

**RATIFY THE RENEWAL OF AN EXISTING AGREEMENT WITH IKON OFFICE SOLUTIONS, INC.
FOR MAILROOM SERVICES AND EQUIPMENT RENTAL**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify the renewal of an existing agreement with IKON Office Solutions, Inc. ("IKON") for mailroom services and equipment rental for the 125 South Clark Street building for the Department of Operations at a cost not to exceed \$497,410.80 for the renewal period. A written renewal agreement for Vendor's services is currently being negotiated. No payment shall be made to Vendor during the renewal period prior to the execution of the written renewal agreement. The authority granted herein shall automatically rescind in the event a written renewal document is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this renewal agreement is stated below.

SPECIFICATION NO.: 02-250103

VENDOR: IKON Office Solutions, Inc.
101 North Wacker Drive, 17th Floor
Chicago, Illinois 60606
Contact: John Lonsert
Telephone No.: (312) 252-4508
Vendor No.: 21832

USER: Department of Operations
125 South Clark Street
Chicago, Illinois 60603
Telephone No.: (773) 553-2909
Contact: Rebecca Grespan

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 02-0626-PR65), is for a term commencing July 1, 2002 and ending August 31, 2003. Vendor was selected on a non-competitive basis because it was necessary to secure Vendor's mailroom services for a term which was coterminous with the amortization of the rental and usage of Vendor's mailroom equipment.

TERM: This agreement shall be extended for a term commencing September 1, 2003 and ending August 31, 2004.

SCOPE OF SERVICES: Vendor shall continue to 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 continue to provide full-time IKON employees to be on duty Monday - Friday at 125 South Clark Street.

OUTCOMES: The Board shall continue to 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 \$497,410.80.

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: *The M/WBE goals for this contract include:*

35% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE

However, the Waiver Review Committee recommends that a partial waiver of the participation goals for this contract as required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan) be waived because the contract is not further divisible.

The vendor has identified and scheduled the following participation:

Total MBE% - 24%

African American

Copytec, Inc.

216 West Jackson, Suite 635

Chicago, IL 60606

\$ 120,000 – 24%

certified through 01/31/07

Total WBE% - 6%

Faze II, Ltd.

1236 Capital Drive

Addison, IL 60101

\$ 20,000 – 4%

certified through 08/31/07

El-Mar Office Supply

386 E. Irving Park Road

Roselle, IL 60172

\$ 8,600 – 1.7%

certified through 08/31/07

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

FINANCIAL: Charge to the Department of Operations: \$497,410.80 Fiscal Year: FY04
Budget Classification: 0645-210-000-4462-5400

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.

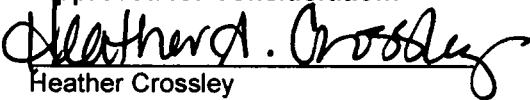
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board Members during the one year period following expiration or other termination of their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


Heather Crossley
Chief Purchasing Officer


Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


John Maiorca
Chief Financial Officer

Approved as to Legal Form:


Ruth Moscovitch
General Counsel