

**RATIFY EXERCISING THE FIRST OPTION AND APPROVE EXERCISING THE SECOND OPTION TO
EXTEND THE AGREEMENT WITH HENRICKSEN & COMPANY FOR THE PURCHASE OF
HON, ALLSTEEL, AND WORKRITE OFFICE WORKSTATION PRODUCTS**

THE CHIEF EXECUTIVE OFFICE REPORTS THE FOLLOWING DECISION:

Ratify exercising the first option and approve exercising the second option to extend the agreement with Henricksen & Company for the purchase of Hon, Allsteel and Workrite Office Workstation Products to the Department of Operations at a cost for the option period not to exceed \$700,000. A written document exercising the option is currently being negotiated. No payment shall be made to Vendor during the option period prior to the execution of the written document. The authority granted herein as to the option shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to these options is stated below.

Specification No.: 03-250239

VENDOR: Henricksen & Company
1070 W. Ardmore Ave.
Itasca, IL 60143
Fran Piehl
(630) 250-9090
Vendor # 26291

USER: Department of Operations
125 South Clark-16th Floor
Chicago, IL 60603
Rebecca Grespan
(773) 553-2909

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report # 04-0225-PR4) in the amount of \$300,000 was for a term commencing February 1, 2004 and ending January 31, 2005, with the Board having two options to extend for additional one-year terms. The original agreement was awarded on a competitive basis pursuant to a duly advertised Bid Solicitation (Specification # 03-250239).

OPTION PERIOD: The first and second options to extend shall be exercised simultaneously and the term of the agreement shall be extended for two years commencing February 1, 2005 and ending January 31, 2007.

OPTION PERIODS REMAINING: There are no option periods remaining.

DESCRIPTION OF PURCHASE:

Goods: various HON, Allsteel and Workrite Office Workstation Products
Quantity: as ordered by the Department of Operations
Unit Prices: as indicated in the contract

DELIVERABLES: Vendor will continue to provide Chicago Public Schools with workstation products.

OUTCOMES: Vendor's services will result in quality workstation products.

COMPENSTATION: During the option period, Vendor shall be paid for items actually ordered in accordance with the unit prices contained in the written agreement in an amount not to exceed \$700,000.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written option agreement. Authorize the President and Secretary to execute the option agreement. Authorize the Chief Operating Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: This contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan).

The M/WBE goals for the contract are: 26% total MBE, 16% total African American, 7.5% total Hispanic, 2% total Asian and 5% total WBE.

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

Total MBE% - 26%

Total African American – 7.5%

Leeway Technology, Inc.
439 East 31st Street, Suite 216
Chicago, Illinois 60616
Awarded 7.5% certified through 11/01/2005

Total Hispanic – 18%

Workplace Concepts
226 S. Wabash Avenue
Chicago, Illinois 60604
Awarded 18% certified through 12/31/05

Total Asian – 2%

Systems Unlimited
1350 W. Bryn Mawr
Itasca, Illinois 60143
Awarded 2% certified through 11/31/05

Total WBE% - 5%

TBD
Awarded 5%

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

FINANCIAL: Charge to Operations: \$400,000- 0948-464-000-9546-5400
\$300,000- 0948-467-000-9546-5731
Fiscal Year: FY05&FY06
Source of Funds: Capital Funds

GENERAL CONDITIONS:

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

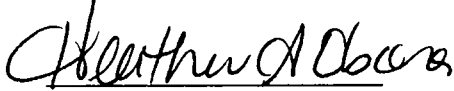
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

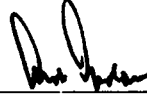
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Heather A. Obora
Chief Purchasing Officer

Approved:



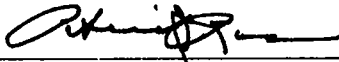
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to legal form: 



Patrick J. Rocks
General Counsel