

APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH ART'S INVESTIGATIONS AND SECURITY INC., FOR FINGERPRINTING SERVICES**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve exercising the first option to renew the agreement with Art's Investigations and Security Inc., to provide fingerprinting services to the Department of Human Resources Enrollment Center at a cost for the option period not to exceed \$500,000.00. A written document exercising this option is currently being negotiated. No payment shall be made to Consultant during the first 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 first option is stated below.

Specification No.: 02-250161**Contract Administrator:** Diego I. Droira
773 – 553-2123**CONSULTANT:** Art's Investigations and Security Inc.
409 West Huron, Suite 500
Chicago, IL 60610
(312) 932-9999
Contract Person: Art Smith, President
Vendor # 29465**USER:** Department of Human Resources Enrollment Center
225 S. Aberdeen
Chicago, IL 60607
(773) 534-9400
Contact Person: Gail Ratliff, Manager

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 02-1218-PR21, as amended by Board Report 03-1119-PR32) in the amount of \$500,000.00 is for a term commencing February 25, 2003 and ending February 26, 2004, with the Board having two options to renew for additional one year periods. The original agreement was awarded pursuant to a duly advertised Request for Proposals (Specification No. 02-250161).

OPTION PERIOD: The term of this agreement is being extended for one year commencing February 25, 2004 and ending February 24, 2005.

OPTION PERIODS REMAINING: There is one option period remaining.

SCOPE OF SERVICES: During this option period Consultant shall continue to provide the following fingerprinting services:

- Electronically transmit fingerprints to the Illinois State Police (ISP) and the Federal Bureau of Investigation (FBI).
- Archive fingerprint records for twelve (12) months on each person printed to protect against lost fingerprints and to update information.
- Provide Live-Scan technicians and Live-Scan machines.
- Provide 24 hours/day and 7 days/week management staff to resolve critical issues.
- Perform ongoing fingerprinting services Monday thru Friday 8:00 a.m. – 5:00 p.m., with option to extend service hours and days during the peak season of July 15 thru September 15 at a location designated by the Board.
- Provide qualified staff of fully trained Live-Scan technicians and support technicians.
- Provide training services to Board employees.
- Provide actual and significant experience capturing and electronically transmitting fingerprints.
- Assure turnaround time results from the ISP and the FBI with ten (10) business days, including monitoring delays and notification to Board of cause of delay in fingerprint results.

- Provide monthly reports pertaining to the number of persons fingerprinted; submit payment to the ISP and the FBI for their services rendered.
- Repeat the performance of any fingerprinting services(s) at no cost to the Board in any and all instances in which ISP cannot read or interpret the results(s) of the fingerprinting and/or in which the results are inconclusive.
- Work with ISP to electronically transmit fingerprint results to the Board.
- Provide the Board with the number of fingerprints processed each month to be billed monthly.
- Process 800-1000 fingerprints per month and handle volume during peak season (up to 2000 fingerprints).
- Lease fingerprint machines to the CPS, maintain and repair leased machines during the term of the contract, deliver and install leased machines as indicated by the Board, and provide all necessary insurance coverage for the leased machines.

DELIVERABLES: Consultant will continue to process fingerprints and forward to the appropriate entities for criminal background checks for the Chicago Public Schools personnel.

OUTCOMES: Consultant's services will result in the Board receiving a complete fingerprinting process, which will allow the Board to obtain criminal background checks to provide an effective and innovative pre-employment screening process.

COMPENSATION: Consultant shall be paid during this option period as follows: \$55.00 per applicant processed; \$1,950.00 for one fingerprinting machine per month (including leasing, setup and maintenance); \$35.00 per hour for a second technician if needed, and training as determined by the Department of Human Resources at a cost of \$1,000.00/day of training session. The payments will be paid monthly upon invoicing; total payment during the option period shall not exceed the sum of \$500,000.00.

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. Authorize the Chief Human Resources Officer to execute all ancillary documents required to administer or effectuate this option document.

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 M/WBE participation goals for this contract as required by the Revised Remedial Plan be granted because the vendor has demonstrated reasonable good faith efforts.

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

Total MBE 98.3%

Total 94.1% African American:

Art's Enterprises	409 W. Huron, #500, Chgo., IL 60610
\$470,500.00	Reapplied 6/5/02

Total 3.5% Hispanic:

Cultural Communications	4701-F S. Woodlawn, Chgo., IL 60615
\$17,500.00	Certified through 4/1/03

Total .7% Asian:

Techserv Corp.	4513 Lincoln Ave., #106B, Lisle, IL 60532
\$3,500.00	Reapplied 7/1/02

Total WBE 1.7%:

Creative Edge
\$8,500.00

3606 N. New England, Chgo., IL 60634
Applied 7/8/02

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

FINANCIAL: Charge to the Department of Human Resources: \$500,000.00 Fiscal Year: 2004-2005

Budget Classification:		Source of Funds:	
0710-210-000-1010-5410	\$ 50,000.00	FY04	General Funds
0710-270-000-1405-5410	\$100,000.00	FY04	Lunchroom Funds
0710-239-821-1405-5410	\$100,000.00	FY04	Title IIA Teacher Quality
0710-210-000-1010-5410	\$ 50,000.00	FY05	General Funds
0710-270-000-1405-5410	\$100,000.00	FY05	Lunchroom Funds
0710-239-821-1405-5410	\$100,000.00	FY05	Title IIA Teacher Quality

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.

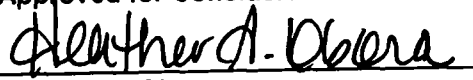
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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

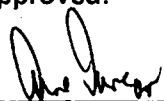
Ethics - The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:


Heather A. Obora
Chief Purchasing Officer

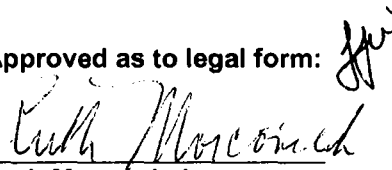
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


John Maiorca
Chief Financial Officer

Approved as to legal form:


Ruth Moscovich
General Counsel