

**APPROVE ENTERING INTO AN AGREEMENT WITH IKON MANAGEMENT, L.L.C.
FOR MAILROOM SERVICES AND EQUIPMENT RENTAL**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with IKON Management, L.L.C. for mailroom services and equipment rental for the 125 South Clark Street building for the Department of Operations at a cost not to exceed \$580,312.60 for a 14 month term. Vendor was selected on a non-competitive basis because it is necessary to secure Vendor's mailroom services for a term which is coterminous with the amortization of the rental and usage of Vendor's mailroom equipment. A written agreement for Vendor's services is currently being negotiated. No payment shall be made to Vendor prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written document is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this agreement is stated below.

SPECIFICATION NO.: 02-250103

VENDOR: IKON Management Services
101 North Wacker Drive, 17th Floor
Chicago, Illinois 60606
Contact: John Lonsert
Telephone No.: (312) 252-4508
Vendor No.: Pending

USER: Department of Operations
125 South Clark Street
Chicago, Illinois 60603
Telephone No.: (773) 553-2900
Contact: Tim Martin, Chief Operating Officer

TERM: The term of this agreement shall commence July 1, 2002 and end August 31, 2003.

SCOPE OF SERVICES: Vendor shall provide the following mailroom and receiving room services: (i) USPS daily mail pick-up; (ii) internal/outbound mail runs two (2) times per day; (iii) back-up support from IKON's field support staff; (iv) daily tracking/delivery of all accountable mail; (v) daily processing and cost analysis of all outbound accountable mail; and (vi) black and white copy services for up to 50,000 images per month. IKON will provide all copier and mail equipment for all of its services, including maintenance, repairs and supplies.

DELIVERABLES: IKON shall provide ten (10) full-time IKON employees to be on duty Monday - Friday at 125 South Clark Street.

OUTCOMES: The Board shall receive quality mailroom and receiving room services for the 125 South Clark Street Building.

COMPENSATION: IKON shall be paid the monthly fee of \$41,450.90; total compensation not to exceed \$580,312.60.

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. Authorize the Chief Operating Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: Due to insufficient Board Report processing time an M/WBE review has not been performed. M/WBE commitment will be pursued.

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

FINANCIAL: Charge to the Department of Operations: \$580,312.60 FY03
Budget Classification: 0645-552-000-4462-5400

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, is hereby 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, is hereby 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:


Anita Rocha
Acting Chief Purchasing Officer

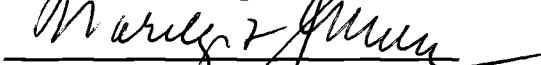
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to Legal Form:


Marilyn F. Johnson
General Counsel