



*Investment Partner in Renaissance 2010*

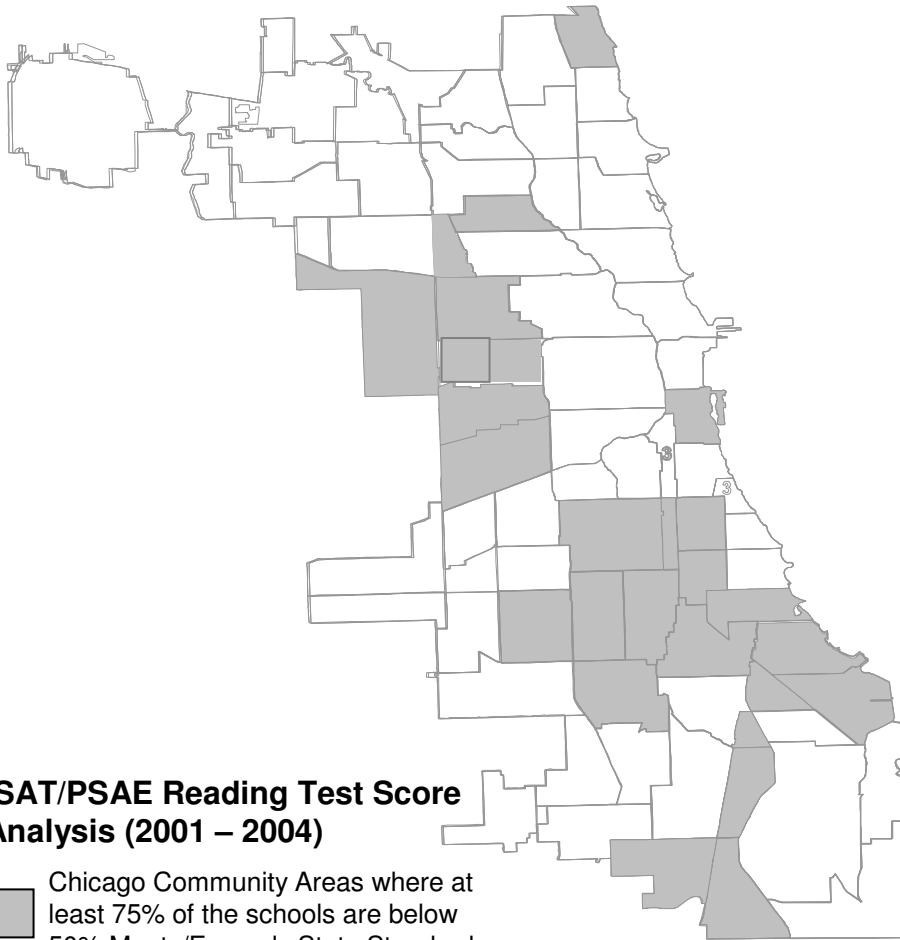
**Ren10 and RSF Overview**

April 2009

*Creating a New Market of Public Education*

# Renaissance 2010 launched as a partnership between Mayor Daley, Chicago Public Schools, and the Civic Committee of the Commercial Club of Chicago

## Pre-Ren10 State of Education



## Renaissance 2010 Strategy

- ▶ **Strategic Goal:** Transform Chicago public education through the creation of a new market of high performing autonomous public schools
  - Launch 100 new autonomous schools
  - Build demand for school choice
  - Develop pipeline of quality education providers
  - Drive systemic change in Chicago’s traditional public schools
- ▶ **Key Triggers:**
  - CPS closure of two low-performing schools (2002)
  - Civic Committee *Left Behind* report (2003)
  - Over 170 CPS schools on state academic warning list

# Ren10 schools are independent public schools with the opportunity for greater autonomy in exchange for more accountability

Autonomy
▶ <b>Freedom to implement school design and educational program</b> <ul style="list-style-type: none"><li>– Curriculum</li><li>– Professional Development</li><li>– Length of School Day / Year <sup>(1)</sup></li></ul>
▶ <b>Control over school finance and budget</b> <sup>(2)</sup>
▶ <b>Control over human resources</b> <sup>(3)</sup> <ul style="list-style-type: none"><li>– Teacher hire / fire authority</li><li>– Incentive Pay</li></ul>
▶ <b>Control over back office operations</b> <sup>(4)</sup> <ul style="list-style-type: none"><li>– Procurement</li><li>– Accounting</li><li>– IT &amp; data management</li></ul>
▶ <b>Ability to choose governance structure</b>



