APPROVE THE WINDING DOWN OF CHOIR CHARTER SCHOOL, INCLUDING THE PURCHASE OF CERTAIN ASSETS AND ENTERING INTO AN AGREEMENT WITH THE CHOIR ACADEMY CHARTER SCHOOL OF CHICAGO

THE CHIEF EXECUTIVE OFFICER RECOMMENDS:

Approve (i) return of the Choir Academy Charter School ("Choir") charter prior to June 30, 2009, and the agreement of Choir not to apply for a renewal of charter; (ii) closing Choir at end of 2008-09 school year; (iii) the purchase of certain assets from Choir prior to the end of the school year; (iv) the release of restrictions on certain funds previously allocated to Choir; and (v) the execution of an agreement with Choir to facilitate the transfer of student records and ancillary matters relative to the closing of the Charter School. Issues applicable to the surrender of the Charter, winding up the corporate affairs of Choir and the sale of assets to the Board are currently being negotiated.

Due to reduced enrollment at the school Choir will agree to return the Charter prior to June 30, 2009, not reapply for an extension of or new Charter, not contest the return and non-renewal of the Charter, and sell the certain assets of Choir used in operating the Charter School to the Board. The Board and Choir agree the consideration will be in an amount not to exceed \$350,000.00.

The authority granted herein shall automatically rescind in the event the agreement is not executed by the Board and Choir within 120 days of the date of this Board Report. Information pertinent to this matter is stated below.

CHARTER

SCHOOL:

Choir Academy Charter School of Chicago

3630 South Wells Street Chicago, IL 60609 Phone: (773) 890-4720

Contact Person: Kevin Slaughter, Board President

OVERSIGHT: Office of New Schools

125 South Clark, 5th Floor Chicago, IL 60603 Phone: (773) 553 – 1530

Contact Person: Josh Edelman, Executive Officer

DESCRIPTION:

The Charter Schools Law (105 ILCL 5/27A et seq.) provides that up to 30 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 5/34-27 A-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 State Board of Education. Choir has been awarded a charter (authorized by Board Report 03-0527-EX6) and pursuant to such charter operates a school at 3630 S. Wells, Chicago, IL 60609. Choir intends to return the charter to the Board prior to its termination date of June 30, 2009.

The Charter commenced on July 1, 2003 and is due to expire on June 30, 2009. Choir wishes to close its school and sell certain assets of the school to the Board prior to the termination date and return the Charter to the Board, all for an agreed upon value not to exceed \$350,000.00.

AUTHORIZATION:

Authorize the General Counsel to include relevant terms and conditions in the written agreement which terms and conditions shall reflect resolution of any and all outstanding issues between the Board and the governing body of the charter school including, matters relating to the winding down of the school and the closure of the facilities. Authorize the President and Secretary to execute the Agreement. Authorize the Executive Officer of the Office of New Schools to issue a letter notifying the Illinois State Board of Education of the actions approved hereunder and to submit such information as may be necessary to the Illinois State Board of Education. Authorize the General Counsel to further negotiate, and execute any amendments to the Agreement as may be required.

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 2008 – 2009 fiscal year budget. Since the School Code of Illinois prohibits the incurring of any liability unless an appropriation has been previously made, expenditures beyond FY09 are deemed to be contingent liabilities only, subject to appropriation in subsequent fiscal year budgets.

Charge to: Office of New Schools, \$350,000.00 Fiscal Year: 2009

Budget Classification: 13615 115 54125 251001 000000 Source of Funds: General Education

GENERAL CONDITIONS:

Inspector General – Each Party to the agreement shall acknowledge that, in accordance with 105 ILCS 5-34-2.4b, 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 5/34-21.3.4b 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 June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

Approved:

Barbara Eason Watkins Chief Education Officer

Barbara Eason Watkers

Within Appropriation:

Pedro Martinez
Chief Financial Officer

Respectfully submitted:

Ron Huberman

Chief Executive Officer

Approved as to Legal Form:

Patrick J. Rocks General Counsel