school campus to open in the fall of 2013 at a location to be determined with a corresponding increase in the overall at capacity enrollment of the charter school to 720 students in the fall of 2013. Finally, approved the establishment of one new elementary school campus in the fall of 2014 at a location to be determined with a corresponding increase in the overall at capacity enrollment of the charter school to 1,260 students in the fall of 2014.



- Board Report 13-0522-EX104: Identified the CPS facility at 5515 S. Lowe Avenue as the location of the KIPP Chicago Charter Schools – KIPP Bloom Campus beginning in the fall of 2013.
- Board Report 14-0122-EX7: Identified the CPS facility at 1440 S. Christiana Avenue as the location of the KIPP Chicago Charter Schools – Elementary School Campus beginning in the fall of 2014. Also approved the change in name of the KIPP Chicago Charter Schools – Elementary School Campus to the KIPP Chicago Charter Schools – KIPP Ascend Primary Campus.
- Board Report 15-0624-EX6: Approved the transfer of KIPP Ascend Charter School as a campus of KIPP Chicago Charter Schools (Board Report 15-0624-EX5), to be named the KIPP Ascend Campus and to remain in the CPS facility at 1616 S. Avers Avenue, thereby increasing the overall at capacity enrollment of the charter school to 1,530 students beginning in the fall of 2015. Also approved the change in grade structure at KIPP Chicago Charter Schools – KIPP Ascend Primary Campus from K-4 to K-5 with a corresponding increase in the overall at capacity enrollment of the charter school to 1,669 students beginning in the fall of 2015.
- Board Report 15-1028-EX6: Approved the establishment of one new elementary school campus, KIPP #5 Campus, to open in the fall of 2016 and serve an at capacity enrollment of 1,035 students, thus increasing the overall at capacity enrollment of the charter school to 2,704 students in the fall of 2016. Also approved the expansion in the grade structure at the KIPP Create Campus to serve primary grades (K-4). The KIPP Create Campus was approved to remain at its existing facility at 4818 W. Ohio Street temporarily until the campus relocates to a permanent location yet to be determined in the Austin community. The addition of grades K-4 at the KIPP Create Campus increased the overall at capacity enrollment of the charter school to 3,279 students in the fall of 2016.
- Board Report 16-0427-EX22: Approved the consolidation of the KIPP Ascend Primary Campus (K-5) and the KIPP Ascend Campus (6-8) into one campus to be named the KIPP Ascend College Prep Campus with an at capacity enrollment of 949 students. Also approved the change in grades served at the KIPP #5 Campus in year one from grade 5 to grades K and 5 in the fall of 2016; identified the CPS facility at 730 N. Pulaski Road as the location of the KIPP #5 Campus; and approved the change in name of the KIPP #5 Campus to KIPP One Academy Campus. Additionally, approved the delay in the expansion of the KIPP Create Campus to serve primary grades (K-4) to the fall of 2017, thereby increasing the overall at capacity enrollment of the charter school to 3,279 students in the fall of 2017 rather than in the fall of 2016.

**CHARTER RENEWAL PROPOSAL:** KIPP Chicago Schools submitted a renewal proposal on September 14, 2016 to continue the operation of KIPP Chicago Charter Schools under a unified mission. The charter school shall continue to serve grades K through 8 with a maximum enrollment of 3,279 students.

In February 2017, KIPP Chicago Schools submitted an application for amendment to (a) change the name of the KIPP Create Campus to the KIPP Academy Chicago Campus in the fall of 2017, (b) delay the expansion of the KIPP Create Campus to serve primary grades (K-4) to the fall of 2018 and (c) extend its Charter School Agreement beyond a five-year term. The term of the Charter School Agreement is being extended from its current end date of June 30, 2022 to June 30, 2024.

KIPP Chicago Schools also included in its application for amendment a request to expand the grade structure at KIPP Bloom Campus to serve primary grades (K-4). The campus will add a Kindergarten grade in the fall of 2018 and will grow one grade at a time until reaching an at capacity enrollment of 960 students in grades K-8.

The overall at capacity enrollment of the charter school will increase by 600 students to 3,879 students in the fall of 2018.

A public hearing on the proposed changes was held on Monday, August 21, 2017. The hearing was recorded and a summary report is available for review.

Campus Name	Year Opened	Address	At Capacity Grades	2016-2017 Enrollment	At Capacity Enrollment
KIPP Create KIPP Academy Chicago	2012	4818 W. Ohio Street	K – 8	305	935 (in 18-19)
	2017 <del>8</del>	TBD	K – 4	NA	
KIPP Bloom	2013	5515 S. Lowe Avenue	<del>5</del> K – 8	324	360-960 (in 18-19)
KIPP Ascend College Prep	2014	1440 S. Christiana Avenue and 1616 S. Avers Avenue	K – 8	883	949
KIPP One Academy	2016	730 N. Pulaski Road	K – 8	185	1,035

The agreement will incorporate an accountability plan in which the charter school is evaluated by the Board each year based on numerous factors related to its academic, financial and operational performance.

**CHARTER EVALUATION:** After receiving the charter renewal proposal, the Office of Innovation and Incubation conducted a comprehensive evaluation of KIPP Chicago Charter Schools' academic performance, financial viability, and legal and contract compliance. This evaluation included a review of the proposal, academic results, financial performance, governance documents, parental issues, facilities surveys, and special education documentation. A public hearing was held on November 21, 2016 for all contract and charter schools going through renewals to receive public comments, including KIPP Chicago Charter Schools. The Office of Innovation and Incubation recommends that, based on the school's performance on these and other accountability criteria, as well as the school's demonstration of intent to satisfy the "Additional Terms and Conditions" referred to herein below, KIPP Chicago Charter Schools be authorized to continue operating as a charter school.

**RENEWAL TERM:** The term of KIPP Chicago Charter Schools' charter and agreement is being extended for a ~~five (5)~~ seven (7) year term commencing July 1, 2017 and ending June 30, 20224.

**ADDITIONAL TERMS AND CONDITIONS:** Additional terms and conditions will be communicated to the charter school by the Chief Executive Officer or his designee in a formal Letter of Conditions and will be included as an attachment to the Charter School Agreement with KIPP Chicago Schools.

**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written Charter School Agreement. Authorize the President and Secretary to execute the written Charter School Agreement. Authorize the Executive Director of the Office of Innovation and Incubation to issue a letter notifying the Illinois State Board of Education of the action(s) approved hereunder and to submit the approved proposal and signed Charter School Agreement to the Illinois State Board of Education for certification. Authorize the General Counsel to further negotiate and execute any amendments to the Charter School Agreement as required by the Illinois State Board of Education.

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

**FINANCIAL:** The financial implications will be addressed during the development of the 2017-2018 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY1718 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, 1996 (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 May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

**Board Member Dr. Hines abstained on Board Report 17-0828-EX12.**

**17-0828-EX13**

**AMEND BOARD REPORT 16-1207-EX11  
AUTHORIZE RENEWAL OF THE PERSPECTIVES CHARTER SCHOOL AGREEMENT WITH  
CONDITIONS**

**THE CHIEF EXECUTIVE OFFICER RECOMMENDS THE FOLLOWING:**

Authorize renewal of the Perspectives Charter School Agreement (the "Charter School Agreement") with conditions for an additional five-year period. A new Charter School Agreement applicable to this renewal term will be negotiated. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education. Information pertinent to this renewal is stated below.

This August 2017 amendment is necessary to authorize the delay in the relocation date of the Perspectives Charter School – Leadership Academy Campus and High School of Technology Campus to the independent facility at 8522 South Lafayette Avenue until the fall of 2018. This Board approval of the relocation site is contingent upon the subsequent approval of the facility by the CPS Facilities Department which shall include, without limitation, the receipt of all necessary zoning and occupancy

permits and health and safety approvals for that site. The authority granted herein shall automatically rescind in the event a written Charter School Agreement is not executed by the Board and the charter school's governing board within 120 days of the date of this amended Board Report. The agreement authorized herein will only take effect upon certification by the Illinois State Board of Education.

**SCHOOL OPERATOR/ CHARTER SCHOOL:** Perspectives Charter School  
 1530 S. State Street, 2<sup>nd</sup> Floor  
 Chicago, Illinois 60605  
 Phone: (312) 604-2123  
 Contact Persons: Tony Anderson, Board Chair and  
 Rhonda Hopps, CEO

**OVERSIGHT:** Office of Innovation and Incubation  
 42 W. Madison Street, 3<sup>rd</sup> Floor  
 Chicago, IL 60602  
 Phone: 773-553-1530  
 Contact Person: Mary K. Bradley, Executive Director

**ORIGINAL AGREEMENT:** The original Charter School Agreement (authorized by Board Report 97-0122-EX4) was for a term commencing July 1, 1997 and ending June 30, 2002 and authorized the operation of a charter school serving no more than 150 students in grades 6 through 12. The charter and Charter School Agreement were subsequently renewed for a term commencing July 1, 2002 and ending June 30, 2007, serving no more than 300 students (authorized by Board Report 01-1128-EX2). The charter and Charter School Agreement were further renewed for a term commencing July 1, 2007 and ending June 30, 2012, serving no more than 1,900 students (authorized by Board Report 07-0523-EX6). The charter and Charter School Agreement were then renewed for a term commencing July 1, 2012 and ending June 30, 2017, serving no more than 2,600 students (authorized by Board Report 12-0328-EX12). The charter and Charter School Agreement were subsequently amended as follows:

- Board Report 15-0527-EX18: Identified the independent facility at 8522 S. Lafayette Avenue as the new location of Perspectives Charter School – Leadership Academy Campus and High School of Technology Campus beginning in the fall of 2016 contingent upon the subsequent approval of the facility by the CPS Facility Department.
- Board Report 16-0427-EX20: Delayed the relocation of the Perspectives Charter School – Leadership Academy Campus and High School of Technology Campus to 8522 S. Lafayette Avenue until the fall of 2017 contingent upon the subsequent approval of the facility by the CPS Facility Department. Also rescinded the authority to open the Perspectives Charter School – Chicago Lawn Campus.

