

U.S. Department of Education

Washington, D.C. 20202-5335



**APPLICATION FOR GRANTS
UNDER THE**

Charter School Program Non-SEA Planning, Program Design, and Implementation

CFDA # 84.282B

PR/Award # U282B110084

Grants.gov Tracking#: GRANT10951633

OMB No. , Expiration Date:

Closing Date: Aug 24, 2011

****Table of Contents****

Form	Page
1. Application for Federal Assistance SF-424	e3
2. Standard Budget Sheet (ED 524)	e6
3. Assurances Non-Construction Programs (SF 424B)	e8
4. Disclosure Of Lobbying Activities (SF-LLL)	e10
5. ED GEPA427 Form	e11
Attachment - 1 (1236-2011 Urban Prep GEPA Statement)	e12
6. Grants.gov Lobbying Form	e13
7. Dept of Education Supplemental Information for SF-424	e14
8. ED Abstract Narrative Form	e15
Attachment - 1 (1235-2011 Urban Prep Abstract Narrative)	e16
9. Project Narrative Form	e17
Attachment - 1 (1244-2011 Urban Prep Project Narrative)	e18
10. Other Narrative Form	e60
Attachment - 1 (1237-Charter School Agreement - EGP)	e61
Attachment - 2 (1238-Charter School Agreement - SSC)	e116
Attachment - 3 (1239-2011 Urban Prep Lottery Recruitment and Admissions Policy)	e170
Attachment - 4 (1240-Urban Prep IRS 501C3 Determination Letter 2007)	e171
Attachment - 5 (1241-2011_Urban Prep Academies Crains Chicago)	e172
Attachment - 6 (1242-2011 Urban Prep Kelly Dickens Resume)	e174
Attachment - 7 (1243-Tim King's Resume)	e176
11. Budget Narrative Form	e181
Attachment - 1 (1234-2011 Urban Prep Budget Narrative)	e182
12. Form FaithBased_SurveyOnEEO-V1.2.pdf	e184

This application was generated using the PDF functionality. The PDF functionality automatically numbers the pages in this application. Some pages/sections of this application may contain 2 sets of page numbers, one set created by the applicant and the other set created by e-Application's PDF functionality. Page numbers created by the e-Application PDF functionality will be preceded by the letter e (for example, e1, e2, e3, etc.).

Application for Federal Assistance SF-424

* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
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* 3. Date Received: <input type="text" value="08/24/2011"/>	4. Applicant Identifier: <input type="text"/>
--	--

5a. Federal Entity Identifier: <input type="text"/>	5b. Federal Award Identifier: <input type="text" value="NA"/>
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State Use Only:

6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>
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8. APPLICANT INFORMATION:

* a. Legal Name: <input type="text" value="Urban Prep Academies"/>	
* b. Employer/Taxpayer Identification Number (EIN/TIN): <input type="text" value="20-0138672"/>	* c. Organizational DUNS: <input type="text" value="6265910490000"/>

d. Address:

* Street1:	<input type="text" value="420 North Wabash"/>
Street2:	<input type="text" value="Suite 300"/>
* City:	<input type="text" value="Chicago"/>
County/Parish:	<input type="text" value="Cook"/>
* State:	<input type="text" value="IL: Illinois"/>
Province:	<input type="text"/>
* Country:	<input type="text" value="USA: UNITED STATES"/>
* Zip / Postal Code:	<input type="text" value="60611-5624"/>

e. Organizational Unit:

Department Name: <input type="text"/>	Division Name: <input type="text"/>
--	--

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: <input type="text"/>	* First Name: <input type="text" value="Kelly"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="Dickens"/>	
Suffix: <input type="text"/>	

Title: <input type="text" value="Vice President Institutional Advancement"/>
--

Organizational Affiliation: <input type="text"/>

* Telephone Number: <input type="text" value="312-276-0259 ext. 1122"/>	Fax Number: <input type="text"/>
---	----------------------------------

* Email: <input type="text" value="kdickens@urbanprep.org"/>
--

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

M: Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

U.S. Department of Education

11. Catalog of Federal Domestic Assistance Number:

84.282

CFDA Title:

Charter Schools

*** 12. Funding Opportunity Number:**

ED-GRANTS-072511-001

* Title:

Office of Innovation and Improvement (OII): Charter Schools Program (CSP): Planning, Program Design, and Initial Implementation Grants CFDA Number 84.282B

13. Competition Identification Number:

84-282B2011-1

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

2011 Urban Prep Academies CSP

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant

b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

* a. Start Date:

* b. End Date:

18. Estimated Funding (\$):

* a. Federal	<input type="text" value="400,000.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="400,000.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

a. This application was made available to the State under the Executive Order 12372 Process for review on

b. Program is subject to E.O. 12372 but has not been selected by the State for review.

c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

Yes No

If "Yes", provide explanation and attach

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:

Middle Name:

* Last Name:

Suffix:

* Title:

* Telephone Number:

Fax Number:

* Email:

* Signature of Authorized Representative:

* Date Signed:

**U.S. DEPARTMENT OF EDUCATION
BUDGET INFORMATION
NON-CONSTRUCTION PROGRAMS**

OMB Control Number: 1890-0018

Expiration Date: 02/28/2011

* Name of Institution/Organization

Urban Prep Academies

Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.

**SECTION A - BUDGET SUMMARY
U.S. DEPARTMENT OF EDUCATION FUNDS**

Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel						
2. Fringe Benefits						
3. Travel	5,000.00					5,000.00
4. Equipment	165,000.00					165,000.00
5. Supplies	80,000.00					80,000.00
6. Contractual						
7. Construction						
8. Other	150,000.00					150,000.00
9. Total Direct Costs (lines 1-8)	400,000.00					400,000.00
10. Indirect Costs*						
11. Training Stipends						
12. Total Costs (lines 9-11)	400,000.00					400,000.00

***Indirect Cost Information (To Be Completed by Your Business Office):**

If you are requesting reimbursement for indirect costs on line 10, please answer the following questions:

(1) Do you have an Indirect Cost Rate Agreement approved by the Federal government? Yes No

(2) If yes, please provide the following information:

* Period Covered by the Indirect Cost Rate Agreement: From: To: (mm/dd/yyyy)

* Approving Federal agency: ED Other (please specify):

(3) For Restricted Rate Programs (check one) -- Are you using a restricted indirect cost rate that:

Is included in your approved Indirect Cost Rate Agreement? or, Complies with 34 CFR 76.564(c)(2)?

<p>* Name of Institution/Organization</p> <p>Urban Prep Academies</p>	<p>Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.</p>	
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**SECTION B - BUDGET SUMMARY
NON-FEDERAL FUNDS**

Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel						
2. Fringe Benefits						
3. Travel						
4. Equipment						
5. Supplies						
6. Contractual						
7. Construction						
8. Other						
9. Total Direct Costs (lines 1-8)						
10. Indirect Costs						
11. Training Stipends						
12. Total Costs (lines 9-11)						

SECTION C - BUDGET NARRATIVE (see instructions)

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

<p>* SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL</p> <p>Tim King</p>	<p>* TITLE</p> <p>Vice President Institutional Advancement</p>
<p>* APPLICANT ORGANIZATION</p> <p>Urban Prep Academies</p>	<p>* DATE SUBMITTED</p> <p>08/24/2011</p>

Standard Form 424B (Rev. 7-97) Back

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C.1352

Approved by OMB
0348-0046

1. * Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. * Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input checked="" type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. * Report Type: <input checked="" type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change
--	--	--

4. Name and Address of Reporting Entity:
 Prime SubAwardee

* Name: Urban Prep Academies

* Street 1: 420 N. Wabash St * Street 2: Suite 300

* City: Chicago * State: IL: Illinois * Zip: 60611

Congressional District, if known: IL-007

5. If Reporting Entity in No.4 is Subawardee, Enter Name and Address of Prime:

6. * Federal Department/Agency: U.S. Department of Education	7. * Federal Program Name/Description: Charter Schools
	CFDA Number, if applicable: 84.282

8. Federal Action Number, if known: 	9. Award Amount, if known: \$
--	---

10. a. Name and Address of Lobbying Registrant:

Prefix: * First Name: N/A Middle Name:

* Last Name: N/A Suffix:

* Street 1: * Street 2:

* City: * State: * Zip:

b. Individual Performing Services (including address if different from No. 10a)

Prefix: * First Name: N/A Middle Name:

* Last Name: N/A Suffix:

* Street 1: * Street 2:

* City: * State: * Zip:

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* Signature: Tim King

* Name: Prefix: * First Name: Kelly Middle Name:

* Last Name: Dickens Suffix:

Title: Vice President Institutional Advancement Telephone No.: 312-276-0259 ext. 1122 Date: 08/24/2011

Federal Use Only: Authorized for Local Reproduction Standard Form - LLL (Rev. 7-97)

PR/Award # U282B110084

NOTICE TO ALL APPLICANTS

The purpose of this enclosure is to inform you about a new provision in the Department of Education's General Education Provisions Act (GEPA) that applies to applicants for new grant awards under Department programs. This provision is Section 427 of GEPA, enacted as part of the Improving America's Schools Act of 1994 (Public Law (P.L.) 103-382).

To Whom Does This Provision Apply?

Section 427 of GEPA affects applicants for new grant awards under this program. **ALL APPLICANTS FOR NEW AWARDS MUST INCLUDE INFORMATION IN THEIR APPLICATIONS TO ADDRESS THIS NEW PROVISION IN ORDER TO RECEIVE FUNDING UNDER THIS PROGRAM.**

(If this program is a State-formula grant program, a State needs to provide this description only for projects or activities that it carries out with funds reserved for State-level uses. In addition, local school districts or other eligible applicants that apply to the State for funding need to provide this description in their applications to the State for funding. The State would be responsible for ensuring that the school district or other local entity has submitted a sufficient section 427 statement as described below.)

What Does This Provision Require?

Section 427 requires each applicant for funds (other than an individual person) to include in its application a description of the steps the applicant proposes to take to ensure equitable access to, and participation in, its Federally-assisted program for students, teachers, and other program beneficiaries with special needs. This provision allows applicants discretion in developing the required description. The statute highlights six types of barriers that can impede equitable access or participation: gender, race, national origin, color, disability, or age. Based on local circumstances, you should determine whether these or other barriers may prevent your students, teachers, etc. from such access or participation in, the Federally-funded project or activity. The description in your application of steps to be taken to overcome these barriers need not be lengthy; you may provide a clear and succinct

description of how you plan to address those barriers that are applicable to your circumstances. In addition, the information may be provided in a single narrative, or, if appropriate, may be discussed in connection with related topics in the application.

Section 427 is not intended to duplicate the requirements of civil rights statutes, but rather to ensure that, in designing their projects, applicants for Federal funds address equity concerns that may affect the ability of certain potential beneficiaries to fully participate in the project and to achieve to high standards. Consistent with program requirements and its approved application, an applicant may use the Federal funds awarded to it to eliminate barriers it identifies.

What are Examples of How an Applicant Might Satisfy the Requirement of This Provision?

The following examples may help illustrate how an applicant may comply with Section 427.

- (1) An applicant that proposes to carry out an adult literacy project serving, among others, adults with limited English proficiency, might describe in its application how it intends to distribute a brochure about the proposed project to such potential participants in their native language.
- (2) An applicant that proposes to develop instructional materials for classroom use might describe how it will make the materials available on audio tape or in braille for students who are blind.
- (3) An applicant that proposes to carry out a model science program for secondary students and is concerned that girls may be less likely than boys to enroll in the course, might indicate how it intends to conduct "outreach" efforts to girls, to encourage their enrollment.

We recognize that many applicants may already be implementing effective steps to ensure equity of access and participation in their grant programs, and we appreciate your cooperation in responding to the requirements of this provision.

Estimated Burden Statement for GEPA Requirements

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is **1894-0005**. The time required to complete this information collection is estimated to average 1.5 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to:** U.S. Department of Education, 400 Maryland Avenue, S.W., Washington, D.C. 20202-4537.

Optional - You may attach 1 file to this page.

2011 Urban Prep GEPA Statement.pdf

Add Attachment

Delete Attachment

View Attachment

GEPA, SECTION 427

Urban Prep Academies does not engage in discriminatory practices in relation to hiring, student enrollment, or any other aspect of our program. As a charter school we are open to any and every student in the city of Chicago. Further information regarding our student recruitment and faculty hiring practices is contained in the body of this application.

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* APPLICANT'S ORGANIZATION Urban Prep Academies	
* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
Prefix: <input type="text"/>	* First Name: <input type="text" value="Kelly"/> Middle Name: <input type="text"/>
* Last Name: <input type="text" value="Dickens"/>	Suffix: <input type="text"/>
* Title: <input type="text" value="Vice President Institutional Advancement"/>	
* SIGNATURE: <input type="text" value="Tim King"/>	* DATE: <input type="text" value="08/24/2011"/>

Close Form

SUPPLEMENTAL INFORMATION
REQUIRED FOR
DEPARTMENT OF EDUCATION GRANTS

1. Project Director:

Prefix: * First Name: Middle Name: * Last Name: Suffix:

Mr. Kelly [] Dickens []

Address:

* Street1: 420 N. Wabash Street

Street2: Suite 300

* City: Chicago

County: []

* State: IL: Illinois

* Zip Code: 60611

* Country: USA: UNITED STATES

* Phone Number (give area code) Fax Number (give area code)

(312) 276-0259 []

Email Address:

kdickens@urbanprep.org

2. Applicant Experience:

Novice Applicant Yes No Not applicable to this program

3. Human Subjects Research

Are any research activities involving human subjects planned at any time during the proposed project Period?

Yes No

Are ALL the research activities proposed designated to be exempt from the regulations?

Yes Provide Exemption(s) #: []

No Provide Assurance #, if available: []

Please attach an explanation Narrative:

[]

Add Attachment

Delete Attachment

View Attachment

Abstract

The abstract narrative must not exceed one page and should use language that will be understood by a range of audiences. For all projects, include the project title (if applicable), goals, expected outcomes and contributions for research, policy, practice, etc. Include population to be served, as appropriate. For research applications, also include the following:

- Theoretical and conceptual background of the study (i.e., prior research that this investigation builds upon and that provides a compelling rationale for this study)
- Research issues, hypotheses and questions being addressed
- Study design including a brief description of the sample including sample size, methods, principals dependent, independent, and control variables, and the approach to data analysis.

[Note: For a non-electronic submission, include the name and address of your organization and the name, phone number and e-mail address of the contact person for this project.]

You may now Close the Form

You have attached 1 file to this page, no more files may be added. To add a different file, you must first delete the existing file.

* Attachment:

Urban Prep Academies: Abstract Narrative (84.282B)

Urban Prep Academies is located at 420 N. Wabash, Suite 300, Chicago, IL, 60611. Urban Prep's Vice President of Institutional Advancement, Kelly Dickens, can be reached at (312) 371-9128 ext. 1122 or kdickens@urbanprep.org. Urban Prep Academies is a 501(c)(3) organization founded in 2002. Our mission is to provide a rigorous college prep curriculum that prepares a traditionally underserved population for success in college and life. Urban Prep currently holds three charters for schools in the City of Chicago: Urban Prep Englewood, Urban Prep East Garfield Park and Urban Prep South Shore.

Both Urban Prep East Garfield Park and Urban Prep South Shore received Federal CSP Planning grants with a grant period start date of March 1, 2010 and end date of July 31, 2010. Thus, these schools each conducted planning activities for a total of five months, well under the 18 month cap mandated by the CSP program. Both schools also received implementation grants, with a grant period start date of March 15, 2011, and a grant period end date of July 31, 2011. Thus, these schools each conducted implementation related activities for a total of approximately 4.5 months, well under the 24 month cap. The CSP grant for both schools began when planning activities began March 1, 2011. Since each school is still in the implementation stage, and each has only conducted 4.5 months of implementation with CSP funding, these schools are eligible for an additional 12 months of continuation funding (24 month period ending March 1, 2013).

We are requesting the continuation of our implementation grant in the amount of \$200,000 each for both Urban Prep's East Garfield Park and South Shore schools (combined \$400,000) to further support the schools' implementation initiatives.

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[View Optional Project Narrative File](#)

Table of Contents

Response to Competitive Priority Page 2

Selection Criteria (i) (25 points) Page 4

Selection Criteria (ii) (3 points) Page 14

Selection Criteria (iii) (3 points) Page 16

Selection Criteria (iv) (15 points) Page 18

Selection Criteria (v) (5 points) Page 14, 23

Selection Criteria (vi) (3 points) Page 25

Selection Criteria (vii) (25 points) Page 26

Selection Criteria (viii) (16 points) Page 30

Selection Criteria (ix) (5 points) Page 37

Response to Competitive Priority

Urban Prep Academies (Urban Prep) is a 501(c)(3) organization founded in 2002 that operates a network of public charter high schools for boys. Our first school, Urban Prep Charter Academy for Young Men—Englewood Campus opened in 2006. In 2009, a second school opened in Chicago’s East Garfield Park neighborhood. A third school opened in 2010 in Chicago’s South Shore community. Urban Prep operates three programs: The Schools program which encompasses all activities related to the academics and operations of our three schools; the Urban Prep Fellows Program which is a one-year service opportunity for recent college graduates interested in working with urban youth; and the UP To & Through College Program which provides the support necessary to help Urban Prep alumni successfully complete college.

All of our schools serve high-need communities in the city of Chicago. Across our network, Urban Prep students are African-American males; on average approximately 85% of our students are low-income (high of 93% low-income), 15% have IEP’s (high of 20% with IEP’s), and 85% begin Urban Prep reading below grade level (high of 94% entering reading below grade level.)

While the vast majority of students come to us below grade level, we are able to accelerate them because we have an extended school day, extended school year, double periods of English and Math, Saturday school, mentoring and a positive school culture. To date, 100% of our graduates have been accepted to four year colleges. Additionally, according to our records, 94% of the class of 2010 graduates enrolled in college, and approximately 80% have completed their first year. We value growth at Urban Prep and the fact that so many students come to us below grade level, but are able to gain admission to 4-year colleges when they graduate from Urban Prep is a clear indication of how significantly our students grow academically, socially and emotionally.

In an effort to ensure that Urban Prep students receive a first-rate, college preparatory education, our design team has devised The Urban Prep Arcs, our comprehensive curriculum which is tailored to fit the unique needs of urban students. The Arcs will be explored in great detail throughout this proposal.

In this grant application, Urban Prep Academies has responded to the application requirements in the context of our responses to the selection criteria as follows:

Application Requirement	(Addressed in) Selection Criteria
(i)	SC 1
(ii)	SC 8
(iii)	SC 4
(iv)	SC 2, SC 3, SC 5
(v)	SC 3, SC 6
(vi)	SC 5
(vii)	N/A
(viii)	SC 5
(ix)	SC 3
(x)	Pg. 41
(xi)	Pg. 42

Curriculum & Instructional Practices (SC1) (25 points)

Urban Prep was conceived to fill a glaring need. The design team and board of directors, who pooled their time, effort and resources to establish Urban Prep Academies, did so because the circumstances surrounding the lives of urban young men have reached crisis level. This claim, which may seem extreme, is supported by a glut of harrowing statistics concerning urban young men. The Centers for Disease Control cites the leading cause of death among African-American men between the ages of 15 and 24 is homicide. The Justice Policy Institute found that the number of college-aged Black men in prison is 30% higher than the number of Black men in college. The Schott Foundation reported that 60% of Black male Chicago Public High School students drop out. Additionally, the University of Chicago Consortium on School Research reported that only 2.5% of Black male students starting as Freshmen in Chicago Public Schools can be expected to complete a 4-year college degree by age 25. At Urban Prep, we seek to reverse these alarming trends by equipping our students with the academic training, social and emotional support, exposure and resources that will enable them to develop into well-rounded, college-ready young men.

Most of our students come from chronically poor-performing public elementary schools. Thus despite their undeniable potential, many of them enroll in Urban Prep performing below-grade level. In an effort to boost student achievement above and beyond national norms, we've designed a rigorous, culturally relevant curriculum that centralizes, rather than marginalizes, the complex experience of the urban young man.

Urban Prep has created an Arc Curriculum comprised of four intertwined arcs: Academic, Activity, Service, and Professional/Collegiate to serve our students from grades 9 through 12.

The arcs are designed to mold our young men into the type of well-rounded students that colleges covet. Teachers work within the framework of the Arcs to craft culturally relevant lesson plans that promote student engagement, interaction and enthusiasm.

Academic Arc

The Academic Arc features a rigorous course of study that prepares students to meet and exceed state requirements, and compete in college classrooms. Urban Prep students are in school an additional 72,000 minutes over the course of their four years – an entire additional year over their traditional public school peers. Among the more innovative features of the Academic Arc are the Urban Prep interim assessments. Interim assessments are in-house evaluations based on the ACT college readiness standards. These assessments allow teachers to regularly gauge students’ mastery of core academic concepts, and overall progress toward college readiness. The results of these assessments drive in-class instruction, by regularly highlighting students’ areas of strength and deficiency. Effective utilization of these assessments helps teachers to keep their fingers on the pulse of student achievement. The Academic Arc also features an intensive course of study in Language Arts designed to mold our young men into articulate thinkers, capable of self-expression verbally and in writing, and a double period of mathematics, in their freshman and sophomore years, designed to help our students develop the quantitative skill set necessary for success in college. During four years at Urban Prep, our students complete twice as many Language Arts and 1.5 times as many Math courses as students in traditional Chicago public high schools.

Service Arc

The majority of current Urban Prep students reside in inner-city of Chicago. It is of utmost importance that our students value and make meaningful contributions to the community in which they live and learn. To that end, we have built a community service program into our curriculum. The Service Arc mandates that all students contribute to the design and implementation of a community service project during each year of high school. Students are asked to identify an aspect of their community that they can help improve, formulate a plan for making this improvement, and work with classmates to execute the service project. The Service Arc fosters levels of compassion, leadership, and character that will stay with our young men as they mature into successful, civic-minded community leaders.

Activity Arc

While academic rigor is the centerpiece of our curriculum, we recognize that extracurricular involvement is not only vital to helping our young men develop a well-rounded college portfolio, but also vital to their maturation; thus, we have built the Activity Arc into the Urban Prep curriculum. The Activity Arc mandates that each student participate in a minimum of two school sponsored extracurricular activities per year. Programs sponsored by the Activity Arc include athletics, student government, academic clubs, and myriad other activities. Involvement in extracurricular activities fosters a sense of camaraderie, which permeates the Urban Prep community. By competing and collaborating with their classmates, our students form bonds that last a lifetime. Further, as coaches, mentors, and facilitators, Urban Prep staff can utilize time spent in extracurricular activities to build meaningful relationships with students. The Activity

Arc also helps to promote leadership development, team-building, cooperative learning, and the development of problem solving skills and techniques.

Professional/Collegiate Arc

The College/Professional Arc provides opportunities for students to spend time in a professional setting or on a college campus to increase their understanding of the wider world, reinforce character and leadership development, and serve as a means for students to gain valuable experience. Urban Prep students have studied at major universities, completed projects overseas and worked in various firms as part of the College/Professional Arc. This Arc is particularly significant because many of our students have never spent substantial time outside of their communities.

In total, these four connecting Arcs encircle the student, providing a complete and comprehensive high school education; an education that will leave our young men well prepared to meet the grueling demands of life on a college campus.

While all Arcs are vital to the success of our students, special attention is given to the Academic Arc. Rigor, in the Urban Prep curriculum, is defined as the efficient use of in-class and out-of-class work time to help students progress as quickly as possible from where they currently are academically, to where they need to be to succeed in college. College prep is defined as a curriculum comprehensively aligned with the ACT College Readiness Standards as well as with the non-academic expectations of college admission offices (service-learning experiences, extra-curricular activities, and professional college experiences). Relevance is defined as the consistent, active and explicit construction of meaningful connections between curricular content

and the personal, community, economic, national, and social/cultural/gender aspects of students' lives.

Inquiry-based projects, skills-driven activities and ongoing assessment of student progress support both adult and student intellectual practice within the content areas and demonstrate that learning is a lifelong activity. All courses incorporate critical thinking skills, are aligned to the applicable Illinois Learning Standards and ACT College Readiness Standards, and include frequent and varied formative and summative assessments evaluating content mastery with regard to stated course expectations.

The August before the official start date of their 9th grade year, Urban Prep students attend a three-week transition program called Freshman Academy. Along with other academic and socio-emotional curriculum initiatives designed to ensure that students start the school year prepared to succeed, all students take standardized and curriculum-specific diagnostic tests in math and English involving written, oral, and performance components, including evaluation in a one-on-one setting. The results of these tests allow faculty and students to develop a clear idea of each student's strengths and weaknesses and enter the school year prepared to build on those strengths and shore up the weaknesses. In order to do that, the Urban Prep curriculum offers both college preparatory and accelerated (Honors, AP) sections of core courses, with Honors courses available to students based on demonstration of aptitude, performance in class, and a portfolio-based application.

While a comprehensive college-prep curriculum is required of each student in all core subject areas, Urban Prep places a heavy emphasis on reading and language arts literacy and mathematics. These emphases were developed for two reasons: 1) Urban Prep believes that

gaining admission to and succeeding in college cannot occur without a strong foundation in these subject areas and 2) Data indicates that young men, particularly those from urban communities, lag behind their counterparts in these areas. While at Urban Prep, students have two full periods of English and a double period of math instruction during their freshman and sophomore years. To further reinforce Urban Prep's commitment to these areas, especially in the realm of language arts, we emphasize the use of literacy skills across the curriculum by means of a horizontally and vertically aligning writing rubric based on the 6 + 1 Writing Traits model and through incorporation of reading and vocabulary work across all content areas.

Also, at Urban Prep all classroom instruction takes into consideration and appropriately applies the data regarding the specific learning styles of young men. For example, data shows that young men participate and work better in classrooms configured in ways that prevent any one student from being too far from the teacher or out of hearing distance. The Urban Prep approach to this data is to design classrooms for optimum student success and access to teachers i.e. in circles or small groups. Urban Prep not only utilizes data to drive the delivery of content, but also the content itself; moreover, we not only cater to the strengths of young men, but also improve the skill-set and increase the interest level in weaker areas facing them. For example, data indicates that young men respond more favorably to reading about real life events. An Urban Prep English teacher, therefore, might select a nonfiction book for the students in a literature class and then, after discussing that book, assign a fictional account of similar events and have the students compare and contrast the works (e.g., *The Narrative of the Life of Frederick Douglass* and *Beloved*). By utilizing this methodology, a teacher would engage the learning strengths and interests of the young men while leading them to appreciate another important, but less immediately accessible, literary work.

To support these initiatives, professional development for teachers in all content areas develops teachers' abilities to teach literacy and address the learning styles of young men, using strategies developed by such teacher-researchers as Alfred Tatum (*Teaching Reading to Black Adolescent Males*), Carol D. Lee (*Culture, Literacy, and Learning*), Michael Gurian (*The Minds of Boys*), Theresa Perry, Claude Steele, and Asa Hilliard III (*Young, Gifted, and Black*), Michele Foster and Tryphenia B. Peele (*Teaching Black Males*), and Lisa Delpit (*Other People's Children*). These strategies, effective at both the middle and high school levels, enable teachers to develop effective and respectful learning communities in their classrooms, help struggling readers better comprehend course material, and help all readers further enrich their understandings and engagement with texts.

The following areas provide more information about the instructional philosophy at Urban Prep Academies:

English: The English curriculum is designed to vertically reinforce key reading, writing, literature, and research skills from the Illinois Learning Standards and the ACT College Readiness Standards at increasing levels of complexity as students' progress through the program. Horizontally, these key skills also support reading and writing abilities necessary for other content areas. Particularly stressed in reading is the continuous development of active reading strategies to facilitate comprehension and high-level analysis of a variety of reading materials. In writing, focus is on developing comprehension of and facility with key writing traits such as idea development, organization, research, and mechanics.

English skills tend to be developmental rather than non-linear, in the sense that advanced study focuses on developing deeper understanding of previously established key concepts, rather than

introducing a linear progression of new skills. As a result, the honors curriculum for English generally covers the same content as the standard curriculum, but in more depth, working with a heavier load of reading and writing tasks in greater detail and complexity.

English-based electives such as Public Speaking and Writing focus on reinforcing key skills by allowing greater intensity of focus than the general courses that they complement.

Social Studies: The Social Studies curriculum is designed to reinforce reading comprehension skills while providing students with rigorous content and a clear understanding of the world in which they live and their place in that world. The Social Science curriculum is aligned to the Illinois State Standards and College Readiness Standards. Themes addressed in the scope and sequence are Citizenship, Public Policy, Responsibility and Respect, Race and Culture. The study of society is particularly applicable to the learning styles of young men and relevant to their lives. In support of our goal to be both rigorous and relevant, teachers provide as many “touch and feel” experiences as possible. These include field trips to historic sites, guest speakers who actually lived the history, research and action in the local community, and the appropriate video and audio depictions of historic events. Students complete courses ranging from World Geography, US History, African American History and AP US History.

Science: There is a distinct disparity between secondary scientific instruction and the demands of collegiate and post collegiate scientific study and inquiry. Urban Prep’s science curriculum is designed to bring the student into the content allowing them to create and analyze much of their own observations and then following the second year, choose an area of science to focus on specific content. The science department’s mission is to expose the students to a rigorous curriculum that prepares the student for success in college, while also helping the student to

become a life-long problem solver. Through experimentation, inquiry, critical thinking, problem solving, lab work and teamwork, all students are provided with the experiences necessary to become a responsible decision maker in this increasingly technological world.

All four years of science instruction focus on developing five fundamental categories of scientific skills as outlined by National, Illinois State, and ACT College Readiness Standards. These five categories critical to scientific reasoning and study include: (1) lab skills; (2) process skills; (3) problem-solving skills; (4) content skills; and, (5) literacy skills. The above skills are ladderred throughout the four years of study for Urban Prep students. Integrated science is broken into two years to address the above skills. Integrated Science 1 is designed as an introduction to the main processes, skills, and vocabulary of the sciences. The material is presented in a conceptual manner, with some use of mathematics to analyze lab data and develop graphical representations of that data. The course focuses initially on inquiry and in the second semester on the structures and forms of science while developing literacy, writing, and lab skills.

Math: The math curriculum provides students with an understanding of the math concepts required for daily life as well as for achievement on the College Readiness Standards. This curriculum is aligned with the Illinois Learning Standards and incorporates teaching methods that engage students in routine problem solving, making the active identification of patterns and relationships central to motivating students to learn. Learning in this discipline is active, hands-on and student-centered. The curriculum implements regular assessments of student understandings through the use of daily warm-ups, problem of the week, use of math-specific vocabulary and development of logic, reason and problem-solving ability. Additionally, the curriculum addresses the specific learning styles of young men through real-world applications of math theories at all levels. For example, students apply their math skills to the task of creating

and tracking an investment portfolio, modifying recipes, or building a bridge with certain specifications to hold maximum weight. The use of best practices helps students improve math achievement scores. The real world application of mathematical concepts motivates students to appreciate math and show students how math applies to real-life situations. The application of different technologies will make the math classroom come alive.

In accordance with the Illinois Learning Standards, these courses include investigation of ratio, proportion, percent, number theory, data analysis and patterns, as well as connections to algebra and geometry topics. Educational software and technology is utilized to develop mathematical thinking. Students' mastery of complex math concepts and skills will be reinforced in their science classes.

Urban Prep Culture

While the Urban Prep Arcs provide the underpinning to our curriculum, we also place equal importance on the Urban Prep school culture as essential to their success. The Urban Prep culture is built on four pillars, or what we call the "*Four R's*": *Responsibility, Respect, Rituals and Relationships*.

Responsibility: We create an environment in which students are responsible. For example, by having a student code of conduct, we set expectations for behavior, communicate that expectation, provide students with the means to meet those expectations and hold students accountable to those expectations.

Respect: Respect is another major focus of our school culture. In a society in which kids kill kids because one bumped into the other, looked at him funny, or "dissed" (short for disrespected) him, we felt that it was essential that a climate of respect was created. For example, we use

surnames when referring to our students and encourage the students to do the same when addressing their classmates. In our buildings, our students are Mr. Smith, Mr. Jones, and Mr. Davis, not Paul, Rob or Chris.

Rituals: The third element of the Urban Prep school culture is Ritual. If we expect our students to behave differently, to learn differently, to live differently, then we have to make sure they feel like they are part of something different. One way we do that is by creating rituals which our students associate with being uniquely Urban Prep's. We start every day with a ritual we call Community. It is an all-school assembly where we recognize students who have achieved, admonish those who have faltered, and recite the Urban Prep Creed.

Relationships: At Urban Prep we don't believe that we can reach these students and break through, without developing strong, positive, trusting relationships. One way we develop these relationships is by putting every student into a small group when he is a freshman that we call a Pride. Students remain in those Prides for all four years and this becomes their family within a family. Each Pride is led by an adult who has the responsibility of getting to know his or her Pride members very well and providing the first level of support for students. All member of the faculty have cell phones, email accounts, social networking accounts and the like that we share with our students and parents so that they can be in touch with us as needed. These relationships are not only essential to the Urban Prep school culture, but also to our students' overall development.

Flexible SEA/LEA Charter School Relations (SC2, SC5) (3 points)

Illinois state charter law specifically states that its purpose is to allow flexible and innovative educational techniques in public school systems (Section 27A-2(a)(2)). Under the law, Urban

Prep is allowed to select its own services and vendors (27A-59(h)) and is free to set its calendar and work requirements. Urban Prep is granted autonomy when it comes to designing and implementing curriculum, so long as that curriculum aligns with state standards. State law also provides autonomy in reference to the school budget, personnel selection, and day to day operations.