Accountability
▶ <b>5 year performance and accountability agreement with annual review</b>
▶ <b>Annual audit</b> <ul style="list-style-type: none"><li>– Financial</li><li>– Administrative code</li><li>– Health</li><li>– Safety</li></ul>
▶ <b>Annual performance reports</b> <sup>(5)</sup> <ul style="list-style-type: none"><li>– Pupil performance</li><li>– Fiscal management</li><li>– Compliance</li></ul>
▶ <b>Renewal Process</b>

Note: (1) Allowed for Charter and Contract schools, but requires waiver from Chicago Teachers Union for Performance schools.

(2) For Performance schools, teacher and staff salaries are based on CPS salaries schedules.

(3) For Performance schools, provisions subject to the Chicago Teachers Union Collective Bargaining Agreement.

(4) Autonomy on provided for Charter and Contract Schools. Performance Schools are required to use CPS administrative services.

(5) CPS currently only produces performance reports for charter schools.

# Ren10 school approval takes place in five key stages with a concentrated focus on quality - almost 75% of applicants are declined

## Renaissance 2010 Transformation Process



### Annual Process

- ▶ School closings announced in first quarter 2006
- ▶ RFP issued in second quarter
- ▶ Recruit local and national school operators with proven models of success
- ▶ Independent education management organizations submit Design Frameworks
- ▶ Only strong potential applications advanced to full proposal
- ▶ Over 90 CPS staff, local and national experts, and community representatives evaluate proposals
- ▶ CPS CEO announces approved schools to open the following September
- ▶ 10- 15 new schools will open in September of each year
- ▶ Performance evaluated against contract terms each year

**Average Annual Success Rate: 25-30%**

# The Renaissance Schools Fund was launched to function as the fundraising, strategic and accountability partner to the Renaissance 2010 initiative

## RSF Framework

*Launch spearheaded by \$2.5M challenge grant from the Searle Funds at The Chicago Community Trust*

### Venture Capital Investments

- ▶ Raise ~ \$500K in start-up funding for qualified schools
- ▶ Investments driven by national expert reviews and best practice criteria

### Market Creation

- ▶ Grow established and emerging new school operators
- ▶ Facilitate parent education and engagement through Parents for School Choice

### Full Circle Accountability

- ▶ Partner on RFP process to drive quality
- ▶ Monitor school progress through semi-annual reviews

## Impact to Date

### Major Resource Infusion

- ▶ Raised \$50M
- ▶ Supported the start-up of 65 Ren10 schools

### Student Achievement

- ▶ 70% of RSF schools outperform neighborhood comparison schools
- ▶ RSF schools perform 4% better in reading than their community comparisons and outpace district growth

