

**APPROVE EXERCISING THE THIRD OPTION TO EXTEND THE AGREEMENT  
WITH OFFICE DEPOT AND AUTHORIZE THE CONTINUED USE OF READY COMPUTER SOURCE INC.  
FOR THE PURCHASE OF OFFICE SUPPLIES**

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

Approve exercising the third option to extend the agreement with Office Depot and authorize the continued use of Ready Computer Source, Inc. for the purchase of office supplies for use by all departments and schools at a cost not to exceed \$8,500,000. These contracts are subject to the Board's Strategic Sourcing Policy. A written document exercising the option with Office Depot is currently being negotiated. No payment shall be made to Office Depot during the option period prior to the execution of the written document. The authority granted herein as to Office Depot 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. A written agreement for Ready Computer Source and the City is currently in effect through December 2, 2003. No additional written document is needed for the Board's continued use of Ready Computer Source.

**SPECIFICATION NO: 00-250488**

<b>VENDORS:</b>	<p>1. Office Depot Attn: Steve Purgatorio District Sales Manager 515 Kehoe Avenue Carol Stream, Illinois 60188 (800) 651-4624 Ext. 4452 Vendor No. 14360</p>	<p>2. Ready Computer Source, Inc. Attention: Richard Smith President 2040 North Ashland Avenue Chicago, Illinois 60614 (773) 486-9000 Vendor No. 46934</p>
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**USER:**

All Departments and schools of the Board of Education of the City of Chicago  
C/o Department of Procurement and Contracts  
125 S. Clark  
10<sup>th</sup> Floor  
David Blackwell/ 773-553-2268

**ORIGINAL AGREEMENT WITH OFFICE DEPOT:** The original contract (authorized by Board Report 00-0628-PR3) in an amount not to exceed \$7,000,000 is for a term commencing July 1, 2000 and ending June 30, 2001, with the Board having four (4) options to extend the agreement for one (1) year periods. The agreement was extended (authorized by Board Report 01-0523-PR1) in the amount of \$7,000,000 for a term commencing July 1, 2001 and ending June 30, 2002. The agreement was further extended (authorized by Board Report 02-0626-PR01) in the amount of 8,500,000 for a term commencing July 1, 2002 and ending June 30, 2003. The original Office Depot contract was awarded pursuant to a duly advertised bid solicitation (Specification No. 00-250488).

**OPTION PERIOD FOR OFFICE DEPOT:** The term of the Office Depot agreement is being extended for (1) year commencing July 1, 2003 and ending June 30, 2004.

**OPTION PERIODS REMAINING FOR OFFICE DEPOT:** There is one (1) option period remaining for one (1) year.

**TERM OF AGREEMENT WITH READY COMPUTER SOURCE, INC:** The term of the agreement between the City and Ready Computer Source, Inc. commenced December 22, 2000 and ends December 21, 2003. In the event the City extends this agreement, this authorization shall continue to be in effect through June 30, 2004.

**COMPENSATION:** Vendors shall be paid upon receipt of invoices, not to exceed \$8,500,000.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written option document with Office Depot. Authorize the President and Secretary to execute the option document with Office Depot.

**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. Thus, contracts for subsequent vendors from the pool created by this contract will be subject to compliance reviews on a contract-by-contract basis. Aggregated compliance of the vendors in the pool will be reported on a monthly basis.

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

**FINANCIAL:** Charge to Various Departments  
Fiscal Year: 2004  
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.

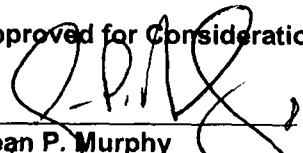
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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

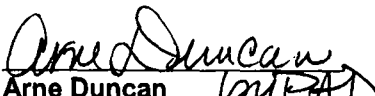
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

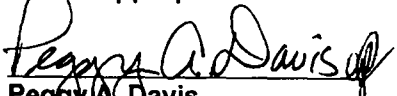
**Approved for Consideration:**

  
Sean P. Murphy  
Chief Purchasing Officer

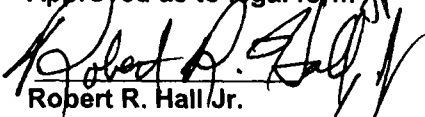
**Approved:**

  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
Peggy A. Davis  
Chief of Staff

**Approved as to legal form**

  
Robert R. Hall Jr.  
Acting General Counsel