As a charter school, Urban Prep has state mandated independence from the authorized public chartering agency in our design, implementation and daily operations. There are no State rules governing expenditures or daily operations. The district can, however, conduct oversight to ensure that Urban Prep meets the terms of our charter agreement.

As a charter school, Urban Prep is expected to meet the achievement expectations described in our charter application. In fact, our charter can be revoked if the district determines that our student body has not displayed “reasonable progress” toward elevated academic achievement. The charter can also be revoked if Urban Prep fails to meet “generally accepted” standards of fiscal management.

The only charter/district parameters laid out in Illinois’ charter law are that the host district funding is subject to negotiation within a statutorily defined range (not less than 75% and not more than 125% of the per capita student tuition), and that teachers must meet NCLB highly qualified standards, but need not be state certified, with the exception of in Chicago, where at least 75% of the teachers must be state certified and have a three year window from the date the school opens to meet that requirement. Chicago teachers may become certified through alternative certification programs.

Illinois law also exempts charter schools from nearly all State rules that inhibit flexible operation and management. In fact, state charter law encourages charter schools to use teaching methods that differ from those in traditional public schools, to develop alternative methods of measuring student learning, create new opportunities for teachers, and to provide parents with expanded choices.

In Section 27A-5(g), the State charter law notes that charters are exempt from all provisions of the Illinois school code with seven specific exceptions: Criminal background checks for staff, a requirement to have a student discipline code (although specifics on how that code is written are not mandated), reporting abuse and neglect, the state's student records act, school report cards, tort immunity and nonprofit legal indemnification requirements. Schools must comply with the health and safety standards of school code, have an annual financial audit and comply with FOIA and the open meetings act. Besides these basic provisions, charters are free to organize and operate as they choose.

Community Support (SC3) (3 points)

Community stakeholders are engaged in the planning and implementation of new Urban Prep campuses in myriad ways. One avenue for their inclusion is through the Community Transition Advisory Council (CTAC). When Urban Prep submits a proposal to Chicago Public Schools to establish a new charter, community members are appointed to a CTAC to facilitate our transition into that community. CTAC members meet monthly with Urban Prep representatives to evaluate our plans for school operations, review the new school proposal, and offer insight as to how Urban Prep can best meet the needs of students in their community. All CTAC members are residents of the communities in which newly established campuses will operate. Before a new

school is ratified by Chicago Public Schools, the CTAC reports to the Board of Education and makes a recommendation for approval.

Our efforts to initiate, strengthen and expand partnerships with local stakeholders will be spearheaded by the Office of Institutional Advancement. Individuals in this office are charged with initiating lasting and mutually beneficial bonds with civic, political and business communities, as well as its faith-based organizations.

Student Recruitment

The Charter Management Office – Office of Institutional Advancement is responsible for Student Recruitment, which includes the planning and implementation process by which students learn about and are admitted to the schools.

Students are made aware of the admissions process through myriad forums including, but not limited to, Urban Prep conducted information sessions; elementary school visits; local high school and city-wide fairs, and the Urban Prep website. Urban Prep staff and students also participate in community based activities designed to increase awareness about the

Each year, if on the date of Urban Prep’s application deadline, there are more eligible applicants for enrollment in the schools than there are spaces available, successful applicants are selected by lottery, which is open to all applicants and the public. Urban Prep does not request information during the application process about a student’s academic aptitude, special education needs or English language proficiency; students only need to complete the application and reside in the City of Chicago for lottery eligibility.

Priority for enrollment may be given to siblings of pupils enrolled in Urban Prep and to pupils who were enrolled in the school during the previous year, unless the student was expelled, however siblings must still complete an application to be considered eligible.

Urban Prep does not conduct its lottery until one month after the specific application deadline determined by the Board of Education for its high school magnet school program. Using the lottery process, Urban Prep establishes a waiting list of students who will be offered the opportunity to enroll in the schools if additional space becomes available. Urban Prep does not permit dual enrollment of any student at our school and another public school or non-public school.

Assessing Achievement vs. Objectives (SC4) (15 points)

The Chicago Public School system has an unmet need regarding quality educational opportunities for young urban boys. Urban Prep Academies is looking to fill this need in the school system. The need for single-sex public education for males stems from, among other reasons, the increase in the number of African-American and Latino males dropping out of the school system. Statistics have shown that more than 50% of African American and Latino male students drop out of high school and less than 3% of those who start high school in CPS complete a four-year college degree by the age of 25. Urban Prep serves to decrease the number of urban males who drop out of high school and increase the number who go on to graduate from four-year colleges.

Urban Prep's educational and operational goals revolve around our central mission to provide a high quality and comprehensive college preparatory educational experience to urban young men that results in graduates succeeding in college. Our curriculum, programs, and structures are

tailored to meet the needs of urban boys, and produce highly positive outcomes for our students. Urban Prep leverages the increased flexibility and autonomy extended to Charter school operators to provide innovative programming that meets the needs of urban young men and ensures elevated achievement. The assessment of achievement at Urban Prep Academies, network-wide, involves a full range of measures to ensure our young men are adequately prepared for college matriculation, as well as alignment with our educational objectives and school performance goals. Each year, Urban Prep Academies administers the requisite tests as defined by the city, state and national testing schedule and aggregated at the district and state level and is used to assess achievement. Data from EPAS (ACT’s Educational Planning and Assessment System) is utilized to set goals for continuous improvement as well as to provide administration, teachers, and parents with additional data to evaluate the effectiveness of the school’s program.

The following table identifies specific student outcome goals and the corresponding assessments which are used to evaluate each goal. The frequency of these evaluative tools create opportunities for Urban Prep Academies teachers and administrators to assess, adapt and establish new goals to better serve our students.

Student Outcome Goal	Assessment Tool
Students will exceed the average performance levels of similar populations in CPS in English/Language Arts & Math	EPAS

Graduates will be on track to enroll in college after four years	EPAS
Students will achieve on average 1.5 years academic growth at all grade levels	EPAS
Students will achieve appropriate levels of socio-emotional development to succeed in college	Adherence to conduct code, daily work, acclimation to school culture
At least 95% of students will attend school on a daily basis	Student attendance reporting
100% of graduates will be accepted to a 4 year colleges	Daily work, student portfolio, college applications and acceptance letters

The following highlights the desired outcomes for each school:

School Outcome Goals	Assessment Tool
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<ul style="list-style-type: none"> • Schools will exceed neighborhood average performance for similar populations on standardized tests • School will maintain a culture of excellence, high expectations, and emphasis on college • Share best practices and lessons learned around nation • Meets/exceeds expectations of teaching professionals • Meets/exceeds expectations of parents and students • Mobility, truancy and drop-out rate significantly below the neighborhood school norm • Significant Parent Engagement • Significant Community Engagement • Maintain Demand for UP campuses 	<ul style="list-style-type: none"> • EPAS • Presence of college/university paraphernalia, • Adherence to Four R's • College admission letters • Speaking Engagements; Special Events • Teacher Surveys • Parent/Student surveys • Five Essential Supports rubric • Local and national charter school conference participation • # of 1 on 1 Conversations, Report Card Pick Up, Progress Report Pick Up • Family Council Participation • CTAC • # of Student Applications
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CMO-driven operational objectives and assessment tools:

<ul style="list-style-type: none"> • Successfully manage all grants • Continue to remain fiscally sound 	<ul style="list-style-type: none"> • Release payments; perform grant management activities • Annual Financial Audits
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Student Objectives Evaluation

The schools use the EXPLORE and PLAN assessments at the beginning of the year to diagnose needs and establish a baseline for 9th and 10th grade students. These tests are also administered during the spring to gauge master or non-mastery of concepts. Also, throughout the year, students are subject to interim assessments used to gauge their mastery or non-mastery of, at a more granular level, academic concepts and then used to guide instructional practices. Teachers use informal class assessments (questioning, class participation, observation, practice, etc.) and formal classroom assessments (quizzes, essays, projects, etc.) to gather data and for formative feedback. In the 11th grade, students take the ACT (with PSAE) exam. The system, which includes EXPLORE, PLAN and ACT tests, is known as *EPAS*.

School Objectives Evaluation

The East Garfield Park and South Shore campuses undergo a series of programmatic audits that permit the CMO as well as CPS (Chicago Public Schools) to closely monitor the school's achievement of its goals and outcomes. The process is as follows:

1. The School Leaders perform periodic audits consisting of classroom observations, review of curriculum teaching methods, and assess adherence to school culture
2. The School Leaders then meet with the CAO/VP School Operations for review process
3. The CAO/VP School Operations then meets with the CEO/President of the organization for review process
4. The Board oversees the review process for the CEO/President
5. CPS (authorizer) conducts the final audit / review process.

Performance Contract between Charter and Authorizer (SC5) (5 points)

Charter schools in the city of Chicago are approved with the help of a division of Chicago Public Schools known as the Office of Portfolio Management (OPM). Once approved, Charter Schools enter a five-year term during which they are overseen by and report to the Office of Portfolio Management. As manager of the portfolio of charter schools in Chicago, OPM develops performance plans/agreements; measures charter schools' performance against the plans, and reports on the outcomes. In order to provide OPM with the information it desires, Urban Prep must participate in periodic evaluations that include formal reviews, an annual charter school performance report, mid-charter evaluations, and renewal evaluations. These evaluations seek to ensure that Urban Prep students are adhering to standards set for areas such as attendance, retention, graduation rates, state testing, and student academic progression.

Continuation of Charter School

The bulk of Urban Prep Academies' funding comes from state and federal government sources; in fact, nearly 80 percent of our budget is met through these funds. As operators of charter schools, we expect to continue to bring in these public dollars to support our program. As evidenced through sustained operation at our Englewood school since 2006, we have the capacity to support school operations in the absence of additional federal funding. However, to supplement and bolster our ambitious program goals, we do solicit money through fundraising activities from philanthropic foundations, corporate/community entities and individual donors. Also, while our primary source of government funding is the per pupil allocation disbursed quarterly by CPS, we also target government funds made available through opportunities such as this one. To date, we have raised over \$6,000,000 through our fundraising efforts.

Appropriation of Grant Funds

As detailed in Part A of the ED524 form, Urban Prep is requesting federal funding of \$400,000 in total for the continuation of an implementation grant which will award \$200,000 each to our two newest schools: East Garfield Park and South Shore. These funds are necessary if Urban Prep is to continue implementing the programs to support the important mission we have adopted; to provide urban young men with a high-quality and comprehensive college-preparatory educational experience that results in graduates being admitted to and succeeding in college.

Utilizing the Implementation Grant

Section A of the submitted budget contains the specifics of the Urban Prep grant request. This section will provide further details as to how the requested funding will be utilized.

The \$165,000 (\$82,500 for each school) equipment request will help cover the cost of purchasing computers, projectors, chalk boards, TVs/DVD players and related materials. The \$80,000 (\$40,000 for each school) supplies request will go toward the purchase of classroom supplies, educational materials and classroom furniture as we continue expansion through the addition of grade levels at each school.

The \$150,000 (\$75,000 for each school) per year figure that we've designated under "other" will support multiple aspects of the Urban Prep Program. First, this funding will support our extensive professional development program. We expect that our teachers will make every effort to study the existing research and data concerning educating urban young men, and apply their findings to their classrooms. This portion of the request will also aid significantly in the implementation of our Activity Arc. The Activity Arc is Urban Prep's extracurricular program. Funds designated for the Activity Arc will be used to purchase books, computer software,

uniforms, and other equipment associated with extracurricular activities. Finally, these funds will be used to bolster our recruitment program. We will allocate a portion of this money to supporting the creation, and printing of updated brochures and collateral materials.

Finally, per the CSP instructions, we have requested \$5,000 to defray travel expenses for two individuals. These expenses will be incurred en route to the project director's meetings.

Parental Involvement (SC6) (3 points)

Parents play an integral role in the daily operations of Urban Prep Academies. We believe that a parent who engages in the academic process provides another prong of support necessary for the success of our young men.

Research clearly indicates that parental involvement in a school is a key factor to its success. Additionally, a strong connection to the community can also be beneficial. Urban Prep's Family Council will provide significant opportunities for family members and community residents to help guide the school's growth and development. Additionally, parents can participate in the process by attending Parent-Teacher Conferences, Progress Report Pick Up, Report Card Pick UP, and other school sponsored workshops for parents. Also, parents are encouraged to remain engaged by utilizing PowerSchool to monitor student's academic achievement and through the school cell phone program, teachers and/or Fellows stay in consistent contact with parents throughout the school year. At the end of the year, the teacher should have talked to or met with each parent at least twice. Administrators will make frequent contact with parents throughout the school year. At the end of each year, the school will distribute parent surveys to gauge the success of the school. Opportunities also exists for parents to become involved by advocating

on behalf of Urban Prep Academies, charter schools or the charter movement at local political and community events where a supportive, collective voice is necessary.

Quality of Personnel (SC7) (25 points)

As a charter high school, Urban Prep is open to any student in the city of Chicago, regardless of race, class or creed. Our student body, however, represents the make-up of the communities in which we are located. Over 99% of our students identify as African-American, and 85% qualify for federally subsidized free or reduced lunch. Furthermore, many of our students live in single parent households, headed by women. Because many of our students lack positive, African-American, male role-models, we felt it important to include a wealth of suitable candidates on our faculty and staff. If our students are to believe that they can achieve college success, we must provide them with tangible examples African-American men, who rose from similar socio-economic circumstances and obtained college degrees.

It is worth mentioning that Urban Prep's several lead school administrators, including campus principals at both our East Garfield Park and South Shore Campuses and our CAO/VP School Operations, are African-American men, not to mention other CMO leadership and Urban Prep's founder/CEO. This is significant because men, in general, and African-American men in particular, are severely under-represented in the education arena. In fact, many of our students have never had a male instructor, let alone an African-American male. Research indicates that the presence of role models, be they positive or negative, is a deciding factor in the academic and social development of young men. By surrounding our young men with tangible examples of success, we will increase the likelihood that they too will attend and complete college. Tim King is Founder and CEO of Urban Prep Academies and serves as the project director. Kelly Dickens,

Vice President of Institutional Advancement, will manage administrative activities related to management of the grant. Additionally, our board and key leadership at the CMO and the school levels are well qualified to execute the mission of preparing young, urban men for success in college.

- Tim King is founder, President and CEO of Urban Prep Academies, a nonprofit organization operating the nation's first all-male charter high schools and related programs aimed at promoting college success. Tim also serves as Adjunct Lecturer at Northwestern University and has contributed to the Chicago Tribune, The Chicago Sun Times and the Huffington Post. Tim was named ABC World News "Person of the Week", Chicago Magazine's "Chicagoan of the Year", People Magazine's "Hero of the Year" and Ebony Magazine's "Power 100" list; featured on Good Morning America, The Oprah Winfrey Show, and The Moth/USA Networks' Characters Unite series; and recognized by Presidents Barack Obama and Bill Clinton for his work with Youth. Tim has completed post graduate work in Kenya and Italy; holds the Doctorate of Honoris Causa from the Adler School; and has received the Bachelor of Science in Foreign Service and Juris Doctor Degrees from Georgetown University.
- Kelly L. Dickens, Urban Prep's Vice President of Institutional Advancement, is responsible for fundraising and grant management, marketing and communications, student recruitment and external relations. Prior to joining Urban Prep, Mr. Dickens worked in management consulting and brand management for various firms including Accenture Consulting, DDB Needham Advertising and Danaher Corporation. Mr. Dickens was also a part of an MBA Discovery team during the organizations infancy chosen to help Urban Prep determine its marketing strategy to students and parents. Mr. Dickens holds his Bachelors of Arts degree in

Marketing from Morehouse College and his Masters of Business Administration degree from the Kellogg School of Management at Northwestern University.

- Board Vice Chair and Design Team member Mary Pattillo received her Ph.D. in Sociology from the University of Chicago and is currently Associate Professor of Sociology and African American Studies at Northwestern University. Pattillo is an authority on the causes and consequences of racial inequality and the workings of urban politics, with a particular focus on African Americans in Chicago. Pattillo has served as a consultant on national studies of housing and community development, and has given numerous lectures to policymakers, schools and school districts, and service providers in Chicago and nationally.
- Board Secretary and Design Team Member Darryl Cobb, currently serves as a Partner at the Charter School Growth Fund. Prior to joining the CSGF, Mr. Cobb played an integral part, as Chief Learning Officer, in the KIPP Foundation's expansion and helped guide the startup charter and contract schools across the country. He has also been directly involved in providing instructional, operational, and organizational support to the KIPP network of schools. Mr. Cobb earned a Bachelor of Science degree in Electrical Engineering from the University of Virginia and his Masters of Business Administration degree from the Kellogg School of Management at Northwestern University.
- Lionel Allen Jr., Chief Academic Officer and Vice President of School Operations, leads the network of Urban Prep schools to ensure students continue to achieve dramatic performance gains. Highlights of Mr. Allen's responsibilities include establishing the network's student development goals, implementing Urban Prep's rigorous curriculum and participating in the application process for new schools. Prior to joining Urban Prep, Mr. Allen served as Principal at Sherman School of Excellence, the nations and the Academy for Urban School

Leadership's (AUSL) first No Child Left Behind turnaround school. Under his leadership, Sherman students achieved significant academic gains in both reading and mathematics. Mr. Allen, a product of the Chicago Public School system, earned a bachelor's degree in secondary education from Northwestern University and a Master's degree in Leadership and Administration from the University of Illinois at Chicago (UIC). He is currently pursuing his doctoral degree in Urban Education Leadership.

- Theartris Childress III, MA MEd, is the founding Principal of the East Garfield Park Campus. In 2002, Mr. Childress served as principal of Bishop Perry Middle School in New Orleans, LA. In addition to leading the school, Mr. Childress also taught 8th Grade Algebra. Under his leadership, standardized test scores at the school improved between 6-20 percentage points on the Stanford Achievement Test. Mr. Childress holds both a Bachelor of Science degree and a Masters of Arts in Curriculum and Instruction from Xavier University of Louisiana. He has also recently completed a Master's in Education from National-Louis University and has also received his Type 75 Certification.
- Benjamin F. Blakeley Jr., Principal at Urban Prep's South Shore Campus, has over 12 years of experience in private and public school education. Ben was part of the schools original design team and has served as Co-Principal prior to the opening of the South Shore Campus. Prior to joining Urban Prep, Ben served as Dean of Students at two urban high schools for boys, Hales Franciscan High School and De La Salle Institute. Ben is also the Co-Founder of the Kerroy Wolfe mentoring program, which was created to serve boys between the ages of 12-17 in the Western Suburbs of Chicago. Ben is a graduate of Lindblom Technical High School in Chicago and earned a Bachelor of Science degree in Physical Science from Eureka

College as well as a Masters in Educational Leadership with an emphasis on Administration and Supervision from National-Louis University.

- Craig Carter has served as the Chief Financial Officer and Vice President of Strategic Planning at Urban Prep for three years. Carter was also part of the original design team, which worked to open the first Urban Prep campus in the Englewood neighborhood. In his capacity, he manages Urban Prep Academies \$14MM budget, non-academic operations, and school expansion. Prior to joining Urban Prep, Carter served as a management consultant at Oliver Wyman, working on projects across multiple practices and industries including aviation, telecommunications, retail, technology, lean six sigma process redesign, and energy. Carter earned a Bachelor of Science in Industrial Engineering and Management Sciences from Northwestern University.

Quality of Management Plan (SC8) (16 points)

The following is a description of how Urban Prep Academies currently manages its three campuses.

1. Institutional Advancement

Fundraising & Development: The CMO (charter management office) is responsible for developing, implementing and managing the process by which donations come to the organization. Donations secured from individual, corporate, government and foundation entities are distributed to the campuses by the CMO. Fundraising & Development is divided into four categories: Corporate Giving, Grant Management Individual Donations and Special Events:

- Corporate Giving consist of forming relationships with corporations that result in financial Support

- Grant Management consists of researching, writing and reporting for corporate, foundation and government grants
- Individual Giving consists of managing the Annual Appeal, major individual donors, and naming rights appeals
- Special Events consist of managing our annual Aces UP! Charity Poker Tournament, Annual Gala, and student related programming (i.e. Opening Convocation & Graduation, etc.)

Student Recruitment: The CMO is responsible for Student Recruitment, which includes the planning and implementation process by which students learn about and are admitted to the schools in a given year.

Communication: The CMO is responsible for planning, developing and managing effective communication from the organization to external constituents, communities and media entities.

A. External Communication: Manage official communications, which include, but are not limited to, monthly email blasts, organizational letters; media pitches; and print, video and radio advertising with external entities (e.g., media, donors, PR firms, researchers, etc.).

B. Collateral Materials: The CMO is responsible for the development of all printed and electronic materials (e.g., brochures, Annual Report, event summaries, website postings, etc.)

C. Database Management: Manage process by which organization communicates with constituents including database management.

External Relations: The CMO is responsible for fostering positive relationships between Urban Prep and corporate, community, and government entities as well as volunteers. Processes for initiating and sustaining mutually beneficial partnerships are developed in this department.

2. Academic / Instructional / Student Support

Teacher Recruitment: Urban Prep’s strategy for teacher recruitment and retention consists of three principle tactics: a coordinated national teacher recruitment effort including a vast online recruiting presence, maintaining a centralized database of teacher applications and the development and implementation of tools for identifying characteristics of effective Urban Prep teachers. These projects are managed at the CMO level in concert with principals from each of the network’s campuses.

The first aspect of the coordinated national teacher recruitment effort is the creation and maintenance of a centralized calendar and timeline of recruitment and hiring related events. This document contains a list of dates for teacher career fairs and other events at which Urban Prep will have a presence. To augment these in-person recruiting efforts, the “Careers” section of the Urban Prep website is leveraged to provide an up-to-date listing of job openings, a transparent overview of the hiring process, and other materials designed to attract well-qualified applicants.

This teacher recruitment website serves as the gateway for a centralized database of teacher applications. Prospective teachers apply through the website which includes submission portals for Resumes and Cover Letters. Urban Prep administrators have access to this database in order to ensure that applications are visible and shared among Urban Prep campuses. This technology will be extremely important as the distance between campuses increases and more virtual sharing options are needed.

While many Urban Prep staff members are from diverse backgrounds, we encourage applications from mentors, staff and volunteers who are African-American males. We feel that because our students, who are all African-American males, typically hail from single-parent, primarily female headed households, it is extremely important for them to interact as much as possible with positive, African-American role models.

Lastly, Urban Prep takes a proactive approach to understanding indicators of teaching potential, which enables the organization to more efficiently and effectively screen applicants. The goal is to move away from the anecdotal evidence that often drives hiring decisions and instead utilize more facts, data, and objective information to identify applicants with potential to work most effectively at Urban Prep.

Curriculum & Program Development: The CMO is responsible for the development and management of the Urban Prep curriculum and program. The curriculum's and program's execution is monitored by the Chief Academic Officer (CAO) and his department. The CAO position is similar in many ways to that of a Superintendent within a small school district. The primary responsibility of the CAO will be to ensure that all schools achieve dramatic student performance gains. The CAO will fulfill this responsibility by leading the network of Urban Prep schools; setting the network's student development goals; implementing Urban Prep's rigorous curriculum; promoting positive school culture consistently across the network; managing and evaluating the Principals of the schools; developing and implementing the human capital strategy and professional development programs of the network; managing the renewal process for existing schools; and participating in the application process for new schools. All alterations to the curriculum or program must be approved by the CAO and CEO, but may be proposed by the campus leadership. The CMO has the ultimate and final decision on all proposed alterations.

Instructional Management: Urban Prep Academies' instructional strategies are grounded in the best practices and research concerning successful schools, the learning styles of boys, single-sex schooling, academic achievement of boys and minorities. The Chief Academic Officer is responsible for further developing and ensuring that these instructional strategies are implemented across the network. Urban Prep uses all relevant data to create an environment that empowers young men through education.

Professional Development Programming: The CMO, under the direction of the CAO, is responsible for the creation and execution of the Urban Prep Professional Development Program. The program focuses on preparing the Urban Prep faculty and staff to meet the academic and socio-emotional needs of Urban Prep students. Also, the professional development program prepares the staff to foster and promote the unique Urban Prep culture. The CMO is responsible for the construction of a Professional Development Plan, which includes weekly professional development, as well as the quarterly network-wide sessions and annual All-Staff Retreat.

Human Resources: The CMO is responsible for developing policies as well as directing and coordinating human resources activities such as employment, compensation, labor relations, benefits, training, and employee services.

3. Finance

Finance: The CMO provides standard accounting that meets the Generally Accepted Accounting Principles (GAAP) for all financial accounts. Accounting services provided to the campuses include accounts payable and accounts receivable management, as well as oversight of cash management and all financial instruments. In addition, the CMO manages the budgetary and income allocation process. Furthermore, the CMO ensures adequate analysis of activities, costs,

operations, and forecast data to determine organizational progress toward stated goals and objectives. Finally, the finance department conducts network-wide procurement to leverage scale discounts.

All financial systems meet Financial Management and Compliance Indicators as set out by the authorizing agent and our funders. Urban Prep tracks annual budgets and cash flow with QuickBooks Premier Nonprofit Edition. A senior administrator approves all of the schools' expenditures. The primary responsibility of providing financial documents belongs to the CFO. Urban Prep's CFO has experience with accounting and bookkeeping and is knowledgeable in appropriate computer software to facilitate tracking and reporting expenditures and income. Documents that will be produced monthly by the CFO include: P&L, Balance Sheet, Cash Flow Projections, Accounts Payable report, Accounts Receivable report and Budget Year-to-Date Reports. These documents are reviewed by all Senior Administrators in order to track expenditures in their departments and ensure adherence to the budget. The CEO/President and the Board also reviews these documents quarterly to ensure the overall financial health of the organization. The CFO, in conjunction with the CEO/President and Board Treasurer, is also responsible for managing the annual budget and working with an accounting firm to produce an annual audit. Payroll, benefits and audit functions are outsourced to reputable firms with a track-record of successfully working with Urban Prep.

4. Administrative

Compliance: The CMO ensures that each of its campuses meets the conditions established in the charter agreement as well as restricted grant compliance. The CMO compliance officer monitors

all financial, operational and academic indicators and report findings to authorizers and related parties.

Research & Data Management: The CMO centrally manages research and data analysis on an aggregate level. The research function is two-pronged and comprised of: Expansion/Community Research and Urban Education best practices. The first part of the research function is conducted prior to opening a new Urban Prep campus to ensure that the community is viable and can sustain a successful Urban Prep in the proposed neighborhood. The second part, allows Urban Prep to stay up to date on leading research on the education of urban black males.

At the management organization level, data analysis of student performance is conducted. The analysis is conducted to inform instruction and curriculum changes. If data indicates that students across the Urban Prep network are particularly deficient in one content area, the management organization can identify those deficiencies and make necessary alterations to the curriculum.

In addition to internal research conducted, Urban Prep has historically allowed outside institutions to conduct research on our operations. Chosen participants are thoroughly vetted and carefully selected. Urban Prep makes every effort to ensure that the learning environment is not interrupted while research is being conducted and that relevant findings are used to enhance the educational opportunities for all students.

Technology: The CMO provides leadership and vision for information technology (IT) initiatives and functions that support the mission of Urban Prep Academies. In concert with the campus leadership, the Director of Information Technology leads strategic planning efforts in academic and administrative computing and provides management of all IT-related matters.

Specifically, the Director of Information Technology creates a resource acquisition and management strategy for needed capital and operational investment in IT infrastructure and services; develops and cultivates entrepreneurial strategic relationships with internal and external partners; works with appropriate collaborators to build policies and standards needed to achieve an integrated IT environment; and promotes a customer-service orientation within the Information Technology Department.

Facility Management: The CMO, under the direction of the CFO, is responsible for identifying suitable facilities for Urban Prep campuses. If Urban Prep owns or leases a facility, the CMO is responsible for the operation and maintenance of the facility in conjunction with the authorizing entity.

5. Expansion and Replication

Expansion & Incubation Management: The CMO manages the expansion process for the network. The expansion process starts with the proposal to the Charter Authorizer and concludes when the new campus reaches full enrollment capacity. The CMO author's new school proposals and manages the approval process. After approval, the CMO manages the incubation period prior to the campus opening. The CMO is also responsible for the analysis and evaluation of expansion opportunities. The CMO provides recommendations to the Urban Prep Board of Directors, related to expansion. The Board will ultimately green-light any expansion efforts.

Meeting the Needs of Disadvantaged Students (SC9) (5 points)

We place students with disabilities in their least restrictive environment (LRE) and use appropriate modifications and accommodations. Urban Prep understands that students with Individualized Education Plans (IEPs) should be educated to the maximum extent within the

general education classroom with age-appropriate peers. In accordance with CPS policies regarding specialized populations, Urban Prep continues to work with the Office of Specialized Services to establish a continuum of placement options based on student needs identified in IEPs. This may include placement in the general education classroom with consultative services, inclusion in the general education classroom with modifications and accommodations, collaborative team teaching in the general education classroom, and resource support. Modifications of instructional materials, assistive technology devices, and ongoing assessments are used across the curriculum for students with and without disabilities to support students in achieving mastery of the Illinois Learning Standards and ACT College Readiness Standards.

Urban Prep, in alignment with federal and local guidelines for supporting at-risk and struggling students, uses a three-tier, evidence-based identification and intervention process. All students participate in initial assessments in the school, which creates school-wide baseline data and identifies academically struggling students. Students who are struggling or at-risk are given research-based instructional interventions aligned with their needs, and progress is monitored. Then, students who do not improve after receiving interventions are referred to special education services. This practice supports early and targeted instructional intervention through the collection of data early and often.

Teachers support the intervention process by conducting regular progress reviews of all their students and leveraging their positive relationship with students to reinforce rigorous standards and expectations. The Urban Prep model recognizes that many students come to school with social, familial, and academic challenges that can interrupt or prevent them from realizing the school's vision. We believe that the all-male environment, the use of Prides and the Urban Prep

Arcs provide both proactive and responsive interventions for students and their families so that children can cope with and overcome social, familial, and academic barriers to their success.

The case manager is responsible for the individual case management of all special education students and for arranging services required by their IEP. Before school opens and during the first thirty days of the school semester, the case manager will collect all student records from the school district. The case manager then reviews and assesses IEPs with the special education faculty to ensure the following: (1) the IEPs are current and in compliance; (2) all aspects of the IEP are being implemented; and (3) the appropriate supports from the Office of Specialized Services are being utilized (e.g. Speech Therapist and other supports). The case manager maintains a private file for all students' records. The case manager also maintains a central file with all special education evaluation materials and parent rights information in accordance with FERPA and IDEA guidelines.

Urban Prep places students with disabilities in the least restrictive environment (LRE) and use appropriate modifications and accommodations in accordance with the mandates from IDEA and section 504. A free and appropriate education (FAPE) is provided in the LRE or placement that most closely approximates where the student, if not disabled, would be educated. All policies, practices, and norms at Urban Prep encourage positive responses to differences for all students, including students with IEPs. The Urban Prep experience instills in all of our students a generosity of spirit, respect for others and commitment to value differences. In that spirit, we believe that inclusive classrooms are essential for the creation of the democratic environment that Urban Prep envisions in order to contribute to student success.

Urban Prep provides services to special education students according to their IEP. Urban Prep complies with all regulatory special education requirements of the 2004 reauthorization of the Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act of 1973, and Title 11 of the Americans with Disabilities Act. Extended school year services may be provided by the Urban Prep Academy faculty and staff. In situation like these, the case manager works directly with the Office of Specialized Services to deliver the appropriate services at Urban Prep.

We anticipate that at least 85% of our students will qualify for free/reduced lunch. Research indicates that this population is very much at-risk given the statistics of high drop-out rates, consistently high academic failure among this group, low test scores, and high incidents of mobility, truancy, substance abuse, gang affiliation and interaction with the criminal justice system. Given these statistics regarding the state of young urban men today, we believe that our entire student population is at-risk.

The Urban Prep model is specifically designed to meet the needs of at-risk urban males. As mentioned previously, Urban Prep proactively assesses our students early to identify at-risk and struggling students. Those students at-risk for academic failure are given a set of targeted interventions including after school and Saturday school programs with teachers, peer tutoring and block scheduling to remediate and accelerate student learning. Our goal is to have all students meet or exceed the state's learning standards for their grade.

We believe that the all-male environment, the use of Prides (small groups of students that meet regularly with faculty and staff members) and the Urban Prep Arcs provides the school with a unique way of addressing the needs of at-risk students. For example, in their Prides, students

have an opportunity to develop meaningful relationships with adults and peers. These Pride sessions personalize the experience of high school, create safe spaces for critical conversation and questions, and develop the shared accountability for school culture and personal efficacy needed to help them overcome barriers to achievement. If Pride intervention and other structural supports are not enough, the Pride Leader is responsible for notifying the counselor.

As a part of the registration of any student, Urban Prep requires that a Home Language Survey (HLS) be completed. This survey becomes part of the student's record and serves as documentation required in the guidelines of the CPS Office of Civil Rights to identify students who speak, understand, and/or use a language other than English at home. We obtain HLS's from the CPS Office of Language and Culture. All students with surveys indicating that a language other than English is being spoken, understood and/or used at home are assessed for English language proficiency. Urban Prep then has a CPS-assigned evaluator assess the English proficiency of students believed to have Limited English Proficiency (LEP). Results of the test assist teachers in providing the proper instructional support and placement for students. The school intends to service ELL students by providing English as a Second Language (ESL) instruction for humanities courses and providing dual language core instructional materials across the remainder of the curriculum.

