

**RATIFY THE EXERCISING OF THE FIRST OPTION TO RENEW THE AGREEMENT WITH
HOLLAND & KNIGHT LLP FOR CONSULTING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify the exercising of the first option to renew the agreement with Holland & Knight to provide consulting services to the Office of the Chief Executive Officer at a cost not to exceed \$66,000.00. A written renewal agreement for the Consultant's service is currently being negotiated. No payment shall be made to consultant during the option period prior to the execution of the written renewal document. The authority granted herein shall automatically rescind in the event a written renewal document is not executed within 60 days of the date of this Board report. Information pertinent to this option is stated below.

Specification No: 02-250006

CONSULTANT: Holland & Knight LLP
55 West Monroe Street, Suite 800
Chicago, IL 60603
Contact Person: Sean Heffernan
312-263-3600
Vendor# 34628

USER: Officer of Chief Executive Officer
25 S. Clark Street, 5th Floor
Chicago, Illinois 60603
Contact Person: Peggy Davis
773-553-1460

ORIGINAL AGREEMENT: The original Agreement (authorized by Board 02-0227-PR03) in the amount of \$66,000.00, is for a period of 12 months commencing February 18, 2002 and ending January 31, 2003, with the Board having two options to renew the Agreement for periods of one year. The original agreement was awarded on a non-competitive basis.

OPTION PERIOD: The term of this agreement is being extended for one year commencing February 1, 2003 and ending January 31, 2004

OPTION PERIODS REMAINING: There is one option period for one year remaining.

SCOPES OF SERVICES: Under the direction of the Office of Federal Affairs, consultant shall continue to work to formulate proposals and programs that are eligible to receive discretionary appropriated funding, work with the Illinois congressional delegation to develop support for such initiatives, and work with the House and Senate Appropriations Committees to attempt to secure funding for such proposals and projects in fiscal year 2003 appropriations legislation. Consultant will continue to assist the Board in building its relationships with the U.S. Department of Education and to determine other funding opportunities. Assistance will also be provided in monitoring and tracking other education policy issues in the U.S. Congress, the U.S. Department of Education and other federal agencies.

DELIVERABLES: Consultant shall continue to provide periodic reports of the content and progress of proposals and/or projects developed.

OUTCOMES: Consultant's services shall result in the identification and development of projects and/or proposals that advance the Chicago Public Schools' instructional goals and resource needs.

COMPENSATION: Consultant shall be paid as follows: For services rendered, the annual amount of \$60,000, payable in 12 equal monthly installments of \$5,000, plus reimbursable expenses not to exceed \$6,000.00.

REIMBURSABLE EXPENSES: Consultant shall be reimbursed for the following expenses: telephone, facsimile, photocopy and courier charges, not to exceed \$6,000.00

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the renewal agreement. Authorize the Chief Executive Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: Pursuant to Section 6.2 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan), the Per Contract and Category Goals Method for M/WBE participation will be utilized. Aggregated compliance of the vendors in the pool will be reported on a monthly basis. The M/WBE participation goals for this contract include: 35% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE.

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

FINANCIAL: Charge to the Office of the CEO: \$66,000 Fiscal Year: 2004
Budget Classification: 0950-210-000-7090-5410

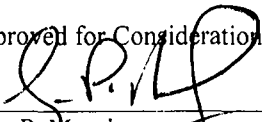
GENERAL CONDITIONS: Inspector General-Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information 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.

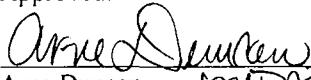
Indebtedness-The Board's Indebtedness Policy adopted July 26, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

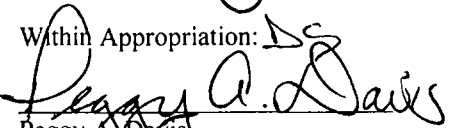
Approved for Consideration:


Sean P. Murphy
Chief Purchasing Officer

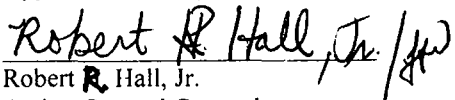
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Peggy A. Davis
Chief of Staff

Approved as to legal form:


Robert R. Hall, Jr.
Acting General Counsel