**CHARTER RENEWAL PROPOSAL:** Perspectives Charter School submitted a renewal proposal on September 14, 2016 to continue the operation of Perspectives Charter School under a unified mission. The charter school shall continue to serve grades 6 through 12 with a maximum enrollment of 2,600 students.

Also Perspectives Charter School proposed to relocate its Perspectives Charter School – Leadership Academy Campus and High School of Technology Campus to the independent facility at 8522 S. Lafayette Avenue beginning in the fall of 2017 as identified in Board Report 16-0427-EX20. This Board approval of the relocation site is contingent upon the subsequent approval of the facility by the CPS Facility Department which shall include, without limitation, the receipt of all necessary zoning and occupancy permits and health and safety approvals for that site.

In February 2017, Perspectives Charter School submitted an application for amendment to delay the relocation date of the Perspectives Charter School – Leadership Academy Campus and High School of Technology Campus to the independent facility at 8522 South Lafayette Avenue until the fall of 2018. This Board approval of the relocation site is contingent upon the subsequent approval of the facility by the CPS Facilities Department which shall include, without limitation, the receipt of all necessary zoning and occupancy permits and health and safety approvals for that site. A public hearing on the proposed delay was held on Monday, August 21, 2017. The hearing was recorded and a summary report is available for review.

Campus Name	Year Opened	Address	At Capacity Grades	2016-2017 Enrollment	At Capacity Enrollment
Rodney D. Joslin	1997	1930 S. Archer Avenue	6-12	394	400
Leadership Academy	2006	8131 S. May Street 8522 S. Lafayette Avenue (in fall of 2017-18)	6-12	481	1,080
High School of Technology	2007	8131 S. May Street 8522 S. Lafayette Avenue (in fall of 2017-18)	9-12	381	540
Math and Science Academy	2008	3663 S. Wabash Avenue	6-12	469	580

The agreement will incorporate an accountability plan in which the charter school is evaluated by the Board each year based on numerous factors related to its academic, financial and operational performance.

**CHARTER EVALUATION:** After receiving the charter renewal proposal, the Office of Innovation and Incubation conducted a comprehensive evaluation of Perspective Charter School's academic performance, financial viability, and legal and contract compliance. This evaluation included a review of the proposal, academic results, financial performance, governance documents, parental issues, facilities surveys, and special education documentation. A public hearing was held on November 21, 2016 for all contract and charter schools going through renewals to receive public comments, including Perspectives Charter School. The Office of Innovation and Incubation recommends that, based on the school's performance on these and other accountability criteria, as well as the school's demonstration of intent to satisfy the "Additional Terms and Conditions" referred to herein below, Perspectives Charter School be authorized to continue operating as a charter school.

**RENEWAL TERM:** The term of Perspective Charter School's charter and agreement is being extended for a five (5) year term commencing July 1, 2017 and ending June 30, 2022.

**ADDITIONAL TERMS AND CONDITIONS:** Additional terms and conditions will be communicated to the charter school by the Chief Executive Officer or his designee in a formal Letter of Conditions and will be included as an attachment to the Charter School Agreement with Perspectives Charter School.

**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions, including any indemnities to be provided to the charter school, in the written Charter School Agreement. Authorize the President and Secretary to execute the written Charter School Agreement. Authorize the Executive Director of the Office of Innovation and Incubation to issue a letter notifying the Illinois State Board of Education of the action(s) approved hereunder and to submit the approved proposal and signed Charter School Agreement to the Illinois State Board of Education for certification. Authorize the General Counsel to further negotiate and execute any amendments to the Charter School Agreement as required by the Illinois State Board of Education.

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

**FINANCIAL:** The financial implications will be addressed during the development of the 2017-2018 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY4718 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, 1996 (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 May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

17-0828-OP1

**AUTHORIZATION TO ENTER INTO A LEASE WITH THE FRATERNITE NOTRE DAME  
FOR THE FRANCIS SCOTT KEY SCHOOL PLAYGROUND AT 501 N. PARKSIDE STREET**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize a year to year ground lease with Fraternite Notre Dame, a 501(c) (3) not for profit organization ("Notre Dame") to use the Francis Scott Key School playground located at 501 N. Parkside ("Playground"). The Playground is to be used by Notre Dame in conjunction with its after-school, food and social services programs offered at 502 N. Central and for no other purpose. Lease may be terminated on ninety (90) days notice by either party. Information pertinent to the proposed year to year ground lease agreement is stated below.

**LESSEE:** Fraternite Notre Dame  
A 501(c)(3) Non-Profit Organization  
502 N. Central Avenue, Chicago, IL. 60644-1501  
[www.FraterniteNotreDame.com](http://www.FraterniteNotreDame.com)  
Contact: Sister Marie Valerie  
773-261-0101

**PREMISES:** The Key School playground located south of the Key School Building with the address of 501 N. Parkside (Playground) (northeast corner of Parkside and Race Street). The Playground is approximately 140 feet wide on the north side of Race Street and 90 feet long on the east side of South Parkside. The area is approximately 12,500 Square Feet.

**USE:** The Playground is to be used in conjunction with the after-school programs, food and social services programs provided by Fraternite Notre Dame at 502 N. Central and for no other purpose. The Lease will terminate if Fraternite Notre Dame vacates or discontinues these programs at 502 N. Central Avenue.

**RENT:** \$1.00 + Maintenance and Repairs

**TERM:** Year to year, cancellable by either party on ninety (90) days notice.

**MAINTENANCE & REPAIRS:** The Playground is being leased to Fraternite Notre Dame in "As Is" Condition. As a condition of the Lease, the Lessee must maintain and repair the Playground so it is safe, clean and secure for the children using it.

**INSURANCE & OTHER CONDITIONS:** Lessee shall name the Board of Education of the City of Chicago and the Public Building Commission of Chicago as additional insureds under its Commercial General Liability Policy with a combined single limit of \$1,000,000 per occurrence and \$2,000,000 in the aggregate for personal injury and property damage.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written lease agreement. Authorize the President and Secretary to execute the lease agreement. Authorize the General Counsel to execute all ancillary documents required to administer or effectuate this lease agreement.

**AFFIRMATIVE ACTION:** Exempt.

**LSC REVIEW:** Is not applicable to this transaction.

**FINANCIAL:** \$1.00

**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 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 agreement.

Ethics – The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

**17-0828-AR1**

**DEBARMENT OF CHRISTINE PEARSON**

**THE CHIEF ADMINISTRATIVE OFFICER REPORTS THE FOLLOWING RECOMMENDATION:**

That the Board of Education of the City of Chicago ("Board") permanently debar Christine Pearson ("Respondent") from doing any business with the Board.

Following the Office of the Inspector General's recommendations in Report 16-01122, the Board's Chief Procurement Officer served Respondent with a Notice of Proposed Debarment, on June 5, 2017, initiating a debarment proceeding against her, based upon Respondent's failure to return \$12,037.39, which she erroneously received from CPS Accounts Payable. The Chief Administrative Officer has reviewed the record (as defined in section 4.5(10) of the Board Policy) and recommends permanent debarment.

Based on the facts set forth in the record as defined in section 4.5(10) of the Board policy, the Chief Administrative Officer recommends that the Board adopt the findings of the Inspector General and permanently debar Respondent from doing any business with the Board effective immediately. All existing contracts between the Board and Respondent are terminated. Respondent is ineligible to act as a subcontractor or supplier to any existing or future Board contracts.

**LSC REVIEW:** LSC approval is not applicable to this report.  
**AFFIRMATIVE ACTION STATUS:** Affirmative Action review is not applicable to this report.  
**FINANCIAL:** None.  
**GENERAL CONDITIONS:** None.

**17-0828-AR2**

**DEBARMENT OF LATINO ORGANIZATION OF THE SOUTHWEST**

**THE CHIEF ADMINISTRATIVE OFFICER REPORTS THE FOLLOWING RECOMMENDATION:**

That the Board of Education of the City of Chicago ("Board") permanently debar Latino Organization of the Southwest ("Respondent") from doing any business with the Board.

The Board's Chief Procurement Officer served Respondent with a Notice of Proposed Debarment, on June 5, 2017, initiating a debarment proceeding against it based upon Respondent's termination of its agreement to provide student tutor training and safety monitor training under Board Report CPOR 17-0124-CPOR-1815 and failure to procure and maintain insurance for all operations. The Chief Administrative Officer has reviewed the record (as defined in section 4.5(10) of the Board Policy) and recommends permanent debarment.

Based on the facts set forth in the record as defined in section 4.5(10) of the Board policy, the Chief Administrative Officer recommends that the Board adopt the findings of the Inspector General and permanently debar Respondent from doing any business with the Board effective immediately. All existing contracts between the Board and Respondent are terminated. Respondent is ineligible to act as a subcontractor or supplier to any existing or future Board contracts.

**LSC REVIEW:** LSC approval is not applicable to this report.  
**AFFIRMATIVE ACTION STATUS:** Affirmative Action review is not applicable to this report.  
**FINANCIAL:** None.  
**GENERAL CONDITIONS:** None.

**17-0828-AR3**

**DEBARMENT OF RYAN MEAT COMPANY**

**THE CHIEF ADMINISTRATIVE OFFICER REPORTS THE FOLLOWING RECOMMENDATION:**

That the Board of Education of the City of Chicago ("Board") permanently debar Ryan Meat Company ("Respondent") from doing any business with the Board.

The Board's Chief Procurement Officer served Respondent with a Notice of Proposed Debarment, on June 8, 2017, initiating a debarment proceeding against it based upon Respondent's violation of the Code of Ethics (CPS Code of Ethics, Board Report 503.1 § VIII(A) and 503.1 § XI(A)). Specifically, Respondent improperly did business with Chicago High School for Agricultural Sciences by purchasing and selling of the school's farm products, and by its president maintaining an interest in mares used in the school's racehorse breeding program. The Chief Administrative Officer has reviewed the record (as defined in section 4.5(10) of the Board Policy) and recommends permanent debarment.