Immediately upon identification of students as English Language Learners, the Urban Prep case manager works in close collaboration with the CPS Office of Language and Culture to ensure that each student is properly served. We believe that the ability to speak multiple languages is an asset to build upon, not a deficit to overcome.

Waivers for Consideration (AR7)

There are no waivers Urban Prep Academies wishes the Secretary to consider at this time.

Compliance with IDEA Act (for LEA Charters) (AR10)

Urban Prep will fully comply with the State Law and our Local Education Agency's mandates pertaining to section 613(a)(5) and 613(e)(1)(b) of the Individuals with Disabilities Education Act.

Urban Prep will meet all state and LEA requirements regarding the treatment and education of disabled students. As a Charter School, Urban Prep is required, by law, to make its services available to all students, regardless of achievement or ability. We will provide fair and equitable supplementary services to all disabled students. As mandated by the Individuals with Disabilities Education Act, these supplementary services will match the LEA standard for educating of disabled students.

Use of Funds under 20 U.S.C 7221a (c)(2)(C) (AR11)

All funds utilized for the purpose of disseminating activities pursuant to 5204(f)(6)(B) will be disbursed within the term of grant period not to exceed two years.

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**Board of Education of the City of Chicago
Law Department**

Patrick J. Rocks
General Counsel

125 South Clark Street
Suite 700
Chicago, Illinois 60603
Telephone 773/553-1700
FAX 773/553-1701

November 9, 2010

Ms. Brooke A. Levy
Goldberg Kohn Ltd
55 East Monroe, Suite 3300
Chicago, Illinois 60603

Re: Grant of Charter and Charter School Agreement for Urban Prep Charter Academy for Young Men High School – East Garfield Park Campus; Term: July 1, 2010 – June 30, 2015

Dear Ms. Levy:

Enclosed for your records please find a fully executed original of the agreement. If you have any questions, please contact me at 773-553-1721.

Sincerely,

A handwritten signature in cursive script that reads "Abenaa M. Redus".

Abenaa M. Redus
Assistant General Counsel

Enclosure

cc: Jennifer Dai (w/enclosure)
Elisa Botello (w/enclosure)

GRANT OF CHARTER AND CHARTER SCHOOL AGREEMENT
**(URBAN PREP CHARTER ACADEMY FOR YOUNG MEN HIGH SCHOOL-EAST
GARFIELD PARK CAMPUS)**

THIS GRANT OF CHARTER AND CHARTER SCHOOL AGREEMENT ("Agreement") dated July 1, 2010 (the "Effective Date") is entered into by and between the Board of Education of the City of Chicago, a body politic and corporate (the "Board") and Urban Prep Academies Inc., an Illinois not-for-profit corporation (the "Charter School"), an independent public school established under the Charter Schools Law, 105 ILCS 5/27A-1 *et seq.*, as amended (the "Charter Schools Law").

RECITALS

WHEREAS, the State of Illinois enacted the Charter Schools Law as Public Act 89-450, effective April 10, 1996, as amended; and

WHEREAS, the Charter Schools Law was enacted for the following purposes:

- (1) To improve pupil learning by creating schools with high, rigorous standards for pupil performance;
- (2) To increase learning opportunities for all pupils, with special emphasis on expanded learning experiences for at-risk pupils;
- (3) To encourage the use of innovative teaching methods;
- (4) To allow for the development of innovative forms of measuring pupil learning and achievement;
- (5) To create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site;
- (6) To provide parents and pupils with expanded choices within the school system;
- (7) To encourage parental and community involvement with public schools;
- (8) To hold charter schools accountable for meeting rigorous school content standards and to provide those schools with the opportunity to improve accountability; and

WHEREAS, on August 10, 2009, the Charter School submitted an application to the Board (the "Application") to operate a charter school, portions of which Application

are incorporated by reference as described in Exhibit A hereto; and

WHEREAS, the parties desire that the Charter School be authorized to operate and conduct its affairs in accordance with the terms of this Agreement and the Charter Schools Law.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements contained herein and for other good and lawful consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Recitals Incorporated by Reference. The recitals to this Agreement are incorporated herein by reference and made a part hereof.

2. Grant of Charter. Subject to the final certification by the Illinois State Board of Education (the "State Board"), the Charter School is hereby granted a charter in accordance with the Charter Schools Law and the terms and conditions of this Agreement, to operate a charter school as described herein.

3. Term of Agreement. This Agreement shall commence on the Effective Date provided above, and shall expire at midnight, June 30, 2015, unless terminated or extended pursuant to the terms hereof.

4. Educational Program. The Charter School shall operate an educational program and program of instruction serving the educational needs of the students enrolled therein.

a. Name of School. The name of the school shall be known as the "Urban Prep Charter Academy for Young Men High School - East Garfield Park Campus".

b. Mission Statement. The Charter School shall operate under the mission statement set forth in the Application, and such mission statement is hereby accepted to the extent that it is consistent with the declared purposes of the General Assembly as stated in the Charter School Law. Any material changes to the mission statement subsequent to the date of this Agreement must be submitted to the Board prior to the academic year, and in no event later than July 1 of the subsequent year and shall be effective as of the first day of such new academic year. Such modified mission statement shall be incorporated herein by reference as if fully set forth herein.

c. Age, Grade Range. The Charter School shall provide instruction to pupils in grades 9 through 10 during the school year commencing in the fall of 2010 as provided in the Application. In successive years, the Charter School will

expand instruction to grades 9 through 12, as provided in the Application.

d. Enrollment, Attendance Boundary, Lottery. The Charter School's enrollment shall be no more than 500 students during the term of this Agreement. The Charter School shall not permit dual enrollment of any student at both the Charter School and another public school or non-public school.

i. Attendance Boundary. Enrollment in the Charter School shall be open to any pupil who resides within the City of Chicago, provided that the Board may designate attendance boundaries for no more than one-third of the charter schools permitted in the City of Chicago if the Board determines that attendance boundaries are needed to relieve overcrowding or to better serve low-income and at-risk students. In the event that the Board makes a determination that an attendance boundary needs to be created for the Charter School, the Board shall notify the Charter School at least thirty (30) days prior to Board approval to give the Charter School an opportunity to provide comment regarding the establishment of its attendance boundary. Establishment of an attendance boundary for the Charter School is within the sole discretion of the Board.

ii. Lottery. The Charter School shall conduct and complete its lottery by a date determined by the Board's Office of New Schools ("Office of New Schools") and communicated to the Charter School on an annual basis; provided that the Charter School does not conduct its lottery until one month after the specific application deadline determined by the Board for its high school magnet school program, which date will be conveyed to the Charter School by the Office of New Schools. Each year, if on the date of the Charter School's application deadline, there are more eligible applicants for enrollment in the Charter School than there are spaces available, successful applicants shall be selected by lottery which shall be open to all applicants and the public. The lottery shall be witnessed by an independent third party or videotaped. The Charter School shall submit to the Office of New Schools a copy of the lottery results, a written summary of its lottery process and the manner in which its lottery process complies with Article 27A of the Illinois School Code, and any supporting documentation within ten (10) business days of the lottery date. The Charter School shall not request information in the application process about a student's social security number, academic aptitude, special education needs or English language proficiency. Priority for enrollment may be given to siblings of pupils enrolled in the Charter School and to pupils who were enrolled in the Charter School the previous school year, unless expelled for cause. Using the lottery process required herein, the Charter School shall establish a waiting list of students who shall be offered the opportunity to enroll at

the Charter School if additional space later becomes available.

e. Student Transfers. Any student transfer out of the Charter School shall be documented by a transfer form signed by the student's parent/guardian which affirmatively states that the student's transfer is voluntary.

f. Goals, Objectives, Pupil Performance Standards. The Charter School shall pursue and make reasonable progress toward the achievement of the goals, objectives and pupil performance standards consistent with those in accordance with the Accountability Plan described in paragraph 9 of this Agreement, provided that such goals, objectives and pupil performance standards shall at all times remain in compliance with Section 2-3.64 of the Illinois School Code, 105 ILCS 5/2-3.64. Any material changes to the goals and objectives of the Charter School subsequent to the date of this Agreement must be submitted to the Board prior to the academic year, and in no event later than July 1 of the subsequent year and shall be effective as of the first day of such new academic year. Such modified goals and objectives shall be incorporated herein by reference as if fully set forth herein.

g. Evaluation of Pupils. The Charter School's plan for evaluating pupil performance, the types of assessments to be used, the timeline for achievement of performance standards, and the procedure for taking corrective action in the event that pupil performance at the Charter School falls below those standards, shall be consistent with the Application and as further described in paragraph 9 hereof.

h. Curriculum. The curriculum established by the Charter School shall be consistent with the Application and as otherwise modified or supplemented herein. Any material changes to the curriculum subsequent to the date of this Agreement must be submitted to the Board prior to the academic year, and in no event later than July 1 of the subsequent year and shall be effective as of the first day of such new academic year. Such modified curriculum shall be incorporated herein by reference as if fully set forth herein.

i. School Year; School Days; Hours of Operation. Instruction shall commence in the 2010-2011 school year and subsequent school years on dates established by the Charter School, provided that the beginning date of instruction shall be no earlier than August 15 and no later than September 15 of the first academic and fiscal year of the Charter School's existence. The days and hours of operation of the Charter School shall be as otherwise established by the Charter School in accordance with state law.

j. School Calendar. No later than April 1 prior to the commencement of each academic year during which this Agreement is in effect, the Charter School

shall submit to the Board its school calendar for such academic year and the following summer session.

k. Discipline. The Charter School shall implement a system of uniform student discipline. The Charter School may develop and implement its own system of student discipline in accordance with paragraph 4.k.i. or may elect to adopt the Chicago Public Schools Student Code of Conduct (the "CPS Conduct Code") effective at the beginning of any academic year in accordance with paragraph 4.k.ii.

i. In the event that the Charter School elects to develop its own system of student discipline, the Charter School shall submit a proposed disciplinary code, including procedures for suspension and expulsion, to the Board for review no later than April 1, 2011, or April 1 of any subsequent year, shall adopt such disciplinary code no later than the 1st day of the subsequent academic year, including any reasonable modifications requested by the Board, and shall carry out all disciplinary actions in accordance with such disciplinary code. The Charter School shall comply at all times with applicable Federal due process requirements in its disciplinary activities. Students may only be expelled from the Charter School by a vote of the Charter School's governing board. In the event that any student is expelled from the Charter School by action of the Charter School, the Charter School shall promptly notify the Board of such expulsion and shall provide to the Board, no later than five (5) days following the expulsion of such student, a summary statement of the grounds and evidence warranting expulsion and a record of the proceedings in which the expulsion decision was made. The Board may initiate additional disciplinary proceedings against any student expelled by the Charter School in accordance with its rules and procedures for the expulsion of students. Should the Board initiate additional disciplinary proceedings against the student, the Charter School shall provide factual information relating to the offense, including live testimony in an expulsion hearing.

ii. The Charter School may, at its option, elect to adopt the CPS Conduct Code effective at the beginning of any academic year, provided that the Charter School shall notify the Board of its election to do so no later than April 1, 2011, or at least fifteen (15) calendar days prior to the commencement of any subsequent academic year for which such election shall be effective. If the Charter School fails to submit a proposed disciplinary code or fails to adopt a disciplinary code, the CPS Conduct Code will be deemed to apply.

1. Governance and Operation. The operation of the governing board of the Charter School shall be as set forth below:

i. The governing board of the Charter School shall consist of no fewer than 5 directors.

ii. Membership and the composition of the governing board shall be subject to and in accordance with the bylaws of the Charter School.

iii. Governing board vacancies shall be filled by the Charter School's governing board.

iv. Directors of the governing board of the Charter School shall have duties and responsibilities consistent with the Illinois General Not-For-Profit Corporation Act of 1986, as amended, and as stated in the Application.

v. The governing board shall hold meetings at least four times a year.

m. Student Transportation. The Charter School shall meet the transportation needs of its students including, the needs of its low-income and at-risk students, and homeless children and youth, in the manner set forth in its Application which transportation plan may include, but not be limited to, the following: coordinating with Chicago Public Schools to provide transportation for any students with disabilities who have Individualized Education Programs ("IEPs") in which transportation is required; participating in the state's Parental Transportation Reimbursement Program; providing Chicago Transit Authority reduced fare permits or cards to students based on income qualifications; assisting parents in the development of car pool plans; or working with students and their parents to highlight the best routes to and from school via public transportation, expressways and streets.

n. Bilingual Education. The Charter School shall provide bilingual education services in a manner consistent with that in the Application, provided that the Charter School (1) shall identify students who require bilingual education by administering the Chicago Public Schools' Home Language Survey Form or other suitable identification instrument to all incoming students; (2) shall assess the English language proficiency of all students identified as coming from a non-English speaking background by administering the state-prescribed screening instrument or other suitable screening instrument; (3) shall provide a bilingual education or English as a Second Language program for such students; and (4) shall annually assess the English language proficiency of all identified English

Language Learners by administering the state-mandated English language proficiency assessment. Notwithstanding anything to the contrary in this subparagraph, the Charter School shall have no obligation to provide bilingual education to a greater extent than required under the Charter Schools Law and under any Federal consent decrees or other orders governing the provision of bilingual education services to students in the Chicago Public Schools.

5. Additional Covenants and Warranties of Charter School. The Charter School covenants and warrants as follows:

a. Compliance with Laws and Regulations. The Charter School shall operate at all times in accordance with the Charter Schools Law and all other applicable Federal and State laws from which the Charter School is not otherwise exempt and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, marital status or need for special educational services. The Charter School shall also comply with the following, to the extent applicable to Charter Schools (as amended from time to time):

i. The No Child Left Behind Act of 2001 (PL 107-110, signed January 8, 2002);

ii. Section 2-3.64 of the Illinois School Code (105 ILCS 5/2-3.64), regarding performance goals, standards and assessments;

iii. Section 10-17a of the Illinois School Code (105 ILCS 5/10-17a) regarding school report cards;

iv. Section 10-21.9 and 34-18.5 of the Illinois School Code (105 ILCS 5/10-21.9; 105 ILCS 5/34-18.5) regarding fingerprint-based criminal history records checks and checks of the Statewide Sex Offender Database and the Statewide Child Murderer and Violent Offender Against Youth Database of applicants for employment;

v. Section 24-24 and 34-84A of the Illinois School Code (105 ILCS 5/24-24; 105 ILCS 5/34-84A) regarding discipline of students;

vi. The Local Governmental and Governmental Employees Tort Immunity Act (745 ILCS 10/1-101 *et seq.*);

vii. Section 108.75 of the General Not For Profit Corporation Act of 1986 (805 ILCS 105/108.75) regarding indemnification of officers, directors, employees and agents;

- viii. The Abused and Neglected Child Reporting Act (325 ILCS 5/1 *et seq.*);
- ix. The Illinois School Student Records Act (105 ILCS 10/1 *et seq.*);
- x. The Freedom of Information Act (5 ILCS 140/1 *et seq.*);
- xi. The Open Meetings Act (5 ILCS 120/1.01 *et seq.*);
- xii. The Illinois Pension Code (40 ILCS 5/1-101 *et seq.*), subject to the limitations set forth in paragraph 6.j. below;
- xiii. The P-20 Longitudinal Education Data System Act;
- xiv. All applicable health and safety regulations of the State of Illinois and the City of Chicago including, without limitation, those laws specifically identified by the State Board as being applicable to charter schools. A current list of such laws, which may be added to, deleted from or otherwise amended from time to time by the State Board, is attached hereto as Exhibit B;

xv. All Federal and State of Illinois orders and agreements, including desegregation orders, orders regarding special education, orders regarding bilingual education, compliance agreements or other agreements with the United States Department of Education or other Federal or State agencies, applicable to the Chicago Public Schools. Upon the request of the Charter School, the Board shall furnish copies of any such orders or agreements. To the extent that the Charter School believes that it is exempt from compliance with any such law, order or agreement, the Charter School shall provide the Board's General Counsel with a copy of an exemption ruling or opinion rendered by the applicable Federal or State authority that has jurisdiction over such law or that issued the order or agreement. To the extent the Board is a party to a court action that is likely to result in a new order or agreement which will require compliance by the Charter School, the Board shall use reasonable efforts to notify the Charter School of such court action.

b. Compliance with Agreement. The Charter School shall operate at all times in accordance with the terms of this Agreement including the Accountability Plan attached hereto as Exhibit D and all other Exhibits attached hereto.

c. Maintenance of Corporate Status and Good Standing. The Charter

School shall at all times maintain itself as an Illinois general not-for-profit corporation capable of exercising the functions of the Charter School under the laws of the State of Illinois, shall remain in good standing under the laws of the State of Illinois, and shall timely make all required filings with the office of the Illinois Secretary of State. Upon request, the Charter School shall provide the Board with certified copies of its Articles of Incorporation, a Certificate of Incorporation evidencing its incorporation as a nonprofit corporation, its Bylaws, and all amendments or modifications thereto. The Charter School is also recognized as an organization exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code, and upon request, the Charter School shall provide the Board with copies of all filings relating to the Charter School maintaining 501(c)(3) exempt status.

d. Personnel. The relationship between the Charter School and its employees, and the manner in which terms and conditions of employment shall be addressed with affected employees and their recognized representatives, if any, shall be as set forth in the Application and this Agreement, provided that the Charter School shall comply with all Federal and Illinois employment laws and regulations made applicable to charter schools under the Charter Schools Law.

No later than September 1 of each year during the term of this Agreement, the Charter School shall provide the Board with a current list of all of its employees, and shall cause each of its subcontractors to provide the Board with a current list of all of such subcontractor's employees who shall come into direct, regular contact with pupils at the Charter School. Such lists shall contain the names, job positions and social security numbers of all applicable employees. Such list shall also indicate: (1) for each employee, the date of initiation of the fingerprint-based criminal background investigation and checks of the Statewide Sex Offender Database and the Statewide Child Murderer and Violent Offender Against Youth Database required under Section 34-18.5 of the School Code and paragraph 5.e. of this Agreement, and the results of such background check; and (2) for each individual employed in an instructional position, evidence of certification, or evidence that such individual is otherwise qualified to teach under Section 27A-10(c) of the Charter Schools Law, including information regarding the additional mentoring, training and staff development, if any, to be provided by the Charter School pursuant to paragraph 5.f. of this Agreement. For any person hired in an instructional position after September 1 of any school year, the Charter School shall provide the Board with such evidence of certification or other qualification prior to the individual's initial date of employment.

e. Criminal Background Checks. The Charter School shall not knowingly employ and shall not permit its subcontractors to knowingly employ any individual who shall come into direct, regular contact with pupils at the

Charter School (i) for whom a fingerprint-based criminal background investigation and checks of the Statewide Sex Offender Database and the Statewide Child Murderer and Violent Offender Against Youth Database has not been conducted or (ii) who has been convicted of committing or attempting to commit one of the offenses enumerated in Section 34-18.5(c) of the Illinois School Code.

f. Instructional Providers. The Charter School shall employ or otherwise utilize in instructional positions and shall require that its subcontractors employ or otherwise utilize in instructional positions only those individuals who are certificated under Article 21 of the Illinois School Code, 105 ILCS 5/21-1 *et seq.*, or who are otherwise qualified to teach under Section 27A-10(c) of the Charter Schools Law. If the Charter School receives Title I funds, all individuals in instructional positions must also meet the definition of "Highly Qualified" in accordance with the No Child Left Behind legislation. For purposes of this paragraph, "instructional positions" means all those positions involving duties and responsibilities which, if otherwise undertaken in the Chicago Public Schools, would require teacher certification. In the event that the Charter School employs or otherwise utilizes or any of its subcontractors employs or otherwise utilizes non-certificated personnel in instructional positions, the Charter School and/or its subcontractors shall provide such additional mentoring, training and staff development as the Charter School determines is necessary to ensure that such individuals perform their instructional duties satisfactorily.

g. Facility; Change in Location; Temporary Change in Location in for Emergency; Compliance with Disability Access Laws and Regulations; ADA Plan.

i. Facility. The Charter School shall be located at 2908 West Washington Boulevard, Chicago, Illinois (the "Attendance Center"). Notwithstanding the fact that the Charter School shall be located in a Board facility, the Charter School shall take such actions as are necessary to otherwise enable the Board to ensure that the occupancy permit and health and safety approvals for such Attendance Center remain valid and in force during the term of this Agreement.

ii. Change in Location. The Charter School may change the physical location of an Attendance Center, provided that the Charter School fulfills certain conditions of the Board and provides the information set forth in this paragraph with respect to such new physical location, and provided further that the Charter School notifies the Board of the proposed change in location not less than one hundred and twenty (120) days prior to taking any final action in connection therewith. The Office of New Schools shall notify the Charter School whether it will recommend the change in location to the Board. Such a change in the physical location of an existing

Attendance Center by the Charter School shall be deemed a material modification of this Agreement which requires the prior approval of the Board and State Board to be in full force and effect.

iii. Temporary Change in Location for Emergency. Nevertheless, the one hundred and twenty (120) days prior notice is not required in the event that the change in location is due to an emergency where the Attendance Center has been made untenable by fire, flooding, tornado, earthquake or other casualty or where its occupancy permit has been revoked due to a reason outside of the Charter School's reasonable control. In such emergency situation, the Charter School shall provide immediate written notice to the Board after the Charter School becomes aware of the need to change the location of its Attendance Center and the Charter School shall proceed as follows:

- (1) The Charter School shall promptly repair any damage to the Attendance Center caused by the emergency and to remedy any accessibility and building code compliance issues at its current temporary location until such time as the damaged Attendance Center is returned to the condition in which it was found prior to the emergency. While in its temporary location, the Charter School must provide monthly written status reports to the New Schools Office regarding the renovation work performed on the damaged Attendance Center; or
- (2) If the Attendance Center has been condemned or has such extensive damage that the Charter School does not want to expend any funds to make the necessary repairs to the Attendance Center, the Charter School shall provide to the Office of New Schools written notice of the change in its permanent location and the reasons for abandoning its original Attendance Center. The Charter School shall fulfill certain conditions of the Board and provide the information set forth in this paragraph 5.g. with respect to such new physical location. The Office of New Schools shall notify the Charter School whether it will recommend such change in location to the Board.

iv. Compliance with Disability Access Laws and Regulations. The Board shall modify the Attendance Center to have the basic accessibility features for persons with disabilities. The Charter School shall otherwise ensure that it complies with: (1) all requirements of the Americans with Disabilities Act ("ADA"), 42 U.S.C.A. §12101 *et seq.*, the Rehabilitation Act of 1973, 29 U.S.C.A. §701 *et seq.*, as amended, their

implementing regulations, the Illinois Environmental Barriers Act, 410 ILCS 25/1 *et seq.*, and the accessibility portions of the Chicago Building Code; and (2) the ADA and Rehabilitation Act aspects of the Accountability Plan; provided, however, if the Charter School enters into a lease agreement with the Board to occupy a Board facility to operate an Attendance Center, the terms and conditions of the lease agreement shall control as to that Attendance Center.

v. ADA Plan. At the request of the Office of New Schools, the Charter School shall submit a plan addressing its methods for complying with, other than the Board's facility modifications, all aspects of the Charter School's compliance with the ADA and Section 504 of the Rehabilitation Act of 1973, as amended, their implementing regulations, the Illinois Environmental Barriers Act, and the accessibility portions of the Chicago Building Code ("ADA Plan"). Any such ADA Plan shall be submitted to the Board for approval which shall not be unreasonably withheld. Any such ADA Plan submitted to the Office of New Schools and approved by the Board shall be incorporated herein by reference and made a part of this Agreement. Failure to submit an ADA Plan to the Office of New Schools by the Board-specified date shall be deemed a material breach of this Agreement, subject to paragraph 13 herein, and the Board shall consider such non-compliance a factor in determining whether to revoke or renew the Charter School's charter.

h. Homeless Children. The Charter School acknowledges and agrees that the Chicago Public Schools are committed to serving the needs of children who are homeless and to protecting their rights under Federal and State law. The Charter School agrees that one goal of this Agreement is to ensure that all homeless children who attend the Charter School receive the same services provided by the Chicago Public Schools to homeless children and agrees that it will provide services to homeless children at the same level that CPS provides those services. The Charter School also must protect the rights of children under the McKinney-Vento Homeless Assistance Act (42 U.S.C. §11431 *et seq.*) and the Illinois Education for Homeless Children Act (105 ILCS 45/1-5 *et seq.*) and all other laws that protect the rights of homeless children. The Charter School further acknowledges that the Board has certain obligations under the Settlement Agreement in *Salazar v. Edwards*, 92 CH 5703 (Circuit Court, Cook County). The Charter School shall ensure that no member of the Salazar class is deprived of his or her rights under the Settlement Agreement and the Charter School shall not interfere with the Board's performance of its obligations under the Settlement Agreement.

6. Financial Operations of Charter School.

a. Annual Audits. At fiscal year end, the Charter School shall prepare its annual financial statements in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations ("GAAP"). During the fiscal year, the Charter School shall operate in accordance with GAAP, the cash basis of accounting, or any other basis of accounting, provided that the Charter School's accounting methods allow it to prepare reports required by the Board, the State Board, and any other grantors.

The Charter School shall cause a Financial Statement Audit and Financial and Administrative Procedures Controls Review (collectively, the "Financial Audit"), to be performed annually at its expense by an outside independent auditor that must be retained by the Charter School, and such auditor must be reasonably acceptable to the Board. The Financial Audit shall include, without limitation:

i. An opinion on the financial statements (and Supplementary Schedule of Expenditures of Federal Awards, if applicable);

ii. A report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards* and the Single Audit Act of 1984, as amended; and

iii. A report on compliance with requirements of applicable laws and regulations, including the audit requirements contained in the Accountability Plan.

The Financial Audit shall be made available to the Board no later than November 1 of each year during the term of this Agreement, beginning with November 1, 2011.

b. Financial Reports. The Charter School shall prepare or cause to be prepared quarterly financial reports including budgets, in accordance with Board instructions, which shall be submitted to the Board no later than thirty (30) calendar days after the end of each quarter and no later than forty-five (45) calendar days after the end of each fiscal year. Also the Charter School shall prepare and provide to the Board a copy of its annual budget for each fiscal year by no later than July 1 of such fiscal year. The fiscal year for the Charter School shall begin on July 1 of each year and end on June 30 of the subsequent year.

c. Distribution of Funds. The Board shall distribute the Charter School Funds, as determined in paragraph 6.d., in four quarterly installments payable on or about July 22, October 15, January 15 and April 15 of each fiscal year, or the first business day following each such day if any such day falls on a Saturday, a Sunday, or a holiday. All funds distributed to the Charter School from the Board

shall be used for educational purposes only. The use of such funds for any other purpose is strictly prohibited.

d. Funding Procedure. The Board shall calculate the per capita tuition payment for each pupil enrolled at the Charter School for each academic year based on the per pupil rates set forth in the final Budget Book adopted by the Board each fiscal year and shall provide this amount to the Charter School for each pupil enrolled at the Charter School as set forth below. The Charter School acknowledges and agrees that the funding amounts provided to the Charter School by the Board may be adjusted or vary from year to year depending upon the amount of appropriations authorized by the Illinois General Assembly and subsequent Board approval of the budget on an annual basis.

i. First Installment (July 22). The amount of the Board's first quarterly payment shall be based initially on a pre-enrollment projection for the number of students enrolled in the Charter School which shall be provided to the Board no later than December 15 of the prior academic year. It is understood and agreed that the first installment for each school year will be remitted only upon the Board receiving all required submissions and documentation on such dates as set forth in the compliance chart compiled by the Office of New Schools.

ii. Second Installment (October 15). The amount of the Board's second quarterly payment shall be calculated such that the aggregate amount of the first and second quarterly installments is equal to the number of students enrolled at the Charter School on the twentieth day of the first semester, as verified by attendance records, multiplied by one half the per capita tuition amount.

iii. Third Installment (January 15). The amount of the Board's third quarterly payment shall be based on the Charter School's first semester enrollment, as determined under paragraph 6.d.ii. and shall be equal to one half of the aggregate amount of the first and second payments.

iv. Fourth Installment (April 15). The amount of the Board's fourth quarterly payment shall be calculated such that the aggregate amount of the third and fourth installments is equal to the number of students enrolled at the Charter School on the tenth day of the second semester, as verified by attendance records, multiplied by one-half the per capita tuition amount.

e. School-Based Allocations for Supplemental General State Aid and Federal Title I Funds. The Charter School shall furnish the Board with eligibility

data regarding Supplemental General State Aid ("SGSA") and Title I eligible students enrolled in the Charter School by a date determined by the Board. SGSA revenues to which the Charter School is entitled shall be distributed to the Charter School quarterly on the dates set forth in paragraph 6.d. hereof on an estimated basis, provided that the Board may adjust any such payment to account for prior deviations between the estimated SGSA funds paid and the amount of SGSA funds to which the Charter School was entitled during such payment period. Such amounts shall be in addition to the per pupil funding amounts set forth in the final Budget Book adopted by the Board each fiscal year. Pursuant to the financial management requirements set forth in Section 80.20 of the Education Department General Administrative Regulations ("EDGAR")(34 CFR Part 80), the Charter School will keep financial records of such funds separate from its other revenues and there shall be no co-mingling of monies in various accounts. During the first year of the Charter School's provision of educational services, any Title I or other Federal funding for which these students qualify shall be provided to the Charter School by the Board in accordance with the formulas set forth in the final Budget Book adopted by the Board each fiscal year.

Availability of SGSA and Title I Funds to a Charter School is conditional upon the amount of governmental funding available, and the Charter School's maintaining continuous reporting, inspections, and audits, the quality of which shall be satisfactory to the Board and other relevant regulatory organizations. The scope and frequency of program reporting shall be agreed upon by the Charter School and the Board prior to funding the relevant programs unless modifications are required by the governmental funding agencies.

f. Other Sources of Funds for Charter School. Paragraph 6.d. is not intended to increase or decrease the amount of per capita student tuition to which the Charter School is entitled under the Charter Schools Law. If the Charter School satisfies the funding criteria, and subject to funding availability, the Charter School may be eligible to receive additional funding from the Board by means of special education reimbursements and per pupil allocations for English Language Learners, small schools and independent facility supplements. In addition, any Charter School receiving federal or state grant funding must comply with all federal or state regulations tied to such grant funds. The availability of federal and state grant funds is dependent upon the Charter School's maintaining continuous reporting, inspections, and audits, the quality of which shall be satisfactory to the Board and other relevant regulatory organizations. The funding criteria and procedures related to the aforementioned categories shall be set forth in the final Budget Book adopted by the Board each fiscal year.

g. Refund of Unspent or Spent Funds. In the event that this Agreement is revoked or is not renewed by the Board, the Charter School shall refund to the

Board all unspent funds in accordance with Section 27A-11(g) of the Charter Schools Law. In addition, if the Charter School does not expend or obligate all federal grant funds prior to the end of each fiscal year, the Board may recapture such unspent grant funds from the Charter School. In addition, if the Board determines that federal or state grant funds provided to the Charter School were not used or expended for the specific purpose for which they were intended, the Charter School shall promptly reimburse such grant funds to the Board within thirty (30) days of receipt of written notice from the Board.

h. Tuition and Fees. The Charter School shall not charge tuition to any student, unless such student would otherwise be liable for tuition costs under the Illinois School Code. The Charter School may charge reasonable fees, to the extent permitted by law, for textbooks, instructional materials, summer school programs, after school programs, and student activities.

i. Outside Funding. The Charter School may accept gifts, donations or grants pursuant to Section 27A-11(d) of the Charter Schools Law, provided that no such gifts, grants or donations may be accepted if contrary to applicable law or to the terms of this Agreement. In the event that the Charter School solicits funding from sources other than those set forth in this paragraph 6, it shall comply with all applicable State or Federal laws regarding the reporting of charitable solicitations.

j. Pension Payments. The Board shall make payments directly to the Chicago Teachers Pension Fund on behalf of any education, administrative or other staff member employed at the Charter School (whether by the Charter School itself or one of its subcontractors) who is certified under the law governing certification of teachers in the amount of that employer's proportionate share of State funds made available to the Chicago Public Schools for such purpose. The Board shall not have any duty to make the employee's or other staff's member contributions. Notwithstanding the foregoing, the Charter School acknowledges and agrees that the Board retains the right to collect delinquent employee contributions from the Charter School in accordance with Section 17-132 of the Illinois Pension Code (40 ILCS 5/17-132) and may deduct such delinquent contributions from any quarterly payments due the Charter School.

In the event that the Board elects to deduct delinquent employee contributions from quarterly payments due the Charter School, the Board shall provide the Charter School with forty-five (45) days prior written notice setting forth in detail the grounds for such action and the amount delinquent. If the Charter School fails to cure such delinquency to the Board's satisfaction within said 45-day cure period, the Board shall be deemed to have a sufficient basis to withhold such funds from any quarterly payments otherwise due the Charter School and to remit such funds to the Chicago Teachers Pension Fund.

