

AMEND BOARD REPORT NO. 02-0626-PR01
APPROVE EXERCISING THE SECOND OPTION TO EXTEND THE AGREEMENT
WITH OFFICE DEPOT AND AUTHORIZE USE OF READY COMPUTER SOURCE INC.
FOR THE PURCHASE OF OFFICE SUPPLIES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the second option to extend the agreement with Office Depot and authorize the use of Ready Computer Source, Inc. for the purchase of office supplies for use by all departments and schools at a cost not to exceed \$8,500,000. This These contracts is are subject to the Board's Strategic Sourcing Policy. A written document exercising this option is currently being negotiated. No payment shall be made to vendor Office Depot during the option period prior to the execution of the written document. The authority granted herein shall as to Office Depot shall automatically rescind in the event a written document is not executed within 60 days of the date of this Board Report. Information pertinent to this option is stated below.

This amendment is necessary to add Ready Computer Source, Inc. as a vendor for office supplies. Ready Computer Source, Inc. was selected pursuant to a bid solicitation process initiated by the City of Chicago, Department of Purchases, Contracts and Supplies. A written agreement for office supplies has been entered into by Ready Computer Source, Inc. and the City (Contract No. T061503001), which contract grants the Board the right to purchase directly from Ready Computer Source, Inc. via purchase orders.

SPECIFICATION NO: 00-250488

VENDORS:	<p><u>1. Office Depot</u> Attn: Steve Purgatorio District Sales Manager 515 Kehoe Avenue Carol Stream, Illinois 60188 (800) 651-4624 Ext. 4452 Vendor No. 14360</p>	<p><u>2. Ready Computer Source, Inc.</u> Attention: Richard Smith President 2040 North Ashland Avenue Chicago, Illinois 60614 (773) 486-9000 Vendor No. 46934</p>
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USER:

All Departments and schools of the Board of Education of the City of Chicago
 C/o Department of Procurement and Contracts
 125 S. Clark
 10th Floor
 Aileen Velazquez/773-553-2280

ORIGINAL AGREEMENT WITH OFFICE DEPOT: The original contract (authorized by Board Report 00-0628-PR3) in an amount not to exceed \$7,000,000 is for a term commencing July 1,2000 and ending June 30,2001, with the Board having four (4) options to extend the agreement for one (1) year periods. The agreement was extended (authorized by Board Report 01-0523-PR1) in the amount of \$7,000,000 for a term commencing July 1,2001 and ending June 30, 2002. The original contract was awarded pursuant to a duly advertised bid solicitation (Specification No. 00-250488).

OPTION PERIOD FOR OFFICE DEPOT: The term of this agreement is being extended for (1) year commencing July 1,2002 and ending June 30, 2003.

OPTION PERIODS REMAINING FOR OFFICE DEPOT: There are two (2) option periods remaining for one (1) year each.

TERM OF AGREEMENT WITH READY COMPUTER SOURCE, INC: The term of the agreement between the City and Ready Computer Source, Inc. commenced December 22, 2000 and ends December 21, 2003.

COMPENSATION: Vendors shall be paid upon receipt of invoices, not to exceed \$8,500,000.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written option document with Office Depot. Authorize the President and Secretary to execute the option document with Office Depot.

AFFIRMATIVE ACTION FOR OFFICE DEPOT: The M/WBE goals for Office Depot include: 26% total MBE, and 5% total WBE.

However, the Waiver Review Committee recommends that a **conditional partial waiver** of the M/WBE goals for this contract be granted due to good faith efforts based on the Corporate Sponsorship Plan for M/WBE credit outlined in the Vendor's letter dated April 19, 2002.

The vendor has, however, identified and scheduled the following firms and percentages:

Total MBE 1.65%

Total 1.65 % African American:

American Products Distributors 7000 So. Chicago Ave. Chicago IL 60637
\$140,000.00 1.65% Certification expires 1/31/03

Total WBE .41 %

B & L Distributors P.O Box 295 Argo, IL 60501
\$25,000.00 or .29 % Certification expires 6/30/02

Pointe Writing Co. 2137 Hammond Dr. Schaumburg, IL 60173
\$10,000.00 or .12% Certification expires 11/30/02

The City of Chicago Department of Procurement Services certifies each identified firm. The identified firms are subject to change upon approval from the Procurement and Contract's Division of Compliance and Vendor Services without further Board approval.

AFFIRMATIVE ACTION FOR READY COMPUTER SOURCE, INC.: This vendor is an African American MBE vendor.

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

FINANCIAL: Charge to Various Departments
Fiscal Year: 2003
Source of Funds: Various

GENERAL CONDITIONS:

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

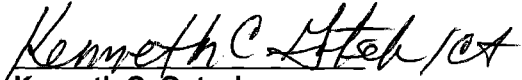
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Anita Rocha
Acting Chief Purchasing Officer

Within Appropriation:



Kenneth C. Gotsch
Chief Fiscal Officer

Approved:



Arne Duncan
Chief Executive Officer

Approved as to legal form



Marilyn F. Johnson
General Counsel