Based on the facts set forth in the record as defined in section 4.5(10) of the Board policy, the Chief Administrative Officer recommends that the Board adopt the findings of the Inspector General and permanently debar Respondent from doing any business with the Board effective immediately. All existing contracts between the Board and Respondent are terminated. Respondent is ineligible to act as a subcontractor or supplier to any existing or future Board contracts.

**LSC REVIEW:** LSC approval is not applicable to this report.  
**AFFIRMATIVE ACTION STATUS:** Affirmative Action review is not applicable to this report.  
**FINANCIAL:** None.  
**GENERAL CONDITIONS:** None.

17-0828-PR1

**AUTHORIZE PAYMENT TO STEMULATION LEARNING SYSTEMS, INC. FOR AVIATION LAB  
EQUIPMENT AND SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize payment to STEMulation Learning Systems, Inc. who provided aviation lab equipment and services to Air Force Academy High School from August 7, 2017 to September 1, 2017 in the amount of \$450,000. These services were rendered without prior Board approval and all services have been completed. Vendor was selected on a non-competitive basis. This item was published on the Procurement website on July 28, 2017, found here: <http://cps.edu/procurement>. This item was presented to the Single/Sole Source Committee on August 1, 2017 and approved by the Chief Procurement Officer. The item will remain on the Procurement website until the August 28, 2017 Board Meeting. This process complies with the independent consultant's recommendations for single source procurements and the Board's Single/Sole Source Committee Charter.

Contract Administrator : Wright, Mr. Thaddeus / 773-553-2280

**VENDOR:**

- 1) Vendor # 18674  
STEMULATION LEARNING SYSTEMS, INC.  
603 HAMLIN AVE SOUTH  
ST. PAUL, MN 55116  
Michael Pohl  
612 269-3817

Ownership: Michael C. Pohl; 50%, Kristi H. Pohl; 50%

**USER INFORMATION :**

Project  
Manager: 13725 - Early College and Career  
42 West Madison Street  
Chicago, IL 60602  
Jacoby, Mrs. Maneesha Date  
773-553-2108

PM Contact:  
10870 - College and Career Success Office  
42 West Madison Street  
Chicago, IL 60602  
Mather, Mr. Alan Wesley  
773-535-5100

**SCOPE OF SERVICES:**

Vendor provided aviation equipment and related installation services. The aviation equipment includes two (2) surround view flight simulators, five (5) dual seat flight simulators, five (5) flight control stations and a master flight controller station. Products and related services includes curriculum and teacher training.

**DELIVERABLES:**

Vendor provided aviation simulation equipment, curriculum and teacher training.

**OUTCOMES:**

Vendor services will allow students in the CTE Aviation program to work on industry-specific equipment and gain skills in the aviation industry, potentially resulting in industry certification, college credit while in high school, and participation in work-based learning experiences (i.e. job shadows, internships, etc).

**COMPENSATION:**

Vendor shall be paid the sum of \$450,000.

**AFFIRMATIVE ACTION:**

No MWBE Goals assigned to this contract, scope of services not further divisible.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Fund 369

The Office of College and Career Success, Unit 13727

Air Force Academy High School, Unit 45231

FY18, \$450,000.00

CFDA#:

Not Applicable

**17-0828-PR2**

**AUTHORIZE A NEW AGREEMENT WITH EQUAL OPPORTUNITY SCHOOLS FOR ESTABLISHING  
EQUITY IN ADVANCE PLACEMENT AND INTERNATIONAL BACCALAUREATE COURSE  
SELECTION SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize a new agreement with Equal Opportunity Schools to provide services to establish equity in AP/IB course selection at an estimated cost of \$176,500.00 for a ten (10) month term. Vendor was selected on a non-competitive basis. This item was published on the Procurement website on August 8, 2017, found here: <http://cps.edu/procurement>. This item was presented to the Single/Sole Source Committee on August 7, 2017 and approved by the Chief Procurement Officer. The item will remain on the Procurement website until the August 28, 2017 Board meeting. This process complies with the independent consultant's recommendations for single source procurements and the Board's Single/Sole Source Committee Charter. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to the execution of their written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Contract Administrator : Wright, Mr. Thaddeus / 773-553-2280

**VENDOR:**

- 1) Vendor # 18678  
EQUAL OPPORTUNITY SCHOOLS  
130 NICKERSON ST #200  
SEATTLE, WA 98109

Eddie Lincoln  
206 547-1167

Ownership: Not For Profit

**USER INFORMATION :**

**PM Contact:**

10810 - Teaching and Learning Office

42 West Madison Street

Chicago, IL 60602

Mcdade, Miss Latanya Danett

773-553-1216

**TERM:**

The term of this agreement shall commence on September 1, 2017 and shall end June 30, 2018.

**EARLY TERMINATION RIGHT:**

The Board shall have the right to terminate this agreement with 30 days written notice.

**SCOPE OF SERVICES:**

Vendor will:

- Provide resources and expertise on the impact and feasibility of closing AP/IB participation gaps, drawing on EOS's own data and experience, as well as third party research;
- Conduct comprehensive analyses of student academic records & survey results in order to develop detailed findings about the size & causes of AP/IB participation gaps;
- Use deep analysis, best practices, and local leadership context to make recommendations for closing gaps;
- Support development of school-specific: (1) missing student outreach & recruitment plans; (2) missing student academic support plans, and (3) AP/IB-teacher professional development/support plans; and
- Assist in developing metrics, evaluation standards, and annual AP/IB reporting framework to the Board aligned with CEO's strategy.



**DELIVERABLES:**

Vendor will provide a Partnership Director who will be assigned to the District and who will support the six (6) participating schools throughout the year. EOS will develop and analyze student and staff surveys, whose results will be used by the schools to support programming.

**OUTCOMES:**

Vendor's services will result in ensuring that all students within the six (6) participating schools have the opportunity to succeed in challenging high school courses.

**COMPENSATION:**

Vendor shall be paid as set forth in the agreement. Estimated annual costs for the ten (10) month term are not to exceed \$176,500.00, which amount is inclusive of any reimbursable expenses.

**REIMBURSABLE EXPENSES:**

Vendor shall be reimbursed as detailed in the agreement.

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Officer of Teaching and Learning to execute all ancillary documents required to administer or effectuate this agreement.

**AFFIRMATIVE ACTION:**

Pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services contracts, M/WBE provisions of the Program do not apply to transactions where the vendor providing services operates as a Non-Profit organization.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Fund 115, Magnet, Gifted and IB Programs, Unit 10845  
\$176,500.00 FY18  
Not to exceed \$176,500.00 for the ten (10) month term.  
Future year funding is contingent upon budget appropriation and approval.

**CFDA#:** Not Applicable

**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 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 agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

17-0828-PR3

**AUTHORIZE A NEW AGREEMENT WITH LEAP INNOVATIONS FOR RESEARCH AND DEVELOPMENT SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize a new agreement with LEAP Innovations ("Vendor") to provide Research and Development Services to the Office of Teaching and Learning at an estimated annual cost of \$750,000 for the four (4) year term. Vendor was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to the execution of their written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Contract Administrator : Hayes, Ms. Deirdre N / 773-553-2280

**VENDOR:**

- 1) Vendor # 99687  
LEAP INNOVATIONS  
222 W. MERCHANDISE MART PLAZA,  
SUITE 1212  
CHICAGO, IL 60654

Amy Huang  
312 809-7029 x706

Ownership: Not For Profit

**USER INFORMATION :**

Project  
Manager: 10825 - Department of Personalized Learning  
  
2651 W. Washington Blvd  
  
Chicago, IL 60612  
  
Connors, Mr. Kevin  
  
773-553-3482

PM Contact:  
  
10810 - Teaching and Learning Office  
  
42 West Madison Street  
  
Chicago, IL 60602  
  
Mcdade, Miss Latanya Danett  
  
773-553-1216

**TERM:**

The term of this agreement shall commence on September 1, 2017 and shall end August 31, 2021. This agreement shall have one (1) option to renew for a period of one (1) year.

**EARLY TERMINATION RIGHT:**

The Board shall have the right to terminate this agreement with 30 days written notice.

**SCOPE OF SERVICES:**

In order to support the Department of Personalized Learning, vendor will be responsible for curating, piloting, and evaluating new and approved educational technology programs and personalized learning practices in CPS schools as part of a comprehensive program. The vendor will help match schools to adaptive software programs based on their articulated needs, and the vendor will provide ongoing professional development to schools to implement these programs within a personalized learning environment. Furthermore, the vendor will provide rigorous analysis of the impact of personalized learning instructional strategies and each ed-tech tool on student outcomes. Analysis will be provided using usage and outcome data from the ed-tech tool, surveys, and internal CPS data (i.e. demographic data, attendance, discipline, etc.) and measured against benchmark assessments. Vendor will be able to compare outcomes within a school, across a cohort of schools who received training, and in comparison to a control group of CPS schools. CPS Planning and Data Management Office will work with awarded vendor to determine the composition and use of the Control Group. The Control Group will provide a larger sample size to detect the effects of product use and will also provide a contrast to schools that are using the product and receiving personalized learning practice support, as opposed to using the product without that support.