The parties hereby acknowledge and agree that the Charter School shall comply with those provisions of the Illinois Pension Code which specify applicability to, or compliance by, charter schools and it is not the intent of the parties to have the Charter School comply with any other portions of the Illinois Pension Code.

k. Management and Financial Controls. At all times, the Charter School shall maintain appropriate governance and managerial procedures and financial controls which procedures and controls shall include, but not be limited to: (1) accounting methods as specified in paragraph 6.a.; (2) a checking account; (3) adequate payroll procedures; (4) bylaws; (5) an organizational chart; (6) procedures for the creation and review of monthly and quarterly financial reports, which procedures shall specifically identify the individual who will be responsible for preparing such financial reports in the following fiscal year; (7) internal control procedures for cash receipts, cash disbursements and purchases; and (8) maintenance of asset registers and financial procedures for grants in accordance with EDGAR or the State Board.

l. Attendance. The Charter School shall maintain accurate enrollment data and daily records of student attendance. The Charter School shall provide the Board with current enrollment and attendance data, including Individualized Educational Plan and English Language Learner data, via the Board's IMPACT System ("IMPACT System"), or such other system as may be subsequently implemented by the Board. Such enrollment and attendance data shall be maintained and updated on the IMPACT System on a daily basis by the Charter School (or on any other time-frame basis consistent with district-level reporting). The Board shall provide the Charter School with the necessary IMPACT System access, software and training to allow Charter School personnel to use the Board's IMPACT System and input enrollment/attendance data.

m. Deductions for Facility Expenses. If the Charter School is located in a Board facility, the Board may offer to provide the Charter School with certain facility services including building maintenance, technology services, utilities, and safety and security ("Facility Services"). A Charter School located in a Board facility and utilizing the Facility Services will have such charges deducted uniformly from the quarterly payments issued by the Board and such services and charges will be outlined in the lease between the Board and the Charter School. Such charges may be adjusted annually or upon such other terms as set forth in the lease agreement.

n. Withholding of Funds. In the event that the Board deems that there has been a material violation of this Agreement, the Board may withhold any and

all payments of funds to the Charter School providing the Board gives the Charter School written notice enumerating the specific failure(s) and the period of time during which the Charter School shall have the opportunity to cure such failure(s) after the Charter School's receipt of such written notice. Upon the Charter School's cure of any such failure(s), the Board shall immediately release any and all payments of funds due the Charter School.

7. Purchase Agreement. The Board and the Charter School may enter into a purchase agreement or agreements providing for the purchase by the Charter School from the Board of certain goods, services and materials in connection with the operation of the Charter School.

8. Insurance. The Charter School shall, at its own expense, purchase and maintain insurance covering all of its operations, whether performed by Charter School or by subcontractors. Such insurance shall include the types of insurance set forth in Exhibit C hereto, subject to the conditions and in no less than the respective limits set forth therein. All insurers shall be licensed by the State of Illinois and rated A-VII or better by A. M. Best or a comparable rating service. No later than fifteen (15) days following the execution of this Agreement, and each July 1 thereafter, the Charter School shall provide the Board with certificates of insurance or other satisfactory proof evidencing coverage in the types and amounts as set forth in Exhibit C.

9. Academic Accountability and Evaluations.

a. Accountability Plan. The Charter School shall be held accountable by the Board in accordance with the Accountability Plan contained in Exhibit D ("Accountability Plan"). Due to potentially sweeping changes regarding testing requirements and other accountability standards that may occur because of the enactment of the No Child Left Behind Act or other laws or mandates. The parties agree that the Accountability Plan attached as Exhibit D hereto is subject to revision and modification by the Board effective on July 1 of each year of the Agreement upon written notice from the Board no later than April 1 of each year at which time the Charter School shall have an opportunity to comment on such revised Accountability Plan. Any subsequently revised Accountability Plans approved by the Office of New Schools shall be posted on the Board's web site by May 1 of each year and shall be incorporated herein by reference as if fully set forth herein. Notwithstanding the foregoing, in the event the Charter School determines that it does not want to be evaluated and measured against any such revised Accountability Plan, the Charter School shall have the right to terminate this Agreement upon prior written notice to the Board and such termination shall be effective as of the end of the current academic year.

b. Standardized Tests. The Charter School shall administer such

standardized tests of academic proficiency as are provided for in the Accountability Plan, and shall participate in State assessments required by Section 2-3.64 of the Illinois School Code. The Charter School shall participate fully in the Illinois Standards Achievement Test ("ISAT") for grades 3 through 8 and the Prairie State Achievement Examination ("PSAE") for grade 11. The Charter School shall administer the Illinois Alternate Assessment ("IAA") in place of the ISAT and/or PSAE to students with significant cognitive disabilities. The Charter School is responsible for ensuring that the data elements (i.e., student names, demographic information, etc.) required to administer the State assessments are correctly entered into the district's IMPACT System.

c. Site Visits. In addition to the above procedures, the Charter School shall grant reasonable access to, and cooperate with, the Board, its officers, employees and other agents, including allowing site visits by the Board, its officers, employees and other agents, for the purpose of allowing the Board to fully evaluate the operations and performance of the Charter School pursuant to the Accountability Plan and the Charter Schools Law. Where possible, the Board shall provide the Charter School with at least 24 hours prior notice of such site visits.

10. Specialized Services.

a. The Charter School shall provide special education and related services to students with disabilities in accordance and compliance with (i) the student's IEP; (ii) the Individuals with Disabilities Education Act (20 U.S.C. §1401 *et seq.*); (iii) the Board-approved "A Procedural Manual Educating Children with Disabilities in Chicago Public Schools", revised edition 2002, as may be amended from time to time, which is incorporated herein by reference; (iv) any and all Federal court orders applicable to children with disabilities in the Chicago Public Schools including, but not limited to, Corey H, 92 C 3409; and (v) any and all service bulletins issued by the Board's Office of Specialized Services.

b. Special Education Teachers & Paraprofessionals. The Charter School shall hire its own special education teachers and paraprofessionals to provide special education services to the Charter School's students with disabilities. The Board shall reimburse the Charter School for the salary and benefits of certified special education teachers and paraprofessionals based on the Board's special education staffing formulas and the student's IEP. Such reimbursement rates for full-time equivalent certified special education teachers and paraprofessionals shall be set forth in the final Budget Book adopted by the Board each fiscal year.

c. Staffing Election of Clinicians. The Charter School may elect to hire its own clinicians to provide IEP services to its students with disabilities enrolled at the Charter School or it may elect to have the Board furnish clinicians to serve

the Charter School's students with disabilities. The Charter School shall notify the Board in writing, by May 1 of each year, of its election regarding the staffing of clinicians if such staffing is required by its students' IEPs. If the Charter School elects to have the Board furnish the necessary clinicians, the Board shall assign the necessary staff to the Charter School. If the Charter School elects to hire its own clinicians, the Charter School shall be reimbursed by the Board per CPS allocation percentage. Such reimbursement rate for full-time equivalent clinicians shall be set forth in the final Budget Book adopted by the Board each fiscal year.

d. Staff Requirements. By April 30 of each year, in accordance with the Board's budgetary process, the Charter School shall receive the projected staffing allocation for special education teachers, paraprofessionals and clinicians required by State guidelines, based on students enrolled at the Charter School, entered into and identified as needing services by the students' IEPs and the Board's IMPACT System. The Board may during the school year issue adjustments to these staff requirements to accommodate changes in the enrollment and IEP needs of the Charter School's students. All special education teachers, paraprofessionals and clinicians employed by the Charter School shall have the requisite qualifications, Illinois certificates and/or licenses.

e. Additional Resources. Notwithstanding paragraph 6 of this Agreement, the Board shall provide necessary additional resources including assistive technologies (as required by a student's IEP) for the education of students with disabilities enrolled in the Charter School in accordance with the Individuals with Disabilities Education Act, Section 504 of the Rehabilitation Act of 1973, and the IEPs of such students. Such additional resources shall be sufficient to comply with all provisions of the Charter Schools Law, including Section 27A-11 thereof.

11. Comprehensive School Management Contracts. No entity or party other than the Charter School may provide comprehensive school management or operations except upon the prior approval of the Board, and certification by the State Board. Furthermore, in the event the Charter School desires to enter into any contract for comprehensive school management or operations services to be performed in substantial part by an entity not a party to this Agreement, the provisions of Exhibit E attached hereto must be incorporated into any such contract.

12. Renewal of Charter; Failure to Renew. No later than January 1, 2015, and no earlier than September 1, 2014, but in no event later than the date set by the Office of New Schools, the Charter School shall provide a written proposal to the Board in accordance with Section 27A-9 of the Charter Schools Law, setting forth proposed terms of renewal of this Agreement. Pursuant to Section 27A-9(b) of the Charter Schools Law, the renewal proposal of the Charter School shall contain the most recent audit report and financial statement of the Charter School. The written proposal may contain proposed

changes to this Agreement that the Charter School desires to incorporate into the renewed agreement. The renewal proposal shall be evaluated by the Office of New Schools in accordance with paragraph 4 of Exhibit D.

No later than June 30, 2015, the Office of New Schools shall notify the Charter School of its recommendation regarding such renewal indicating whether, and upon what conditions, it is willing to recommend to the Board the renewal of the charter and the Agreement, including any modified terms proposed by the Office of New Schools. If there is no agreement on the terms of renewal, then the parties shall fulfill their mutual obligations hereunder to the end of the term of this Agreement. The Board may refuse to renew the charter and the Agreement upon a finding that any cause for revocation exists under paragraph 13 hereof.

13. Revocation of Charter. The Board may revoke this Agreement and the charter of the Charter School, in accordance with Section 27A-9 of the Charter Schools Law, if the Board clearly demonstrates that the Charter School did any of the following, or otherwise failed to comply with the requirements of the Charter Schools Law:

- a. Committed a material violation of any of the conditions, standards, or procedures set forth in this Agreement including the Accountability Plan; or
- b. Failed to meet or make reasonable progress toward achievement of the content standards or pupil performance standards identified in this Agreement or in the Accountability Plan; or
- c. Failed to meet generally accepted standards of fiscal management; or
- d. Materially violated any provision of law from which the Charter School was not exempted.

In case of revocation, the Board shall notify the Charter School in writing of the reason why the charter of the Charter School is subject to revocation. The Charter School shall submit a written plan to the Board to rectify the problem. The plan shall include a timeline for implementation, which shall not exceed two (2) years or the date of the charter's expiration, whichever is earlier. If the Board finds that the Charter School has failed to implement the plan of remediation and adhere to the timeline, then the Board shall revoke the charter of the Charter School. Except in situations of an emergency where the health, safety or education of the Charter School's students is at risk, the revocation shall take place at the end of the school year. Nothing in this subparagraph shall be construed to prohibit an implementation timetable that is less than two (2) years in duration.

In addition, the charter of the Charter School may be revoked in the event that the

parties agree to terminate this Agreement by mutual consent pursuant to paragraph 23 of this Agreement, or in accordance with any specific revocation indicators set forth in paragraph 4 of Exhibit D.

In the event that the Board proposes to revoke this Agreement and the charter of the Charter School, the Board shall provide the Charter School with written notice setting forth in detail the grounds for such revocation at least 14 days prior to the date the Board takes final action on such revocation.

14. Indemnification.

a. To the fullest extent permitted by law, the Charter School shall indemnify, defend and hold harmless the Board, its members, officers, employees, agents, affiliates and representatives, past and present (collectively, the "Board Indemnitees"), from and against any and all liabilities, losses, penalties, damages and expenses, including costs and attorney fees, arising out of all claims, liens, demands, suits, liabilities, injuries (personal or bodily), of every kind, nature and character arising or resulting from or occasioned by or in connection with (i) the possession, occupancy or use of the property of the Charter School by its faculty, students, patrons, employees, guests or agents, (ii) any negligent, willful or wrongful act or omission to act by the Charter School, its faculty, students, patrons, employees, guests or agents, (iii) a violation of any law, statute, code, ordinance or regulation by the Charter School, its faculty, students, patrons, employees, subcontractors, guests or agents, and/or (iv) any breach, default, violation or nonperformance by the Charter School of any term, covenant, condition, duty or obligation provided in this Agreement including, but not limited to, the Accountability Plan (collectively, the "Covered Losses"). This indemnification shall not apply to the extent that any Covered Loss results from the negligence or wrongful act or omission of any Board Indemnitee or from any act or omission of the Charter School required by law or this Agreement.

b. To the fullest extent permitted by law, the Board shall indemnify, defend and hold harmless the Charter School, any successor entity thereto, and their respective members, officers, employees, agents, affiliates and representatives, past and present (collectively, the "Charter Indemnitees"), from and against any and all liabilities, losses, penalties, damages and expenses, including costs and attorney fees, arising out of all claims, liens, demands, suits, liabilities, injuries (personal or bodily), of every kind, nature and character arising or resulting from or occasioned by or in connection with (i) a violation of any law, statute, code, ordinance or regulation by the Board, its members, officers, employees or agents and/or (ii) any breach, default, violation or nonperformance by the Board of any term, covenant, condition, duty or obligation provided in this Agreement or the Accountability Plan (collectively, the "Covered Losses"). This

indemnification shall not apply to the extent that any Covered Loss results from the negligence or wrongful act or omission of any Charter Indemnitee or from any act or omission of the Board required by law or this Agreement.

c. This indemnification, defense and hold harmless obligation shall survive the termination of this Agreement. Any indemnified party shall have the right, at its own expense, to participate in the defense of any suit, without relieving the indemnifying party of any of its obligations hereunder.

15. Disclaimer of Liability. The parties expressly acknowledge that the Charter School is not operating as the agent, or under the direction and control, of the Board except as required by law or this Agreement, and that the Board assumes no liability for any loss or injury resulting from: (1) the acts and omissions of the Charter School, its directors, trustees, agents, subcontractors or employees; (2) the use and occupancy of the building or buildings occupied by the Charter School, or any matter in connection with the condition of such building or buildings; or (3) any debt or contractual obligation incurred by the Charter School. The Charter School acknowledges that it is without authority to, and will not, extend the faith and credit of the Board or the Chicago Public Schools to any third party.

16. Governing Law. This Agreement shall be governed by, subject to and construed under the laws of the State of Illinois without regard to its conflicts of laws provisions.

17. Waiver. No waiver of any breach of this Agreement shall be held as a waiver of any other or subsequent breach.

18. Dispute Resolution. If a minor violation or dispute arises between the parties relating to the interpretation or performance of this Agreement, designated representatives of each party who shall have the authority to resolve the dispute shall attempt in good faith to negotiate or mediate a resolution of the dispute. Notwithstanding anything to the contrary in this paragraph, both parties shall continue to perform their obligations under this Agreement in good faith during the resolution of such minor dispute, unless and until this Agreement is terminated in accordance with the provisions hereof.

19. Counterparts; Signature by Facsimile. This Agreement may be signed in counterparts, which shall together constitute the original Agreement. Signatures received by facsimile (with confirmation thereof) by either of the parties shall have the same effect as original signatures.

20. Terms and Conditions of Application. The parties hereto expressly agree that the Application sets forth the overall goals, standards and general operational

policies of the Charter School. The Charter School acknowledges and agrees that its Application is an integral part of this Agreement, and the Board shall have the right to hold the Charter School responsible for all information, representations and statements contained in the Application. The parties understand, however, that the Application is not a complete statement of each detail of the Charter School's operation. To the extent that the Charter School desires to implement specific policies, procedures or other specific terms of operation that supplement or otherwise differ from those set forth in the Application, the Charter School shall be permitted to implement such policies, procedures, and specific terms of operation, provided that such policies, procedures and terms of operation are consistent with the goals, standards and general operational policies set forth in this Agreement and the Charter Schools Law.

21. Amendments. This Agreement may be amended only by written consent of the parties hereto and, in the case of material amendments, only after submission of such amendments to, and approval by, the State Board in accordance with Section 27A-6(e) of the Charter Schools Law. For purposes of this Agreement, the parties acknowledge that material changes include, but are not limited to, the following: (a) the addition of new grades; (b) an increase in enrollment capacity; (c) a move to a new Attendance Center; and (d) any and all other material modifications to this Agreement.

22. Assignment. This Agreement may not be assigned or delegated by the Charter School under any circumstances, it being expressly understood that the charter granted hereby runs solely and exclusively to the Charter School.

23. Termination. This Agreement may be terminated prior to its expiration by the mutual consent of the parties or revocation of the charter of the Charter School pursuant to paragraph 13 hereof. Termination of this Agreement for any reason shall serve to immediately revoke the charter granted hereby.

24. Notices. Any notice, demand or request from one party to any other party or parties hereunder shall be deemed to have been sufficiently given or served for all purposes if, and as of the date, it is delivered by hand, overnight courier, facsimile (with confirmation thereof), or within three business days of being sent by registered or certified mail, postage prepaid, to the parties at the following addresses:

If to the Charter School: Urban Prep Academies Inc.
420 North Wabash Avenue, Suite 203
Chicago, Illinois 60611
Attn: Timothy J. King, Founder and CEO
Facsimile: (773) 535-7934

If to the Board: Chicago Board of Education
Office of New Schools

125 South Clark Street, 5th Floor
Chicago, Illinois 60603
Attn: J. Terence Patterson, Acting Executive Officer
Facsimile: (773) 553-2199

With a copy to: Chicago Board of Education
Law Department
125 South Clark Street, 7th Floor
Chicago, Illinois 60603
Attn: Patrick J. Rocks, General Counsel
Facsimile: (773) 553-1701

25. Audit and Document Retention. The Charter School shall maintain records showing time expended and costs incurred in operating the Charter School. All records referenced above and all records required to be maintained as part of operating the Charter School shall be retained for five (5) years after the term of this Agreement and shall be subject to inspection and audit by the Board. The Charter School shall include in all subcontractor agreements provisions requiring subcontractors to maintain the above described records and allowing the Board, the Inspector General of the Board, and their duly authorized representatives the same right to inspect and audit said records as set forth above with respect to the books and records maintained by the Charter School.

26. Severability. In the event that any provision of this Agreement or the application thereof to any person or in any circumstances shall be determined to be invalid, unlawful, or unenforceable to any extent, the remainder of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is determined to be invalid, unlawful or unenforceable, shall not be affected thereby, and each remaining provision of this Agreement shall continue to be valid and may be enforced to the fullest extent permitted by law.

27. Superseder. This Agreement supersedes and replaces any and all prior agreements and understandings between the Board and the Charter School with respect to the subject matter hereof. To the extent that any conflict or incompatibility exists between the Application as incorporated herein and the other terms of this Agreement, such other terms of this Agreement shall control.

28. Delegation. The parties agree and acknowledge that the functions and powers of the Board may be exercised by the Chief Executive Officer of the Chicago Public Schools, provided that any ultimate decision regarding renewal, non-renewal or revocation of this Agreement may be made only by the Chicago Board of Education.

29. Prior Actions. It is expressly agreed and understood that as a condition precedent to this Agreement becoming effective on the Effective Date hereof, the Charter

School shall have taken, completed and satisfied on or before the date specified herein any action or obligation which is required to be completed before such Effective Date, and that failure to do so shall constitute grounds for the Board to declare this Agreement null and void.

30. Construction. This Agreement shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared the Agreement.

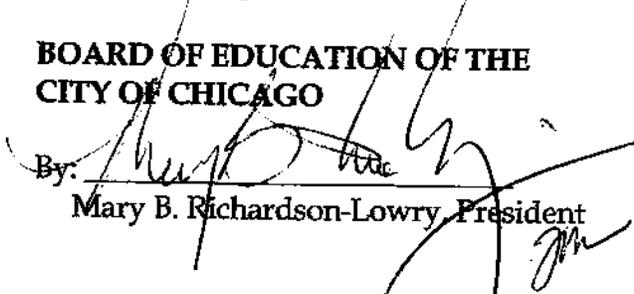
31. Incorporation of Exhibits. All exhibits referenced herein are hereby incorporated into and made a part of this Agreement.

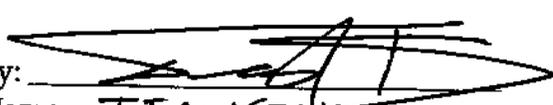
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IN WITNESS WHEREOF, the parties have made and entered into this amended and restated Agreement as of the Effective Date hereof.

BOARD OF EDUCATION OF THE CITY OF CHICAGO

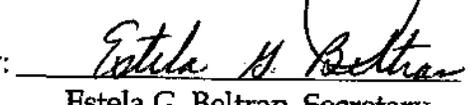
URBAN PREP ACADEMIES INC.

By: 
Mary B. Richardson-Lowry, President

By: 
Name: TIM KING
Title: PRESIDENT & CEO

ATTEST:

ATTEST:

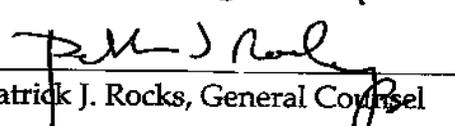
By: 
Estela G. Beltran, Secretary

By: 
Name: LIONEL ALLEN
Title: CHIEF ACADEMIC OFFICER

Dated: 11/3/10

Dated: 09-20-10

Board Report: 09-1123-EX18-1
10-1027-ALI-3

Approved as to legal form:

Patrick J. Rocks, General Counsel

- Attachments:
Exhibit A - Application
Exhibit B - State Board List of Health & Safety Laws Applicable to Charter Schools
Exhibit C - Insurance Requirements
Exhibit D - Accountability Plan
Exhibit E - Comprehensive Management Services Contract Requirements

EXHIBIT A

APPLICATION

The following documents are hereby incorporated by reference as if set forth fully herein and collectively constitute the Application:

1. Excerpts of the Application of the Charter School dated August 10, 2009, as approved by the Board on November 23, 2009.

EXHIBIT B

STATE BOARD LIST OF HEALTH AND SAFETY LAWS
APPLICABLE TO CHARTER SCHOOLS
(as amended from time to time)

1. The Following Sections of the Illinois School Code, 105 ILCS 5/1-1 et seq.:
 - a. Sections 10-20.5b, 34-18.11 (prohibits tobacco use on school property).
 - b. Section 10-20.17a (requires in-service training for school personnel who handle hazardous or toxic waste).
 - c. Section 10-21.10 (prohibits students from having electronic paging devices on school property).
 - d. Section 10-21.11 (requires schools to have policies for handling students with chronic infectious diseases).
 - e. Section 27-8.1 (requires that students have periodic health examinations and immunizations).
 - f. Section 10-22.21b (requires that schools have policies regarding administering medication to students).
2. Illinois Vehicle Code, 625 ILCS 5/1-101 et seq.
3. Eye Protection in School Act, 105 ILCS 115/0.01 et seq.
4. School Safety Drill Act, 105 ILCS 128/1 et seq.
5. Toxic Art Supplies in Schools Act, 105 ILCS 135/1 et seq.
6. Chicago Building Code

EXHIBIT C

INSURANCE REQUIREMENTS

See attached.

INSURANCE REQUIREMENTS

1. **Insurance:** The Charter School, at its own expense, shall procure and maintain insurance covering all operations under the Agreement, whether performed by the Charter School or by subcontractors. All insurers shall be licensed by the State of Illinois and rated A-VII or better by A.M. Best or a comparable rating service. The Charter School shall submit to the Board satisfactory evidence of insurance coverage prior to commencement of work under the Agreement and upon request, shall promptly provide a certified copy of any applicable policy of insurance. Minimum insurance requirements are:
 - a. **Workers' Compensation and Employers' Liability Insurance:** Workers' Compensation Insurance affording workers' compensation benefits for all employees as required by law and Employers' Liability Insurance covering all employees who are to provide services under the Agreement with limits of not less than Five Hundred Thousand and 00/100 Dollars (\$500,000.00) per occurrence.
 - b. **Commercial General Liability Insurance:** Commercial General Liability Insurance or equivalent with limits of not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence, and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate, combined single limit for bodily injury, personal injury and property damage liability coverage shall include the following: all premises and operations, products/completed operations (for a minimum of two (2) years following completion), independent contractors, separation of insureds, defense and contractual liability. Policy shall not exclude sexual abuse/molestation coverage. The Board shall be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from services.
 - c. **Automobile Liability Insurance:** Automobile Liability Insurance is required when any motor vehicle (whether owned, non-owned or hired) is used in connection with services to be performed, with limits of not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.
 - d. **School Board Legal/Professional:** School Board Legal/Professional liability insurance covering the Charter School and its directors and officers from liability claims arising from wrongful acts, errors or omissions in regards to the conduct of their duties related to the operation and management of the school with limits of not less than

Two Million and 00/100 Dollars (\$2,000,000.00) per claim. Coverage shall include Employment Practices Liability and Sexual Harassment.

- e. **Umbrella/Excess Liability Insurance:** Umbrella or Excess Liability Insurance with limits of not less than Two Million and 00/100 Dollars (\$2,000,000.00) to provide additional limits for underlying general and automobile liability coverages.
 - f. **Property Insurance:** Property Insurance for full Replacement Cost of property, including Board property for which the Charter School is contractually responsible, by lease or other agreement, from physical loss or damage. Such insurance shall cover boiler and machinery exposures and business interruption/extra expense losses.
 - g. **Fidelity Bond.** Fidelity bond coverage in the amount of at least Two Hundred Thousand and 00/100 Dollars (\$200,000.00) with a responsible surety company with respect to all of Charter School's employees as may be necessary to protect against losses including, without limitation, those arising from theft, embezzlement, fraud, or misplacement of funds, money or documents.
 - h. **Construction:** The Charter School shall indemnify, defend and agree to save and hold Board harmless from and against all liability, injury, loss, claims, cost, damage and expense with respect to any injury to, or death of, any person, or damage to or loss or destruction of, any property occasioned by or growing out of any construction work on Board property. The Charter School shall not commence any such work until the Board has been provided with insurance certificates evidencing that the contractors and subcontractors performing such work have in full force and effect adequate insurance as required by the Board's construction program at the time of the work. Required coverage may include, but is not limited to: workers' compensation, general liability, professional liability, automobile liability, environmental liability, excess liability, property and builders' risk insurance. The Charter School's contractors are subject to the same requirements as the Charter School in regards to additional insured, rating, notice, etc.
2. **Additional Insured.** The Charter School shall have its general liability insurance and automobile liability insurance policies endorsed to provide that the Board of Education of the City of Chicago, a body politic and corporate, and its members, employees, officers, officials and agents, and any other entity as

may be designated by the Board are named as additional insured on a primary basis without recourse or right of contribution from the Board.

3. **Insurance Certificate.** The insurance company, or its representative, shall submit an insurance certificate to the Board evidencing all coverage as required hereunder and indicating the Additional Insured status as required above. The Board will not pay the Charter School for any work if satisfactory proof of insurance is not provided prior to the commencement of services. The Certificate must provide sixty (60) days prior written notice of material change, cancellation, or non-renewal be given to:

Board of Education of the City of Chicago
Office of New Schools
125 S. Clark Street, 5th Floor
Chicago, Illinois 60603
ATTN: Executive Director

4. **General.** Any failure of the Board to demand or receive proof of insurance coverage shall not constitute a waiver of the Charter School's obligation to obtain the required insurance. The receipt of any certificate does not constitute an agreement by the Board that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements in the Agreement.

The Charter School's failure to carry or document required insurance shall constitute a breach of the Charter School's agreement with the Board. Non-fulfillment of the insurance conditions may constitute a violation of the Agreement, and the Board retains the right to stop work until proper evidence of insurance is provided, or the Agreement may be terminated. The Board will not pay the Charter School for any work if satisfactory proof of insurance is not provided before the commencement of services.

Any deductibles or self-insured retentions on referenced insurance coverage must be borne by the Charter School. Any insurance or self-insurance programs maintained by the Board do not contribute with insurance provided by the Charter School under the Agreement.

All subcontractors are subject to the same insurance requirements of the Charter School unless otherwise specified in this Agreement. The Charter School shall require any and all subcontractors under this Agreement to carry the insurance as required herein and to comply with the foregoing requirements; otherwise, the Charter School shall provide coverage for subcontractors. The Charter

School will maintain a file of subcontractor's insurance certificates evidencing compliance with these requirements.

The coverages and limits furnished by the Charter School in no way limit the Charter School's liabilities and responsibilities specified within the Agreement or by law. The required insurance is not limited by any limitations expressed in the indemnification language in this Agreement, if any, or any limitation placed on any indemnity in this Agreement that might be given as a matter of law.

The Charter School agrees that insurers waive their rights of subrogation against the Board.

Upon Board request, the Charter School and/or its subcontractors shall promptly provide a certified copy of any applicable policy of insurance. The Board reserves the right to modify, delete, alter or change insurance requirements at any time.

EXHIBIT D

ACCOUNTABILITY PLAN

See attached.

CHARTER ACCOUNTABILITY PLAN - 2010-2011 SCHOOL YEAR

The Board and the Charter School have determined that it is in the best interests of the Board, the Charter School, students, parents and the public to articulate clear standards for the Charter School. The governing board of the Charter School shall be responsible for overseeing the academic performance of the Charter School and ensuring the academic success of the Charter School's students. At a minimum, academic success is defined as Level 2 in the below plan. Additionally, the governing board of the Charter School is responsible for ensuring that the Charter School's financial management and compliance meets the minimum acceptable standards, defined as Average performance in the below plan. The governing board of the Charter School shall be held accountable through an annual performance evaluation and the publishing of a public Performance Scorecard outlining the level of achievement of the Charter School with respect to those standards. This document outlines the Accountability Plan for the 2010-11 school year.

1. Accountability Components

The Board and the Charter School hereby agree that the Charter School shall be evaluated annually in accordance with the Agreement and this Accountability Plan, as may be amended from time to time in order to ensure, at a minimum, alignment with the district's School Performance, Remediation and Probation Policy ("PRPP").

2. Annual Performance Scorecard

Annually the Board shall publish a Performance Scorecard indicating the Charter School's performance overall and by each Attendance Center or campus if applicable, on each of the indicators in the following two categories: Pupil Performance and Financial Management and Compliance. A Performance Scorecard for the preceding school year will be issued each year as soon as the data and corresponding analysis is available.

Pursuant to the School Performance, Remediation and Probation Policy for both elementary and high schools adopted by the Board on June 24, 2009 (09-0624-PO1), as may be amended from time to time, CPS will assign Charter Schools an accountability designation for purposes of comparison to other CPS schools and public reporting. Under the policy, a school shall receive one of three ratings: Remediation, Probation or Good Standing. The level of the Charter School's achievement and progress will be determined by indicators under the following categories: a) Current Status, b) Trends, and c) Student Growth.

The PRPP shall be used to determine if a school is meeting or making reasonable academic progress, as defined in the Illinois Charter Schools Law. This determination

shall be used in decisions concerning the revocation or renewal of a school's charter or contract.

For the Financial Management and Compliance Indicators, the Charter School's performance on each indicator will be rated as follows:

- 4 - Strong Performance
- 3 - Average performance
- 2 - Below average performance
- 1 - Poor performance

This Accountability Plan establishes the performance levels, listed below, which generate the ratings for each indicator. However, additional information or extenuating circumstances may lead the Board to rate an indicator higher or lower than when performance level criteria are strictly applied.

A. Pupil Performance

The intent of the Pupil Performance section is to provide a multi-faceted understanding of student performance at the Charter School upon which the Charter School's academic performance will be evaluated. Pupil performance will be evaluated based on Current Status, Trends, and Student Growth indicators. The Performance Indicators will be awarded between 0 and 3 points as defined in the Performance Policy Legends below.

Standardized Tests

In the spring of each year, the Charter School shall participate fully in the Illinois Standards Achievement Test ("ISAT") for grades 3 through 8 and the Prairie State Achievement Examination ("PSAE") and ACT for grade 11. Additionally, the Charter School shall participate in the EXPLORE Test in grade 9 and the PLAN Test in grade 10 during the administration period agreed upon by the Chicago Public Schools and the Charter School. Data from these assessments will be compiled and evaluated as described below. If for any reason the Chicago Public Schools ceases to use any of the assessment systems described herein, the Board shall implement, for Charter School accountability purposes, the same alternate student assessment system and test measure criteria used for district's students.

Additional Student Performance Indicators and Data Required

The Charter School's attendance rate, freshman on track rate (for high schools), one-year dropout rate (for high schools), and AP exam metrics (for high schools) will also be

assessed. Additionally, all schools will be required to administer the My Voice, My School survey annually.

In general, schools will be required to submit all relevant data necessary to calculate the metrics outlined in the PRPP. The AP Enrollment and AP Success metrics, however, will be optional for this year as all schools do not currently offer these classes. A school may choose to opt-in to these metrics but once this decision has been made, a school cannot opt-out at a later date. Schools that do not opt-in to these metrics will receive zero points possible.

Adequate Yearly Progress

As required by the Federal No Child Left Behind Act, Illinois has set annual Adequate Yearly Progress ("AYP") targets for student performance on the ISAT and PSAE assessments. Charter Schools receiving Title I funds must meet these targets to achieve AYP. If the Charter School receives Title I funds and fails to make AYP for 2 consecutive years, it shall be designated as a school in need of School Improvement and will face sanctions as required by Federal law. However, the Charter School will not face any sanctions if it is not receiving Title I funds.

At the time of execution of this Agreement, the annual AYP targets for the ISAT and PSAE are anticipated to be as follows. In the event that the AYP targets are revised, the Charter School will be subject to the revised targets.

Year	2009	2010	2011	2012	2013	2014
Target	70%	77.5%	85%	92.5%	92.5%	100%

[Rest of page left intentionally blank.]

