

APPROVE ENTERING INTO AGREEMENTS WITH OFFICE DEPOT, INC. AND SCHOOL SPECIALTY, INC. FOR THE PURCHASE OF EDUCATIONAL SUPPLIES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into agreements with Office Depot, Inc. and School Specialty, Inc. for the purchase of Educational Supplies by all area instructional offices, central office departments, and schools, at a cost not to exceed \$12,000,000 for the initial twenty four months. Vendors were selected on a competitive basis in accordance with the Board Rule 5-4.1 pursuant to a duly advertised Bid Solicitation (Specification No.: 05-250063). These agreements are subject to the Board's Strategic Sourcing Policy. Written agreements for this purchase are available for signature. No goods may be ordered or received and no payment shall be made to Vendors prior to the execution of the written agreements. The authority granted herein shall automatically rescind as to each vendor in the event a written document is not executed by such vendor within 90 days of the date of this Board Report. Information pertinent to these agreements is stated below.

Specification Number: 05-250063

VENDORS:	<p>1. Office Depot, Inc. 2200 Old Germantown Road Delray Beach, FL 33445 Contact person: Bob Peluso 312 345-0805 Vendor No.: 14360</p>	<p>2. School Specialty, Inc. W 6316 Design Drove Greenville, WI 54942 Contact person: Sam Kuhlman 630 241-0816 Vendor No.: 26218</p>
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USER: All Schools, areas, and central office departments
C/o Department of Procurement and Contracts
125 South Clark, 10th Floor
Contact Person: Martha Escareno,
(773) 553-2284

TERM: The term of each agreement shall commence on July 26, 2006 and will end twenty four (24) months thereafter. Each agreement shall have two (2) options to renew by the Board for a period of 24-months each at the prices specified in the agreements.

EARLY TERMINATION RIGHT: The Board shall have the right to terminate each agreement with 30 days written notice.

SCOPE OF SERVICES: Vendors will provide educational and associated supplies to schools, area instructional office and central office departments at prices specified in the agreements.

OUTCOMES: This purchase will result in the availability of educational and associated supplies for instructional and administrative use.

COMPENSATION: Vendors shall be paid in accordance with the unit prices and discount percentages contained in their agreement; not to exceed the sum of \$6,000,000 per year in the aggregate for all vendors.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreements. Authorize the President and Secretary to execute the agreements. Authorize the Chief Purchasing 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 participation goals for the contract include: 15% total MBE and 5% total WBE.

The vendors have identified and scheduled the following firms and percentages:

Office Depot

Total MBE – 15%

Merchandise Distributors (AA)
4253 North Kedzie Ave.
Chicago, Illinois 60618 certified through 05/01/2007

Total WBE – 5%

Advantus Corp – 2.5%
12276 San Jose Blvd.
Suite 115
Jacksonville, Florida 32223 certified through 09/14/2006

Baumgarten's – 2.5%
144 Ottley Drive
Atlanta, Georgia 30324 certified through 04/30/2007

School Specialty

Total MBE – 15%

Pointe International Company (A) – 10%
880 Remington Road
Schaumburg, Illinois 60173 certified through 12/01/2006

Educational Specialties (AA) – 5%
9923 S. Wood Street
Chicago, Illinois 60643 certified through 09/01/2006

Total WBE – 5%

B & L Distributors – 2.5%
7808 College Drive
Suite 4NE
Palos Heights, Illinois 60463 certified through 09/01/2006

Harrison & Company – 2.5%
970 N. Oak Lawn
Elmhurst, Illinois 60124 certified through 09/01/2006

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

FINANCIAL: Charge to various schools and central office departments
Fiscal Year: 2006-2007
Budget Classification: 5730-Equipment, 5320-Supplies, 5310-Instructional Supplies
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 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.

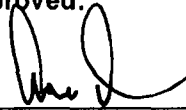
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation

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 Rocks
General Counsel