

**APPROVE EXERCISING THE SECOND 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 second option to renew the agreement with School Specialty, Inc. for the purchase of educational supplies in the following categories: Sports Supplies, Teachers' Aids and Early Childhood, for use by all departments and schools of the Board at a cost not to exceed \$6,000,000.00. This contract is subject to the Board's Strategic Sourcing Policy. 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  
Aileen Velazquez (773) 553-2280

**ORIGINAL AGREEMENT:** The original contract (authorized by Board Report 00-0927-PR9) was for a period commencing October 1, 2000 and ending September 30, 2001, with the board having four (4) options to renew for periods of one (1) year each upon the same terms and prices in the original written contract. The original contract was awarded pursuant to a duly advertised competitive bid process. The first option to renew was exercised for a period of one year commencing October 1, 2001 ending September 30, 2002 (authorized by Board Report (01-0927-PR2)).

**OPTION PERIOD:** This agreement is being renewed for a one-year period commencing October 1, 2002 and ending September 30, 2003.

**COMPENSATION:** Vendor shall be paid as periodic invoices are submitted and verified in amounts identified in their original 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:** This contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The M/WBE participation goals for the contract include: 26% total MBE and 5% WBE.

The vendor has identified and scheduled the following firms and percentages:

Total MBE 26%	
Total 5% African American:	
Educational Specialties – 9923 So. Wood Street Chicago, IL. 60643 Certification period 5/31/07	\$ 300,000.00 - 5%
Total 21% Asian	
Pointe Writing Company – 2137 Hammond Dr. Schaumburg, IL 60173 Certification period 5/31/07	\$1,260,000.00 - 21%

Total 5% WBE

B & L Distributors – 7808 College Dr  
Palos Heights, IL 60463  
Certification period 9/12/02

\$ 300,000.00 - 5%

The City of Chicago Department of Procurement Services certifies each identified firm. The identified firms are subject to change upon approval from the Procurement and Contract's Division of Compliance and Vendor Services without further Board approval.

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

**FINANCIAL:** Charge to Various Departments  
Fiscal Year: 2003  
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).

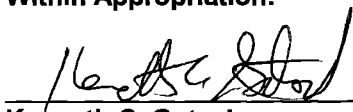
**Approved for Consideration:**

  
Anita Rocha *by TV*  
Acting Chief Purchasing Officer

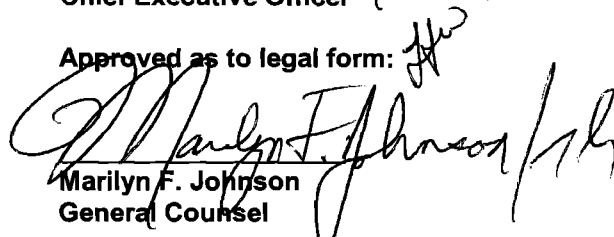
**Approved:**

  
Arne Duncan *by PAT*  
Chief Executive Officer

**Within Appropriation:**

  
Kenneth C. Gotsch  
Chief Fiscal Officer

**Approved as to legal form:**

  
Marilyn F. Johnson  
General Counsel