

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT  
WITH SCHOOL SPECIALTY, INC. FOR THE PURCHASE OF EDUCATIONAL SUPPLIES**

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

Approve exercising the first option to renew the agreement with School Specialty, Inc. for the purchase of educational supplies for use by all departments and schools of the Board at a cost not to exceed \$6,000,000.00. A written document exercising this 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 shall automatically rescind in the event a written document is not executed within 60 days of the date of this Board Report. Information pertinent to this option is stated below.

**SPECIFICATION NO.: 00-250528**

**VENDOR:**

School Specialty, Inc.  
100 North Bluemound Drive  
Appleton, WI 54914  
Vendor No. 26218  
Contact Person: Sam Kuhlman (773) 665-4107

**USER:**

All Departments and Schools of the Board of Education of the City of Chicago  
Department of Procurement & Contracts  
125 South Clark Street – 10<sup>th</sup> Floor

**ORIGINAL AGREEMENT:** The original bid/contract (authorized by Board report 00-0927-PR9) is for a period commencing October 1, 2000 and ending September 30, 2001, with the board having 4 options to renew the bid/contract for additional one year periods upon the same terms and prices in the bid/contract. The original bid/contract was awarded on a competitive basis.

**OPTION PERIOD:** This agreement is being renewed for a one year period commencing October 1, 2001 and ending September 30, 2002.

**COMPENSATION:** Vendor shall be paid as periodic invoices are submitted and verified in amounts identified in their bid/contract, not to exceed \$6,000,000.00 during the option period.

**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:** The vendor has proposed full M/WBE compliance for the renewal period and has identified the following firms and percentages:

5% African American: Educational Specialties – 9923 So. Wood Street, Chicago, IL.	\$ 300,000.00 - 5%
21% Asian Pointe Writing Company – 2137 Hammond Dr., Schaumburg, IL	\$1,260,000.00 - 21%
5% WBE B & L Distributors – 7808 College Dr., Palos Heights, IL	\$ 300,000.00 - 5%

The City of Chicago Department of Purchases Contracts and Supplies has certified each identified firm. The identified firms are subject to change upon approval from the division of Compliance and Vendor Services in the Procurement and Contracts Department without further Board approval.

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

**FINANCIAL:** Charge to Various Departments  
Fiscal Year: 2002  
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.

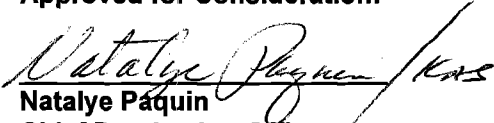
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

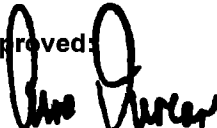
Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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.

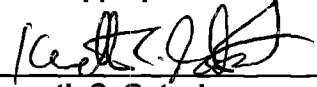
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

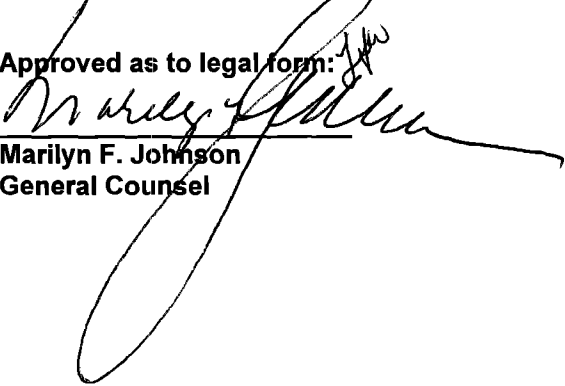
**Approved for Consideration:**

  
Natalye Paquin  
Chief Purchasing Officer

**Approved:**  
  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
Kenneth C. Gotsch  
Chief Fiscal Officer

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