

**APPROVE EXERCISING THE 2ND OPTION TO EXTEND THE AGREEMENT
WITH SMITHKLINE BEECHAM PHARMACEUTICALS**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the 2nd option to extend the agreement with SmithKline Beecham Pharmaceuticals to provide Bloodborne Pathogens consulting services to the Department of Human Resources, Bureau of Employee Health Services, at a cost for the option period not to exceed \$792,000.00. A written document exercising this option is currently being negotiated. No payment shall be made to Consultant during the option 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 option is stated below.

Contract No.: 99-250427

CONSULTANT:

SmithKline Beecham Pharmaceuticals
310 E. 89th Place
Chicago, IL 60619
Marilyn Broady
(773) 651-7448
Vendor #: 18861

USER:

Department of Human Resources
Bureau of Employee Health Services
125 S. Clark St., 2nd Floor
Wendy Haas
(773) 553-1185

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 99-1117-PR23) is for the term commencing March 22, 2000 and ending July 31, 2000 with the Board having two options to renew the agreement for one year periods. The first option was exercised for one year (authorized by BR 00-0726-PR26), for the term commencing August 1, 2000 and ending July 31, 2001, in the amount of \$855,000.00.

OPTION PERIOD: The agreement is being renewed for 1 year commencing August 1, 2001 and ending July 31, 2002.

OPTION PERIODS REMAINING: There are no option periods remaining.

SCOPE OF SERVICES: Consultant shall continue to provide training; administer Hepatitis B vaccine; assist Employee Health Services with record keeping; create procedures for post exposure evaluations, follow-ups and reporting, and any other duties as specified in the agreement.

DELIVERABLES: Consultant shall continue to provide training in accordance with the final Exposure Control Plan to all employees who are identified as occupationally exposed; make available and administer Hepatitis B vaccinations and profile program and arrange handling of regulated medical waste disposal.

OUTCOMES: Chicago Public Schools will come into compliance with the Bloodborne Pathogens Standard which is a regulation of the Federal Occupational Safety and Health Administration and The Illinois Department of Labor.

COMPENSATION: During the option period SmithKline Beecham shall be paid at the same rates as currently in the agreement, with the maximum compensation payable during the option period not to exceed \$792,000.00.

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

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 Department of Human Resources: \$792,000.00
Budget Classifications: 0710-210-000-3420-5410 - \$160,000.00
0710-215-000-3420-5410 - \$632,000.00
Purchase Order Number: 905161

Fiscal Year: 2001
Source of Funds: General Fund
Fiscal Year: 2000
Source of Funds: Worker's
Compensation Act

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:


Natalie Paquin
Chief Purchasing Officer

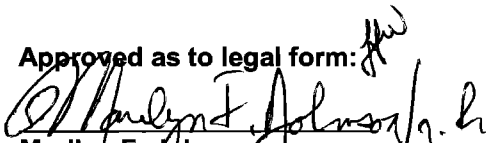
Approved:


Paul G. Vallas
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:


Marilyn F. Johnson
General Counsel