

**APPROVE ENTERING INTO AN AGREEMENT WITH
STEVEN NEMEROVSKI FOR CONSULTING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Stephen Nemerovski to provide consulting services to the Office of School Financial Services at a cost not to exceed \$50,000. Consultant's was selected on non-competitive basis due to the consultant's extensive and unique experience in the legislative process. A written agreement is currently being negotiated. No services shall be rendered and no payment shall be made to the Consultant prior to the execution of the written option agreement. The authority granted herein shall automatically rescind in the event a written option agreement is not executed within 60 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification No.: 03-250051

CONSULTANT: Steven Nemerovski
One IBM Plaza
Suite 3000
Chicago, IL 60611
312/755-3161
Vendor # 93655

USERS: Office of School Financial Services
125 South Clark Street
Chicago, IL 60603
Kenneth C. Gotsch
773-553-2700

Office of Management and Budget
125 South Clark Street
Chicago, IL 60603
John Maiorca
773-553-2590

Office of Specialized Services
125 South Clark Street
Chicago, IL 60603
Sue Gamm
773-553-1800

Department of Finance
125 S. Clark Street
Chicago, IL 60603
Daryl Okrzesik
773-553-2710

TERMS OF AGREEMENT: The agreement shall commence upon execution of the contract and shall end one year thereafter, with two options to renew for periods of one year each.

SCOPE OF SERVICES: The consultant will serve as a consultant for the Chicago Public Schools on administrative and regulatory issues in state agencies and departments. Consultant will continue to coordinate his efforts on behalf of the Office of Specialized Services, Management and Budget Office of School Financial Service, and Department of Finance.

DELIVERABLES: In addition to reviewing administrative and regulatory issues currently underway, Consultant will be proactive on future administrative matters affecting the Chicago Public Schools and in developing materials and coordinating information to educate the legislature on Chicago Public Schools' role in social services.

OUTCOMES: Consultant's efforts will result in simplifying Medicaid administrative processes through favorable legislation, and expanded interpretations of the law to allow for more Medicaid funding for more of our students, and health and social services. Consultant's efforts will also result in increased legislative support for CPS' financial requirements.

COMPENSATION: Consultant shall be paid as follows: On a monthly basis, upon receipt of invoice, not to exceed the sum of \$50,000 per year.

REIMBURSABLE EXPENSES: None

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 Fiscal Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: The vendor for this contract is an independent consultant (100% non minority).

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

FINANCIAL: Charge to Office of School Financial Services \$50,000.00 Fiscal Year: 2003
Budget Classification: 0200-210-000-7892-5410 - Source of Funds: General 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.

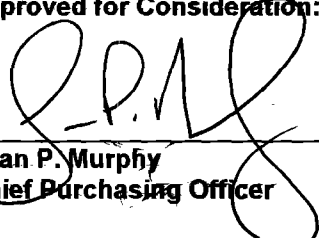
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

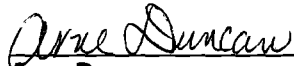
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:


Sean P. Murphy
Chief Purchasing Officer

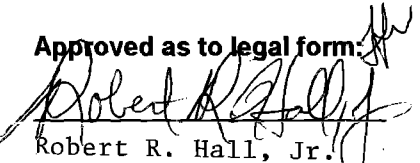
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:


Robert R. Hall, Jr.
Acting General Counsel