Elementary School Performance Policy Legend (re: Policy No. 09-0624-PO1)

<u>Metrics</u>	<u>If current status score is...</u>	<u>School receives</u>
ISAT Reading Meets/Exceeds	50.0% to 69.9% 70.0% to 79.9% 80.0% or more	1 point 2 points 3 points
ISAT Mathematics Meets/Exceeds	50.0% to 69.9% 70.0% to 79.9% 80.0% or more	1 point 2 points 3 points
ISAT Science Meets/Exceeds	50.0% to 69.9% 70.0% to 79.9% 80.0% or more	1 point 2 points 3 points
ISAT Composite Exceeds	5.0% to 14.9% 15.0% to 24.9% 25.0% or more	1 point 2 points 3 points
ISAT Composite Exceeds Highest Grade Level	5.0% to 14.9% 15.0% to 24.9% 25.0% or more	1 point 2 points 3 points
Attendance	90% to 92.9% 93% to 94.9% 95% or more	1 point 2 points 3 points
<p>Note: Current Status points are determined by the average of 2008 and 2009 scores or just 2009 scores if a school does not have two years of data. A school must have at least 2009 data to receive a current status score.</p>		

<u>Metrics</u>	<u>If trend score is...</u>	<u>School receives</u>
ISAT Reading Meets/Exceeds (Ceiling = 90%)	0.1% to 2.9% 3% to 5.9% 6% or more	1 point 2 points 3 points
ISAT Mathematics Meets/Exceeds (Ceiling = 90%)	0.1% to 2.9% 3% to 5.9% 6% or more	1 point 2 points 3 points
ISAT Science Meets/Exceeds (Ceiling = 90%)	0.1% to 2.9% 3% to 5.9% 6% or more	1 point 2 points 3 points
ISAT Composite Exceeds (Ceiling = 90%)	0.1% to 2.9% 3% to 5.9% 6% or more	1 point 2 points 3 points
ISAT Composite Exceeds Highest Grade Level (Ceiling = (90%)	0.1% to 2.9% 3% to 5.9% 6% or more	1 point 2 points 3 points
Attendance (Ceiling = 95%)	0.1% to 0.4% 0.5% to 0.9% 1% or more	1 point 2 points 3 points
<p>Note: If 2009 score is above ceiling, school receives all 3 points. Otherwise, trend points are determined by 2009 score minus average of prior 3 years of data. If school does not have 3 years of prior data, then the average of the prior 2 years is used. School must have at least 2007-2009 data to receive a trend score.</p>		

<u>Metrics</u>	<u>If growth score is....</u>	<u>School receives</u>
Value-Added Reading	-2.2 to -0.1 0 to 2.1 2.2 or more	1 point 2 points 3 points
Value-Added Mathematics	-2.7 to -0.1 0 to 2.6 2.7 or more	1 point 2 points 3 points
<p>Note: Score represents the difference between this school's average student growth on the ISAT and the average growth of similar students district-wide.</p>		

<u>If total points are...</u>	<u>...or if % of points is...</u>	<u>School is at Level</u>
30 or more	71% or more	1
21 - 29	50% to 70.9%	2
18 - 20	42.9% to 49.9%	3 (Review)
Less than 18	Less than 42.9%	3

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High School Performance Policy Legend (re: Policy No. 09-0624-PO1)

<u>Metrics</u>	<u>If current status score is...</u>	<u>School receives</u>
Average ACT	16 to 17.9	1 point
	18 to 19.9	2 points
	20 or more	3 points
One Year Drop Out	6.1% to 10%	1 point
	2.1% to 6%	2 points
	2% or less	3 points
Freshman On Track	45% to 59.9%	1 point
	60% to 79.9%	2 points
	80% or more	3 points
Attendance	85% to 89.9%	1 point
	90% to 94.9%	2 points
	95% or more	3 points
PSAE Meets/Exceeds Reading	30% to 49.9%	1/3 point
	50% to 69.9%	2/3 points
	70% or more	1 point
PSAE Meets/Exceeds Mathematics	30% to 49.9%	1/3 point
	50% to 69.9%	2/3 points
	70% or more	1 point
PSAE Meets/Exceeds Science	30% to 49.9%	1/3 point
	50% to 69.9%	2/3 points
	70% or more	1 point
AP Enrollment	NA	
AP Success	NA	
<p>Note: Current Status points are determined by the average of 2008 and 2009 scores or just 2009 scores if a school does not have two years of data. A school must have at least 2009 data to receive a current status score.</p>		

<u>Metrics</u>	<u>If trend score is...</u>	<u>School receives</u>
Average ACT (Ceiling = 23)	0.1 to 0.4 0.5 to 0.9 1 or more	1 point 2 points 3 points
One Year Drop Out (Ceiling = 0.5%)	-0.1% to -0.9% -1% to -2.9% -3% or more	1 point 2 points 3 points
Freshman On Track (Ceiling = 90%)	0.1% to 2.4% 2.5% to 4.9% 5% or more	1 point 2 points 3 points
Attendance (Ceiling = 95%)	0.1% to 0.4% 0.5% to 0.9% 1% or more	1 point 2 points 3 points
PSAE Meets/Exceeds Reading (Ceiling = 90%)	0.1% to 2.4% 2.5% to 4.9% 5% or more	1/3 point 2/3 points 1 point
PSAE Meets/Exceeds Mathematics (Ceiling = 90%)	0.1% to 2.4% 2.5% to 4.9% 5% or more	1/3 point 2/3 points 1 point
PSAE Meets/Exceeds Science (Ceiling = 90%)	0.1% to 2.4% 2.5% to 4.9% 5% or more	1/3 point 2/3 points 1 point
AP Enrollment (Ceiling = 35%)	0.1% to 2.4% 2.5% to 4.9% 5% or more	1 point 2 points 3 points
AP Success (Ceiling = 90%)	0.1% to 0.9% 1% to 2.9% 3% or more	1 point 2 points 3 points
<p>Note: If 2009 score is above ceiling, school receives all 3 points. Otherwise, trend points are determined by 2009 score minus average of prior 3 years of data. If school does not have 3 years of prior data, then the average of the prior 2 years is used. School must have at least 2007-2009 data to receive a trend score.</p>		

<u>Metrics</u>	<u>If growth score is....</u>	<u>School receives</u>
EPAS Gains Reading	15 th to 49 th percentile	1 point
	50 th to 84 th percentile	2 points
	85 th percentile or more	3 points
EPAS Gains Mathematics	15 th to 49 th percentile	1 point
	50 th to 84 th percentile	2 points
	85 th percentile or more	3 points

Note: Growth points are based on 2008 EPAS Gains scores. Growth score is school's percentile rank among CPS schools, not the percentage of students making gains.

<u>If total points are...</u>	<u>...or if % of points is...</u>	<u>School is at Level</u>
24 or more	66.7% or more	1
16 to 23 ^{2/3}	44% to 66.6%	2
13 - 15 ^{2/3}	36% to 43.9%	3 (Review)
Less than 13	Less than 36%	3

B. Financial Management and Compliance

The following Financial Management and Compliance Categories will be included on and evaluated for each Performance Scorecard: Financial Condition and Budget, Financial Controls, Reporting, and Legal Compliance. The school will receive points for each indicator based on the rubric described below. Performance against each indicator will be reported on the Annual Performance Scorecard.

Financial Condition and Budget

This category measures the overall financial health of the school based on the change in net assets, liquidity, net asset ratio, cash-on-hand, student enrollment, loan delinquency, and the reasonableness of the budget. Points will be assigned for each indicator as follows:

Indicator	+4	+3	+2	+1
Change in Net Assets	Increase in net assets equal to or greater than budgeted surplus	Increase in net assets less than budgeted surplus or realizing a balanced budget	Decrease in net assets equal to or less than budgeted deficit	Unbudgeted decrease in net assets or decrease in net assets greater than budgeted deficit
Liquidity	Current ratio is greater than or equal to 1.3	Current ratio is less than 1.3 but greater than or equal to 1.1	Current ratio is less than 1.1 but greater than or equal to 1.0	Current ratio is less than 1.0
Net Asset Ratio	Net assets are greater than or equal to 30% of total assets	Net assets are greater than or equal to 20% of total assets but less than 30%	Net assets are greater than or equal to 10% of total assets but less than 20%	Net assets are less than 10% of total assets
Cash-on-Hand	Cash/avg. monthly expenses greater than or equal to 3.0	Cash/avg. monthly expenses greater than or equal to 1.0 but less than 3.0	Cash/avg. monthly expenses greater than or equal to 0.75 but less than 1.0	Cash/avg. monthly expenses less than 0.75
Student Enrollment	Actual enrollment greater than or equal to 100% of budgeted enrollment	Actual enrollment greater than or equal to 95% of budgeted enrollment	Actual enrollment greater than or equal to 90% of budgeted enrollment	Actual enrollment less than 90% of budgeted enrollment

Indicator	+4	+3	+2	+1
Loan Delinquency	No late payments in last twelve months, or no outstanding debt	One late payment in last twelve months	Two or three late payments in last twelve months	More than three late payments in last twelve months
Budget	Realistic budget w/ reasonable assumptions and revisions allowed through the end of October	Realistic budget w/ mostly reasonable assumptions and revisions allowed through the end of October	Realistic budget w/o assumptions and needs to be resubmitted	Unrealistic budget w/ unreasonable assumptions and needs to be resubmitted

The Board shall use the annual budget submitted pursuant to paragraph 6.b. of the Agreement and the annual Financial Audit, required under paragraph 6.a., along with any other relevant information as part of the Financial Condition and Budget Category.

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Financial Controls

This category assesses the fiscal soundness of the financial system in place at each school, taking into consideration the auditor's independent review as well as the fiscal policy and procedures of the school.

Indicator	+4	+3	+2	+1
Annual Audit	Unqualified opinion, no material weaknesses or significant deficiencies	Unqualified opinion; one significant deficiency noted, but school will address within 12 months	Unqualified opinion, with two noted significant deficiencies.	Unqualified opinion, with a noted material weakness or three or more significant deficiencies; or an audit with a qualified opinion
Reporting & Oversight	System generates monthly comprehensive financial reports, which are reviewed monthly by a member or committee of the board. Board meets at least bi-monthly, with appropriate committee structure; strong financial systems and oversight with significant financial expertise.	System generates most reports on a quarterly basis, which are reviewed quarterly by a member or committee of the board. Board meets quarterly, with adequate committee structure; average financial systems; sufficient financial expertise.	System generates few reports regularly; school lacks adequate management and/or board review of financial reports. Board meets less than once a quarter with weak committee structure; financial systems in need of improvement; minimum financial expertise.	System to generate reports is weak; inadequate or no board/committee review; board involvement and committee structure is non-existent; poor financial systems; no financial expertise.

The following items, required by paragraph 6.a. and 6.k. of the Agreement, shall be evaluated and presented as part of the Financial Controls Category:

- a) the Charter School's audit report opinion on its financial statements;
- b) the Charter School's audit report on compliance and internal control over financial reporting based on an audit of the financial statements performed in accordance with Government Auditing Standards and the Single Audit Act of 1984, as amended; and

- c) the Charter School's financial systems and policies.

Reporting

This category measures a school's timely submission of annual budgets, quarterly statements, audit reports, and other compliance documents required at the federal, state and local levels as outlined in the Office of New Schools' compliance chart.

Indicator	+4	+3	+2	+1
Budget	Budget is submitted on a timely basis	Budget is submitted late one time but with prior notification to and acknowledgement by CPS	Budget is submitted more than 45 days late	Budget is submitted more than 45 days late for second year in a row, or not submitted at all
Quarterly Statements	Quarterly statements are submitted on a timely basis	Quarterly statement submitted late one time	Quarterly statement submitted late two times	Quarterly statement submitted late three or more times, or not submitted at all
Audit	Audit is submitted on a timely basis	Audit is submitted with one delay but with prior notification to and acknowledgement by CPS	Audit is submitted with significant delay (45 days late)	Audit is submitted with significant delay (45 days late) for second year in a row, or not submitted at all
Fed/State/CPS Compliance Document Submissions	Timely submittal of all required documents	Late submittal of up to two required documents	Late submittal of three required documents	Late submittal of more than three required documents

Legal Compliance

This category measures legal compliance reflected and reported in the annual audit and detailed in any findings.

Indicator	+4	+3	+2	+1
Legal Compliance	Auditor report on compliance reflects no findings	Auditor report on compliance reflects one finding	Auditor report on compliance reflects two findings	Auditor report on compliance reflects three or more findings, and/or audit states that corrections have not been made for prior year finding(s)
Contract Terms and IL Charter Schools Law/Applicable State/Federal Law*	No violations	One violation w/ timely response	Two violations w/ timely responses	Three or more violations or violations w/o timely response

* In the event that the Board deems that there has been a violation of this Agreement or the Illinois Charter Schools Law, the Office of New Schools shall give the Charter School written notice enumerating the specific violation and the period of time during which the Charter School shall have the opportunity to (1) cure such violation or (2) provide an action plan to remedy the violation.

The following items, required by paragraph 6.a.iii. of the Agreement shall be tested and reported upon annually by the Charter School's independent auditor and evaluated and presented as part of the Legal Compliance Indicator:

- a) Fingerprint-based criminal background investigations and checks of the Statewide Sex Offender Database and the Statewide Child Murderer and Violent Offender Against Youth Database (105 ILCS 5/34-18.5)
- b) Administration of Medication (105 ILCS 5/10-22.21b)
- c) Hazardous Materials Training (105 ILCS 5/10-20.17a)
- d) School Safety Drill Act (105 ILCS 128/1 *et seq.*)
- e) Abused and Neglected Child Reporting Act (325 ILCS 5/1 *et seq.*)
- f) Eye Protection in School Act (105 ILCS 115/0.01 *et seq.*)
- g) Toxic Art Supplies in Schools Act (105 ILCS 135/1 *et seq.*)
- h) Infectious Disease Policies and Rules (105 ILCS 5/10-21.11)
- i) Open Meetings Act (5 ILCS 120/1.01 *et seq.*)
- j) IL School Student Records Act (105 ILCS 10/1 *et seq.*)
- k) Conformance with the following paragraphs of the Agreement:
 - i) Paragraph 4.d., an open enrollment process and lottery,

- ii) Paragraph 4.1., the school's governance structure,
- iii) Paragraph 5.c., maintenance of corporate status and good standing,
- iv) Paragraph 5.g., the school's facility and ADA compliance,
- v) Paragraph 6.j., compliance with applicable sections of the Illinois Pension Code,
- vi) Paragraph 6.k., ongoing presence of management and financial controls, and
- v) Paragraph 8., maintenance of required insurance coverage.

In addition to the above items, the Board will also consider the Charter School's compliance with the Office of New Schools' compliance chart and the teacher qualification requirements in accordance with both the Charter Schools Law (Section 27A-10) and the requirements for Highly Qualified teachers under the No Child Left Behind Act (if the Charter School receives Title I funding). Failure to comply with either the compliance chart or the teacher qualification requirements shall affect the rating on the Legal Compliance Indicator.

When determining how to classify a Financial Management and Compliance Indicator, the Board may consider information from various sources including, but not limited to, audits, site visits, and information provided by other CPS departments, parents, or employees. If the audit states that there were material weaknesses or significant deficiencies found, the Board shall request from the Charter School the auditor's management letter and/or an opinion from a qualified, third-party professional regarding the importance of the finding. The Board shall also ask the Charter School to respond to the finding.

3. Charter School Participation in the Accountability Process

The Charter School shall take all necessary actions to collect and report the information required by this Accountability Plan for the Charter School overall and by each Attendance Center, if applicable, including, without limitation:

1. Full participation in the administration of all required student assessments, as the case may be, including all procedures designed to safeguard the integrity of the assessments;
2. Participation in site visits conducted by the Board to ascertain that sufficient, minimum educational and operational practices are in place;
3. An annual financial and compliance audit, as required by law, including but not limited to, the Single Audit Act Amendments of 1996 (31 U.S.C. §7501-07), OMB Circular A-133, and the compliance requirements set forth in OMB Compliance Supplement, and by the Agreement;

4. Provision of student, school, and employee information required by the Agreement and/or the Accountability Plan;
5. Submission and implementation of ADA Plan(s) for the Attendance Center(s) required by the Agreement;
6. Provision of information that is necessary to evaluate parent, student, employee, or public allegations or audit findings that, if true, would constitute a violation of the law or Agreement; and
7. Provision of additional information or cooperation in other actions not listed in this section necessary to evaluate the Charter School's performance with respect to the Financial Management and Compliance Categories.

4. Annual Performance Evaluation, Revocation and Renewal

The Board shall conduct an annual performance evaluation in which it holds the Charter School accountable in these Categories (Pupil Performance and Financial Management and Compliance) through the Indicators contained in this Accountability Plan. The Board shall give fair consideration to all Indicators for the current year in comparison to the previous years of the Charter School's history when conducting the annual performance evaluation and when acting to renew, not renew, or revoke the Charter School's charter.

The Board may act to revoke or to not renew a charter, in whole or as to any Attendance Center or campus, during the term of the Agreement in accordance with paragraphs 12 and 13 of this Agreement.

In all circumstances, the Board shall follow the requirements of the Charter Schools Law and its Agreement, including all due process requirements, regarding the processes required for revocation, renewal, and non-renewal.

When a charter is up for renewal, the charter's academic performance on the PRPP will be categorized as Meeting Standards, Making Reasonable Progress, or Failing to Meet Standards or Make Reasonable Progress. Similarly, the Financial Management and Compliance indicators will be analyzed to determine if violations of the Charter Schools Law have occurred.

EXHIBIT E

COMPREHENSIVE MANAGEMENT SERVICES CONTRACT REQUIREMENTS

In the event the Charter School intends to contract with a third party for comprehensive school management or operations services ("Service Contract"), all of the following requirements must be met by the Charter School:

1. Required Provisions of Bylaws. The bylaws of the Charter School shall provide that the Charter School may not enter into any contract for comprehensive school management or operations services ("Service Contract") without first submitting such Service Contract to the Board for review. The Charter School shall further incorporate within its bylaws, or duly establish pursuant to such bylaws, procedures for the termination of the Service Contract as provided herein.

2. Submission of Service Contract. The Service Contract shall be submitted to the Board no later than 30 days prior to its effective date. If the Board determines that the Service Contract does not comply with the provisions set forth in Section 3 of this Exhibit, or that the Charter School's entering into the Service Contract would otherwise be in violation of the conditions set forth in this Exhibit, the Charter School Agreement, or the Charter School Law, then the Board shall notify the Charter School within twenty (20) days, stating with particularity the grounds for its objections. In such event, the Charter School shall not enter into the Service Contract unless and until the deficiencies noted by the Board have been remedied to the Board's reasonable satisfaction.

3. Required Terms of Service Contract. The Service Contract shall include, without limitation, the following Required Terms:

i. The Service Contract shall be subject to, and shall incorporate by reference, the terms and conditions of the Charter School Agreement.

ii. The Service Contract shall clearly delineate the respective roles and responsibilities of the Service Provider and the Charter School in the management and operation of each school facility for which the Service Provider shall provide management or operations services. The Service Contract shall also include acceptable procedures by which the Service Provider may be held accountable to the Charter School.

iii. The Service Contract shall be terminable by the Charter School, in accordance with its bylaws or other established termination procedures, (a) upon default by the Service Provider, including without limitation any act or omission of the Service Provider that causes a default under the Charter School Agreement or that causes the Charter School to be in violation of the Charter Schools Law, or

(b) for other good cause as agreed by the Charter School and the Service Provider.

iv. The Service Contract shall require that the Service Provider furnish the Charter School with all information deemed necessary by the Charter School or the Board for the proper completion of the budget, quarterly reports, or Financial Audits, required under paragraph 6 of the Charter School Agreement.

v. The Service Contract shall provide that all financial reports provided or prepared by the Service Provider shall be presented in GAAP/FASB approved nonprofit format.

vi. The Service Contract shall provide that all employees or contractors of the Service Provider who have direct, daily contact with students of the Charter School shall be subject to the fingerprint-based criminal background investigations and checks of the Statewide Sex Offender Database and the Statewide Child Murderer and Violent Offender Against Youth Database requirement contained in Section 34-18.5 of the School Code to the same extent as employees of the Charter School.

vii. The Service Contract shall contain provisions requiring compliance with all requirements, terms and conditions established by any Federal or State funding source.

4. Financial Reporting.

a. Budget. The budget prepared by the Charter School pursuant to paragraph 6 of the Charter School Agreement shall include, without limitation, the following itemized information:

i. All revenue anticipated to be received from the Board under the Charter School Agreement.

ii. All expenses and anticipated expenses associated with the operation and management of the Charter School.

iii. All expenses associated with the operation of the governing board of the Charter School including, without limitation, personnel, occupancy and travel expenses, if any, and that are not paid out of expenses received from or through the Board, such expenses shall not be required to be separately itemized hereunder.

iv. All contract payments, lease payments, management fees, administrative fees, licensing fees, expenses and other amounts paid to the

Service Provider or otherwise paid for the Contract Services by the Charter School.

v. All loan repayments for any loans made to the Charter School by the Service Provider, including separate line items for interest, principal and premium, if any, on such loan repayments.

vi. All investments in the Charter School by the Service Provider, including the expected returns on equity for such investments.

b. Quarterly Financial Statements. In the event that quarterly financial statements are required to be furnished by the Charter School pursuant to paragraph 6 of the Charter School Agreement, such financial statements shall reflect the entire school's financial operations, including an itemized accounting of all amounts paid to the Service Provider or otherwise paid for the Contract Services, which amounts shall be itemized in a manner that clearly corresponds with those categories provided in the Charter School's annual budget or the Service Contract.

c. Annual Audit. The Financial Audits required under paragraph 6 of the Charter School Agreement shall include review of all fees and payments made by the Charter School to the Service Provider.

d. Reporting of Loans and Investments. All loans to, or investments in, the Charter School by the Service Provider must be evidenced by appropriate documentation, either in the contract between the Charter School and the Service Provider, or through separate agreements. In the case of investments, such documentation shall explain how the investment shall be treated on the books of the Charter School and shall clearly state the Service Provider's expected return on equity.

Nothing in this paragraph 4 shall be construed to waive or otherwise limit the obligation of the Charter School to provide information otherwise required to be reported by the Charter School under the Charter Schools Law or the Charter School Agreement.

GRANT OF CHARTER AND CHARTER SCHOOL AGREEMENT
**(URBAN PREP CHARTER ACADEMY FOR YOUNG MEN HIGH SCHOOL -
SOUTH SHORE CAMPUS)**

THIS GRANT OF CHARTER AND CHARTER SCHOOL AGREEMENT ("Agreement") dated July 1, 2010 (the "Effective Date") is entered into by and between the Board of Education of the City of Chicago, a body politic and corporate (the "Board") and Urban Prep Academies Inc., an Illinois not-for-profit corporation (the "Charter School"), an independent public school established under the Charter Schools Law, 105 ILCS 5/27A-1 *et seq.*, as amended (the "Charter Schools Law").

RECITALS

WHEREAS, the State of Illinois enacted the Charter Schools Law as Public Act 89-450, effective April 10, 1996, as amended; and

WHEREAS, the Charter Schools Law was enacted for the following purposes:

- (1) To improve pupil learning by creating schools with high, rigorous standards for pupil performance;
- (2) To increase learning opportunities for all pupils, with special emphasis on expanded learning experiences for at-risk pupils;
- (3) To encourage the use of innovative teaching methods;
- (4) To allow for the development of innovative forms of measuring pupil learning and achievement;
- (5) To create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site;
- (6) To provide parents and pupils with expanded choices within the school system;
- (7) To encourage parental and community involvement with public schools;
- (8) To hold charter schools accountable for meeting rigorous school content standards and to provide those schools with the opportunity to improve accountability; and

WHEREAS, on August 10, 2009, the Charter School submitted an application to the Board (the "Application") to operate a charter school, portions of which Application

are incorporated by reference as described in Exhibit A hereto; and

WHEREAS, the parties desire that the Charter School be authorized to operate and conduct its affairs in accordance with the terms of this Agreement and the Charter Schools Law.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements contained herein and for other good and lawful consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Recitals Incorporated by Reference. The recitals to this Agreement are incorporated herein by reference and made a part hereof.

2. Grant of Charter. Subject to the final certification by the Illinois State Board of Education (the "State Board"), the Charter School is hereby granted a charter in accordance with the Charter Schools Law and the terms and conditions of this Agreement, to operate a charter school as described herein.

3. Term of Agreement. This Agreement shall commence on the Effective Date provided above, and shall expire at midnight, June 30, 2015, unless terminated or extended pursuant to the terms hereof.

4. Educational Program. The Charter School shall operate an educational program and program of instruction serving the educational needs of the students enrolled therein.

a. Name of School. The name of the school shall be known as the "Urban Prep Charter Academy for Young Men High School - South Shore Campus".

b. Mission Statement. The Charter School shall operate under the mission statement set forth in the Application, and such mission statement is hereby accepted to the extent that it is consistent with the declared purposes of the General Assembly as stated in the Charter School Law. Any material changes to the mission statement subsequent to the date of this Agreement must be submitted to the Board prior to the academic year, and in no event later than July 1 of the subsequent year and shall be effective as of the first day of such new academic year. Such modified mission statement shall be incorporated herein by reference as if fully set forth herein.

c. Age, Grade Range. The Charter School shall provide instruction to pupils in grade 9 during the school year commencing in the fall of 2010 as provided in the Application. In successive years, the Charter School will expand

instruction to grades 9 through 12, as provided in the Application.

d. Enrollment, Attendance Boundary, Lottery. The Charter School's enrollment shall be no more than 500 students during the term of this Agreement. The Charter School shall not permit dual enrollment of any student at both the Charter School and another public school or non-public school.

i. Attendance Boundary. Enrollment in the Charter School shall be open to any pupil who resides within the City of Chicago, provided that the Board may designate attendance boundaries for no more than one-third of the charter schools permitted in the City of Chicago if the Board determines that attendance boundaries are needed to relieve overcrowding or to better serve low-income and at-risk students. In the event that the Board makes a determination that an attendance boundary needs to be created for the Charter School, the Board shall notify the Charter School at least thirty (30) days prior to Board approval to give the Charter School an opportunity to provide comment regarding the establishment of its attendance boundary. Establishment of an attendance boundary for the Charter School is within the sole discretion of the Board.

ii. Lottery. The Charter School shall conduct and complete its lottery by a date determined by the Board's Office of New Schools ("Office of New Schools) and communicated to the Charter School on an annual basis; provided that the Charter School does not conduct its lottery until one month after the specific application deadline determined by the Board for its high school magnet school program, which date will be conveyed to the Charter School by the Office of New Schools. Each year, if on the date of the Charter School's application deadline, there are more eligible applicants for enrollment in the Charter School than there are spaces available, successful applicants shall be selected by lottery which shall be open to all applicants and the public. The lottery shall be witnessed by an independent third party or videotaped. The Charter School shall submit to the Office of New Schools a copy of the lottery results, a written summary of its lottery process and the manner in which its lottery process complies with Article 27A of the Illinois School Code, and any supporting documentation within ten (10) business days of the lottery date. The Charter School shall not request information in the application process about a student's social security number, academic aptitude, special education needs or English language proficiency. Priority for enrollment may be given to siblings of pupils enrolled in the Charter School and to pupils who were enrolled in the Charter School the previous school year, unless expelled for cause. Using the lottery process required herein, the Charter School shall establish a waiting list of students who shall be offered the opportunity to enroll at

the Charter School if additional space later becomes available.

e. Student Transfers. Any student transfer out of the Charter School shall be documented by a transfer form signed by the student's parent/guardian which affirmatively states that the student's transfer is voluntary.

f. Goals, Objectives, Pupil Performance Standards. The Charter School shall pursue and make reasonable progress toward the achievement of the goals, objectives and pupil performance standards consistent with those in accordance with the Accountability Plan described in paragraph 9 of this Agreement, provided that such goals, objectives and pupil performance standards shall at all times remain in compliance with Section 2-3.64 of the Illinois School Code, 105 ILCS 5/2-3.64. Any material changes to the goals and objectives of the Charter School subsequent to the date of this Agreement must be submitted to the Board prior to the academic year, and in no event later than July 1 of the subsequent year and shall be effective as of the first day of such new academic year. Such modified goals and objectives shall be incorporated herein by reference as if fully set forth herein.

g. Evaluation of Pupils. The Charter School's plan for evaluating pupil performance, the types of assessments to be used, the timeline for achievement of performance standards, and the procedure for taking corrective action in the event that pupil performance at the Charter School falls below those standards, shall be consistent with the Application and as further described in paragraph 9 hereof.

h. Curriculum. The curriculum established by the Charter School shall be consistent with the Application and as otherwise modified or supplemented herein. Any material changes to the curriculum subsequent to the date of this Agreement must be submitted to the Board prior to the academic year, and in no event later than July 1 of the subsequent year and shall be effective as of the first day of such new academic year. Such modified curriculum shall be incorporated herein by reference as if fully set forth herein.

i. School Year; School Days; Hours of Operation. Instruction shall commence in the 2010-2011 school year and subsequent school years on dates established by the Charter School, provided that the beginning date of instruction shall be no earlier than August 15 and no later than September 15 of the first academic and fiscal year of the Charter School's existence. The days and hours of operation of the Charter School shall be as otherwise established by the Charter School in accordance with state law.

j. School Calendar. No later than April 1 prior to the commencement of each academic year during which this Agreement is in effect, the Charter School

shall submit to the Board its school calendar for such academic year and the following summer session.

k. Discipline. The Charter School shall implement a system of uniform student discipline. The Charter School may develop and implement its own system of student discipline in accordance with paragraph 4.k.i. or may elect to adopt the Chicago Public Schools Student Code of Conduct (the "CPS Conduct Code") effective at the beginning of any academic year in accordance with paragraph 4.k.ii.

i. In the event that the Charter School elects to develop its own system of student discipline, the Charter School shall submit a proposed disciplinary code, including procedures for suspension and expulsion, to the Board for review no later than April 1, 2011, or April 1 of any subsequent year, shall adopt such disciplinary code no later than the 1st day of the subsequent academic year, including any reasonable modifications requested by the Board, and shall carry out all disciplinary actions in accordance with such disciplinary code. The Charter School shall comply at all times with applicable Federal due process requirements in its disciplinary activities. Students may only be expelled from the Charter School by a vote of the Charter School's governing board. In the event that any student is expelled from the Charter School by action of the Charter School, the Charter School shall promptly notify the Board of such expulsion and shall provide to the Board, no later than five (5) days following the expulsion of such student, a summary statement of the grounds and evidence warranting expulsion and a record of the proceedings in which the expulsion decision was made. The Board may initiate additional disciplinary proceedings against any student expelled by the Charter School in accordance with its rules and procedures for the expulsion of students. Should the Board initiate additional disciplinary proceedings against the student, the Charter School shall provide factual information relating to the offense, including live testimony in an expulsion hearing.

ii. The Charter School may, at its option, elect to adopt the CPS Conduct Code effective at the beginning of any academic year, provided that the Charter School shall notify the Board of its election to do so no later than April 1, 2011, or at least fifteen (15) calendar days prior to the commencement of any subsequent academic year for which such election shall be effective. If the Charter School fails to submit a proposed disciplinary code or fails to adopt a disciplinary code, the CPS Conduct Code will be deemed to apply.

I. Governance and Operation. The operation of the governing board of the Charter School shall be as set forth below:

i. The governing board of the Charter School shall consist of no fewer than 5 directors.

ii. Membership and the composition of the governing board shall be subject to and in accordance with the bylaws of the Charter School.

iii. Governing board vacancies shall be filled by the Charter School's governing board.

iv. Directors of the governing board of the Charter School shall have duties and responsibilities consistent with the Illinois General Not-For-Profit Corporation Act of 1986, as amended, and as stated in the Application.

v. The governing board shall hold meetings at least four times a year.

m. Student Transportation. The Charter School shall meet the transportation needs of its students including, the needs of its low-income and at-risk students, and homeless children and youth, in the manner set forth in its Application which transportation plan may include, but not be limited to, the following: coordinating with Chicago Public Schools to provide transportation for any students with disabilities who have Individualized Education Programs ("IEPs") in which transportation is required; participating in the state's Parental Transportation Reimbursement Program; providing Chicago Transit Authority reduced fare permits or cards to students based on income qualifications; assisting parents in the development of car pool plans; or working with students and their parents to highlight the best routes to and from school via public transportation, expressways and streets.

n. Bilingual Education. The Charter School shall provide bilingual education services in a manner consistent with that in the Application, provided that the Charter School (1) shall identify students who require bilingual education by administering the Chicago Public Schools' Home Language Survey Form or other suitable identification instrument to all incoming students; (2) shall assess the English language proficiency of all students identified as coming from a non-English speaking background by administering the state-prescribed screening instrument or other suitable screening instrument; (3) shall provide a bilingual education or English as a Second Language program for such students; and (4) shall annually assess the English language proficiency of all identified English

Language Learners by administering the state-mandated English language proficiency assessment. Notwithstanding anything to the contrary in this subparagraph, the Charter School shall have no obligation to provide bilingual education to a greater extent than required under the Charter Schools Law and under any Federal consent decrees or other orders governing the provision of bilingual education services to students in the Chicago Public Schools.