### Demand

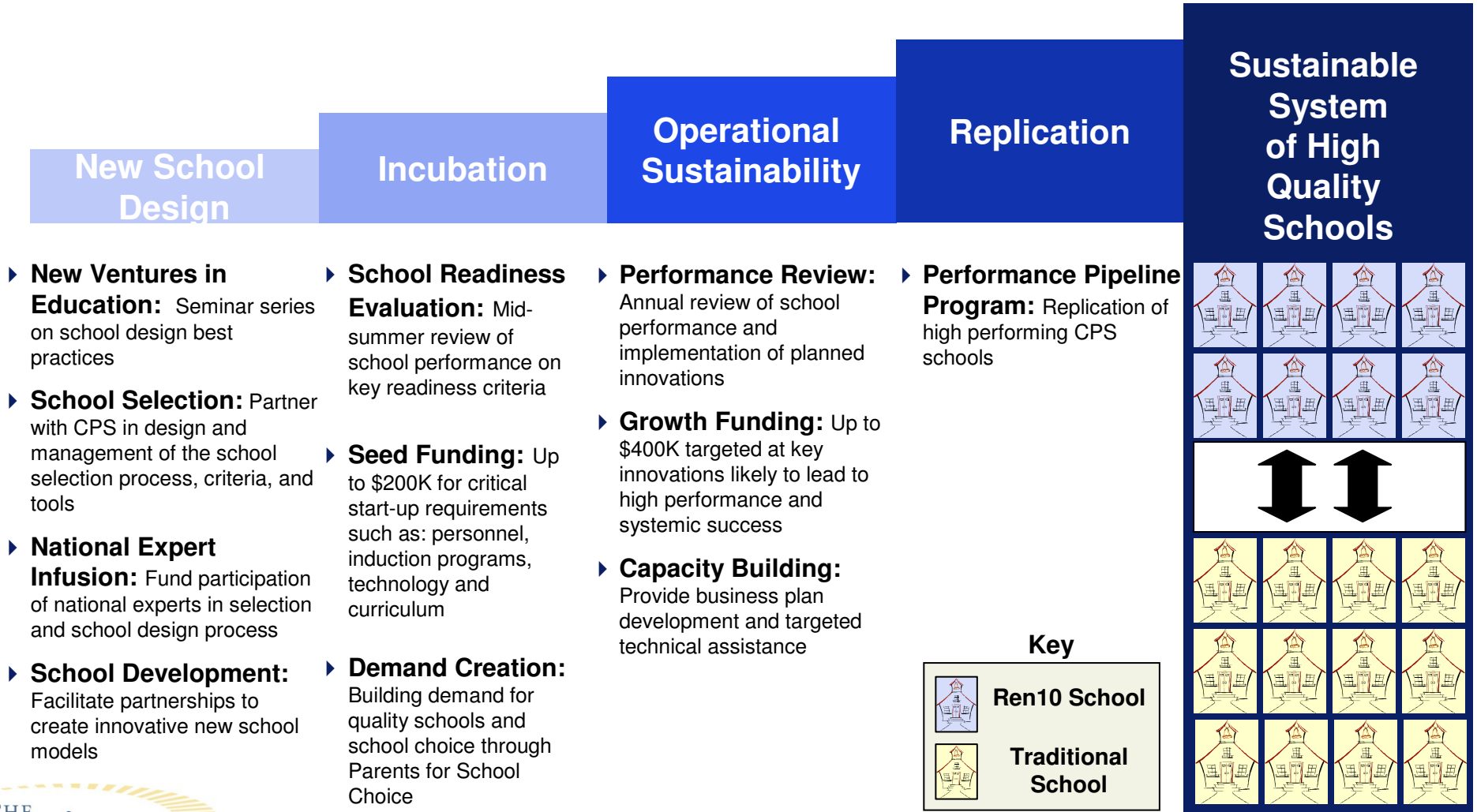
- ▶ RSF high schools are oversubscribed by 177%
- ▶ RSF Elementary schools are oversubscribed by 128%

### Attendance *(2006-07)*

- ▶ On average, RSF high schools had an **8%** higher attendance rate than CPS non-selective high schools (91% vs. 83%)

