

**APPROVE EXERCISING THE FOURTH OPTION TO EXTEND THE AGREEMENT
WITH OFFICE DEPOT FOR THE PURCHASE OF OFFICE SUPPLIES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the fourth option to extend the agreement with Office Depot for the purchase of office supplies for use by all departments and schools at a cost not to exceed \$8,500,000. This contract is 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 shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

SPECIFICATION NO: 00-250488

VENDOR: Office Depot
Attn: Robert Peluso
Account Manager
515 Kehoe Avenue
Carol Stream, Illinois 60188
(800) 651-4624 Ext. 4450
Vendor No. 14360

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
10th Floor
David Blackwell/ 773-553-2268

ORIGINAL AGREEMENT: 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 agreement was further extended(authorized by Board Report 03-0625-PR01) in the amount of 8,500,000 for a term commencing July 1, 2003 and ending June 30, 2004.The original Office Depot contract was awarded pursuant to a duly advertised bid solicitation (Specification No. 00-250488).

OPTION PERIOD: The term of the agreement is being extended for (1) year commencing July 1, 2004 and ending June 30, 2005.

OPTION PERIODS REMAINING: There are no options remaining.

COMPENSATION: Vendor 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. Authorize the President and Secretary to execute the option document.

AFFIRMATIVE ACTION The M/WBE goals for this contract include: 26% total MBE, 16% TOTAL African American, 7.5% Hispanic, 2% total Asian and 5% 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 contract is not further divisible.

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

Total MBE: 2.66 %

Total African American – 1.66 %

American Products \$ 140,000.00 or 1.65 %
7000 S. South Chicago Ave.
Chicago, IL 60637 certified until December 1, 2004

Hartman Publishing \$ 7,850.00 or .001%
401 N. Wabash Ave.
Chicago, IL 60611 certified until January 31, 2007

Total Hispanic – 1%

LaRaza (Rossi Publications) \$ 28,687.00 or 1%
6001 N. Clark St.
Chicago, IL 60660 certified until September 30, 2007

Total WBE - .5%

Pointe Writing \$ 10,000.00 or .1%
2137 Hammond Drive
Schaumburg, IL 60173 certified until December 1, 2004

B & L Distributors, Inc. \$ 25,000.00 or 0.4%
7808 College Drive
Palos Heights, IL 60463 certified until June 30, 2004

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

FINANCIAL: Charge to Various Departments
Fiscal Year: 2005
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.

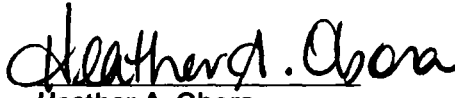
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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

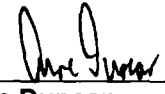
Approved for Consideration:



Heather A. Obora
Chief Purchasing Officer

Within Appropriation:


John Maiorca
Chief Fiscal Officer

Approved:


Arne Duncan
Chief Executive Officer

Approved as to legal form 


Ruth Moscovitch
General Counsel