5. Additional Covenants and Warranties of Charter School. The Charter School covenants and warrants as follows:

a. Compliance with Laws and Regulations. The Charter School shall operate at all times in accordance with the Charter Schools Law and all other applicable Federal and State laws from which the Charter School is not otherwise exempt and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, gender, national origin, religion, ancestry, marital status or need for special educational services. The Charter School shall also comply with the following, to the extent applicable to Charter Schools (as amended from time to time):

i. The No Child Left Behind Act of 2001 (PL 107-110, signed January 8, 2002);

ii. Section 2-3.64 of the Illinois School Code (105 ILCS 5/2-3.64), regarding performance goals, standards and assessments;

iii. Section 10-17a of the Illinois School Code (105 ILCS 5/10-17a) regarding school report cards;

iv. Section 10-21.9 and 34-18.5 of the Illinois School Code (105 ILCS 5/10-21.9; 105 ILCS 5/34-18.5) regarding fingerprint-based criminal history records checks and checks of the Statewide Sex Offender Database and the Statewide Child Murderer and Violent Offender Against Youth Database of applicants for employment;

v. Section 24-24 and 34-84A of the Illinois School Code (105 ILCS 5/24-24; 105 ILCS 5/34-84A) regarding discipline of students;

vi. The Local Governmental and Governmental Employees Tort Immunity Act (745 ILCS 10/1-101 *et seq.*);

vii. Section 108.75 of the General Not For Profit Corporation Act of 1986 (805 ILCS 105/108.75) regarding indemnification of officers, directors, employees and agents;

- viii. The Abused and Neglected Child Reporting Act (325 ILCS 5/1 *et seq.*);
- ix. The Illinois School Student Records Act (105 ILCS 10/1 *et seq.*);
- x. The Freedom of Information Act (5 ILCS 140/1 *et seq.*);
- xi. The Open Meetings Act (5 ILCS 120/1.01 *et seq.*);
- xii. The Illinois Pension Code (40 ILCS 5/1-101 *et seq.*), subject to the limitations set forth in paragraph 6.j. below;
- xiii. The P-20 Longitudinal Education Data System Act;
- xiv. All applicable health and safety regulations of the State of Illinois and the City of Chicago including, without limitation, those laws specifically identified by the State Board as being applicable to charter schools. A current list of such laws, which may be added to, deleted from or otherwise amended from time to time by the State Board, is attached hereto as Exhibit B;

xv. All Federal and State of Illinois orders and agreements, including desegregation orders, orders regarding special education, orders regarding bilingual education, compliance agreements or other agreements with the United States Department of Education or other Federal or State agencies, applicable to the Chicago Public Schools. Upon the request of the Charter School, the Board shall furnish copies of any such orders or agreements. To the extent that the Charter School believes that it is exempt from compliance with any such law, order or agreement, the Charter School shall provide the Board's General Counsel with a copy of an exemption ruling or opinion rendered by the applicable Federal or State authority that has jurisdiction over such law or that issued the order or agreement. To the extent the Board is a party to a court action that is likely to result in a new order or agreement which will require compliance by the Charter School, the Board shall use reasonable efforts to notify the Charter School of such court action.

b. Compliance with Agreement. The Charter School shall operate at all times in accordance with the terms of this Agreement including the Accountability Plan attached hereto as Exhibit D and all other Exhibits attached hereto.

c. Maintenance of Corporate Status and Good Standing. The Charter

School shall at all times maintain itself as an Illinois general not-for-profit corporation capable of exercising the functions of the Charter School under the laws of the State of Illinois, shall remain in good standing under the laws of the State of Illinois, and shall timely make all required filings with the office of the Illinois Secretary of State. Upon request, the Charter School shall provide the Board with certified copies of its Articles of Incorporation, a Certificate of Incorporation evidencing its incorporation as a nonprofit corporation, its Bylaws, and all amendments or modifications thereto. The Charter School is also recognized as an organization exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code, and upon request, the Charter School shall provide the Board with copies of all filings relating to the Charter School maintaining 501(c)(3) exempt status.

d. Personnel. The relationship between the Charter School and its employees, and the manner in which terms and conditions of employment shall be addressed with affected employees and their recognized representatives, if any, shall be as set forth in the Application and this Agreement, provided that the Charter School shall comply with all Federal and Illinois employment laws and regulations made applicable to charter schools under the Charter Schools Law.

No later than September 1 of each year during the term of this Agreement, the Charter School shall provide the Board with a current list of all of its employees, and shall cause each of its subcontractors to provide the Board with a current list of all of such subcontractor's employees who shall come into direct, regular contact with pupils at the Charter School. Such lists shall contain the names, job positions and social security numbers of all applicable employees. Such list shall also indicate: (1) for each employee, the date of initiation of the fingerprint-based criminal background investigation and checks of the Statewide Sex Offender Database and the Statewide Child Murderer and Violent Offender Against Youth Database required under Section 34-18.5 of the School Code and paragraph 5.e. of this Agreement, and the results of such background check; and (2) for each individual employed in an instructional position, evidence of certification, or evidence that such individual is otherwise qualified to teach under Section 27A-10(c) of the Charter Schools Law, including information regarding the additional mentoring, training and staff development, if any, to be provided by the Charter School pursuant to paragraph 5.f. of this Agreement. For any person hired in an instructional position after September 1 of any school year, the Charter School shall provide the Board with such evidence of certification or other qualification prior to the individual's initial date of employment.

e. Criminal Background Checks. The Charter School shall not knowingly employ and shall not permit its subcontractors to knowingly employ any individual who shall come into direct, regular contact with pupils at the

Charter School (i) for whom a fingerprint-based criminal background investigation and checks of the Statewide Sex Offender Database and the Statewide Child Murderer and Violent Offender Against Youth Database has not been conducted or (ii) who has been convicted of committing or attempting to commit one of the offenses enumerated in Section 34-18.5(c) of the Illinois School Code.

f. Instructional Providers. The Charter School shall employ or otherwise utilize in instructional positions and shall require that its subcontractors employ or otherwise utilize in instructional positions only those individuals who are certificated under Article 21 of the Illinois School Code, 105 ILCS 5/21-1 *et seq.*, or who are otherwise qualified to teach under Section 27A-10(c) of the Charter Schools Law. If the Charter School receives Title I funds, all individuals in instructional positions must also meet the definition of "Highly Qualified" in accordance with the No Child Left Behind legislation. For purposes of this paragraph, "instructional positions" means all those positions involving duties and responsibilities which, if otherwise undertaken in the Chicago Public Schools, would require teacher certification. In the event that the Charter School employs or otherwise utilizes or any of its subcontractors employs or otherwise utilizes non-certificated personnel in instructional positions, the Charter School and/or its subcontractors shall provide such additional mentoring, training and staff development as the Charter School determines is necessary to ensure that such individuals perform their instructional duties satisfactorily.

g. Facility; Change in Location; Temporary Change in Location in for Emergency; Compliance with Disability Access Laws and Regulations; ADA Plan.

i. Facility. The Charter School shall be located at 1014 East 47th Street, Chicago, Illinois (the "Attendance Center"). The Charter School shall have obtained and submitted to the Office of New Schools for review no later than thirty (30) days prior to the commencement of operation of any Attendance Center: (1) all applicable occupancy permits and health and safety approvals for such Attendance Center; (2) an executed copy of the lease agreement for such Attendance Center, if occupied under a lease agreement; and (3) evidence of title to such Attendance Center, if owned by the Charter School. The Charter School shall take such actions as are necessary to ensure that the lease (for the Attendance Center not owned by the Charter School), occupancy permits and health and safety approvals for the established Attendance Center remain valid and in force, and shall certify to the Board by August 1, 2010 that such lease, permits, certificates and approvals shall remain in force during the term of this Agreement.

ii. Change in Location. The Charter School may change the physical location of an Attendance Center, provided that the Charter School

fulfills certain conditions of the Board and provides the information set forth in this paragraph with respect to such new physical location, and provided further that the Charter School notifies the Board of the proposed change in location not less than one hundred and twenty (120) days prior to taking any final action in connection therewith. The Office of New Schools shall notify the Charter School whether it will recommend the change in location to the Board. Such a change in the physical location of an existing Attendance Center by the Charter School shall be deemed a material modification of this Agreement which requires the prior approval of the Board and State Board to be in full force and effect.

iii. Temporary Change in Location for Emergency. Nevertheless, the one hundred and twenty (120) days prior notice is not required in the event that the change in location is due to an emergency where the Attendance Center has been made untenable by fire, flooding, tornado, earthquake or other casualty or where its occupancy permit has been revoked due to a reason outside of the Charter School's reasonable control. In such emergency situation, the Charter School shall provide immediate written notice to the Board after the Charter School becomes aware of the need to change the location of its Attendance Center and the Charter School shall proceed as follows:

- (1) The Charter School shall promptly repair any damage to the Attendance Center caused by the emergency and to remedy any accessibility and building code compliance issues at its current temporary location until such time as the damaged Attendance Center is returned to the condition in which it was found prior to the emergency. While in its temporary location, the Charter School must provide monthly written status reports to the New Schools Office regarding the renovation work performed on the damaged Attendance Center; or
- (2) If the Attendance Center has been condemned or has such extensive damage that the Charter School does not want to expend any funds to make the necessary repairs to the Attendance Center, the Charter School shall provide to the Office of New Schools written notice of the change in its permanent location and the reasons for abandoning its original Attendance Center. The Charter School shall fulfill certain conditions of the Board and provide the information set forth in this paragraph 5.g. with respect to such new physical location. The Office of New Schools shall notify the Charter School whether it will recommend such change in location to the Board.

iv. Compliance with Disability Access Laws and Regulations.

The Charter School shall ensure that its facilities and operations comply with: (1) all applicable provisions of Federal, State and local disability access laws including, without limitation, the Americans with Disabilities Act ("ADA"), 42 U.S.C.A. §12101 *et seq.*, the Rehabilitation Act of 1973, 29 U.S.C.A. §701 *et seq.*, as amended, their implementing regulations, the Illinois Environmental Barriers Act, 410 ILCS 25/1 *et seq.*, and the accessibility portions of the Chicago Building Code; and (2) the ADA and Rehabilitation Act aspects of the Accountability Plan; provided, however, if the Charter School enters into a lease agreement with the Board to occupy a Board facility to operate an Attendance Center, the terms and conditions of the lease agreement shall control as to that Attendance Center.

v. ADA Plan. The Charter School shall submit facility plans for each Attendance Center which shall comply with the ADA and Section 504 of the Rehabilitation Act of 1973, as amended, their implementing regulations, the Illinois Environmental Barriers Act, and the accessibility portions of the Chicago Building Code ("ADA Plan"). Any such ADA Plan shall be submitted to the Board for approval which shall not be unreasonably withheld. Any such ADA Plan submitted to the Office of New Schools and approved by the Board shall be incorporated herein by reference and made a part of this Agreement. Failure to submit an ADA Plan to the Office of New Schools by the Board-specified date shall be deemed a material breach of this Agreement, subject to paragraph 13 herein, and the Board shall consider such non-compliance a factor in determining whether to revoke or renew the Charter School's charter.

h. Homeless Children. The Charter School acknowledges and agrees that the Chicago Public Schools are committed to serving the needs of children who are homeless and to protecting their rights under Federal and State law. The Charter School agrees that one goal of this Agreement is to ensure that all homeless children who attend the Charter School receive the same services provided by the Chicago Public Schools to homeless children and agrees that it will provide services to homeless children at the same level that CPS provides those services. The Charter School also must protect the rights of children under the McKinney-Vento Homeless Assistance Act (42 U.S.C. §11431 *et seq.*) and the Illinois Education for Homeless Children Act (105 ILCS 45/1-5 *et seq.*) and all other laws that protect the rights of homeless children. The Charter School further acknowledges that the Board has certain obligations under the Settlement Agreement in *Salazar v. Edwards*, 92 CH 5703 (Circuit Court, Cook County). The Charter School shall ensure that no member of the Salazar class is deprived of his or her rights under the Settlement Agreement and the Charter School shall not

interfere with the Board's performance of its obligations under the Settlement Agreement.

6. Financial Operations of Charter School.

a. Annual Audits. At fiscal year end, the Charter School shall prepare its annual financial statements in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations ("GAAP"). During the fiscal year, the Charter School shall operate in accordance with GAAP, the cash basis of accounting, or any other basis of accounting, provided that the Charter School's accounting methods allow it to prepare reports required by the Board, the State Board, and any other grantors.

The Charter School shall cause a Financial Statement Audit and Financial and Administrative Procedures Controls Review (collectively, the "Financial Audit"), to be performed annually at its expense by an outside independent auditor that must be retained by the Charter School, and such auditor must be reasonably acceptable to the Board. The Financial Audit shall include, without limitation:

i. An opinion on the financial statements (and Supplementary Schedule of Expenditures of Federal Awards, if applicable);

ii. A report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards* and the Single Audit Act of 1984, as amended; and

iii. A report on compliance with requirements of applicable laws and regulations, including the audit requirements contained in the Accountability Plan.

The Financial Audit shall be made available to the Board no later than November 1 of each year during the term of this Agreement, beginning with November 1, 2011.

b. Financial Reports. The Charter School shall prepare or cause to be prepared quarterly financial reports including budgets, in accordance with Board instructions, which shall be submitted to the Board no later than thirty (30) calendar days after the end of each quarter and no later than forty-five (45) calendar days after the end of each fiscal year. Also the Charter School shall prepare and provide to the Board a copy of its annual budget for each fiscal year by no later than July 1 of such fiscal year. The fiscal year for the Charter School shall begin on July 1 of each year and end on June 30 of the subsequent year.

c. Distribution of Funds. The Board shall distribute the Charter School

Funds, as determined in paragraph 6.d., in four quarterly installments payable on or about July 22, October 15, January 15 and April 15 of each fiscal year, or the first business day following each such day if any such day falls on a Saturday, a Sunday, or a holiday. All funds distributed to the Charter School from the Board shall be used for educational purposes only. The use of such funds for any other purpose is strictly prohibited.

d. Funding Procedure. The Board shall calculate the per capita tuition payment for each pupil enrolled at the Charter School for each academic year based on the per pupil rates set forth in the final Budget Book adopted by the Board each fiscal year and shall provide this amount to the Charter School for each pupil enrolled at the Charter School as set forth below. The Charter School acknowledges and agrees that the funding amounts provided to the Charter School by the Board may be adjusted or vary from year to year depending upon the amount of appropriations authorized by the Illinois General Assembly and subsequent Board approval of the budget on an annual basis.

i. First Installment (July 22). The amount of the Board's first quarterly payment shall be based initially on a pre-enrollment projection for the number of students enrolled in the Charter School which shall be provided to the Board no later than December 15 of the prior academic year. It is understood and agreed that the first installment for each school year will be remitted only upon the Board receiving all required submissions and documentation on such dates as set forth in the compliance chart compiled by the Office of New Schools.

ii. Second Installment (October 15). The amount of the Board's second quarterly payment shall be calculated such that the aggregate amount of the first and second quarterly installments is equal to the number of students enrolled at the Charter School on the twentieth day of the first semester, as verified by attendance records, multiplied by one half the per capita tuition amount.

iii. Third Installment (January 15). The amount of the Board's third quarterly payment shall be based on the Charter School's first semester enrollment, as determined under paragraph 6.d.ii. and shall be equal to one half of the aggregate amount of the first and second payments.

iv. Fourth Installment (April 15). The amount of the Board's fourth quarterly payment shall be calculated such that the aggregate amount of the third and fourth installments is equal to the number of students enrolled at the Charter School on the tenth day of the second semester, as verified by attendance records, multiplied by one-half the per

capita tuition amount.

e. School-Based Allocations for Supplemental General State Aid and Federal Title I Funds. The Charter School shall furnish the Board with eligibility data regarding Supplemental General State Aid ("SGSA") and Title I eligible students enrolled in the Charter School by a date determined by the Board. SGSA revenues to which the Charter School is entitled shall be distributed to the Charter School quarterly on the dates set forth in paragraph 6.d. hereof on an estimated basis, provided that the Board may adjust any such payment to account for prior deviations between the estimated SGSA funds paid and the amount of SGSA funds to which the Charter School was entitled during such payment period. Such amounts shall be in addition to the per pupil funding amounts set forth in the final Budget Book adopted by the Board each fiscal year. Pursuant to the financial management requirements set forth in Section 80.20 of the Education Department General Administrative Regulations ("EDGAR")(34 CFR Part 80), the Charter School will keep financial records of such funds separate from its other revenues and there shall be no co-mingling of monies in various accounts. During the first year of the Charter School's provision of educational services, any Title I or other Federal funding for which these students qualify shall be provided to the Charter School by the Board in accordance with the formulas set forth in the final Budget Book adopted by the Board each fiscal year.

Availability of SGSA and Title I Funds to a Charter School is conditional upon the amount of governmental funding available, and the Charter School's maintaining continuous reporting, inspections, and audits, the quality of which shall be satisfactory to the Board and other relevant regulatory organizations. The scope and frequency of program reporting shall be agreed upon by the Charter School and the Board prior to funding the relevant programs unless modifications are required by the governmental funding agencies.

f. Other Sources of Funds for Charter School. Paragraph 6.d. is not intended to increase or decrease the amount of per capita student tuition to which the Charter School is entitled under the Charter Schools Law. If the Charter School satisfies the funding criteria, and subject to funding availability, the Charter School may be eligible to receive additional funding from the Board by means of special education reimbursements and per pupil allocations for English Language Learners, small schools and independent facility supplements. In addition, any Charter School receiving federal or state grant funding must comply with all federal or state regulations tied to such grant funds. The availability of federal and state grant funds is dependent upon the Charter School's maintaining continuous reporting, inspections, and audits, the quality of which shall be satisfactory to the Board and other relevant regulatory organizations. The funding criteria and procedures related to the aforementioned categories shall be set forth in the final

Budget Book adopted by the Board each fiscal year.

g. Refund of Unspent or Spent Funds. In the event that this Agreement is revoked or is not renewed by the Board, the Charter School shall refund to the Board all unspent funds in accordance with Section 27A-11(g) of the Charter Schools Law. In addition, if the Charter School does not expend or obligate all federal grant funds prior to the end of each fiscal year, the Board may recapture such unspent grant funds from the Charter School. In addition, if the Board determines that federal or state grant funds provided to the Charter School were not used or expended for the specific purpose for which they were intended, the Charter School shall promptly reimburse such grant funds to the Board within thirty (30) days of receipt of written notice from the Board.

h. Tuition and Fees. The Charter School shall not charge tuition to any student, unless such student would otherwise be liable for tuition costs under the Illinois School Code. The Charter School may charge reasonable fees, to the extent permitted by law, for textbooks, instructional materials, summer school programs, after school programs, and student activities.

i. Outside Funding. The Charter School may accept gifts, donations or grants pursuant to Section 27A-11(d) of the Charter Schools Law, provided that no such gifts, grants or donations may be accepted if contrary to applicable law or to the terms of this Agreement. In the event that the Charter School solicits funding from sources other than those set forth in this paragraph 6, it shall comply with all applicable State or Federal laws regarding the reporting of charitable solicitations.

j. Pension Payments. The Board shall make payments directly to the Chicago Teachers Pension Fund on behalf of any education, administrative or other staff member employed at the Charter School (whether by the Charter School itself or one of its subcontractors) who is certified under the law governing certification of teachers in the amount of that employer's proportionate share of State funds made available to the Chicago Public Schools for such purpose. The Board shall not have any duty to make the employee's or other staff's member contributions. Notwithstanding the foregoing, the Charter School acknowledges and agrees that the Board retains the right to collect delinquent employee contributions from the Charter School in accordance with Section 17-132 of the Illinois Pension Code (40 ILCS 5/17-132) and may deduct such delinquent contributions from any quarterly payments due the Charter School.

In the event that the Board elects to deduct delinquent employee contributions from quarterly payments due the Charter School, the Board shall provide the Charter School with forty-five (45) days prior written notice setting forth in detail the grounds for such action and the amount delinquent. If the

Charter School fails to cure such delinquency to the Board's satisfaction within said 45-day cure period, the Board shall be deemed to have a sufficient basis to withhold such funds from any quarterly payments otherwise due the Charter School and to remit such funds to the Chicago Teachers Pension Fund.

The parties hereby acknowledge and agree that the Charter School shall comply with those provisions of the Illinois Pension Code which specify applicability to, or compliance by, charter schools and it is not the intent of the parties to have the Charter School comply with any other portions of the Illinois Pension Code.

k. Management and Financial Controls. At all times, the Charter School shall maintain appropriate governance and managerial procedures and financial controls which procedures and controls shall include, but not be limited to: (1) accounting methods as specified in paragraph 6.a.; (2) a checking account; (3) adequate payroll procedures; (4) bylaws; (5) an organizational chart; (6) procedures for the creation and review of monthly and quarterly financial reports, which procedures shall specifically identify the individual who will be responsible for preparing such financial reports in the following fiscal year; (7) internal control procedures for cash receipts, cash disbursements and purchases; and (8) maintenance of asset registers and financial procedures for grants in accordance with EDGAR or the State Board.

l. Attendance. The Charter School shall maintain accurate enrollment data and daily records of student attendance. The Charter School shall provide the Board with current enrollment and attendance data, including Individualized Educational Plan and English Language Learner data, via the Board's IMPACT System ("IMPACT System"), or such other system as may be subsequently implemented by the Board. Such enrollment and attendance data shall be maintained and updated on the IMPACT System on a daily basis by the Charter School (or on any other time-frame basis consistent with district-level reporting). The Board shall provide the Charter School with the necessary IMPACT System access, software and training to allow Charter School personnel to use the Board's IMPACT System and input enrollment/attendance data.

m. Deductions for Facility Expenses. If the Charter School is located in a Board facility, the Board may offer to provide the Charter School with certain facility services including building maintenance, technology services, utilities, and safety and security ("Facility Services"). A Charter School located in a Board facility and utilizing the Facility Services will have such charges deducted uniformly from the quarterly payments issued by the Board and such services and charges will be outlined in the lease between the Board and the Charter School.

Such charges may be adjusted annually or upon such other terms as set forth in the lease agreement.

n. Withholding of Funds. In the event that the Board deems that there has been a material violation of this Agreement, the Board may withhold any and all payments of funds to the Charter School providing the Board gives the Charter School written notice enumerating the specific failure(s) and the period of time during which the Charter School shall have the opportunity to cure such failure(s) after the Charter School's receipt of such written notice. Upon the Charter School's cure of any such failure(s), the Board shall immediately release any and all payments of funds due the Charter School.

7. Purchase Agreement. The Board and the Charter School may enter into a purchase agreement or agreements providing for the purchase by the Charter School from the Board of certain goods, services and materials in connection with the operation of the Charter School.

8. Insurance. The Charter School shall, at its own expense, purchase and maintain insurance covering all of its operations, whether performed by Charter School or by subcontractors. Such insurance shall include the types of insurance set forth in Exhibit C hereto, subject to the conditions and in no less than the respective limits set forth therein. All insurers shall be licensed by the State of Illinois and rated A-VII or better by A. M. Best or a comparable rating service. No later than fifteen (15) days following the execution of this Agreement, and each July 1 thereafter, the Charter School shall provide the Board with certificates of insurance or other satisfactory proof evidencing coverage in the types and amounts as set forth in Exhibit C.

9. Academic Accountability and Evaluations.

a. Accountability Plan. The Charter School shall be held accountable by the Board in accordance with the Accountability Plan contained in Exhibit D ("Accountability Plan"). Due to potentially sweeping changes regarding testing requirements and other accountability standards that may occur because of the enactment of the No Child Left Behind Act or other laws or mandates. The parties agree that the Accountability Plan attached as Exhibit D hereto is subject to revision and modification by the Board effective on July 1 of each year of the Agreement upon written notice from the Board no later than April 1 of each year at which time the Charter School shall have an opportunity to comment on such revised Accountability Plan. Any subsequently revised Accountability Plans approved by the Office of New Schools shall be posted on the Board's web site by May 1 of each year and shall be incorporated herein by reference as if fully set forth herein. Notwithstanding the foregoing, in the event the Charter School determines that it does not want to be evaluated and measured against any such

revised Accountability Plan, the Charter School shall have the right to terminate this Agreement upon prior written notice to the Board and such termination shall be effective as of the end of the current academic year.

b. Standardized Tests. The Charter School shall administer such standardized tests of academic proficiency as are provided for in the Accountability Plan, and shall participate in State assessments required by Section 2-3.64 of the Illinois School Code. The Charter School shall participate fully in the Illinois Standards Achievement Test ("ISAT") for grades 3 through 8 and the Prairie State Achievement Examination ("PSAE") for grade 11. The Charter School shall administer the Illinois Alternate Assessment ("IAA") in place of the ISAT and/or PSAE to students with significant cognitive disabilities. The Charter School is responsible for ensuring that the data elements (i.e., student names, demographic information, etc.) required to administer the State assessments are correctly entered into the district's IMPACT System.

c. Site Visits. In addition to the above procedures, the Charter School shall grant reasonable access to, and cooperate with, the Board, its officers, employees and other agents, including allowing site visits by the Board, its officers, employees and other agents, for the purpose of allowing the Board to fully evaluate the operations and performance of the Charter School pursuant to the Accountability Plan and the Charter Schools Law. Where possible, the Board shall provide the Charter School with at least 24 hours prior notice of such site visits.

10. Specialized Services.

a. The Charter School shall provide special education and related services to students with disabilities in accordance and compliance with (i) the student's IEP; (ii) the Individuals with Disabilities Education Act (20 U.S.C. §1401 *et seq.*); (iii) the Board-approved "A Procedural Manual Educating Children with Disabilities in Chicago Public Schools", revised edition 2002, as may be amended from time to time, which is incorporated herein by reference; (iv) any and all Federal court orders applicable to children with disabilities in the Chicago Public Schools including, but not limited to, Corey H, 92 C 3409; and (v) any and all service bulletins issued by the Board's Office of Specialized Services.

b. Special Education Teachers & Paraprofessionals. The Charter School shall hire its own special education teachers and paraprofessionals to provide special education services to the Charter School's students with disabilities. The Board shall reimburse the Charter School for the salary and benefits of certified special education teachers and paraprofessionals based on the Board's special education staffing formulas and the student's IEP. Such reimbursement rates for

full-time equivalent certified special education teachers and paraprofessionals shall be set forth in the final Budget Book adopted by the Board each fiscal year.

c. Staffing Election of Clinicians. The Charter School may elect to hire its own clinicians to provide IEP services to its students with disabilities enrolled at the Charter School or it may elect to have the Board furnish clinicians to serve the Charter School's students with disabilities. The Charter School shall notify the Board in writing, by May 1 of each year, of its election regarding the staffing of clinicians if such staffing is required by its students' IEPs. If the Charter School elects to have the Board furnish the necessary clinicians, the Board shall assign the necessary staff to the Charter School. If the Charter School elects to hire its own clinicians, the Charter School shall be reimbursed by the Board per CPS allocation percentage. Such reimbursement rate for full-time equivalent clinicians shall be set forth in the final Budget Book adopted by the Board each fiscal year.

d. Staff Requirements. By April 30 of each year, in accordance with the Board's budgetary process, the Charter School shall receive the projected staffing allocation for special education teachers, paraprofessionals and clinicians required by State guidelines, based on students enrolled at the Charter School, entered into and identified as needing services by the students' IEPs and the Board's IMPACT System. The Board may during the school year issue adjustments to these staff requirements to accommodate changes in the enrollment and IEP needs of the Charter School's students. All special education teachers, paraprofessionals and clinicians employed by the Charter School shall have the requisite qualifications, Illinois certificates and/or licenses.

e. Additional Resources. Notwithstanding paragraph 6 of this Agreement, the Board shall provide necessary additional resources including assistive technologies (as required by a student's IEP) for the education of students with disabilities enrolled in the Charter School in accordance with the Individuals with Disabilities Education Act, Section 504 of the Rehabilitation Act of 1973, and the IEPs of such students. Such additional resources shall be sufficient to comply with all provisions of the Charter Schools Law, including Section 27A-11 thereof.

11. Comprehensive School Management Contracts. No entity or party other than the Charter School may provide comprehensive school management or operations except upon the prior approval of the Board, and certification by the State Board. Furthermore, in the event the Charter School desires to enter into any contract for comprehensive school management or operations services to be performed in substantial part by an entity not a party to this Agreement, the provisions of Exhibit E attached hereto must be incorporated into any such contract.

12. Renewal of Charter; Failure to Renew. No later than January 1, 2015, and

no earlier than September 1, 2014, but in no event later than the date set by the Office of New Schools, the Charter School shall provide a written proposal to the Board in accordance with Section 27A-9 of the Charter Schools Law, setting forth proposed terms of renewal of this Agreement. Pursuant to Section 27A-9(b) of the Charter Schools Law, the renewal proposal of the Charter School shall contain the most recent audit report and financial statement of the Charter School. The written proposal may contain proposed changes to this Agreement that the Charter School desires to incorporate into the renewed agreement. The renewal proposal shall be evaluated by the Office of New Schools in accordance with paragraph 4 of Exhibit D.

No later than June 30, 2015, the Office of New Schools shall notify the Charter School of its recommendation regarding such renewal indicating whether, and upon what conditions, it is willing to recommend to the Board the renewal of the charter and the Agreement, including any modified terms proposed by the Office of New Schools. If there is no agreement on the terms of renewal, then the parties shall fulfill their mutual obligations hereunder to the end of the term of this Agreement. The Board may refuse to renew the charter and the Agreement upon a finding that any cause for revocation exists under paragraph 13 hereof.

13. Revocation of Charter. The Board may revoke this Agreement and the charter of the Charter School, in accordance with Section 27A-9 of the Charter Schools Law, if the Board clearly demonstrates that the Charter School did any of the following, or otherwise failed to comply with the requirements of the Charter Schools Law:

- a. Committed a material violation of any of the conditions, standards, or procedures set forth in this Agreement including the Accountability Plan; or
- b. Failed to meet or make reasonable progress toward achievement of the content standards or pupil performance standards identified in this Agreement or in the Accountability Plan; or
- c. Failed to meet generally accepted standards of fiscal management; or
- d. Materially violated any provision of law from which the Charter School was not exempted.

In case of revocation, the Board shall notify the Charter School in writing of the reason why the charter of the Charter School is subject to revocation. The Charter School shall submit a written plan to the Board to rectify the problem. The plan shall include a timeline for implementation, which shall not exceed two (2) years or the date of the charter's expiration, whichever is earlier. If the Board finds that the Charter School has failed to implement the plan of remediation and adhere to the timeline, then the Board shall revoke the charter of the Charter School. Except in situations of an emergency where

the health, safety or education of the Charter School's students is at risk, the revocation shall take place at the end of the school year. Nothing in this subparagraph shall be construed to prohibit an implementation timetable that is less than two (2) years in duration.

In addition, the charter of the Charter School may be revoked in the event that the parties agree to terminate this Agreement by mutual consent pursuant to paragraph 23 of this Agreement, or in accordance with any specific revocation indicators set forth in paragraph 4 of Exhibit D.

In the event that the Board proposes to revoke this Agreement and the charter of the Charter School, the Board shall provide the Charter School with written notice setting forth in detail the grounds for such revocation at least 14 days prior to the date the Board takes final action on such revocation.

14. Indemnification.

a. To the fullest extent permitted by law, the Charter School shall indemnify, defend and hold harmless the Board, its members, officers, employees, agents, affiliates and representatives, past and present (collectively, the "Board Indemnitees"), from and against any and all liabilities, losses, penalties, damages and expenses, including costs and attorney fees, arising out of all claims, liens, demands, suits, liabilities, injuries (personal or bodily), of every kind, nature and character arising or resulting from or occasioned by or in connection with (i) the possession, occupancy or use of the property of the Charter School by its faculty, students, patrons, employees, guests or agents, (ii) any negligent, willful or wrongful act or omission to act by the Charter School, its faculty, students, patrons, employees, guests or agents, (iii) a violation of any law, statute, code, ordinance or regulation by the Charter School, its faculty, students, patrons, employees, subcontractors, guests or agents, and/or (iv) any breach, default, violation or nonperformance by the Charter School of any term, covenant, condition, duty or obligation provided in this Agreement including, but not limited to, the Accountability Plan (collectively, the "Covered Losses"). This indemnification shall not apply to the extent that any Covered Loss results from the negligence or wrongful act or omission of any Board Indemnitee or from any act or omission of the Charter School required by law or this Agreement.

b. To the fullest extent permitted by law, the Board shall indemnify, defend and hold harmless the Charter School, any successor entity thereto, and their respective members, officers, employees, agents, affiliates and representatives, past and present (collectively, the "Charter Indemnitees"), from and against any and all liabilities, losses, penalties, damages and expenses, including costs and attorney fees, arising out of all claims, liens, demands, suits,

liabilities, injuries (personal or bodily), of every kind, nature and character arising or resulting from or occasioned by or in connection with (i) a violation of any law, statute, code, ordinance or regulation by the Board, its members, officers, employees or agents and/or (ii) any breach, default, violation or nonperformance by the Board of any term, covenant, condition, duty or obligation provided in this Agreement or the Accountability Plan (collectively, the "Covered Losses"). This indemnification shall not apply to the extent that any Covered Loss results from the negligence or wrongful act or omission of any Charter Indemnitee or from any act or omission of the Board required by law or this Agreement.

c. This indemnification, defense and hold harmless obligation shall survive the termination of this Agreement. Any indemnified party shall have the right, at its own expense, to participate in the defense of any suit, without relieving the indemnifying party of any of its obligations hereunder.

15. Disclaimer of Liability. The parties expressly acknowledge that the Charter School is not operating as the agent, or under the direction and control, of the Board except as required by law or this Agreement, and that the Board assumes no liability for any loss or injury resulting from: (1) the acts and omissions of the Charter School, its directors, trustees, agents, subcontractors or employees; (2) the use and occupancy of the building or buildings occupied by the Charter School, or any matter in connection with the condition of such building or buildings; or (3) any debt or contractual obligation incurred by the Charter School. The Charter School acknowledges that it is without authority to, and will not, extend the faith and credit of the Board or the Chicago Public Schools to any third party.