**DELIVERABLES:**

Vendor will provide the following:

1. Work plans and timelines submitted to meet the requirements of the awarded contract
2. An analysis of deliverable dates
3. Identification of strategies
4. The toolsets that will be used to develop and maintain the plan
5. Tangible measures for success for each of the following projects domains
6. Delivery and implementation schedule for all training and primary support responsibility
7. A comprehensive District Communications Plan to publicize training, support options and best practices for usage
8. Quality Assurance
  - a. Vendor will share methodology of research and evaluation with Board upon delivery of interim and final reports
  - b. Vendor will create and share interim and final reports with schools and Board office that demonstrate progress monitoring and final outcomes. Interim reports should be delivered within 30 days of each program phase, quarterly, or within a timeframe otherwise agreed upon
  - c. Vendor will cycle out products after full program completion that, based on research and evaluation, are proven to be ineffective tools to increasing student outcomes. Before cycling out products from the curated list, vendor must consult with the Board

**9. Evaluation**

- a. Vendor will create a cohort model infrastructure to foster cross-school collaboration.
- b. Vendor will pair schools to ed-tech programs based on identified goals (achieved through assessments)
- c. Vendor will evaluate outcomes regarding individual ed-tech programs as well as the personalized learning instructional model.
- i. Evaluation should be conducted at the student, teacher, school, and cohort-level.
- ii. Evaluation should account for student characteristics (e.g. demographics, achievement levels, etc.)
- iii. Evaluation should include measures to track fidelity of implementation.
- iv. Evaluation should include a control group of other CPS or similar schools.
- v. Evaluation should utilize student-level usage and outcome data, with a focus on fidelity of implementation, return on invest (i.e. cost-benefit analysis), and outcomes compared against benchmark data and assessments, the components of a personalized learning classroom (learner profile, personal paths, competency based progression, and flexible environments), and school and student goals for growth.
- vi. Evaluation should reveal best practices in personalized learning instructional practice.
- vii. Evaluation should identify requirements needed to successfully implement personalized learning and ed-tech programs.

**OUTCOMES:**

Vendor's services will result in:

- 1. Student Outcomes and Student Centered Pedagogy
  - a. Increased student outcomes in Math and Literacy on formative, summative, and standardized assessments
  - b. Increased collaboration and engagement among students
  - c. Intentional integration of educational technology tools into core instruction
  - d. Increase use of personalized learning strategies, including learner led, personalized learning paths, flexible learning environments, and competency-based progression
- 2. Evaluation and Reporting
  - a. Vendor will evaluate outcomes regarding individual ed-tech programs as well as the personalized learning instructional model
  - b. Vendor reports and evaluation will provide schools and the Board with information to guide future recommendation, approvals, and usage of ed-tech products

**COMPENSATION:**

Vendor shall be paid as specified in their agreement. Estimated annual costs for the four (4) year term are set forth below:

- \$750,000, FY18
- \$750,000, FY19
- \$750,000, FY20
- \$750,000, FY21

**REIMBURSABLE EXPENSES:**

None.

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize Chief Officer of Teaching and Learning to execute all ancillary documents required to administer or effectuate this agreement.

**AFFIRMATIVE ACTION:**

Pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services contracts, M/WBE provisions of the Program do not apply to transactions where the vendor providing services operates as a Non-Profit organization.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

- Fund 353, 115, 332, 225; Multiple Units
- \$750,000, FY18
- \$750,000, FY19
- \$750,000, FY20
- \$750,000, FY21

Not to exceed \$3,000,000 for the four (4) year term. Future year funding is contingent upon budget appropriation and approval.

**CFDA#:**

Not Applicable

**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 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 agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

17-0828-PR4

**REPORT ON THE AWARD OF CONSTRUCTION CONTRACTS AND CHANGES TO CONSTRUCTION CONTRACTS FOR THE BOARD OF EDUCATION'S CAPITAL IMPROVEMENT PROGRAM**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

This report details the award of Capital Improvement Program construction contracts in the total amount of \$4,400,911.25 to the respective lowest responsible bidders for various construction projects, as listed in Appendix A of this report. These construction contracts shall be for projects approved as part of the Board's Capital Improvement Program. Work involves all labor, material and equipment required to construct new schools, additions, and annexes, or to renovate existing facilities, all as called for in the plans and specifications for the respective projects. Proposals, schedules of bids, and other supporting documents are on file in the Department of Operations. These contracts have been awarded in accordance with section 7-3 of the Rules of the Board of Education of the City of Chicago.

This report also details changes to existing Capital Improvement Program construction contracts, in the amount of (\$689.17) as listed in the attached August Change Order Log. These construction contract changes have been processed and are being submitted to the Board for approval in accordance with section 7-15 of the Rules of the Board of Education of the City of Chicago, since they require an increased commitment necessitated by an unforeseen combination of circumstances or conditions calling for immediate action to protect Board property to prevent interference with school sessions.

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

**AFFIRMATIVE ACTION:** The General Contracting Services Agreements entered into by each of the pre-qualified general contractors and other miscellaneous construction contracts awarded outside the pre-qualified general contractor program for new construction awards and changes to existing construction contracts shall be subject to the Board's Business Diversity Program for Construction Projects and any revisions or amendments to that policy that may be adopted during the term of any such contract.

**FINANCIAL:** Expenditures involved in the Capital Improvement Program are charged to the Department of Operations, Capital Improvement Program.

Budget classification: Fund – 425, 427, 431, 435, 436, 485 & 486  
will be used for all Change Orders (August Change Order Log); Funding source for new contracts is so indicated on Appendix A

Funding Source: Capital Funding

**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 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 agreement.

Ethics – The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).



**CPS**

**Chicago Public Schools  
Capital Improvement Program**

**August 2017**

These change order approval cycles range from  
06/17/2017 to 06/30/2017

7/17/17  
Page 1 of 2

**CHANGE ORDER LOG**

School	Vendor	Project Number	Original Contract Amount	Number of Change Orders	Total Change Orders	Revised Contract Amount	Total % of Contract	Oracle PO Number	Board Rpt Number
<b>William H Brown Elementary School</b>									
2017 Brown W ICR 2017-22351-ICR									
Tyler Lane Construction, Inc.									
<u>Change Date</u>	<u>App Date</u>	<u>Change Order Descriptions</u>							
06/17/17	06/23/17	Contractor to provide labor and material to remove salvaged furniture and existing materials.	\$1,596,281.00	1	\$49,417.00	\$1,645,698.00	3.10%	3277134	\$49,417.00
<b>New Elementary School - South Loop ES</b>									
2017 South Loop* NSC 2017-22861-NSC									
F.H. Paschen, S.N. Nielsen & Assoc									
<u>Change Date</u>	<u>App Date</u>	<u>Change Order Descriptions</u>							
06/22/17	06/28/17	Contractor to provide labor and materials to provide a temporary construction fence until vertical contractor has mobilized.	\$336,000.00	1	\$2,772.00	\$338,772.00	0.82%	3259377	\$2,772.00
<b>Jose De Diego Community Academy</b>									
2016 De Diego MCR 2016-31261-MCR									
Madison Construction Company									
<u>Change Date</u>	<u>App Date</u>	<u>Change Order Descriptions</u>							
06/07/17	06/29/17	Contractor to provide credit for work removed from original contract.	\$10,940,540.00	41	\$545,442.75	\$11,485,982.75	4.99%	3093138 / 3118027	-\$74,488.24
									<b>Project Total: \$49,417.00</b>
									<b>Project Total: \$2,772.00</b>
									<b>Project Total: -\$74,488.24</b>

The following change orders have been approved and are being reported to the Board in arrears.

**CPS**

**Chicago Public Schools  
Capital Improvement Program**

**August 2017**

These change order approval cycles range from  
06/1/2017 to 06/30/2017

7/17/17  
Page 2 of 2

**CHANGE ORDER LOG**

School	Vendor	Project Number	Original Contract Amount	Number of Change Orders	Total Change Orders	Revised Contract Amount	% of Contract	Reason Code	Oracle PO Number	Board Rpt Number
<b>William Jones College Prep High School</b>										
2016 Jones STR	Friedler Construction Co.	2016-47021-STR	\$137,580.00	3	\$27,147.93	\$164,727.93	19.73%			
Change Date	App Date	Change Order Descriptions								
06/20/17	06/29/17	Owner to extend general conditions cost incurred by contractor due to project delays, outside of contractor's control.								
05/19/17	06/16/17	Contractor to provide labor and materials to install compressible material and patch masonry at beam penetrations extending from natatorium wall.								
										\$15,296.07
<b>Phoenix Military Academy</b>										
2016 Phoenix CSP	K.R. Miller Contractors, Inc	2016-55011-CSP	\$664,000.00	11	\$43,435.88	\$707,435.88	6.54%			
Change Date	App Date	Change Order Descriptions								
05/31/17	06/16/17	Contractor to omit removal of an existing sign from project scope.								
										- \$1,000.00
										<b>Project Total: \$22,610.07</b>
										<b>Project Total: -\$1,000.00</b>

**Total Change Orders for this Period -\$689.17**

The following change orders have been approved and are being reported to the Board in arrears.

17-0828-PR5

**AUTHORIZE THE SECOND AND FINAL RENEWAL AGREEMENT WITH CANON BUSINESS  
PROCESS SERVICES, INC. FOR CENTRAL OFFICE MAIL/RECEIVING ROOM MANAGEMENT  
SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize the second and final renewal agreement with Canon Business Process Services, Inc. to provide central office mail/receiving room management services to the Department of Facilities at an estimated annual cost set forth in the Compensation Section of this report. A written document exercising this option is currently being negotiated. No payment shall be made to Canon Business Process Services, Inc. during the option period prior to execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification Number : 13-250021.

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-5180

**VENDOR:**

- 1) Vendor # 46698  
CANON BUSINESS PROCESS SERVICES,  
INC  
460 WEST 34TH STREET, 6TH FLOOR  
NEW YORK, NY 10001

Eddie Rivera  
312 663-6295

Ownership: Canon U.S.A., Inc. - 100%

**USER INFORMATION :**

Contact:  
11860 - Facility Operations & Maintenance  
42 West Madison Street  
Chicago, IL 60602  
De Runtz, Ms. Mary  
773-553-3119

**ORIGINAL AGREEMENT:**

The original Agreement (authorized by Board Report 13-0522-PR4) in the amount of \$613,836 was for a term commencing on September 15, 2013 and ending September 14, 2016, with the Board having two (2) options to renew for one (1) year terms. The agreement was renewed (authorized by Board Report 16-0727-PR4) for a term commencing September 15, 2016 and ending September 14, 2017. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.

**OPTION PERIOD:**

The term of this agreement is being renewed for one (1) year commencing September 15, 2017 and ending September 14, 2018.

