

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT
WITH TALX CORPORATION FOR EMPLOYMENT VERIFICATION SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the option to renew the agreement with TALX Corporation to provide employee verification services to the Chicago Public Schools at no cost to the Board. A written document exercising this option is currently being negotiated. No payment shall be made to Vendor 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.: 00-250801

Contract Administrator: Doris Williams – (773) 553-2267

CONSULTANT:

TALX Corporation
1850 Borman Court
St. Louis, Missouri 63146
Contact: Jeri Sims
Phone: 770-420-1153
Vendor No.: 32253

USER:

Department of Human Resources
125 S. Clark Street – 2nd Floor
Chicago, IL 60603
Contact: Carline Altine
773-553-1112

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report No. 01-0523-PR37) is for a term commencing June 26, 2001 and ending June 25, 2004, with the Board having two options to renew for one year each. The original agreement was awarded on a competitive basis pursuant to a duly advertised Request for Proposals (specification No. 00-250801).

OPTION PERIOD: The term of this agreement is being extended for one year commencing June 26, 2004 and ending June 25, 2005.

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

SCOPE OF SERVICES: TALX Corporation will continue to provide the following services: automated system which will verify selected employee information for employers, lenders and other verifiers, who are subscribers to TALX. Non-subscribing lenders or others needing to verify employee information have access to this information by using a 1-800 telephone number. Subscribing members will access the service using a 1-800 telephone number or via the internet. The system shall provide employment and salary verification services, utilize employment and salary data provided to the TALX by the Board, utilize information provided by the Board to respond to inquiries, utilize data from files on each active Board employee and be adjustable to accommodate any changes in the format of the host computer interface and/or data.

DELIVERABLES: Vendor will continue to provide the employees of Chicago Public Schools with an automated method of obtaining employment verification.

OUTCOMES: Vendor's services will result in an overview of the Automated Income Verification Process, The Work Number Functions, Standard PIN Administration, Reference Number Audits, Signature Verifiers, Social Services Description, Immigration Verification Service Description, and the Employer Member Verifier Program.

COMPENSATION: No cost to the Board of Education. TALX Corporation shall share with the Board part of the revenue, generated from the calls, at a rate to be determined based on the volume of calls.

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 agreement.

AFFIRMATIVE ACTION: Does not apply.

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

FINANCIAL: No charge to the Board of Education. TALX Corporation will be sharing part of the revenue with CPS; rate of compensation will be determined by volume of calls.

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.

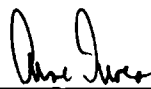
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Heather A. Obora
Chief Purchasing Officer

Approved:



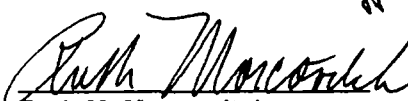
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to legal form:



Ruth M. Moscovitch
General Counsel