

**APPROVE EXTENDING THE AGREEMENT WITH BANK OF MONTREAL/HARRIS BANK FOR  
PROCUREMENT CARD PROGRAM (REVENUE GENERATING)**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve extending the agreement with Bank of Montreal/Harris Bank to provide procurement card services for the Department of Procurement and Contracts at no cost to the Board. This contract is revenue generating and is expected to provide approximately \$86,000 revenue to the Board during the extension. A written extension document is currently being negotiated. No payment shall be made to the Bank during the extension period prior to the execution of the written document. The authority granted herein 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 this extension is stated below.

Specification Number : 04-250190  
Contract Administrator : Nanzi Flores / 773-553-2273

**VENDOR:**

- 1) Vendor # 50112  
HARRIS BANK 1  
P O BOX 755  
CHICAGO, IL 60690  
Craig MacNaughton  
312-461-6204

**USER:**

Office of Contracts and Procurement  
125 South Clark Street 10th Floor  
Chicago, IL 60603

Contact : Lee Saulter  
Phone: 773-553-3294

**ORIGINAL AGREEMENT:**

The original Agreement (authorized by Board Report 05-0928-PR1) is for a term commencing September 29, 2005 and ending September 28, 2007, with an automatic renewal for a period of three (3) years. The agreement automatically renewed for a three- year period commencing September 29, 2007 and ending September 28, 2010. The original agreement was awarded on a competitive basis pursuant to Board Rule 5-4.1.

**OPTION PERIOD:**

The term of this agreement is being extended for a period commencing September 29, 2010 and ending December 31, 2010.

**OPTION PERIODS REMAINING:**

There are no option periods remaining.

**SCOPE OF SERVICES:**

Harris Bank will continue to provide Procurement Card Services to the Board. These services will include Procurement Cards for authorized Board employees, virtual accounts as a payment option for selected Board vendors and access to the BMO (Bank of Montreal) details online website for account information, activation and reports.

**DELIVERABLES:**

Harris Bank will provide the following:  
Issuance of Procurement Cards to authorized School and Central Office personnel;  
Daily electronic transmission of card transactions for the Board for Oracle submission;  
Electronic and paper account statement;  
Quarterly account review report; and,  
Revenue sharing based upon sales volume.

**OUTCOMES:**

Harris Bank's Procurement Card services will result in: i) an efficient procurement and payment process for authorized Board personnel using Point of Sale (POS) cards and selected Board vendors, and ii) projected revenue of approximately \$86,000 to the Board from these transactions during the extended term.

**COMPENSATION:**

Harris Bank will not receive any payment or fees for Procurement Card services provided to the Board.

**AUTHORIZATION:**

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

**AFFIRMATIVE ACTION:**

Pursuant to Section 5.2 of the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services contracts, this agreement is exempt from MBE/WBE compliance review, as it is a revenue generating agreement and comes at no cost to the Board.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Revenue will be credited to expenditures generated from the Procurement Card in various CPS Oracle funds.

**CFDA# :** Not Applicable

**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.

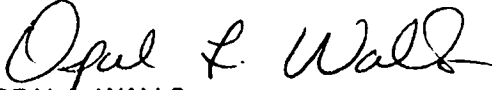
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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



OPAL L. WALLS  
Chief Purchasing Officer

Approved:



RON HUBERMAN  
Chief Executive Officer

Within Appropriation:



DIANA S. FERGUSON  
Chief Financial Officer

Approved as to Legal Form:



PATRICK J. ROCKS  
General Counsel