**OPTION PERIODS REMAINING:**

There are no option periods remaining.

**SCOPE OF SERVICES:**

Vendor shall continue to manage the Board's Central Office mail/receiving room and provide all related services.

**DELIVERABLES:**

Vendor shall continue to provide the Board with tracking/delivery reports upon request, cost analysis on outbound mail upon request, and monthly reporting of all inbound and outbound activities.

**OUTCOMES:**

Vendor's services will result in the implementation of part or all of the following scope of services: operating the Board's mail/receiving room; performing daily mail pick-ups and deliveries to the post office; fulfilling all United States Postal Services ("USPS") requirements for pre-sorted, sleeve ACT tag, and dispatch mail; preparing mail under the USPS Value-Added Refund Program; providing and maintaining all necessary furniture and equipment for the operation of the mail/receiving room; daily tracking/delivery of all accountable mail; daily processing and cost analysis of all outbound accountable mail; monthly reporting of all inbound and outbound activities; and move items as required by various departments as directed by the Board.



**COMPENSATION:**

Vendor shall be paid during this option period as specified in the agreement, total not to exceed \$153,204 exclusive of postage costs (which are paid directly by the Board).

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written option document. Authorize the President and Secretary to execute the option document. Authorize Chief Facilities Officer to execute all ancillary documents required to administer or effectuate this option agreement.

**AFFIRMATIVE ACTION:**

Pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, this agreement is exempt from MBE compliance review as the scope of services is not further divisible. Participation is being achieved through a diverse workforce.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Fund 230, Facilities Department, Unit 11880

\$121,287 FY18

\$31,917 FY19

Not to Exceed \$153,204

Future year funding is contingent upon budget appropriation and approval.

**CFDA#:**

Not Applicable

**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 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 agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

**17-0828-PR6**

**AUTHORIZE THE FIRST RENEWAL AGREEMENT WITH SIMPLEXGRINNELL LP FOR INSPECTION, MAINTENANCE AND REPLACEMENT OF FIRE EXTINGUISHERS**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize the first renewal agreement with SimplexGrinnell LP to provide inspection, maintenance and replacement of fire extinguishers to the Department of Facilities at an estimated annual cost set forth in the Compensation Section of this report. A written agreement exercising this option is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to the execution of their written renewal agreement. The authority granted herein shall automatically rescind in the event their written renewal agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification Number : Spec. # 93030A, Contract #26994

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-5180

**VENDOR:**

- 1) Vendor # 39827  
SIMPLEXGRINNELL LP  
91 N. MITCHELL COURT  
ADDISON, IL 60101  
CANDY NELIS  
630 948-1100

Ownership: Simplex Grinnell Time  
Recorder, Llc - 50.78%, Tyco Fire Protector,  
Llc - 47.09%

**USER INFORMATION :**

Contact: 11880 - Facility Opers & Maint - City Wide  
42 West Madison Street  
Chicago, IL 60602  
Peng, Mr. Yanbo  
773-553-2960

**ORIGINAL AGREEMENT:**

The original agreement (authorized by Board Report 15-0722-PR9) in the amount of \$600,000.00 was for a term commencing September 1, 2015 and ending August 31, 2017, with the Board having two (2) options to renew for one (1) year terms. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.4.

**OPTION PERIOD:**

The term of this agreement is being renewed for one (1) year commencing September 1, 2017 and ending August 31, 2018.

**OPTION PERIODS REMAINING:**

There is one (1) option period for one (1) year remaining.

**SCOPE OF SERVICES:**

Vendor will continue to provide fire extinguisher maintenance services, including inspection, maintenance and replacement of fire extinguishers.

**OUTCOMES:**

Vendor's services will result in an extended life of the equipment, ensure compliance, and provide volume discounts with one vendor.

**COMPENSATION:**

Vendor shall be paid during this option period according to the terms as set forth in the agreement.

\$250,000.00, FY18  
\$50,000.00, FY19

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written renewal agreement. Authorize the President and Secretary to execute the renewal agreement. Authorize the Chief Facilities Officer to execute all ancillary documents required to administer or effectuate this option.

**AFFIRMATIVE ACTION:**

Pursuant to Board Rule 7-2.4, the Board is authorized to purchase these biddable items through federal, state, county, city or sister agency contracts. This agreement will be subjected to M/WBE goals of 5% MBE and 5% WBE and monitored on a quarterly basis.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Fund 230  
Department of Facilities, Unit 11880  
\$250,000.00, FY18  
\$50,000.00, FY19

Future year funding is contingent upon budget appropriation and approval.

**CFDA#:** Not Applicable

**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 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 agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

**17-0828-PR7**

**RATIFY THE FIRST RENEWAL AGREEMENT WITH H-O-H WATER TECHNOLOGY INC. FOR THE PURCHASE OF WATER TREATMENT CHEMICALS, TESTING AND TRAINING SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Ratify the first renewal agreement with H-O-H Water Technology Inc. for the purchase of water treatment chemicals, testing and training services for the Department of Facilities and all schools at an estimated annual cost set forth in the Compensation Section of this report. A written document exercising this option is currently being negotiated. No payment shall be made to H-O-H Water Technology Inc. during the option period prior to execution of their written document. The authority granted herein shall automatically rescind in the event their written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Reference Contract: City of Chicago -16178

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-5180

**VENDOR:**

- 1) Vendor # 37041  
H-O-H WATER TECHNOLOGY INC  
500 SOUTH VERMONT STREET  
PALATINE, IL 60067

Nick Barczewski  
847 358-7400

Ownership: Thomas Hutchison - 27.50%,  
Elizabeth Hutchison - 27.50%

**USER INFORMATION :**

Project  
Manager: 11880 - Facility Opers & Maint - City Wide  
  
42 West Madison Street  
  
Chicago, IL 60602  
  
Torres, Mr. Michael A.  
  
773-553-2960

**ORIGINAL AGREEMENT:**

The original Agreement (authorized by Board Report 15-0325-PR11) in the amount of \$2,000,000.00 was for a term commencing May 1, 2015 and ending April 30, 2017, with the Board having two (2) options to renew for periods of one (1) year each. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.4.

**OPTION PERIOD:**

The term of this agreement is being renewed for one (1) year commencing May 1, 2017 and ending April 30, 2018.

**OPTION PERIODS REMAINING:**

There is one (1) option period for one (1) year remaining.

**SCOPE OF SERVICES:**

Goods: Water Treatment Chemicals  
Quantity: Varies  
Unit Price: Varies based on type of chemical and type of equipment it will be used in.

**OUTCOMES:**

This purchase will result in centralized purchasing to take advantage of volume discounts, improved tracking of spending for HVAC water treatment and to ensure standardization of water treatment chemicals across the district.

**COMPENSATION:**

Vendor shall be paid during this option period in accordance with the unit prices contained in the agreement. Estimated annual costs for this option period are set forth below:

\$500,000.00, FY17 and FY18

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written option document. Authorize the President and Secretary to execute the option document. Authorize the Chief Facilities Officer to execute all ancillary documents required to administer or effectuate this option agreement.

**AFFIRMATIVE ACTION:**

Pursuant to Board Rule 7-2.4, the Board is authorized to purchase these biddable items through federal, state, county, city, or sister agency contracts. This agreement shall be bound to the MBE/WBE provisions that were set in the Master Agreement. The required compliance levels were set at 17% for MBE and 5% for WBE participation.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Fund 230  
Dept of Facilities, Parent Unit Number 11800  
\$500,000.00, FY17 and FY18

Future year funding is contingent upon budget appropriation and approval.

**CFDA#:** Not Applicable

**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 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 agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

17-0828-PR8

**AMEND BOARD REPORT 17-0322-PR10**

**AUTHORIZE NEW AGREEMENTS WITH VARIOUS VENDORS FOR STUDENT TRANSPORTATION SERVICES (SCHOOL BUS SERVICE)**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize new agreements with various vendors to provide student transportation services to Student Transportation Services Department and all schools at an estimated annual cost set forth in the Compensation Section of this report. Vendors were selected on a competitive basis pursuant to Board Rule 7-2. Written agreements for Vendors' services are currently being negotiated. No services shall be provided by and no payments shall be made to any Vendor prior to execution of their written agreement. The authority granted herein shall automatically rescind as to each Vendor in the event their written agreement is not executed within 120 days of the date of this Board Report. Information pertinent to these agreements is stated below.

This August 2017 amendment is necessary to: i) correct the name and vendor number for O'Neals Transportation to reflect Urban Habitats, Inc. dba O'Neal's Transportation SVC, Inc. (#12) and ii) delete No Stress Transportation LLC (#11). The authority granted herein shall automatically rescind as to each Vendor in the event their agreement is not executed within 30 days of the date of this amended Board Report.

Contract Administrator : Hernandez, Miss Patricia / 773-553-2280

**USER INFORMATION :**

Contact: 11870 - Student Transportation  
42 West Madison Street  
Chicago, IL 60602  
Mc Guire, Mr. Kevin P.  
773-553-2860

**TERM:**

The term of each agreement shall commence on August 1, 2017 and shall end July 31, 2020. The agreements shall have two (2) options to renew for periods of one (1) year each.

**EARLY TERMINATION RIGHT:**

The Board shall have the right to terminate each agreement with 30 days written notice.

**SCOPE OF SERVICES:**

Vendors shall provide school bus services to and from school and other related activities to eligible students participating in designated programs as per program guidelines and as set out in the written agreements. Services will be provided during regular and summer school terms. Programs served by school bus services includes but are not necessarily limited to: Diverse Learners, Selective Enrollment, Controlled Enrollment Receiving Schools, Students in Temporary Living Situations, Parent Choice, field trips, shuttle services for schools, and other programs as the Board deems appropriate. Vendors will also provide bus services for field trips and athletic trips. The Board anticipates 70,000 to 100,000 trips per year. Each Vendor is eligible to provide bus services for field trips and athletic trips for all zones.