# RSF is actively impacting each stage of new school development in Chicago

## Path to Sustainable System of High Quality Schools



# To ensure high quality models are chosen, RSF partners with CPS to support an extensive school selection process

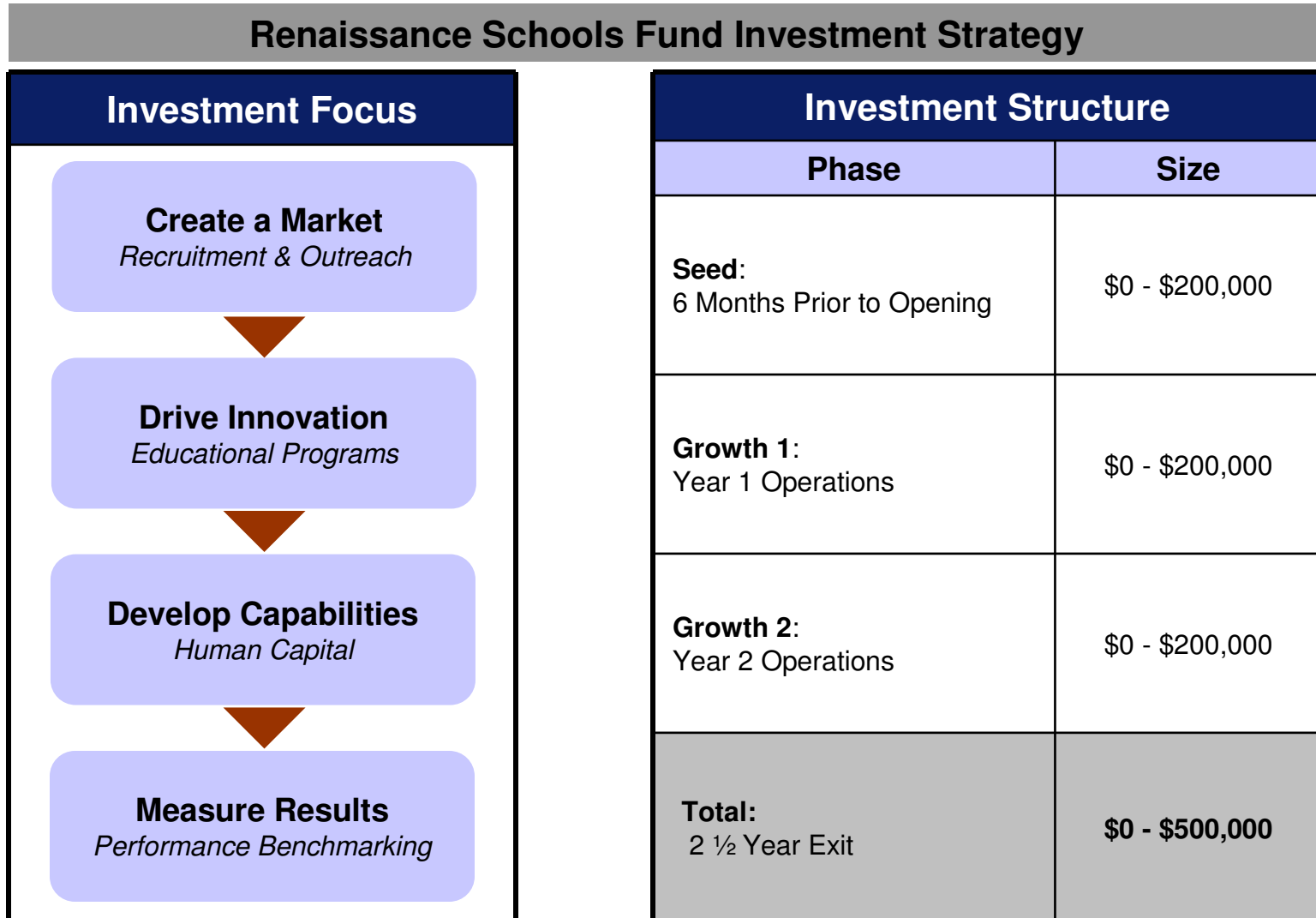
RSF Partners with CPS to:	
<b>Develop Objective Gated Evaluation Process</b>	<ul style="list-style-type: none"> <li>▶ Best practice based questions and rubrics</li> <li>▶ Quality based advancement through three separate evaluations</li> </ul>
<b>Comprehensive Evaluation Process</b>	<ul style="list-style-type: none"> <li>▶ Input from 50 local and national leaders in school design</li> <li>▶ Principal candidate assessment</li> <li>▶ Key proposal evaluation areas                             <ul style="list-style-type: none"> <li style="width: 50%;">– Education Model</li> <li style="width: 50%;">– Leadership &amp; Governance</li> <li style="width: 50%;">– Remediation Plan</li> <li style="width: 50%;">– Accountability Metrics</li> <li style="width: 50%;">– Professional Development</li> <li style="width: 50%;">– Budget/Operations</li> <li style="width: 50%;">– Community &amp; Parent Engagement</li> </ul> </li> </ul>
<b>Drive to Objective Based Decisions</b>	<ul style="list-style-type: none"> <li>▶ Integration of findings from all stakeholders</li> <li>▶ Independent determinations by CPS and RSF Boards</li> <li>▶ 32% of all applications approved</li> </ul>