16. Governing Law. This Agreement shall be governed by, subject to and construed under the laws of the State of Illinois without regard to its conflicts of laws provisions.

17. Waiver. No waiver of any breach of this Agreement shall be held as a waiver of any other or subsequent breach.

18. Dispute Resolution. If a minor violation or dispute arises between the parties relating to the interpretation or performance of this Agreement, designated representatives of each party who shall have the authority to resolve the dispute shall attempt in good faith to negotiate or mediate a resolution of the dispute. Notwithstanding anything to the contrary in this paragraph, both parties shall continue to perform their obligations under this Agreement in good faith during the resolution of such minor dispute, unless and until this Agreement is terminated in accordance with the provisions hereof.

19. Counterparts; Signature by Facsimile. This Agreement may be signed in

counterparts, which shall together constitute the original Agreement. Signatures received by facsimile (with confirmation thereof) by either of the parties shall have the same effect as original signatures.

20. Terms and Conditions of Application. The parties hereto expressly agree that the Application sets forth the overall goals, standards and general operational policies of the Charter School. The Charter School acknowledges and agrees that its Application is an integral part of this Agreement, and the Board shall have the right to hold the Charter School responsible for all information, representations and statements contained in the Application. The parties understand, however, that the Application is not a complete statement of each detail of the Charter School's operation. To the extent that the Charter School desires to implement specific policies, procedures or other specific terms of operation that supplement or otherwise differ from those set forth in the Application, the Charter School shall be permitted to implement such policies, procedures, and specific terms of operation, provided that such policies, procedures and terms of operation are consistent with the goals, standards and general operational policies set forth in this Agreement and the Charter Schools Law.

21. Amendments. This Agreement may be amended only by written consent of the parties hereto and, in the case of material amendments, only after submission of such amendments to, and approval by, the State Board in accordance with Section 27A-6(e) of the Charter Schools Law. For purposes of this Agreement, the parties acknowledge that material changes include, but are not limited to, the following: (a) the addition of new grades; (b) an increase in enrollment capacity; (c) a move to a new Attendance Center; and (d) any and all other material modifications to this Agreement.

22. Assignment. This Agreement may not be assigned or delegated by the Charter School under any circumstances, it being expressly understood that the charter granted hereby runs solely and exclusively to the Charter School.

23. Termination. This Agreement may be terminated prior to its expiration by the mutual consent of the parties or revocation of the charter of the Charter School pursuant to paragraph 13 hereof. Termination of this Agreement for any reason shall serve to immediately revoke the charter granted hereby.

24. Notices. Any notice, demand or request from one party to any other party or parties hereunder shall be deemed to have been sufficiently given or served for all purposes if, and as of the date, it is delivered by hand, overnight courier, facsimile (with confirmation thereof), or within three business days of being sent by registered or certified mail, postage prepaid, to the parties at the following addresses:

If to the Charter School: Urban Prep Academies Inc.
420 North Wabash Avenue, Suite 203

Chicago, Illinois 60611
Attn: Timothy J. King, Founder and CEO
Facsimile: (773) 535-7934

If to the Board: Chicago Board of Education
Office of New Schools
125 South Clark Street, 5th Floor
Chicago, Illinois 60603
Attn: J. Terence Patterson, Acting Executive Officer
Facsimile: (773) 553-2199

With a copy to: Chicago Board of Education
Law Department
125 South Clark Street, 7th Floor
Chicago, Illinois 60603
Attn: Patrick J. Rocks, General Counsel
Facsimile: (773) 553-1701

25. Audit and Document Retention. The Charter School shall maintain records showing time expended and costs incurred in operating the Charter School. All records referenced above and all records required to be maintained as part of operating the Charter School shall be retained for five (5) years after the term of this Agreement and shall be subject to inspection and audit by the Board. The Charter School shall include in all subcontractor agreements provisions requiring subcontractors to maintain the above described records and allowing the Board, the Inspector General of the Board, and their duly authorized representatives the same right to inspect and audit said records as set forth above with respect to the books and records maintained by the Charter School.

26. Severability. In the event that any provision of this Agreement or the application thereof to any person or in any circumstances shall be determined to be invalid, unlawful, or unenforceable to any extent, the remainder of this Agreement, and the application of such provision to persons or circumstances other than those as to which it is determined to be invalid, unlawful or unenforceable, shall not be affected thereby, and each remaining provision of this Agreement shall continue to be valid and may be enforced to the fullest extent permitted by law.

27. Superseder. This Agreement supersedes and replaces any and all prior agreements and understandings between the Board and the Charter School with respect to the subject matter hereof. To the extent that any conflict or incompatibility exists between the Application as incorporated herein and the other terms of this Agreement, such other terms of this Agreement shall control.

28. Delegation. The parties agree and acknowledge that the functions and

powers of the Board may be exercised by the Chief Executive Officer of the Chicago Public Schools, provided that any ultimate decision regarding renewal, non-renewal or revocation of this Agreement may be made only by the Chicago Board of Education.

29. Prior Actions. It is expressly agreed and understood that as a condition precedent to this Agreement becoming effective on the Effective Date hereof, the Charter School shall have taken, completed and satisfied on or before the date specified herein any action or obligation which is required to be completed before such Effective Date, and that failure to do so shall constitute grounds for the Board to declare this Agreement null and void.

30. Construction. This Agreement shall be construed fairly as to both parties and not in favor of or against either party, regardless of which party prepared the Agreement.

31. Incorporation of Exhibits. All exhibits referenced herein are hereby incorporated into and made a part of this Agreement.

[Rest of this page left intentionally blank.]

IN WITNESS WHEREOF, the parties have made and entered into this amended and restated Agreement as of the Effective Date hereof.

BOARD OF EDUCATION OF THE CITY OF CHICAGO

By: [Signature]
Mary B. Richardson-Lowry, President

ATTEST:

By: [Signature]
Estela G. Beltran, Secretary

Dated: 10/1/10

URBAN PREP ACADEMIES INC.

By: [Signature]
Name: TIM KING
Title: PRESIDENT + CEO

ATTEST:

By: [Signature]
Name: KENNEL ALLEN
Title: CHIEF ACADEMIC OFFICER

Dated: 09/20/10

Board Report: 09-1123-EX19-1
10-0428-EX5, 10-0825-ARI-16

Approved as to legal form: [Signature]

[Signature]
Patrick J. Rocks, General Counsel

Attachments:

- Exhibit A - Application
- Exhibit B - State Board List of Health & Safety Laws Applicable to Charter Schools
- Exhibit C - Insurance Requirements
- Exhibit D - Accountability Plan
- Exhibit E - Comprehensive Management Services Contract Requirements

EXHIBIT A

APPLICATION

The following documents are hereby incorporated by reference as if set forth fully herein and collectively constitute the Application:

1. Excerpts of the Application of the Charter School dated August 10, 2009, as approved by the Board on November 23, 2009.

EXHIBIT B

**STATE BOARD LIST OF HEALTH AND SAFETY LAWS
APPLICABLE TO CHARTER SCHOOLS
(as amended from time to time)**

1. The Following Sections of the Illinois School Code, 105 ILCS 5/1-1 et seq.:
 - a. Sections 10-20.5b, 34-18.11 (prohibits tobacco use on school property).
 - b. Section 10-20.17a (requires in-service training for school personnel who handle hazardous or toxic waste).
 - c. Section 10-21.10 (prohibits students from having electronic paging devices on school property).
 - d. Section 10-21.11 (requires schools to have policies for handling students with chronic infectious diseases).
 - e. Section 27-8.1 (requires that students have periodic health examinations and immunizations).
 - f. Section 10-22.21b (requires that schools have policies regarding administering medication to students).
2. Illinois Vehicle Code, 625 ILCS 5/1-101 et seq.
3. Eye Protection in School Act, 105 ILCS 115/0.01 et seq.
4. School Safety Drill Act, 105 ILCS 128/1 et seq.
5. Toxic Art Supplies in Schools Act, 105 ILCS 135/1 et seq.
6. Chicago Building Code

EXHIBIT C

INSURANCE REQUIREMENTS

See attached.

INSURANCE REQUIREMENTS

1. **Insurance:** The Charter School, at its own expense, shall procure and maintain insurance covering all operations under the Agreement, whether performed by the Charter School or by subcontractors. All insurers shall be licensed by the State of Illinois and rated A-VII or better by A.M. Best or a comparable rating service. The Charter School shall submit to the Board satisfactory evidence of insurance coverage prior to commencement of work under the Agreement and upon request, shall promptly provide a certified copy of any applicable policy of insurance. Minimum insurance requirements are:
 - a. **Workers' Compensation and Employers' Liability Insurance:** Workers' Compensation Insurance affording workers' compensation benefits for all employees as required by law and Employers' Liability Insurance covering all employees who are to provide services under the Agreement with limits of not less than Five Hundred Thousand and 00/100 Dollars (\$500,000.00) per occurrence.
 - b. **Commercial General Liability Insurance:** Commercial General Liability Insurance or equivalent with limits of not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence, and Two Million and 00/100 Dollars (\$2,000,000.00) in the aggregate, combined single limit for bodily injury, personal injury and property damage liability coverage shall include the following: all premises and operations, products/completed operations (for a minimum of two (2) years following completion), independent contractors, separation of insureds, defense and contractual liability. Policy shall not exclude sexual abuse/molestation coverage. The Board shall be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from services.
 - c. **Automobile Liability Insurance:** Automobile Liability Insurance is required when any motor vehicle (whether owned, non-owned or hired) is used in connection with services to be performed, with limits of not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.
 - d. **School Board Legal/Professional:** School Board Legal/Professional liability insurance covering the Charter School and its directors and officers from liability claims arising from wrongful acts, errors or omissions in regards to the conduct of their duties related to the operation and management of the school with limits of not less than

Two Million and 00/100 Dollars (\$2,000,000.00) per claim. Coverage shall include Employment Practices Liability and Sexual Harassment.

- e. **Umbrella/Excess Liability Insurance:** Umbrella or Excess Liability Insurance with limits of not less than Two Million and 00/100 Dollars (\$2,000,000.00) to provide additional limits for underlying general and automobile liability coverages.
- f. **Property Insurance:** Property Insurance for full Replacement Cost of property, including Board property for which the Charter School is contractually responsible, by lease or other agreement, from physical loss or damage. Such insurance shall cover boiler and machinery exposures and business interruption/extra expense losses.
- g. **Fidelity Bond.** Fidelity bond coverage in the amount of at least Two Hundred Thousand and 00/100 Dollars (\$200,000.00) with a responsible surety company with respect to all of Charter School's employees as may be necessary to protect against losses including, without limitation, those arising from theft, embezzlement, fraud, or misplacement of funds, money or documents.
- h. **Construction:** The Charter School shall indemnify, defend and agree to save and hold Board harmless from and against all liability, injury, loss, claims, cost, damage and expense with respect to any injury to, or death of, any person, or damage to or loss or destruction of, any property occasioned by or growing out of any construction work on Board property. The Charter School shall not commence any such work until the Board has been provided with insurance certificates evidencing that the contractors and subcontractors performing such work have in full force and effect adequate insurance as required by the Board's construction program at the time of the work. Required coverage may include, but is not limited to: workers' compensation, general liability, professional liability, automobile liability, environmental liability, excess liability, property and builders' risk insurance. The Charter School's contractors are subject to the same requirements as the Charter School in regards to additional insured, rating, notice, etc.

2. **Additional Insured.** The Charter School shall have its general liability insurance and automobile liability insurance policies endorsed to provide that the Board of Education of the City of Chicago, a body politic and corporate, and its members, employees, officers, officials and agents, and any other entity as

may be designated by the Board are named as additional insured on a primary basis without recourse or right of contribution from the Board.

3. **Insurance Certificate.** The insurance company, or its representative, shall submit an insurance certificate to the Board evidencing all coverage as required hereunder and indicating the Additional Insured status as required above. The Board will not pay the Charter School for any work if satisfactory proof of insurance is not provided prior to the commencement of services. The Certificate must provide sixty (60) days prior written notice of material change, cancellation, or non-renewal be given to:

Board of Education of the City of Chicago
Office of New Schools
125 S. Clark Street, 5th Floor
Chicago, Illinois 60603
ATTN: Executive Director

4. **General.** Any failure of the Board to demand or receive proof of insurance coverage shall not constitute a waiver of the Charter School's obligation to obtain the required insurance. The receipt of any certificate does not constitute an agreement by the Board that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements in the Agreement.

The Charter School's failure to carry or document required insurance shall constitute a breach of the Charter School's agreement with the Board. Non-fulfillment of the insurance conditions may constitute a violation of the Agreement, and the Board retains the right to stop work until proper evidence of insurance is provided, or the Agreement may be terminated. The Board will not pay the Charter School for any work if satisfactory proof of insurance is not provided before the commencement of services.

Any deductibles or self-insured retentions on referenced insurance coverage must be borne by the Charter School. Any insurance or self-insurance programs maintained by the Board do not contribute with insurance provided by the Charter School under the Agreement.

All subcontractors are subject to the same insurance requirements of the Charter School unless otherwise specified in this Agreement. The Charter School shall require any and all subcontractors under this Agreement to carry the insurance as required herein and to comply with the foregoing requirements; otherwise, the Charter School shall provide coverage for subcontractors. The Charter

School will maintain a file of subcontractor's insurance certificates evidencing compliance with these requirements.

The coverages and limits furnished by the Charter School in no way limit the Charter School's liabilities and responsibilities specified within the Agreement or by law. The required insurance is not limited by any limitations expressed in the indemnification language in this Agreement, if any, or any limitation placed on any indemnity in this Agreement that might be given as a matter of law.

The Charter School agrees that insurers waive their rights of subrogation against the Board.

Upon Board request, the Charter School and/or its subcontractors shall promptly provide a certified copy of any applicable policy of insurance. The Board reserves the right to modify, delete, alter or change insurance requirements at any time.

EXHIBIT D

ACCOUNTABILITY PLAN

See attached.

CHARTER ACCOUNTABILITY PLAN - 2010-2011 SCHOOL YEAR

The Board and the Charter School have determined that it is in the best interests of the Board, the Charter School, students, parents and the public to articulate clear standards for the Charter School. The governing board of the Charter School shall be responsible for overseeing the academic performance of the Charter School and ensuring the academic success of the Charter School's students. At a minimum, academic success is defined as Level 2 in the below plan. Additionally, the governing board of the Charter School is responsible for ensuring that the Charter School's financial management and compliance meets the minimum acceptable standards, defined as Average performance in the below plan. The governing board of the Charter School shall be held accountable through an annual performance evaluation and the publishing of a public Performance Scorecard outlining the level of achievement of the Charter School with respect to those standards. This document outlines the Accountability Plan for the 2010-11 school year.

1. Accountability Components

The Board and the Charter School hereby agree that the Charter School shall be evaluated annually in accordance with the Agreement and this Accountability Plan, as may be amended from time to time in order to ensure, at a minimum, alignment with the district's School Performance, Remediation and Probation Policy ("PRPP").

2. Annual Performance Scorecard

Annually the Board shall publish a Performance Scorecard indicating the Charter School's performance overall and by each Attendance Center or campus if applicable, on each of the indicators in the following two categories: Pupil Performance and Financial Management and Compliance. A Performance Scorecard for the preceding school year will be issued each year as soon as the data and corresponding analysis is available.

Pursuant to the School Performance, Remediation and Probation Policy for both elementary and high schools adopted by the Board on June 24, 2009 (09-0624-PO1), as may be amended from time to time, CPS will assign Charter Schools an accountability designation for purposes of comparison to other CPS schools and public reporting. Under the policy, a school shall receive one of three ratings: Remediation, Probation or Good Standing. The level of the Charter School's achievement and progress will be determined by indicators under the following categories: a) Current Status, b) Trends, and c) Student Growth.

The PRPP shall be used to determine if a school is meeting or making reasonable academic progress, as defined in the Illinois Charter Schools Law. This determination

shall be used in decisions concerning the revocation or renewal of a school's charter or contract.

For the Financial Management and Compliance Indicators, the Charter School's performance on each indicator will be rated as follows:

- 4 - Strong Performance
- 3 - Average performance
- 2 - Below average performance
- 1 - Poor performance

This Accountability Plan establishes the performance levels, listed below, which generate the ratings for each indicator. However, additional information or extenuating circumstances may lead the Board to rate an indicator higher or lower than when performance level criteria are strictly applied.

A. Pupil Performance

The intent of the Pupil Performance section is to provide a multi-faceted understanding of student performance at the Charter School upon which the Charter School's academic performance will be evaluated. Pupil performance will be evaluated based on Current Status, Trends, and Student Growth indicators. The Performance Indicators will be awarded between 0 and 3 points as defined in the Performance Policy Legends below.

Standardized Tests

In the spring of each year, the Charter School shall participate fully in the Illinois Standards Achievement Test ("ISAT") for grades 3 through 8 and the Prairie State Achievement Examination ("PSAE") and ACT for grade 11. Additionally, the Charter School shall participate in the EXPLORE Test in grade 9 and the PLAN Test in grade 10 during the administration period agreed upon by the Chicago Public Schools and the Charter School. Data from these assessments will be compiled and evaluated as described below. If for any reason the Chicago Public Schools ceases to use any of the assessment systems described herein, the Board shall implement, for Charter School accountability purposes, the same alternate student assessment system and test measure criteria used for district's students.

Additional Student Performance Indicators and Data Required

The Charter School's attendance rate, freshman on track rate (for high schools), one-year dropout rate (for high schools), and AP exam metrics (for high schools) will also be

assessed. Additionally, all schools will be required to administer the My Voice, My School survey annually.

In general, schools will be required to submit all relevant data necessary to calculate the metrics outlined in the PRPP. The AP Enrollment and AP Success metrics, however, will be optional for this year as all schools do not currently offer these classes. A school may choose to opt-in to these metrics but once this decision has been made, a school cannot opt-out at a later date. Schools that do not opt-in to these metrics will receive zero points possible.

Adequate Yearly Progress

As required by the Federal No Child Left Behind Act, Illinois has set annual Adequate Yearly Progress ("AYP") targets for student performance on the ISAT and PSAE assessments. Charter Schools receiving Title I funds must meet these targets to achieve AYP. If the Charter School receives Title I funds and fails to make AYP for 2 consecutive years, it shall be designated as a school in need of School Improvement and will face sanctions as required by Federal law. However, the Charter School will not face any sanctions if it is not receiving Title I funds.

At the time of execution of this Agreement, the annual AYP targets for the ISAT and PSAE are anticipated to be as follows. In the event that the AYP targets are revised, the Charter School will be subject to the revised targets.

Year	2009	2010	2011	2012	2013	2014
Target	70%	77.5%	85%	92.5%	92.5%	100%

[Rest of page left intentionally blank.]

Elementary School Performance Policy Legend (re: Policy No. 09-0624-PO1)

<u>Metrics</u>	<u>If current status score is...</u>	<u>School receives</u>
ISAT Reading Meets/Exceeds	50.0% to 69.9% 70.0% to 79.9% 80.0% or more	1 point 2 points 3 points
ISAT Mathematics Meets/Exceeds	50.0% to 69.9% 70.0% to 79.9% 80.0% or more	1 point 2 points 3 points
ISAT Science Meets/Exceeds	50.0% to 69.9% 70.0% to 79.9% 80.0% or more	1 point 2 points 3 points
ISAT Composite Exceeds	5.0% to 14.9% 15.0% to 24.9% 25.0% or more	1 point 2 points 3 points
ISAT Composite Exceeds Highest Grade Level	5.0% to 14.9% 15.0% to 24.9% 25.0% or more	1 point 2 points 3 points
Attendance	90% to 92.9% 93% to 94.9% 95% or more	1 point 2 points 3 points
<p>Note: Current Status points are determined by the average of 2008 and 2009 scores or just 2009 scores if a school does not have two years of data. A school must have at least 2009 data to receive a current status score.</p>		

<u>Metrics</u>	<u>If trend score is...</u>	<u>School receives</u>
ISAT Reading Meets/Exceeds (Ceiling = 90%)	0.1% to 2.9% 3% to 5.9% 6% or more	1 point 2 points 3 points
ISAT Mathematics Meets/Exceeds (Ceiling = 90%)	0.1% to 2.9% 3% to 5.9% 6% or more	1 point 2 points 3 points
ISAT Science Meets/Exceeds (Ceiling = 90%)	0.1% to 2.9% 3% to 5.9% 6% or more	1 point 2 points 3 points
ISAT Composite Exceeds (Ceiling = 90%)	0.1% to 2.9% 3% to 5.9% 6% or more	1 point 2 points 3 points
ISAT Composite Exceeds Highest Grade Level (Ceiling = 90%)	0.1% to 2.9% 3% to 5.9% 6% or more	1 point 2 points 3 points
Attendance (Ceiling = 95%)	0.1% to 0.4% 0.5% to 0.9% 1% or more	1 point 2 points 3 points
<p>Note: If 2009 score is above ceiling, school receives all 3 points. Otherwise, trend points are determined by 2009 score minus average of prior 3 years of data. If school does not have 3 years of prior data, then the average of the prior 2 years is used. School must have at least 2007-2009 data to receive a trend score.</p>		

<u>Metrics</u>	<u>If growth score is....</u>	<u>School receives</u>
Value-Added Reading	-2.2 to -0.1 0 to 2.1 2.2 or more	1 point 2 points 3 points
Value-Added Mathematics	-2.7 to -0.1 0 to 2.6 2.7 or more	1 point 2 points 3 points
<p>Note: Score represents the difference between this school's average student growth on the ISAT and the average growth of similar students district-wide.</p>		

<u>If total points are...</u>	<u>...or if % of points is...</u>	<u>School is at Level</u>
30 or more	71% or more	1
21 - 29	50% to 70.9%	2
18 - 20	42.9% to 49.9%	3 (Review)
Less than 18	Less than 42.9%	3

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High School Performance Policy Legend (re: Policy No. 09-0624-PO1)

<u>Metrics</u>	<u>If current status score is...</u>	<u>School receives</u>
Average ACT	16 to 17.9	1 point
	18 to 19.9	2 points
	20 or more	3 points
One Year Drop Out	6.1% to 10%	1 point
	2.1% to 6%	2 points
	2% or less	3 points
Freshman On Track	45% to 59.9%	1 point
	60% to 79.9%	2 points
	80% or more	3 points
Attendance	85% to 89.9%	1 point
	90% to 94.9%	2 points
	95% or more	3 points
PSAE Meets/Exceeds Reading	30% to 49.9%	1/3 point
	50% to 69.9%	2/3 points
	70% or more	1 point
PSAE Meets/Exceeds Mathematics	30% to 49.9%	1/3 point
	50% to 69.9%	2/3 points
	70% or more	1 point
PSAE Meets/Exceeds Science	30% to 49.9%	1/3 point
	50% to 69.9%	2/3 points
	70% or more	1 point
AP Enrollment	NA	
AP Success	NA	
<p>Note: Current Status points are determined by the average of 2008 and 2009 scores or just 2009 scores if a school does not have two years of data. A school must have at least 2009 data to receive a current status score.</p>		

<u>Metrics</u>	<u>If trend score is...</u>	<u>School receives</u>
Average ACT (Ceiling = 23)	0.1 to 0.4 0.5 to 0.9 1 or more	1 point 2 points 3 points
One Year Drop Out (Ceiling = 0.5%)	-0.1% to -0.9% -1% to -2.9% -3% or more	1 point 2 points 3 points
Freshman On Track (Ceiling = 90%)	0.1% to 2.4% 2.5% to 4.9% 5% or more	1 point 2 points 3 points
Attendance (Ceiling = 95%)	0.1% to 0.4% 0.5% to 0.9% 1% or more	1 point 2 points 3 points
PSAE Meets/Exceeds Reading (Ceiling = 90%)	0.1% to 2.4% 2.5% to 4.9% 5% or more	1/3 point 2/3 points 1 point
PSAE Meets/Exceeds Mathematics (Ceiling = 90%)	0.1% to 2.4% 2.5% to 4.9% 5% or more	1/3 point 2/3 points 1 point
PSAE Meets/Exceeds Science (Ceiling = 90%)	0.1% to 2.4% 2.5% to 4.9% 5% or more	1/3 point 2/3 points 1 point
AP Enrollment (Ceiling = 35%)	0.1% to 2.4% 2.5% to 4.9% 5% or more	1 point 2 points 3 points
AP Success (Ceiling = 90%)	0.1% to 0.9% 1% to 2.9% 3% or more	1 point 2 points 3 points
<p>Note: If 2009 score is above ceiling, school receives all 3 points. Otherwise, trend points are determined by 2009 score minus average of prior 3 years of data. If school does not have 3 years of prior data, then the average of the prior 2 years is used. School must have at least 2007-2009 data to receive a trend score.</p>		

<u>Metrics</u>	<u>If growth score is...</u>	<u>School receives</u>
EPAS Gains Reading	15 th to 49 th percentile	1 point
	50 th to 84 th percentile	2 points
	85 th percentile or more	3 points
EPAS Gains Mathematics	15 th to 49 th percentile	1 point
	50 th to 84 th percentile	2 points
	85 th percentile or more	3 points

Note: Growth points are based on 2008 EPAS Gains scores. Growth score is school's percentile rank among CPS schools, not the percentage of students making gains.

<u>If total points are...</u>	<u>...or if % of points is...</u>	<u>School is at Level</u>
24 or more	66.7% or more	1
16 to 23 ² / ₃	44% to 66.6%	2
13 - 15 ² / ₃	36% to 43.9%	3 (Review)
Less than 13	Less than 36%	3

B. Financial Management and Compliance

The following Financial Management and Compliance Categories will be included on and evaluated for each Performance Scorecard: Financial Condition and Budget, Financial Controls, Reporting, and Legal Compliance. The school will receive points for each indicator based on the rubric described below. Performance against each indicator will be reported on the Annual Performance Scorecard.

Financial Condition and Budget

This category measures the overall financial health of the school based on the change in net assets, liquidity, net asset ratio, cash-on-hand, student enrollment, loan delinquency, and the reasonableness of the budget. Points will be assigned for each indicator as follows:

Indicator	+4	+3	+2	+1
Change in Net Assets	Increase in net assets equal to or greater than budgeted surplus	Increase in net assets less than budgeted surplus or realizing a balanced budget	Decrease in net assets equal to or less than budgeted deficit	Unbudgeted decrease in net assets or decrease in net assets greater than budgeted deficit
Liquidity	Current ratio is greater than or equal to 1.3	Current ratio is less than 1.3 but greater than or equal to 1.1	Current ratio is less than 1.1 but greater than or equal to 1.0	Current ratio is less than 1.0
Net Asset Ratio	Net assets are greater than or equal to 30% of total assets	Net assets are greater than or equal to 20% of total assets but less than 30%	Net assets are greater than or equal to 10% of total assets but less than 20%	Net assets are less than 10% of total assets
Cash-on-Hand	Cash/avg. monthly expenses greater than or equal to 3.0	Cash/avg. monthly expenses greater than or equal to 1.0 but less than 3.0	Cash/avg. monthly expenses greater than or equal to 0.75 but less than 1.0	Cash/avg. monthly expenses less than 0.75
Student Enrollment	Actual enrollment greater than or equal to 100% of budgeted enrollment	Actual enrollment greater than or equal to 95% of budgeted enrollment	Actual enrollment greater than or equal to 90% of budgeted enrollment	Actual enrollment less than 90% of budgeted enrollment

Indicator	+4	+3	+2	+1
Loan Delinquency	No late payments in last twelve months, or no outstanding debt	One late payment in last twelve months	Two or three late payments in last twelve months	More than three late payments in last twelve months
Budget	Realistic budget w/ reasonable assumptions and revisions allowed through the end of October	Realistic budget w/ mostly reasonable assumptions and revisions allowed through the end of October	Realistic budget w/o assumptions and needs to be resubmitted	Unrealistic budget w/ unreasonable assumptions and needs to be resubmitted

The Board shall use the annual budget submitted pursuant to paragraph 6.b. of the Agreement and the annual Financial Audit, required under paragraph 6.a., along with any other relevant information as part of the Financial Condition and Budget Category.

[Rest of page left intentionally blank.]

Financial Controls

This category assesses the fiscal soundness of the financial system in place at each school, taking into consideration the auditor's independent review as well as the fiscal policy and procedures of the school.

Indicator	+4	+3	+2	+1
Annual Audit	Unqualified opinion, no material weaknesses or significant deficiencies	Unqualified opinion; one significant deficiency noted, but school will address within 12 months	Unqualified opinion, with two noted significant deficiencies.	Unqualified opinion, with a noted material weakness or three or more significant deficiencies; or an audit with a qualified opinion
Reporting & Oversight	System generates monthly comprehensive financial reports, which are reviewed monthly by a member or committee of the board. Board meets at least bi-monthly, with appropriate committee structure; strong financial systems and oversight with significant financial expertise.	System generates most reports on a quarterly basis, which are reviewed quarterly by a member or committee of the board. Board meets quarterly, with adequate committee structure; average financial systems; sufficient financial expertise.	System generates few reports regularly; school lacks adequate management and/or board review of financial reports. Board meets less than once a quarter with weak committee structure; financial systems in need of improvement; minimum financial expertise.	System to generate reports is weak; inadequate or no board/committee review; board involvement and committee structure is non-existent; poor financial systems; no financial expertise.

The following items, required by paragraph 6.a. and 6.k. of the Agreement, shall be evaluated and presented as part of the Financial Controls Category:

- a) the Charter School's audit report opinion on its financial statements;
- b) the Charter School's audit report on compliance and internal control over financial reporting based on an audit of the financial statements performed in accordance with Government Auditing Standards and the Single Audit Act of 1984, as amended; and

c) the Charter School's financial systems and policies.

Reporting

This category measures a school's timely submission of annual budgets, quarterly statements, audit reports, and other compliance documents required at the federal, state and local levels as outlined in the Office of New Schools' compliance chart.

Indicator	+4	+3	+2	+1
Budget	Budget is submitted on a timely basis	Budget is submitted late one time but with prior notification to and acknowledgement by CPS	Budget is submitted more than 45 days late	Budget is submitted more than 45 days late for second year in a row, or not submitted at all
Quarterly Statements	Quarterly statements are submitted on a timely basis	Quarterly statement submitted late one time	Quarterly statement submitted late two times	Quarterly statement submitted late three or more times, or not submitted at all
Audit	Audit is submitted on a timely basis	Audit is submitted with one delay but with prior notification to and acknowledgement by CPS	Audit is submitted with significant delay (45 days late)	Audit is submitted with significant delay (45 days late) for second year in a row, or not submitted at all
Fed/State/CPS Compliance Document Submissions	Timely submittal of all required documents	Late submittal of up to two required documents	Late submittal of three required documents	Late submittal of more than three required documents

Legal Compliance

This category measures legal compliance reflected and reported in the annual audit and detailed in any findings.

Indicator	+4	+3	+2	+1
Legal Compliance	Auditor report on compliance reflects no findings	Auditor report on compliance reflects one finding	Auditor report on compliance reflects two findings	Auditor report on compliance reflects three or more findings, and/or audit states that corrections have not been made for prior year finding(s)
Contract Terms and IL Charter Schools Law/Applicable State/Federal Law*	No violations	One violation w/ timely response	Two violations w/ timely responses	Three or more violations or violations w/o timely response

* In the event that the Board deems that there has been a violation of this Agreement or the Illinois Charter Schools Law, the Office of New Schools shall give the Charter School written notice enumerating the specific violation and the period of time during which the Charter School shall have the opportunity to (1) cure such violation or (2) provide an action plan to remedy the violation.

The following items, required by paragraph 6.a.iii. of the Agreement shall be tested and reported upon annually by the Charter School's independent auditor and evaluated and presented as part of the Legal Compliance Indicator:

- a) Fingerprint-based criminal background investigations and checks of the Statewide Sex Offender Database and the Statewide Child Murderer and Violent Offender Against Youth Database (105 ILCS 5/34-18.5)
- b) Administration of Medication (105 ILCS 5/10-22.21b)
- c) Hazardous Materials Training (105 ILCS 5/10-20.17a)
- d) School Safety Drill Act (105 ILCS 128/1 *et seq.*)
- e) Abused and Neglected Child Reporting Act (325 ILCS 5/1 *et seq.*)
- f) Eye Protection in School Act (105 ILCS 115/0.01 *et seq.*)
- g) Toxic Art Supplies in Schools Act (105 ILCS 135/1 *et seq.*)
- h) Infectious Disease Policies and Rules (105 ILCS 5/10-21.11)
- i) Open Meetings Act (5 ILCS 120/1.01 *et seq.*)
- j) IL School Student Records Act (105 ILCS 10/1 *et seq.*)
- k) Conformance with the following paragraphs of the Agreement:
 - i) Paragraph 4.d., an open enrollment process and lottery,

- ii) Paragraph 4.1., the school's governance structure,
- iii) Paragraph 5.c., maintenance of corporate status and good standing,
- iv) Paragraph 5.g., the school's facility and ADA compliance,
- v) Paragraph 6.j., compliance with applicable sections of the Illinois Pension Code,
- vi) Paragraph 6.k., ongoing presence of management and financial controls, and
- v) Paragraph 8., maintenance of required insurance coverage.

In addition to the above items, the Board will also consider the Charter School's compliance with the Office of New Schools' compliance chart and the teacher qualification requirements in accordance with both the Charter Schools Law (Section 27A-10) and the requirements for Highly Qualified teachers under the No Child Left Behind Act (if the Charter School receives Title I funding). Failure to comply with either the compliance chart or the teacher qualification requirements shall affect the rating on the Legal Compliance Indicator.