It is estimated that approximately 1,200 first runs and 600 second or third runs, and 225 mid-day runs involving approximately 1,250 school buses of various sizes and configurations will be provided pursuant to these agreements. The number of buses actually required to provide services to students is subject to change when the school year is underway. Because the number of buses required is estimated, the total cost of the agreements is also estimated. The annual and contract term cost estimates are based upon the combined regular school year and summer school calendars established by the Board. The Board reserves the right during the contract term to order the services of more or fewer buses than originally allocated as the needs of students and/or programs change. The Board is only obligated for costs of buses actually operating CPS routes.

**DELIVERABLES:**

Vendors will provide buses for student transportation to school and extra curricular activities.

**OUTCOMES:**

Vendors' services will result in transportation of CPS students to schools and programs, safely and on time in yellow school buses.

**COMPENSATION:**

Vendors shall be paid in accordance with prices indicated in their respective agreement. The pricing is subject to an annual CPI adjustment and fuel cost adjustment. Total compensation for all vendors shall not exceed \$351,000,000 in the aggregate for the three year term. Total annual compensation amount includes the cost of field trips and athletic trips.

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written agreements. Authorize the President and Secretary to execute the agreements. Authorize Executive Director of Student Transportation to execute all ancillary documents required to administer or effectuate the agreements.

**AFFIRMATIVE ACTION:**

Pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, the aggregate method for M/WBE participation will be utilized for this pool. Aggregated compliance will be reported on a quarterly basis. The M/WBE participation goals for this agreement are 35% MBE and 10% WBE.

**Total MBE vendors:**

Ammons Transportation  
Falcon Transportation  
Jack Harris Transportation Inc.  
Latino Express Inc.  
R & D Bus Co.  
Walls Transportation

**Total WBE vendors:**

BJ's Transportation

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

General Operating Fund 115

Student Transportation Services, Parent Unit 11870

FY17 \$115,000,000

FY18 \$117,000,000

FY19 \$119,000,000

Future year funding is contingent upon budget appropriation and approval.

**CFDA#:**

Not Applicable

**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 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 agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

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- 1) Vendor # 20287  
A.M. Bus Company, Inc.  
100 WEST 91ST STREET  
CHICAGO, IL 60620  
Pamela Williams  
773 396-5556  
  
Ownership: Pamela Williams -100%
- 2) Vendor # 67913  
AI BUS SERVICE, LLC  
3542 WEST PETERSON AVE.  
CHICAGO, IL 60659  
Pinky Friedman  
773 279-9110  
  
Ownership: Agualath Israel Of Illinois – 100%
- 3) Vendor # 46491  
ALLTOWN BUS SERVICE, INC. M  
2345 W NELSON ST  
CHICAGO, IL 60618  
Greg Polan  
773 248-0090  
  
Ownership: Grey Polan - 100%
- 4) Vendor # 32700  
AMMONS TRANSPORTATION SERVICE, INC  
9001 S. GENOA  
CHICAGO, IL 60620  
Benford Ammons  
773 874-7777  
  
Ownership: Benford Ammons Jr - 100%
- 5) Vendor # 89841  
BJ'S TRANSPORTATION, INC  
3005 W 87TH STREET  
EVERGREEN PARK, IL 60805  
Sandra Dean  
708 907-6435  
  
Ownership: Sandra Dean - 51% And Jason Dean 49%
- 6) Vendor # 24922  
FALCON TRANSPORTATION, INC.  
8204 GREYSTONE CT.  
BURR RIDGE, IL 60527  
Edward Peterson  
773 638-8000  
  
Ownership: Edward A. Peterson - 100%
- 7) Vendor # 49337  
FIRST STUDENT, INC. 3  
1207 S GREENWOOD AVE  
MAYWOOD, IL 60153  
Michael Ensign  
630 730-9480  
  
Ownership: Firstgroup America, Wholly Owned Subsidiary Of Firstgroup Inc Publicly Traded
- 8) Vendor # 72017  
ILLINOIS CENTRAL SCHOOL BUS  
78 NORTH CHICAGO STREET  
JOLIET, IL 60432  
David Petersen  
815 409-4052  
  
Ownership: North America Central School Bus Intermediate Holding Company, Llc - 100%

9) Vendor # 11085  
JACK HARRIS TRANSPORTATION M  
14218 SOUTH WESTERN  
POSEN, IL 60469  
Jack Harris  
708 389-1843

Ownership: Jack Harris - 100%

10) Vendor # 39549  
LATINO EXPRESS, INC. M  
3230 W. 38TH STREET  
CHICAGO, IL 60632  
Henry Gardunio  
312 316-5451

Ownership: Michael Rosas - 33%, Henry Gardunio - 33% And Joseph Gardunio - 33%

11) Vendor # 18289  
NO STRESS TRANSPORTATION LLC  
5424 W. KAMERLING  
CHICAGO, IL 60654  
Jeretheam Watson  
773 466-4027

Ownership: Jeretheam Watson - 100%

12) Vendor # 21807  
O'NEALS TRANSPORTATION  
P.O. BOX 09286  
CHICAGO, IL 60609  
Pierre Glover  
773 925-1040

Ownership: Pierre Glover - 100%

Vendor # 18680  
URBAN HABITATS INC DBA O'NEAL'S  
TRANSPORTATION SVC. INC.  
1507 E 53RD ST #873  
CHICAGO, IL 60615  
Pierre Glover  
773 301-7433

Ownership: Pierre Glover - 100%

13) Vendor # 11556  
R & D BUS COMPANY M  
1830 YALE RD  
FLOSSMOOR, IL 60422  
Ryan Dunn  
773 854-2100

Ownership: Ryan Dunn - 100%



- 14) Vendor # 16702  
SUNRISE TRANSPORTATION LLC  
8500 S VINCENNES AVE  
CHICAGO, IL 60620  
Robert Hach  
773 224-8050  
  
Ownership: Leo Helmers - 70%, Paul Losos - 15% And Gregory Bonnett - 15%
- 17) Vendor # 48098  
WILLIAM RANSOM TRANSPORTATION, INC.  
352 WEST 110TH STREET  
CHICAGO, IL 60628  
Brian Ransom  
773 785-8480  
  
Ownership: William And Daniella Ransom - 100%
- 15) Vendor # 43809  
UNITED QUICK TRANSPORTATION M  
2004 S. KOSTNER  
CHICAGO, IL 60623  
Michael Rosas  
312 431-3220  
  
Ownership: Michael Rosas - 33%, Henry Gardunio - 33% And Joseph Gardunio - 33%
- 16) Vendor # 16230  
WALLS TRANSPORTATION M  
1515 W 74TH ST  
CHICAGO, IL 60636  
Billie J Walls  
773 651-1369  
  
Ownership: Billie J Walls - 100%

17-0828-PR9

**AUTHORIZE A NEW AGREEMENT WITH CITY OF CHICAGO DEPARTMENT OF FLEET MANAGEMENT FOR THE PURCHASE OF FUEL AND ANCILLARY LIQUIDS**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize a new agreement with the City of Chicago Department of Fleet Management to provide fuel and ancillary liquids to various Chicago Public School Departments at an estimated annual cost set forth in the Compensation Section of this report. Vendor was selected on a non-competitive basis as the purchase is being made from another governmental agency. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to the execution of their written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-2280

**VENDOR:**

- 1) Vendor # 17110  
CITY OF CHICAGO  
DEPT OF FLEET AND FACILITY  
CHICAGO, IL 60602  
SHARON CARTER  
312 744-3900  
  
Ownership: City Of Chicago

**USER INFORMATION :**

Contact:

11870 - Student Transportation  
42 West Madison Street  
Chicago, IL 60602  
Mc Guire, Mr. Kevin P.  
773-553-2860

**TERM:**

The term of this agreement shall commence on November 1, 2017 and shall end on October 31, 2019. This agreement shall have no options to renew.

**EARLY TERMINATION RIGHT:**

The Board shall have the right to terminate this agreement with 30 days written notice.

**SCOPE OF SERVICES:**

Vendor will provide fuel and ancillary liquids.

Quantity: To be purchased as needed

Unit Price: The cost of unleaded and diesel fuels to the City including all applicable taxes, plus an additional charge of \$0.35 per gallon.

**OUTCOMES:**

Vendor's services will result in Chicago Public Schools vehicles being supplied with fuel which will be used for administration vehicles and drivers education vehicles.

**COMPENSATION:**

The City will be paid monthly upon invoicing; total not to exceed the sum of \$250,000.00 per year.

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Administrative Officer to execute all ancillary documents required to administer or effectuate the agreement.

**AFFIRMATIVE ACTION:**

Pursuant to Section 5.2 of the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contract (MBE/WBE plan), this contract is exempt from MBE/WBE review because the services classify as a unique transaction (intergovernmental agreement).

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Fund 115, 230

Student Transportation Services, Unit 11870

\$250,000.00, FY 2018

\$250,000.00 FY 2019

Future year funding is contingent upon budget appropriation and approval

**CFDA#:**

Not Applicable

**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 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 agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

17-0828-PR10

**AUTHORIZE A NEW AGREEMENT WITH HITACHI CONSULTING CORPORATION FOR  
ORACLE WEBCENTER CONTENT IMPLEMENTATION SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize a new agreement with Hitachi Consulting Corporation to provide Oracle Webcenter Content Implementation services to the Departments of Finance and Information Technology Services at an estimated annual cost set forth in the Compensation Section of this report. Vendor was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to the execution of their written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Specification Number : 17-350026

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-5180

**VENDOR:**

- 1) Vendor # 16092  
Hitachi Consulting Corporation  
14643 Dallas Parkway Ste 800  
Dallas, TX 75254  
Sridhar Jambula  
408 772-5279  
Ownership: Hitachi Information And  
Telecommunication Systems Globalholdings  
Corp. - 100%

**USER INFORMATION :**

Project  
Manager: 12430 - Accounts Payable  
42 West Madison Street  
Chicago, IL 60602  
Harmon, Mr. Cameron  
773-553-2735

**TERM:**

The term of this agreement shall commence on September 1, 2017 and shall end on August 31, 2019. This agreement shall have three (3) options to renew for periods of one (1) year each.