Selection Criteria
<b>Choice &amp; Competition</b>
<b>Proven Education Program / Performance</b>
<b>Program Innovation</b>
<b>Entrepreneurial School Leadership</b>
<b>Sound Financial and Operational Strategy</b>
<b>Strong Governance Structure</b>

# Most critical RFP questions target the team's capacity to drive significant academic improvement and manage operations

Topic	Components
<b>Interim Assessments</b>	<ul style="list-style-type: none"> <li>▶ Which tests planned (NWEA/STEP)</li> <li>▶ Frequency of testing</li> <li>▶ Data evaluation process</li> <li>▶ Link to remediation, professional development and adjustments in instruction and curriculum</li> </ul>
<b>Professional Development</b>	<ul style="list-style-type: none"> <li>▶ Induction program</li> <li>▶ Ongoing hours per month</li> <li>▶ School schedule to support PD time</li> <li>▶ Link to interim assessments and teacher evaluations</li> <li>▶ Metrics to measure success</li> </ul>
<b>Curriculum</b>	<ul style="list-style-type: none"> <li>▶ Scope and sequence</li> <li>▶ Alignment with student body expected to serve</li> <li>▶ Research base/ proven results</li> </ul>
<b>Leadership</b>	<ul style="list-style-type: none"> <li>▶ Proven capacity to drive significant academic improvement with urban students</li> <li>▶ Experience with proposed innovations/ school model</li> <li>▶ Management experience</li> <li>▶ Operations/ finance expertise</li> </ul>
<b>Performance Goals</b>	<ul style="list-style-type: none"> <li>▶ Annual planned attainment for               <ul style="list-style-type: none"> <li>– Academic test scores and gains</li> <li>– Attendance</li> <li>– Graduation</li> <li>– College placement</li> <li>– Etc.</li> </ul> </li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>▶ Key skills of members</li> <li>▶ Members identified and prospects</li> <li>▶ Lack of conflicts of interest</li> <li>▶ Clear lines of authority</li> </ul>
<b>Finance</b>	<ul style="list-style-type: none"> <li>▶ Financially viable budget</li> <li>▶ Reasonable development goals</li> <li>▶ All proposed programs included</li> </ul>

# RSF invests in high quality schools and funds high impact leaders to increase student achievement and long term sustainability



# Appendix

# Strongest schools utilize data driven instruction programs and include proven education and operations expertise

## INVESTMENT REQUIREMENTS

CRITERIA	DESCRIPTION
<p><b>Strong education programs and proven curriculum</b></p>	<ul style="list-style-type: none"> <li>▶ High expectations permeate school culture and professional development plan; curriculum is research and standards based and targeted for urban environments; instructional methods address the diverse needs of the student population and set high achievement goals based on data</li> </ul>
<p><b>Program innovation and distinctiveness from traditional models</b></p>	<ul style="list-style-type: none"> <li>▶ School models utilize autonomies provided by Ren10 such as an extended day or year, merit based compensation, enhanced interim assessment programs linked to remediation, professional development and curriculum design</li> </ul>
<p><b>Entrepreneurial school leaders with strong performance records</b></p>	<ul style="list-style-type: none"> <li>▶ Historical performance shows capacity to lead a high quality school in an urban environment, to deliver significant academic gains with low performing students, to effectively manage school operations, and to design and implement innovative education programs</li> </ul>
<p><b>Sound financial and operational plans</b></p>	<ul style="list-style-type: none"> <li>▶ Budget is aligned with education programs and demonstrates long term sustainability; financial planning is based on realistic revenue and expenditure projections; financial control systems have clear lines of fiscal accountability; operations plan demonstrates capacity to address all necessary services</li> </ul>
<p><b>Consistent governance and a five-year performance agreement</b></p>	<ul style="list-style-type: none"> <li>▶ School governance structure is consistent over the five years of the school contract, is a Governing Board or Alternative Local School Council, and reflects the skills needed to ensure success</li> </ul>
<p><b>Choice and competition to families</b></p>	<ul style="list-style-type: none"> <li>▶ School model supports open-enrollment strategy, requires student/parent engagement through a non-competitive application process, and encourages multiple options for every Chicago Public School student</li> </ul>