When determining how to classify a Financial Management and Compliance Indicator, the Board may consider information from various sources including, but not limited to, audits, site visits, and information provided by other CPS departments, parents, or employees. If the audit states that there were material weaknesses or significant deficiencies found, the Board shall request from the Charter School the auditor's management letter and/or an opinion from a qualified, third-party professional regarding the importance of the finding. The Board shall also ask the Charter School to respond to the finding.

3. Charter School Participation in the Accountability Process

The Charter School shall take all necessary actions to collect and report the information required by this Accountability Plan for the Charter School overall and by each Attendance Center, if applicable, including, without limitation:

1. Full participation in the administration of all required student assessments, as the case may be, including all procedures designed to safeguard the integrity of the assessments;
2. Participation in site visits conducted by the Board to ascertain that sufficient, minimum educational and operational practices are in place;
3. An annual financial and compliance audit, as required by law, including but not limited to, the Single Audit Act Amendments of 1996 (31 U.S.C. §7501-07), OMB Circular A-133, and the compliance requirements set forth in OMB Compliance Supplement, and by the Agreement;

4. Provision of student, school, and employee information required by the Agreement and/or the Accountability Plan;
5. Submission and implementation of ADA Plan(s) for the Attendance Center(s) required by the Agreement;
6. Provision of information that is necessary to evaluate parent, student, employee, or public allegations or audit findings that, if true, would constitute a violation of the law or Agreement; and
7. Provision of additional information or cooperation in other actions not listed in this section necessary to evaluate the Charter School's performance with respect to the Financial Management and Compliance Categories.

4. Annual Performance Evaluation, Revocation and Renewal

The Board shall conduct an annual performance evaluation in which it holds the Charter School accountable in these Categories (Pupil Performance and Financial Management and Compliance) through the Indicators contained in this Accountability Plan. The Board shall give fair consideration to all Indicators for the current year in comparison to the previous years of the Charter School's history when conducting the annual performance evaluation and when acting to renew, not renew, or revoke the Charter School's charter.

The Board may act to revoke or to not renew a charter, in whole or as to any Attendance Center or campus, during the term of the Agreement in accordance with paragraphs 12 and 13 of this Agreement.

In all circumstances, the Board shall follow the requirements of the Charter Schools Law and its Agreement, including all due process requirements, regarding the processes required for revocation, renewal, and non-renewal.

When a charter is up for renewal, the charter's academic performance on the PRPP will be categorized as Meeting Standards, Making Reasonable Progress, or Failing to Meet Standards or Make Reasonable Progress. Similarly, the Financial Management and Compliance indicators will be analyzed to determine if violations of the Charter Schools Law have occurred.

EXHIBIT E

COMPREHENSIVE MANAGEMENT SERVICES CONTRACT REQUIREMENTS

In the event the Charter School intends to contract with a third party for comprehensive school management or operations services ("Service Contract"), all of the following requirements must be met by the Charter School:

1. Required Provisions of Bylaws. The bylaws of the Charter School shall provide that the Charter School may not enter into any contract for comprehensive school management or operations services ("Service Contract") without first submitting such Service Contract to the Board for review. The Charter School shall further incorporate within its bylaws, or duly establish pursuant to such bylaws, procedures for the termination of the Service Contract as provided herein.

2. Submission of Service Contract. The Service Contract shall be submitted to the Board no later than 30 days prior to its effective date. If the Board determines that the Service Contract does not comply with the provisions set forth in Section 3 of this Exhibit, or that the Charter School's entering into the Service Contract would otherwise be in violation of the conditions set forth in this Exhibit, the Charter School Agreement, or the Charter School Law, then the Board shall notify the Charter School within twenty (20) days, stating with particularity the grounds for its objections. In such event, the Charter School shall not enter into the Service Contract unless and until the deficiencies noted by the Board have been remedied to the Board's reasonable satisfaction.

3. Required Terms of Service Contract. The Service Contract shall include, without limitation, the following Required Terms:

i. The Service Contract shall be subject to, and shall incorporate by reference, the terms and conditions of the Charter School Agreement.

ii. The Service Contract shall clearly delineate the respective roles and responsibilities of the Service Provider and the Charter School in the management and operation of each school facility for which the Service Provider shall provide management or operations services. The Service Contract shall also include acceptable procedures by which the Service Provider may be held accountable to the Charter School.

iii. The Service Contract shall be terminable by the Charter School, in accordance with its bylaws or other established termination procedures, (a) upon default by the Service Provider, including without limitation any act or omission of the Service Provider that causes a default under the Charter School Agreement or that causes the Charter School to be in violation of the Charter Schools Law, or

(b) for other good cause as agreed by the Charter School and the Service Provider.

iv. The Service Contract shall require that the Service Provider furnish the Charter School with all information deemed necessary by the Charter School or the Board for the proper completion of the budget, quarterly reports, or Financial Audits, required under paragraph 6 of the Charter School Agreement.

v. The Service Contract shall provide that all financial reports provided or prepared by the Service Provider shall be presented in GAAP/FASB approved nonprofit format.

vi. The Service Contract shall provide that all employees or contractors of the Service Provider who have direct, daily contact with students of the Charter School shall be subject to the fingerprint-based criminal background investigations and checks of the Statewide Sex Offender Database and the Statewide Child Murderer and Violent Offender Against Youth Database requirement contained in Section 34-18.5 of the School Code to the same extent as employees of the Charter School.

vii. The Service Contract shall contain provisions requiring compliance with all requirements, terms and conditions established by any Federal or State funding source.

4. Financial Reporting.

a. Budget. The budget prepared by the Charter School pursuant to paragraph 6 of the Charter School Agreement shall include, without limitation, the following itemized information:

i. All revenue anticipated to be received from the Board under the Charter School Agreement.

ii. All expenses and anticipated expenses associated with the operation and management of the Charter School.

iii. All expenses associated with the operation of the governing board of the Charter School including, without limitation, personnel, occupancy and travel expenses, if any, and that are not paid out of expenses received from or through the Board, such expenses shall not be required to be separately itemized hereunder.

iv. All contract payments, lease payments, management fees, administrative fees, licensing fees, expenses and other amounts paid to the

Service Provider or otherwise paid for the Contract Services by the Charter School.

v. All loan repayments for any loans made to the Charter School by the Service Provider, including separate line items for interest, principal and premium, if any, on such loan repayments.

vi. All investments in the Charter School by the Service Provider, including the expected returns on equity for such investments.

b. Quarterly Financial Statements. In the event that quarterly financial statements are required to be furnished by the Charter School pursuant to paragraph 6 of the Charter School Agreement, such financial statements shall reflect the entire school's financial operations, including an itemized accounting of all amounts paid to the Service Provider or otherwise paid for the Contract Services, which amounts shall be itemized in a manner that clearly corresponds with those categories provided in the Charter School's annual budget or the Service Contract.

c. Annual Audit. The Financial Audits required under paragraph 6 of the Charter School Agreement shall include review of all fees and payments made by the Charter School to the Service Provider.

d. Reporting of Loans and Investments. All loans to, or investments in, the Charter School by the Service Provider must be evidenced by appropriate documentation, either in the contract between the Charter School and the Service Provider, or through separate agreements. In the case of investments, such documentation shall explain how the investment shall be treated on the books of the Charter School and shall clearly state the Service Provider's expected return on equity.

Nothing in this paragraph 4 shall be construed to waive or otherwise limit the obligation of the Charter School to provide information otherwise required to be reported by the Charter School under the Charter Schools Law or the Charter School Agreement.

LOTTERY RECRUITMENT AND ADMISSIONS POLICY

Per our Charter Agreement with Chicago Public Schools, Urban Prep East Garfield Park and Urban Prep South Shore have, and will continue to abide by the enrollment and Lottery stipulations detailed below:

Enrollment in the Charter School shall be open to any pupil who resides within the City of Chicago. The Charter School shall not conduct its lottery until one month after the specific application deadline determined by the Board for its high school magnet school program, which date will be conveyed to the Charter School by the Board's Office of Charter Schools ("Charter Schools Office"). Each year, if on the date of the Charter School's application deadline, there are more eligible applicants for enrollment in the Charter School than there are spaces available, successful applicants shall be selected by lottery, which shall be open to all applicants and the public. The Charter School shall not request information in the application process about a student's academic aptitude, special education needs or English language proficiency. Priority for enrollment may be given to siblings of pupils enrolled in the Charter School and to pupils who were enrolled in the Charter School the previous school year, unless expelled for cause. Using the lottery process required herein, the Charter School shall establish a waiting list of students who shall be offered the opportunity to enroll at the Charter School if additional space later becomes available. The Charter School shall not permit dual enrollment of any student at both the Charter School and another public school or non-public school.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

NOV 15 2007

URBAN PREP ACADEMIES
420 N WABASH STE 203
CHICAGO, IL 60611-3539

Employer Identification Number:
20-0138672
DLN:
17053272758087
Contact Person:
JACOB A MCDONALD ID# 31649
Contact Telephone Number:
(877) 829-5500
Public Charity Status:
170(b)(1)(A)(vi)

Dear Applicant:

Our letter dated May 2004, stated you would be exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code, and you would be treated as a public charity, rather than as a private foundation, during an advance ruling period.

Based on the information you submitted, you are classified as a public charity under the Code section listed in the heading of this letter. Since your exempt status was not under consideration, you continue to be classified as an organization exempt from Federal income tax under section 501(c)(3) of the Code.

Publication 557, Tax-Exempt Status for Your Organization, provides detailed information about your rights and responsibilities as an exempt organization. You may request a copy by calling the toll-free number for forms, (800) 829-3676. Information is also available on our Internet Web Site at www.irs.gov.

If you have general questions about exempt organizations, please call our toll-free number shown in the heading.

Please keep this letter in your permanent records.

Sincerely yours,



Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Letter 1050 (DO/CG)



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Urban Prep Academies creates college-ready grads in tough Chicago areas

By: Claire Bushey August 22, 2011

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Tim King's Urban Prep Academies borrows heavily from the Jesuit tradition, although it's not affiliated with any religion. Photo by: Stephen J. Serio

If charter school founder Tim King has spent his adulthood trying to help poor young black boys, it's partly because he wasn't one himself.

Mr. King, 44, grew up in the affluent South Side neighborhood of Pill Hill. His father owned a construction company; his mother started as a Chicago Public Schools teacher and retired as vice-president of Kennedy-King College. He spent winters in the Bahamas and summers in Michigan, took horse-riding lessons and "thought that was normal."

"I've always grappled with this notion of growing up with so much," he says. "I don't feel guilty for the success anyone's had because everyone's worked really hard in my family, but I do feel this obligation to

level the playing field as much as I can."

Mr. King is CEO of Chicago-based Urban Prep Academies, which he started in 2006 in Englewood as the nation's first all-boys charter school. The students are mostly black and from low-income households, yet all 211 of the school's graduates have earned admission to four-year colleges. By comparison, at Paul Robeson High School, less than a mile away, just 36.1% of freshmen graduate within five years.

Urban Prep is not religiously affiliated. In fact, Mr. King jokes his parish priest wouldn't know him—"Tim who? When's the last time he was at Mass?" But its culture borrows heavily from the Jesuit schools where Mr. King was educated.

Students wear a uniform of khaki slacks, white shirts, ties and dark sports coats with the school's crest on the breast pocket. They address each other as "Mr." followed by last name. The school has a creed that emphasizes values such as integrity and selflessness; students recite it every morning.

"The older boys, the 11th- and 12th-graders, are clearly acting as mentors to the ninth-graders to show them what an Urban Prep man is like," says Andrew Broy, president of the Chicago-based Illinois Network of Charter Schools.

Students, who are accepted through a lottery, pay no tuition. The school gets almost three-quarters of its funds from Chicago Public Schools; donors, including the Oprah Winfrey Foundation, make up much of the rest.

**All the school's
graduates have earned**

PR/Award # U282B110084

Page e172

Mr. King attended St. Ignatius College Prep in University Village. He had good grades and a list of extracurricular activities ranging from theater to Spanish club to student government. "We were all nerds," he says. "It was just varying degrees."

admission to four-year colleges.

His plan when he went to Georgetown University, first as an undergrad in international affairs and then as a law student, was to enter politics. But in law school, a professor encouraged him to teach history at a nearby Catholic high school in Washington, D.C. The realization that he could change young people's lives changed his own.

He returned to Chicago and began informally advising Hales Franciscan High School in Bronzeville on fundraising, which led to a quasi-ambush luncheon with several of the school's board members, who offered him the job of president in 1995.

After five years, Mr. King left Hales to start Urban Prep, prompted, he says, by his conviction that excellent education shouldn't be limited to those able to pay for it. The Chicago Board of Education denied his charter application twice before approving it in December 2005. He opened a second campus, on the West Side, in 2009 and a third, in Bronzeville, last fall.

Mr. King won't rule out going into politics, but not now. Classes resume Aug. 29.

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KELLY L. DICKENS

PROFESSIONAL EXPERIENCE

URBAN PREP ACADEMIES | Chicago, IL | 2011 – Present

Vice President, Institutional Advancement

- Develop and implement fundraising plan necessary to support Urban Prep’s programs through government sources, individuals, corporations, and foundations.
- Spearhead recruiting activities for each of Urban Prep’s campuses.
- Create communications plan including pitching stories to and responding to inquiries from the media, writing and sending regular email communications to constituents, developing collateral and printed materials, maintaining the Urban Prep database of donors and constituents, coordinating speaking engagements for Urban Prep team members, and ensuring the proper promotion of the Urban Prep brand.
- Manage and evaluate all institutional advancement staff; determine staffing needs/department structure; create & manage department annual budget; participate on the Senior Leadership Team; and execute other tasks related to the proper operation of Urban Prep’s Institutional Advancement Office.

HOOKED ON PHONICS | Baltimore, MD | 2008 – 2010

Director of Marketing

- Developed integrated marketing plan which included salient messaging, new packaging, development of direct mail and other POS material, and creation of digital/social media and public relations strategies.
- Responsible for allocating \$3.5M marketing budget in support of sales and revenue objectives.
- Analyzed product costs and designed optimal cross-channel pricing model to maximize margin potential resulting in 20% increase in corporate profitability year-over-year.
- Created account-specific promotions for Target, Barnes & Noble and other mass retailers each delivering at least 80% lift in sell-through over previous product edition.
- Analyzed existing inventory and devised a plan to reduce by 40% in preparation for new product arrival; resulting revenue and carrying cost savings totaling \$2M.
- Analyzed business performance, developing KPIs and reporting key drivers and brand recommendations to senior management.
- Worked closely with sales managers to provide strategic program direction, sales collateral and retailer-specific POS material, and strategic assistance with penetrating key consumer organizations.
- Activated sponsorship (The Children’s Reading Foundation) across all mediums.
- Worked cross functionally to resolve customer order, delivery and finished goods issues.

DANAHER CORPORATION | Washington, D.C. | 2005 - 2008

Senior Marketing and Product Manager

- Spearheaded the development of all business strategies and promotional marketing plans for the Craftsman and GearWrench brands in the industrial tool channel resulting in \$545K incremental lift (55% increase year-over-year).
- Optimized marketing efforts for largest industrial distributor resulting in \$85K in incremental sales through cooperative business planning.
- Devised complex, two-step distribution pricing models and product forecasts for entire catalog of merchandise (approx. 3000 SKUs) and managed customer P&L.
- Managed and developed one marketing associate.

Product Manager

- Led new product development process and created marketing plan for 900 SKU product line resulting in Q4 2007 sales of \$3M (GearWrench product line).
- Designed and executed focus group research (voice of customer) and developed competitive and market sizing assessments.
- Formulated product positioning and aligned with existing brand objectives.
- Created forecasting models, analyzed competition and developed pricing for multi-tier distribution and managed product line P&L.
- Project managed manufacturing processes in China and Taiwan and sourced products from Chinese and Taiwanese manufacturers used as product line complements.

TRIBAL DDB NEEDHAM WORLDWIDE ADVERTISING | Chicago, IL | 2001 - 2003

Digital Project Manager

- Supervised cross-functional teams developing product awareness campaigns for top-tier brands (Gatorade, Dell Computers, McDonald’s).
- Managed the creative and technical redesign of capnkrunch.com resulting in 35% increase in website traffic.
- Performed resource allocation assessments and managed budgets in excess of \$400K on most projects.

HUBBARD ONLINE | Chicago, IL | 2000 - 2001**Project Manager**

- Managed cross-functional teams developing digital and content management solutions resulting in 10% increase in company revenues.
- Business development experience; increased company revenue by \$1.6M through successful lead generation and customer relationship building.

ACCENTURE CONSULTING | Chicago, IL | 1998 - 2000**Business Process Analyst**

- Led change management effort at telecom customer resulting in 15% decrease in unit expense by revising process documentation and eliminating staff redundancies.
- Deployed to team responsible for 20% improvement in accounts receivables for utility customer through analysis, system programming/debugging and troubleshooting.
- Project managed billing process for 317 consultants on a one-year, \$50M consulting healthcare engagement reporting directly to client CEO and lead project partner.
- Managed and completed firm development projects related to new business acquisition.

EDUCATION**KELLOGG SCHOOL OF MANAGEMENT | Evanston, IL | 2003 - 2005**
NORTHWESTERN UNIVERSITY*MBA – Marketing and Strategy*

MBA Admissions Fellow, Marketing Conference, Speaker Coordinator; Marketing Club
PepsiCo Food and Beverages Scholarship Recipient

MOREHOUSE COLLEGE | Atlanta, GA | 1993-1997*B.A. – Marketing, Cum Laude Graduate*

Morehouse Business Association; Honors Program

TIMOTHY JAY KING

312-755-1050 (Fax) TKing@UrbanPrep.org

EDUCATION

GEORGETOWN UNIVERSITY LAW CENTER

Juris Doctorate; 1993

UNIVERSITY OF NAIROBI

Faculty of Law; Nairobi, Kenya; Summer, 1992

EUROPEAN UNIVERSITY INSTITUTE

Florence, Italy; Summer, 1990

GEORGETOWN UNIVERSITY

Bachelor of Science of Foreign Service; 1989

EXPERIENCE

URBAN PREP ACADEMIES, Chicago, IL

FOUNDER & CEO; 2001 - PRESENT

Background

Founder of this non-profit organization focused on developing highly successful public schools for urban boys.

Responsibilities

- Identifying opportunities for new school development
- Hiring school leadership teams
- Providing long-term vision and leadership.
- Serving as the public face of organization.
- Developing and managing marketing and communications strategy.
- Securing resources and partners for programs.

Accomplishments

- Developed Business Plan and successful application to the Chicago Public Schools for the launch of the city's first and only public Charter school for boys.
- Built a Board of Directors of innovative, experienced, and committed leaders.
- Successfully led the student and faculty recruitment effort for the school.
- Secured in excess of \$750,000 in financial support for the launch of the first school.
- Established partnerships with community entities, non-profit organizations and individuals in support of the school.

NORTHWESTERN UNIVERSITY, Evanston, IL

ADJUNCT LECTURER; 2002 - PRESENT

Background

Adjunct Lecturer in the Business Institutions & African-American Studies Departments at Northwestern University's Judd A. and Marjorie Weinberg College of Arts and Sciences.

Responsibilities

- Manage classroom and monitor students' progress.
- Provide instruction to students.

Accomplishments

- Developed course curriculum, syllabus and materials.
- Successfully taught the course.

EXPERIENCE, cont.

HALES FRANCISCAN HIGH SCHOOL, Chicago, IL

TRUSTEE; 2000 - 2001

PRESIDENT & CEO; 1995 - 2000

VICE PRESIDENT, ADMINISTRATION & DEVELOPMENT; 1994 - 1995

Background

Recruited by Board of Trustees to energize and provide dynamic leadership to this historic inner-city independent Catholic school serving African-American boys.

Responsibilities

- Providing enthusiastic long-term vision, direction and leadership for this high profile non-profit organization.
- Directing the school's fundraising efforts.
- Supervising all 45 employees directly and through Senior Administrators.
- Creating and managing a three million dollar annual budget.
- Developing and executing marketing and P.R. strategies centered in the creation the Hales "brand."
- Managing outside professionals including Lawyers, Accountants, Consultants, etc.
- Identifying and working with a Board of Trustees.

Accomplishments

- Raised over \$6 million for the school by more than tripling annual fundraising revenue from \$450,000 in 1995 to \$1.5 million in 2000.
- Increased student enrollment by 35% and planned the growth of the school's budget from \$1.2 million in 1995 to close to \$3 million in 2000.
- Revamped curriculum, course offerings and academic/extra-curricular programs.
- Commended by President Bill Clinton as an outstanding school and invited to the White House to meet with the President.
- Initiated strategic planning process.
- Realized a 100% college acceptance rate for each graduating class.

AFFILIATIONS

21ST CENTURY URBAN SCHOOLS

Member, Board of Directors; Present

COMMUNITY RENEWAL SOCIETY/CATALYST EDITORIAL BOARD

Member, Editorial Board; Present

GEORGETOWN UNIVERSITY ALUMNI ASSOCIATION

Alumni Association: Chairman, Class of 1989 Committee

African-American Advisory Board: Vice-Chairman

CHICAGO PUBLIC EDUCATION FUND

Member, Leadership Council, 2001 - 2005

LEADERSHIP GREATER CHICAGO

Member, Leadership Class of 1998; Development Committee

FIELD MUSEUM OF NATURAL HISTORY

Member, Field Associates Governing Board; 1998

ECONOMIC CLUB OF CHICAGO

Member; 1998

THE CHICAGO BAR ASSOCIATION

Member, Judicial Evaluation Committee; 1998

UNIVERSITY OF NOTRE DAME CENTER FOR SOCIAL CHANGE

Member, Board of Directors; 1997

CHICAGO LEGAL AID CLINIC

Member, Board of Directors; 1996

HONORS

Educator of the Year

Bud Billiken Back to School Parade

Four for the Future

100 Black Men of Chicago, Inc.

Meteor Award

DuSable Museum of African-American History

Distinguished Fellow

Leadership Greater Chicago

Men of Excellence

Chicago Defender

N'Education Award

N'Digo Foundation

Award of Excellence

Theta Chapter, Alpha Phi Alpha Fraternity, Inc.

Image Award

VGMGC PLCCA, Inc.

Champion of the Public Interest

Business and Professional People for the Public Interest

Father of the Year Award

Beloved Community Christian Church

Man of the Year Award

The Original Forty Club of Chicago

40 UNDER 40

Crain's Chicago Business

CHAMPION OF FREEDOM AWARD

PUSH/Excel

OMEGA PSI PHI FRATERNITY COMMUNITY SERVICE

Mu Xi Chapter of Omega Psi Phi Fraternity, Inc.

JESSE OWENS COMMUNITY SERVICE AWARD

Jesse Owens Foundation

FISCAL RESPONSIBILITY AWARD

State of Illinois Comptroller Dan Hynes

HUMANITARIAN OF THE YEAR AWARD

The Chicago Club of The University of Notre Dame and Chris Zorich Foundation

YOUNG LEADERS AWARD

The Young Leaders of Old St. Patrick's Church

AFRICAN-AMERICAN MALE IMAGE AWARD

Ladies Auxiliary of the Knights of Peter Claver

HOMETOWN HERO AWARD

WVAZ (102.7 F.M. Chicago)

THE PHOENIX AWARD FOR EDUCATION

Alpha Phi Alpha Fraternity, Inc.

30 LEADERS OF THE FUTURE

Ebony Magazine

PUBLICATIONS

"EDUCATING BEYOND POVERTY"

Huffington Post, 6/15/11: n. pag.

"URBAN PREP'S LITTLE OBAMAS: LIVE FROM CAPITOL HILL"

Huffington Post, 1/20/09: n. pag.

"PROVIDING REFUGE: FREED FROM HARASSMENT AND FEAR, THE STUDENTS ARE LIBERATED TO LEARN"

Chicago Tribune, 10/24/08, Editorial

PUBLICATIONS, cont.

“A NEW HOPE FOR CHANGE: BLACK BOYS & BOYS SCHOOLS”
Strategies, Vol. 1 No. 3, Summer 2008: Cover Story

“‘STOMP’ DELIVERS RARE IMAGES OF BLACK LIFE”
Chicago Sun-Times, 1/22/07: p. 29.

“LEARNING CURVE FOR BLACK MEN & BOYS”
Chicago Tribune, 5/2/06: Sec. 1, p. 15.

“ACADEMIC JUSTICE: THE CASE FOR SINGLE-SEX EDUCATION”
Chicago Tribune, 3/18/04: Sec. 1, p. 14.

“CHARITABLE GIVING REQUIRES A BUSINESS PLAN”
Crain’s Chicago Business, 12/10/01: p. 8.

“CATHOLIC SCHOOLS OFFER HOPE”
Chicago Tribune, 2/16/99: Sec. 1, p. 14.

“THE BULLET-PROOF SPIRIT”
Chicago Tribune, 10/29/97: Sec. 1, p. 23.

“SAVING JUST ONE BOY IN THE HOOD”
Chicago Tribune, 4/4/96: Sec. 1, p. 27.

“SEE THE DREAM, FACE THE REALITY”
Chicago Tribune, 11/2/94: Sec. 1, p. 21.

“HOOP DREAMS MUST BE A CALL TO ACTION”
Chicago Sun-Times, 11/2/94: p. 46.

MEDIA FEATURES

“URBAN PREP FOUND & CEO TIM KING FEATURED AS ‘TRAILBLAZER’”
Jet Magazine, 2/24/11

“CHICAGOANS OF THE YEAR”
Chicago Magazine, 1/11/2011

“THE EBONY POWER 100”
Ebony Magazine, 12/01/2010

“Heroes of the Year 2010”
People Magazine, 11/8/10

“SCHOOL TRIUMPHS IN INNER-CITY CHICAGO”
MSNBC, 9/28/10

“EDUCATION SPEAKER: ALL STUDENTS CAN ATTEND COLLEGE”
Bloomington Pantagraph, 9/24/10

“A SCHOOL WHERE KIDS ‘WANT’ TO GO”
NBC Chicago, 6/22/10

“TIM KING: INSIDE THE PRIDE”
N’Digo Free Weekly, 6/22/10: Cover Story

“MR. KING’S CLASS GOES TO COLLEGE”
People Magazine, 6/22/10

“WBEZ RADIO INTERVIEWS TIM KING AND URBAN PREP SENIORS, KRISHAUN BRANCH AND TYLER BECK, ABOUT GUIDANCE, GROWTH AND GRADUATION”
WBEZ Radio, 9/8/09

“SCHOOL’S CREED HELPS BOYS BELIEVE IN THEMSELVES”
Chicago Tribune, 5/27/07: Cover Story.

“WHAT WOULD YOU DO WITH \$40 MILLION?”
Chicago Sun-Times, 1/8/07: p. 18.

“SAVING BLACK BOYS: IS SINGLE-SEX EDUCATION THE ANSWER?”
Ebony Magazine, December, 2006

“A BOLD PLAN TO SET-UP BLACK BOYS FOR SUCCESS”
Chicago Sun-Times, 9/09/06: Metro p. 1.

“URBAN PREP: NEW CHARTER SCHOOL”

Fox News Chicago Channel 32, 5/06/06

“IS SEPARATE BETTER?”

Chicago Magazine, 04/1/06: p. 38.

“ALL-BOYS ACADEMY IS AIMED AT BLACKS”

Chicago Tribune, 11/6/05: Metro Section, p. 1.

“CITY PROPOSES DARING SCHOOL FIRSTS”

Chicago Sun Times, 11/6/05: Cover Story.

“...FIRST ALL-BOYS PUBLIC SCHOOLS IN 30 YEARS”

Chicago Sun Times. 6/13/05: p. 17

“NEW GUIDELINES CLEAR THE WAY FOR ALL BOYS SCHOOL”

ABC News, 08/31/04.

“SCHOOL PROPOSAL BACKED BY FOMER HALES CHIEF”

Chicago Sun Times, 08/26/04: p. 26

“EVALUATING CHARITIES EASIER THAN EVER”

Associated Press, 11/30/02.

“NEW SERVICE SCREENS CHARITIES...”

The Chronicle of Philanthropy, 11/25/02.

“CHICAGO TONIGHT: CHARITIES AFTER SEPTEMBER 11”

PBS (WTTW, Channel 11) Chicago, 11/21/01.

“SOMEONE YOU SHOULD KNOW”

ABC News Channel 7 Chicago, 3/9/00.

“PEOPLE TO PEOPLE”

WGN Channel 9 Chicago, 2/26/00.

“EIGHT-FORTY-EIGHT”

National Public Radio/WBEZ Chicago, 2/25/00.

“QUICK TURNAROUND: HALES CHIEF LEAVES SUCCESS...”

Chicago Sun-Times, 2/7/00: Sec. 1, p. 4.

OPRAH WINFREY SHOW

ABC Channel 7 Chicago, 7/30/98.

“A MODEL FOR MAKING A DIFFERENCE”

Chicago Tribune, 6/2/98: Sec.1, p. 14.

“LOVE BINDS GRAD AND ‘DAD’”

Chicago Tribune, 6/1/98: Cover Story.

“HALES ANGEL”

Chicago Reader, 10/31/97: Cover Story.

“ANGELS’ WATCH OVER TEENS”

Chicago Sun-Times, 8/24/97: Sec. 1, p. 22.

“ANSWERED PRAYER”

The Economist, 4/5-11/97.

“BOYS II MEN AT HALES FRANCISCAN”

N’Digo, 2/19/97: Cover Story.

“MORE THAN JUST A SCHOOL”

Chicago Tribune, 6/2/96: Cover Story.

Budget Narrative File(s)

* **Mandatory Budget Narrative Filename:**

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Budget Narrative (84.282B)

Section A

As illustrated in part A of the submitted ED 524 form and in the Abstract Narrative, Urban Prep Academies is requesting the continuation of an implementation grant in the amount of \$200,000.00 each (\$400,000 total) for Urban Prep's two newest charter schools, to be disbursed during the 2012 fiscal school year.

We have requested \$5,000 in travel funding (line a3). These expenses will be incurred en route to the project director's meeting. Travel funding will also support lodging costs.

Our \$165,000 (\$82,500 at each school) request (line a4) will be used to cover the cost of purchasing computers, projectors, chalk boards, TVs/DVD players and related materials at both schools.

The \$80,000 (\$40,000 at each school) supplies funding we have requested (line a5) will subsidize the purchase of classroom supplies, educational materials and classroom furniture.

The \$150,000 (\$75,000 at each school) per year figure designated in the "other" category (lines a8) will support multiple aspects of the Urban Prep Program. This funding will support our professional development activities. This portion of the request will also aid significantly in the implementation of our Activity Arc. Funds designated for the Activity Arc will be used to purchase books, computer software, uniforms, and other equipment associated with extracurricular activities. Finally, these funds will also be used to bolster our recruitment

program. We will allocate a portion of this money to support the creation, and printing of updated brochures and collateral materials.

Survey on Ensuring Equal Opportunity For Applicants

OMB No. 1890-0014 Exp. 2/28/2009

Purpose:

The Federal government is committed to ensuring that all qualified applicants, small or large, non-religious or faith-based, have an equal opportunity to compete for Federal funding. In order for us to better understand the population of applicants for Federal funds, we are asking nonprofit private organizations (not including private universities) to fill out this survey.

Upon receipt, the survey will be separated from the application. Information provided on the survey will not be considered in any way in making funding decisions and will not be included in the Federal grants database. While your help in this data collection process is greatly appreciated, completion of this survey is voluntary.

Instructions for Submitting the Survey

If you are applying using a hard copy application, please place the completed survey in an envelope labeled "Applicant Survey." Seal the envelope and include it along with your application package. If you are applying electronically, please submit this survey along with your application.

Applicant's (Organization) Name:	Urban Prep Academies
Applicant's DUNS Name:	6265910490000
Federal Program:	Office of Innovation and Improvement (OII): Charter Schools Program (CSP): Planning
CFDA Number:	84.282

1. Has the applicant ever received a grant or contract from the Federal government?

Yes No

2. Is the applicant a faith-based organization?

Yes No

3. Is the applicant a secular organization?

Yes No

4. Does the applicant have 501(c)(3) status?

Yes No

5. Is the applicant a local affiliate of a national organization?

Yes No

6. How many full-time equivalent employees does the applicant have? (Check only one box).

3 or Fewer 15-50

4-5 51-100

6-14 over 100

7. What is the size of the applicant's annual budget? (Check only one box.)

Less Than \$150,000

\$150,000 - \$299,999

\$300,000 - \$499,999

\$500,000 - \$999,999

\$1,000,000 - \$4,999,999

\$5,000,000 or more

Survey Instructions on Ensuring Equal Opportunity for Applicants

OMB No. 1890-0014 Exp. 2/28/2009

Provide the applicant's (organization) name and DUNS number and the grant name and CFDA number.

1. Self-explanatory.
2. Self-identify.
3. Self-identify.
4. 501(c)(3) status is a legal designation provided on application to the Internal Revenue Service by eligible organizations. Some grant programs may require nonprofit applicants to have 501(c)(3) status. Other grant programs do not.
5. Self-explanatory.
6. For example, two part-time employees who each work half-time equal one full-time equivalent employee. If the applicant is a local affiliate of a national organization, the responses to survey questions 2 and 3 should reflect the staff and budget size of the local affiliate.
7. Annual budget means the amount of money your organization spends each year on all of its activities.

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this

information collection is **1890-0014**. The time required

to complete this information collection is estimated to average five (5) minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection.

If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: The Agency Contact listed in this grant application package.