**EARLY TERMINATION RIGHT:**

The Board shall have the right to terminate this agreement with 30 days written notice.

**SCOPE OF SERVICES:**

Vendor will lead the implementation of Oracle WebCenter Content to the latest release, migration of up to eight (8) million documents, and conversion of existing TIF files to full text. The Oracle E-Business Suite R12.1.3 platform includes applications delivered as part of Oracle's native function, including Oracle General Ledger, Payables, Payments, Receivables, Cash Management, Fixed Assets, Enterprise Asset Management, Purchasing, iProcurement, iSupplier Portal, and Project and Grants Accounting. Enterprise Financial Systems (EFS) customers include staff at over 650 schools and back offices, such as Payables, Receivables, Purchasing, Budgeting, HR, Finance, Grants, Facilities, Operations and other business departments which support schools. The EFS platform has over 6,000 users and 10,000 active vendors. The current system utilization shows over 170,000 purchase orders and over 300,000 invoices annually.

**DELIVERABLES:**

Vendor will deliver the following:

1. Capture and extract key data elements from invoices received in any format centrally (paper, digital documents, e-invoices, EDI).
2. Automatic processing of invoices utilizing OCR forms recognition technology; extraction of specific header and line item / multiple line item data from the image.
3. Accurate assessment of cash flow needs.
4. Single point of entry for accessing payables information and invoice status.
5. Seamless and automated integration with Oracle E-Business Suite.

6. Audit trail of all invoice processes to ensure statutory and regulatory compliance.
7. Supports matching of customer PO, vendor invoice, and receipt; to include invoice modeling.
8. Routing invoices / images by automated workflow to business owners for review, approval and, if required, notification that specific actions are required (i.e. escalation procedures, etc.).
9. Messaging center with notification that specific actions are required (i.e. escalation procedures, etc.).
10. Document archiving with search capabilities; capabilities need to be applied across all modules.
11. Reporting and analysis of processing performance.
12. Conversion of existing documents from current IPM system and images that are up to seven (7) years old with accessible on-demand storage of documents.
13. Ability to generate a PDF file with invoice images for a given criteria on demand to fulfill Freedom Of Information Act ("FOIA") requests.

**OUTCOMES:**

1. The above mentioned services will support the Board in its mission to remain compliant with the Local Government Prompt Payment Act (50 ILCS 505).
2. The Vendor will provide technology which increases the speed at which invoices are processed, allowing greater visibility for accurate and timely cash flow analysis and reporting.
3. The Vendor's price includes the cost to implement, support, and maintain software which enhances the Board's current financial software.
4. The Vendor will be able to accommodate the CPS FY2017 annual invoice processing and PO closure process.

**COMPENSATION:**

Vendor shall be paid according to the terms of the agreement. Estimated annual costs for the two (2) year term are set forth below:

\$877,322.00, FY18  
\$80,053.00, FY19

**REIMBURSABLE EXPENSES:**

None.

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Controller and the Chief Information Officer to execute all ancillary documents required to administer or effectuate this agreement.

**AFFIRMATIVE ACTION:**

Pursuant to the remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services contracts, the goals for this contract include 30% MBE and 7% WBE participation. This contract is in full compliance with the goals and has scheduled the following vendors:

Total MBE: 30%  
Clarity Partners, LLC  
20 N. Clark St., Suite 3600  
Chicago, IL 60602

Total WBE: 7%  
Viva USA  
3601 Algonquin Rd., Suite 425  
Rolling Meadows, IL 60008

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Capital Funds, Information Technology Services, Unit 12510

\$877,322.00, FY18  
\$80,053.00, FY19

Not to exceed \$957,375.00 for the two (2) year term. Future year funding is contingent upon budget appropriation and approval.

CFDA#: Not Applicable

**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 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 agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

**17-0828-PR11**

**AUTHORIZE THE FIRST RENEWAL AGREEMENT WITH R.V. KUHNS AND ASSOCIATES, INC DBA RVK, INC FOR RETIREMENT PLANS CONSULTING SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize the first renewal agreement with R.V. Kuhns & Associates, Inc d/b/a RVK, Inc to provide retirement plans consulting services to the Talent Office at an estimated annual cost set forth in the Compensation Section of this report. A written document exercising this option is currently being negotiated. No payment shall be made to Vendor during the option period prior to execution of their written document. The authority granted herein shall automatically rescind in the event their written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-5180

**VENDOR:**

- 1) Vendor # 81262  
R.V. KUHNS & ASSOCIATES, INC DBA  
RVK, INC  
111 SW NAITO PARKWAY  
PORTLAND, OR 97204-3512

Tony Johnson  
503 221-4200

Ownership: Rebecca Gratsinger - 29.79%,  
Marcia Beard - 15.41%, Jim Voytko - 10.28%

**USER INFORMATION :**

Project  
Manager: 11010 - Talent Office  
  
42 West Madison Street  
  
Chicago, IL 60602  
  
Fairhall, Ms. Gail A  
  
773-553-3807

**ORIGINAL AGREEMENT:**

The original Agreement (authorized by Board Report #16-0928-PR11) in the amount of \$145,000.00 was for a term commencing October 1, 2016 and ending September 30, 2017, with the Board having three (3) options to renew for one (1) year terms. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.

**OPTION PERIOD:**

The term of this agreement is being renewed for one (1) year commencing October 1, 2017 and ending September 30, 2018.

**OPTION PERIODS REMAINING:**

There are two (2) option periods for one (1) year remaining.

**SCOPE OF SERVICES:**

Vendor will continue to provide the following services: Perform quarterly evaluations of investment funds offered within the Board's 403(b) and 457 retirement plans; Identify issues related to the investment governance of the funds and make recommendations as needed to ensure appropriate practices have been adopted and are effective; Examine the appropriateness of the investment benchmarks used to assess the funds' investment performance, measure their quality and describe their strengths and weaknesses; Perform specialized studies of specific investment matters as they may be requested; Assist the Board in fulfilling fiduciary responsibilities with proper oversight, governance and monitoring of investment funds; Provide insight into and detailed investment analysis on investment managers in publicly traded asset classes, and affirm the process used to retain and terminate investment managers; and Provide recommendations on investment related issues, including but not limited to, providing recommendations as to the selection of investment funds.

**DELIVERABLES:**

Vendor will continue to provide financial analysis of the retirement savings plan, advise the Board regarding compliance with IRS regulations, review vendor contracts and program related documents for compliance with program provisions and IRS regulations, provide recommendations on how to enhance the 403(b) and 457 plans, and make recommendations on investment related issues, including but not limited to, recommendations as to the selection of investment funds.

**OUTCOMES:**

Vendor's services will result in effective retirement savings for participating Chicago Public Schools employees.

**COMPENSATION:**

Vendor shall be paid quarterly based upon a fee per participant account; total not to exceed the sum of \$145,000.00, which amount shall be funded through fees collected from vendors.

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written option document. Authorize the President and Secretary to execute the option document. Authorize the Chief Talent Officer to execute all ancillary documents required to administer or effectuate this option agreement.

**AFFIRMATIVE ACTION:**

Pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts (M/WBE Program), the scope of services for this contract is not further divisible and there were no M/WBE goals administered.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Not applicable. See Compensation section.

**CFDA#:**

Not Applicable

**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 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 agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), 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).

**President Clark indicated that if there are no objections, Board Reports 17-0828-EX1 through 17-0828-EX13, 17-0828-OP1, 17-0828-AR1 through 17-0828-AR3, and 17-0828-PR1 through 17-0828-PR11, with the noted abstentions, would be adopted by the last favorable roll call vote, all members voting therefore.**

**President Clark thereupon declared Board Reports 17-0828-EX1 through 17-0828-EX13, 17-0828-OP1, 17-0828-AR1 through 17-0828-AR3, and 17-0828-PR1 through 17-0828-PR11 adopted.**

**17-0828-EX14**

**REPORT ON PRINCIPAL CONTRACTS (NEW)**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING:**

Accept and file copies of the contracts with the principals listed below who were selected by the Local School pursuant to the Illinois School Code and the Uniform Principal's Performance Contract #14-0625-EX12.

**DESCRIPTION:** Recognize the selection by the local school councils of the individuals listed below to the position of principal subject to the Principal Eligibility Policy, #14-0723-PO1, and approval of any additional criteria by the General Counsel for the purpose of determining consistency with the Uniform Principal's Performance Contract, Board Rules, and Law.

The Talent Office has verified that the following individuals have met the requirements for eligibility.

<u>NAME</u>	<u>FROM</u>	<u>TO</u>
Meredith Bawden	Assistant Principal Galileo	Contract Principal Galileo Network: 6 P.N. 124875 Commencing: 07/01/17 Ending: 06/30/21
Kimberly Harper-Young	Assistant Principal Foster Park	Contract Principal Foster Park Network: 11 P.N. 130798 Commencing: 07/23/17 Ending: 07/22/21
Denise Makowski	Assistant Principal Uplift H.S.	Contract Principal McCormick Network: 7 P. N. 127074 Commencing: 07/17/17 Ending: 07/16/21
Cynthia Treadwell	Interim Principal Aldridge	Contract Principal Aldridge Network: 13 P.N.122757 Commencing: 07/01/17 Ending: 06/30/21

**LSC REVIEW:** The respective Local School Councils have executed the Uniform Principal's Performance Contract with the individuals named above.

**AFFIRMATIVE ACTION STATUS:** None.

**FINANCIAL:** The salary of these individuals will be established in accordance with the provisions of the Administrative Compensation Plan.

**PERSONNEL IMPLICATIONS:** The positions to be affected by approval of this action are contained in the 2017-2018 school budget.

**17-0828-EX15**

**REPORT ON PRINCIPAL CONTRACTS (RENEWALS)**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING:**

Accept and file copies of the contracts with the principals listed below whose contracts were renewed by the Local School Councils pursuant to the Illinois School Code and the Uniform Principal's Performance Contract #09-0722-EX5 and #14-0625-EX12.