# RSF staff and national experts partner to provide a broad array of Technical Assistance for Chicago schools

Technical Assistance Area	Focus
<p><b>Direct Programmatic Assistance</b></p>	<ul style="list-style-type: none"> <li>▶ Short engagements focused on a specific programmatic challenge such as: classroom management, operational processes, student recruitment, etc.</li> <li>▶ Includes               <ul style="list-style-type: none"> <li>– Site visit and evaluation</li> <li>– Recommended changes and implementation plan</li> <li>– Follow-up assistance and evaluations</li> </ul> </li> </ul>
<p><b>Strategic Planning/ Network Development</b></p>	<ul style="list-style-type: none"> <li>▶ Multi-month engagement to prepare promising networks for growth or to address significant challenges in emerging networks               <ul style="list-style-type: none"> <li>– Assessment of current academic program, CMO operations, finances and governance</li> <li>– Recommendations to address gaps</li> <li>– Growth plan including rate of replication and corresponding CMO development and financial requirements</li> </ul> </li> </ul>
<p><b>Replication</b></p>	<ul style="list-style-type: none"> <li>▶ Two year partnership with an emerging leader and a proven school model to               <ul style="list-style-type: none"> <li>– Dissect model and document core components</li> <li>– Design a second school building on the strengths of the first</li> <li>– Incubation and launch support</li> </ul> </li> </ul>

# RSF funded schools are eligible for funding in specific categories

## RSF Funding Categories

### ▶ Innovative Academic Programs

- Curriculum
- Specialized Materials (Technology)
- Specialized Materials (Non-Technology)

### ▶ Human Capital

- Planning Team Salaries and Benefits (maximum of \$170,000 for 3 positions)
- Professional Development
- Teacher Induction Program
- Specialized Staff

### ▶ Performance Based Assessment

- Student and School Academic Assessment Tools
- Teacher Evaluation Tools and Incentive Plans

### ▶ Recruitment

- Teachers and Student Recruitment (maximum of \$10,000 per period)
- Community Outreach (maximum of \$10,000 per period)

