

**APPROVE EXERCISING THE OPTION TO EXTEND THE AGREEMENT WITH
CHARTWELLS/THOMPSON HOSPITALITY, A DIVISION OF COMPASS GROUP USA, INC. FOR
MEAL SERVICES IN REGIONS 3,5, AND 6**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the option to extend the agreement with Chartwells/Thompson Hospitality, a division of Compass Group USA, Inc. to provide meal services to the Department of Operations at a cost for the renewal period not to exceed \$25,430,425.75. A written extension document is currently being negotiated. No payment shall be made to Vendor during the extension period prior to the execution of the written extension agreement. The authority granted herein shall automatically rescind in the event a written extension agreement is not executed within 60 days of the date of this Board Report. Information pertinent to this extension is stated below.

SPECIFICATION NO.: 00-250346

VENDOR: Chartwells/Thompson Hospitality, a division of Compass Group USA, Inc.
3 International Dr.
Rye Brook, NY 10573
Contract Person: Keith T. Cullinan
(914) 935-5504
Vendor # 31351

USER: Department of Operations/ Food Services & Warehousing
125 South Clark Street, 16th Floor
Contact Person: Sue Susanke
553-2833

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 00-0426-PR2) is for a term commencing June 19, 2000 and ending June 18, 2001, with the Board having the option to extend the contract for four additional 12 month periods. The original agreement was awarded pursuant to a duly advertised Bid Solicitation (Specification # 00-2500346).

OPTION PERIOD: The term of this agreement is being extended for a term commencing on June 19, 2001 and ending June 18, 2002.

OPTION PERIODS REMAINING: There are three additional 12 month periods remaining.

SCOPE OF SERVICES: Vendor shall continue to provide meal services in approximately 450 schools in Regions 3,5 and 6. The vendor shall continue to supply all food, except fluid milk, that must meet or exceed U.S. Department of Agriculture (USDA) requirements, as appropriate, for the Child Nutrition School Lunch and Breakfast Program, Child and Adult Care Food Program, Summer Feeding Program, and any additional feeding program added through the contract period.

DELIVERABLES: Vendor shall continue to supply breakfast, lunch, and after-school snacks.

OUTCOMES: Vendor services will result in nutritious and appealing meals that meet federal, state and local regulations.

COMPENSATION: Vendor shall be paid the invoiced amount 30 days after receipt, not to exceed \$25,430,425.75.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement.

AFFIRMATIVE ACTION: Vendor agrees to comply with and be bound by the provisions of the Revised Remedial Plan for Minority and Women Business Enterprise Economic Participation (M/WBE Plan).

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

FINANCIAL: Charge to Foodservices & Warehousing: \$25,430,425.75
Fiscal Year: FY02
Budget Classification: 0941-270-000-7050-5340
Source of Funds: Lunchroom Fund

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.

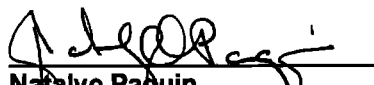
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted 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).

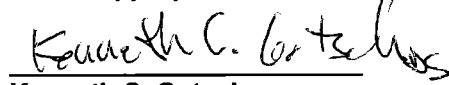
Approved for Consideration:

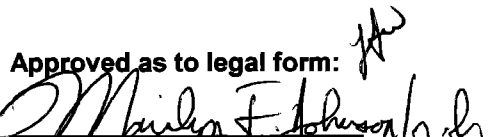

Natalye Paquin
Chief Purchasing Officer

Approved:


Paul G. Vallas
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form: 
Marilyn F. Johnson
General Counsel