**DESCRIPTION:** Recognize the selection by local school councils of the individuals listed below to the position of principal subject to the Principal Eligibility Policy, #14-0723-PO1, and approval of any additional criteria by the General Counsel for the purpose of determining consistency with the Uniform Principal's Performance Contract, Board Rules, and Law.

The Illinois Administrators Academy has verified that the following principals have completed 20 hours of Professional Development. The **RENEWAL** contracts commence on the date specified in the contract and terminates on the date specified in the contract.

<u>NAME</u>	<u>FROM</u>	<u>TO</u>
Jewel Diaz	Contract Principal Ashburn	Contract Principal. Ashburn Network: 10 P.N. 120126 Commencing: 07/01/17 Ending: 06/30/21
Eric Dockery	Contract Principal Poe Classical	Contract Principal Poe Classical Network: 13 P.N. 112888 Commencing: 07/01/17 Ending: 06/30/21

**LSC REVIEW:** The respective Local School Councils have executed the Uniform Principal's Performance Contract with the individuals named above.

**AFFIRMATIVE ACTION STATUS:** None.

**FINANCIAL:** The salary of these individuals will be established in accordance with the provisions of the Administrative Compensation Plan.

**PERSONNEL IMPLICATIONS:** The positions to be affected by approval of this action are contained in the 2017-2018 school budgets.

17-0828-AR4

**REPORT ON BOARD REPORT RESCISSIONS**

**THE GENERAL COUNSEL REPORTS THE FOLLOWING:**

**I. Extend the rescission dates contained in the following Board Reports to October 25, 2017 because the parties remain involved in good faith negotiations which are likely to result in an agreement and the user group(s) concurs with this extension:**

1. 16-0323-PR5: Authorize the First Renewal Agreement with Constellation Newenergy, Inc. for The Supply of Electricity.

Services: Supply of Electricity  
User Group: Facility Operations & Maintenance  
Status: In negotiations

2. 16-0323-PR2: Authorize New Agreements with Various Vendors for Arts and Cultural Enrichment (Out-of-School), Academic Support (Out-of-School), and Student Health and Wellness (In-School, Out-of-School, Recess) Services.

Services: Out of School Time Services  
User Group: Student Support and Engagement  
Additional Action: This Matter was inadvertently omitted from the July 26, 2017 Rescission Board Report. The extension of the rescission date is ratified to take effect as of the prior date thereby extending the rescission date to September 27, 2017.

3. 16-0427-EX6: Authorize Renewal of the LEARN Charter School Agreement with Conditions.

Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations

4. 16-0427-EX9: Amend Board Report 15-0527-EX27: Amend Board Report 14-0723-EX4: Amend Board Report 14-0528-EX16; Amend Board Report 13-0724-EX3: Amend Board Report 13-0522-EX3: Approve Entering into Agreements with Various Providers for Alternative Learning Opportunities Program Services.

Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations

5. 16-0727-PR1: Authorize a New Software License Agreement with Faria Systems for International Baccalaureate Managebac Software.

Services: Software License Agreement  
User Group: Teaching and Learning Office  
Status: In negotiations

6. 16-0727-PR3: Amend Board Report 15-1028-PR14: Authorize New Agreements with Various Vendors for Integrated Pest Management Services.

Services: Integrated Pest Management  
User Group: Facility Operations & Maintenance  
Status: The amendment to add Zone 12 to Pest Pros Unlimited, LLC is with the vendor for signature.

7. 16-0928-PR2: Authorize a New Master Agreement with Academy for Urban School Leadership for Professional Development, Management Consulting and Turnaround Services.

Services: Professional Development, Management Consulting and Turnaround Services  
User Group: Network Support  
Status: In negotiations

8. 16-1026-PR13: Authorize New Agreements with Various Vendors for Defined Contribution Retirement Services.

Services: Retirement Services  
User Group: Talent office  
Status: In negotiations



9. 16-1207-EX4: Authorize Renewal of the Catalyst Maria Charter School Agreement with Conditions.  
Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations
10. 16-1207-EX5: Authorize Renewal of the Chicago Excel Academy Agreement with Conditions.  
Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations
11. 16-1207-EX6: Authorize Renewal of the Chicago International Charter School Agreement with Conditions.  
Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations
12. 16-1207-EX7: Authorize Renewal of the Instituto Justice and Leadership Academy Charter High School Agreement with Conditions.  
Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations
13. 16-1207-EX8: Authorize Renewal of the KIPP Chicago Charter Schools Agreement with Conditions.  
Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations
14. 16-1207-EX9: Authorize Renewal of the Legal Prep Charter Academy Agreement with Conditions.  
Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations
15. 16-1207-EX10: Authorize Renewal of the Montessori School of Englewood Charter Agreement with Conditions.  
Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations
16. 16-1207-EX11: Authorize Renewal of the Perspectives Charter School Agreement with Conditions.  
Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations
17. 16-1207-EX12: Authorize Renewal of the Polaris Charter Academy Agreement with Conditions.  
Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations
18. 16-1207-EX13: Authorize Renewal of the Providence Englewood Charter School Agreement with Conditions.  
Services: Charter School  
User Group: Office of Innovation and Incubation  
Status: In negotiations
19. 17-0125-PR12: Authorize a New License Agreement with Google Corporation for Enterprise Email, Collaboration and Archiving Software and Implementation and Archiving Services.  
Services: Enterprise Email, Collaboration and Archiving Software and Implementation and Archiving  
User Group: Information & Technology Services  
Status: In negotiations
20. 17-0322-PR4: Authorize the Second Renewal Agreements with Various Vendors For The Purchase of Specialized Adapted Equipment, Testing Materials, Maintenance, Training and Warranty Services.  
Services: Purchase of Specialized Adapted Equipment, Testing Materials, Maintenance, Training and Warranty Services  
User Group: Diverse Learner Supports & Services  
Status: In negotiations
21. 17-0322-PR8: Authorize the Final Renewal Agreement with Aramark Educational Services, LLC d/b/a Aramark Education K-12 for Food Services Management  
Services: Food Service Management  
User Group: Nutrition Support Services  
Status: In negotiations

22. 17-0322-PR10: Authorize New Agreements with Various Vendors for Student Transportation Services (School Bus Service).  
Services: School Bus Service  
User Group: Student Transportation  
Additional Action: This Matter was inadvertently omitted from the July 26, 2017 Rescission Board Report. The extension of the rescission date is ratified to take effect as of the prior date thereby extending the rescission date to September 27, 2017.

23. 17-0524-PR1: Authorize the First Renewal Agreement with Houghton Mifflin Harcourt for the Purchase of Test Materials and Related Services.  
Services: Purchase of Materials  
User Group: Access and Enrollment  
Status: In negotiations

24. 17-0524-PR2: Authorize the Second Renewal Agreement with SAGA Innovations, Inc. for In-Class Math Tutoring Services.  
Services: Math Tutoring Services  
User Group: College to Career Success Office  
Status: In negotiations

25. 17-0524-PR3: Authorize a New Agreement with Creative Learning Systems, LLC for STEM Smartlab Learning Environment Services.  
Services: STEM Smartlab Learning Services  
User Group: College to Career Success Office  
Status: In negotiations

26. 17-0524-PR4: Authorize a New Agreement with Illinois Restaurant Association Educational Foundation for Culinary Education Services.  
Services: Culinary Education Services  
User Group: College to Career Success Office  
Status: In negotiations

27. 17-0524-PR5: Authorize the Extension of the Agreement with LEAP Innovations for Personalized Learning Research and Development Services.  
Services: Personalized Learning Research and Development Services  
User Group: Department of Personalized Learning  
Status: In negotiations

28. 17-0524-PR6: Authorize a New Agreement with the Chicago Debate Commission for Services for the Chicago Debate League.  
Services: Services Agreement  
User Group: Teaching and Learning Office  
Status: In negotiations

29. 17-0524-PR11: Authorize the Extension of the Agreement with Oracle America, Inc. to Provide Talent Acquisition and On-Boarding Implementation Services.  
Services: Talent Acquisition  
User Group: Information & Technology Services  
Status: In negotiations

30. 17-0524-PR14: Authorize the First and Second Renewal Agreements with Dunbar Armored, Inc. for Courier Services.  
Services: Courier Services  
User Group: Treasury  
Status: In negotiations

31. 17-0524-PR16: Authorize the Final Renewal Agreement with Frontline Technologies Group LLC DBA Frontline Education to Provide a Substitute Services Placement System.  
Services: Substitute Services Placement System  
User Group: Talent Office  
Status: In negotiations

II. Rescind the following Board Reports in part or in full for failure to enter into an agreement with the Board, after repeated attempts, and the user groups have been advised of such rescission:

None.

**President Clark thereupon declared Board Reports 17-0828-EX14, 17-0828-EX15, and 17-0828-AR4 accepted.**

**OMNIBUS**

**At the Regular Board Meeting held on August 28, 2017, the foregoing motions, reports and other actions set forth from number 17-0828-MO1 through 17-0828-MO3 except as otherwise indicated, were adopted as the recommendations or decisions of the Chief Executive Officer and General Counsel.**

**President Clark abstained on Board Report 17-0828-EX8.**

**Vice President Guzman abstained on Board Report 17-0828-EX26.**

**Board Member Dr. Hines abstained on Board Report 17-0828-EX12.**

**ADJOURNMENT**

**President Clark moved to adjourn the meeting, and it was so ordered by a voice vote, all members present voting therefore.**

**President Clark thereupon declared the Board Meeting adjourned.**

**I, Estela G. Beltran, Secretary of the Board of Education and Keeper of the records thereof, do hereby certify that the foregoing is a true and correct record of certain proceedings of said Board of Education of the City of Chicago at its Regular Board Meeting held on August 28, 2017 held at the CPS Loop Office, 42 W. Madison Street, Garden Level, Board Room, Chicago, Illinois, 60602.**

**Estela G. Beltran  
Secretary**



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