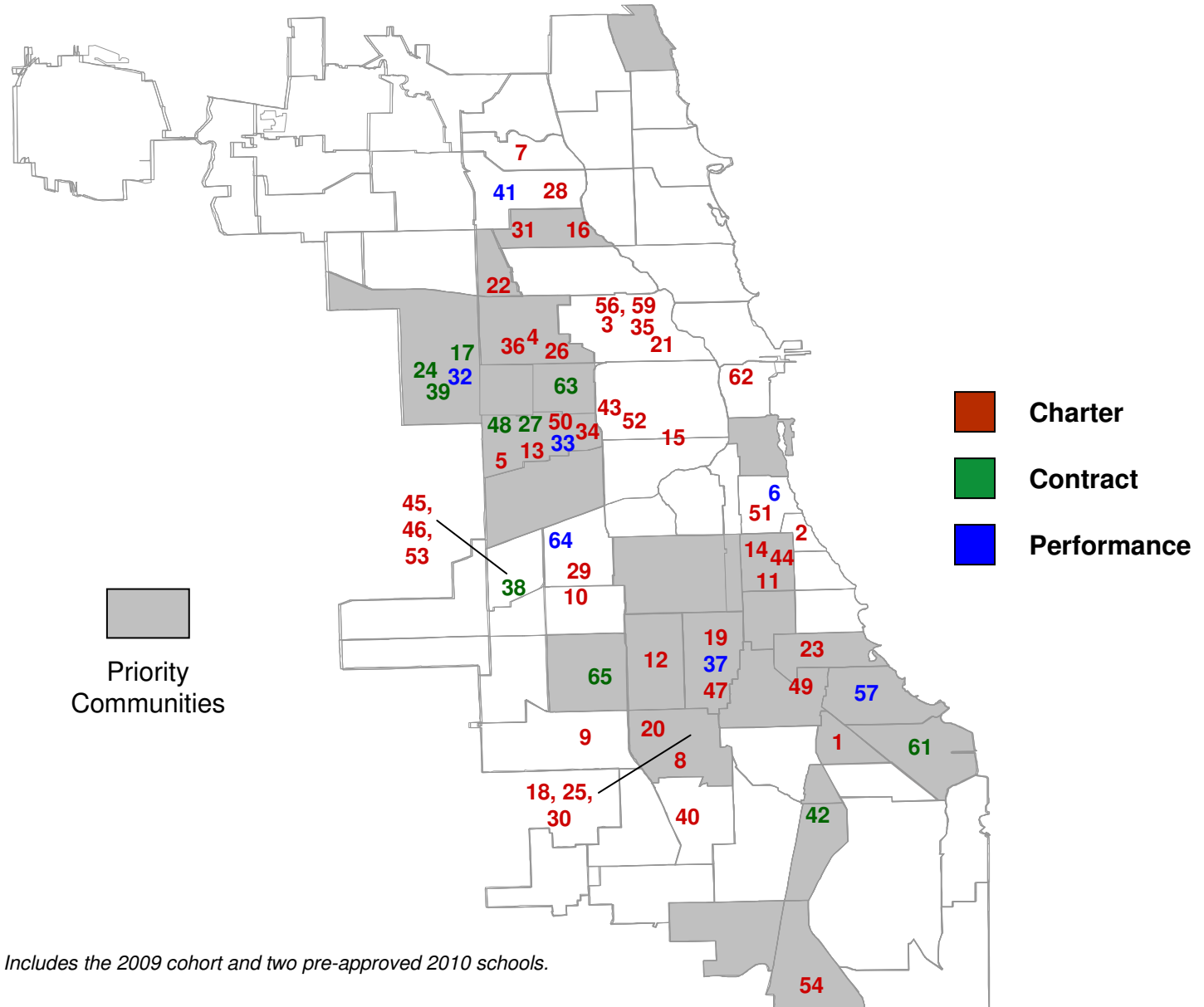
*RSF does not fund facilities or rent*

# RSF funds national experts to participate in evaluation interviews and infuse evaluations with national best practices

## INVESTMENT REQUIREMENTS

CRITERIA	ORGANIZATION	EXPERTISE
<b>Jim Ford</b>	Raza Development Fund	<ul style="list-style-type: none"> <li>▶ Underwrites numerous facility and expansion loans to charter schools and networks</li> <li>▶ Assists with charter school business plan development</li> </ul>
<b>Katie Graves</b>	Lighthouse Academies	<ul style="list-style-type: none"> <li>▶ Curriculum and instruction expert</li> <li>▶ Director of assessment at Lighthouse Academies</li> </ul>
<b>Michael Guinan</b>	Independent Consultant formerly with Replications Inc	<ul style="list-style-type: none"> <li>▶ Has overseen launch of 26 innovative schools in NY</li> <li>▶ National reviewer of new school applicants</li> </ul>
<b>Mary Hinton</b>	College Misericordia, formerly with Replications Inc	<ul style="list-style-type: none"> <li>▶ School Culture consultant</li> <li>▶ Has overseen the opening of more than 20 innovative public schools in NY</li> </ul>
<b>Margaret Lin</b>	National Association of Charter School Authorizers	<ul style="list-style-type: none"> <li>▶ Key player in Chicago's early charter school movement</li> <li>▶ National new schools consultant and evaluator</li> </ul>
<b>Jim Peyser</b>	NewSchools Venture Fund	<ul style="list-style-type: none"> <li>▶ Prior Chairman of the Massachusetts Board of Ed</li> <li>▶ Prior Under Secretary of Education and Special Assistant to the Governor for Charter Schools</li> </ul>
<b>Evan Rudall</b>	Uncommon Schools	<ul style="list-style-type: none"> <li>▶ CEO of one of the best performing elementary charter schools in the country</li> </ul>
<b>Jim Stone</b>	University of Louisville	<ul style="list-style-type: none"> <li>▶ Career Prep Expert</li> <li>▶ Director: National Research Center for Career and Technical Education</li> </ul>
<b>Phyllis Crain</b>	The Crossnore School	<ul style="list-style-type: none"> <li>▶ Fine Arts expert</li> <li>▶ Executive Director, fine arts school for children with families in crisis</li> </ul>

# RSF has helped launch a total of 65 schools that will serve more than 33,000 students at capacity <sup>(1)</sup>



Note (1): Includes the 2009 cohort and two pre-approved 2010 schools.