

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT
WITH IFF**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with IFF to provide Consulting Services to the Office of New Schools at a cost for the option period not to exceed \$125,000.00. A written document exercising this first option is currently being negotiated. No payment shall be made to Consultant/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.

CONSULTANT:

IFF

1 North LaSalle, Suite 700
Chicago, Illinois 60602
Jill Levine
312-629-0060
Vendor # 28120

USER:

Office of New Schools
125 S. Clark Street, Fl 5
Kathleen Weaver/Jeanne Nowczewski
773-553-1530

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report 07-0627-PR38) in the amount of \$234,930.00 is for a term commencing July 1, 2007 and ending June 30, 2008, with the Board having two option(s) to renew for a one year term each. The original agreement was awarded on a non-competitive basis based on a proprietary design developed for consulting services related to the financial and facilities aspects of new school creation. IFF is the only organization in Illinois that can provide such financial and facilities support services to ONS.

OPTION PERIOD: The term of this agreement is being extended for one year commencing July 1, 2008 and ending June 30, 2009.

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

SCOPE OF SERVICES: During this option period IFF will provide:

- Financial and governance evaluation and analysis of proposed schools or existing schools.
- Evaluation and analysis of proposed or existing school facilities.
- Finance, facility, and governance and management review of school applications and renewals.
- *Participation in interviews or meetings with proposed or existing schools.*
- General financial feasibility consulting.
- General facilities feasibility consulting.
- Consulting on financial and compliance accountability metrics and reporting.
- Training on analyzing schools' audits and financials.

DELIVERABLES: During this option period IFF will:

- Consult on the Renaissance 2010 RFP invited, turnaround and open processes, timelines, questioning, text and templates.
- Evaluate and re-engineer financial models for Renaissance 2010.
- Advise on the Renaissance 2010 multi-year strategy.
- Offer financial and facility advice for 5 year renewal process.
- Provide training sessions on analyzing schools' audits and financials.

- Provide consultation, additional reviews, facility and financial strategy development and other special projects.
- Participate in required meetings at the request of the Board.

OUTCOMES: IFF services will result in:

- The completion of the 2007-08 Renaissance 2010 Invited, Turnaround and Open RFP selection process.
- The completion of 2007-2008 charter renewal process.
- Increased alignment of the Office of New Schools accountability structure, from school selection, to mid-point reviews, to renewal.
- Revised financial review system to evaluate and select new school applicants.

COMPENSATION: Consultant shall be paid during this option period upon invoicing, as specified in the contract; total compensation for the option period not to exceed the sum of \$125,000.00.

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 Office of New Schools Executive Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION: Pursuant to Section 5.2 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan), the participation goal provisions do not apply to transactions where the vendor is a not-for-profit organization.

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

FINANCIAL:

Charge to: Office of New Schools, \$125,000.00

Fiscal Year: 2009

Budget Classification: 13615-115-54125-253517-000000

Source of Funds: General Education

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.

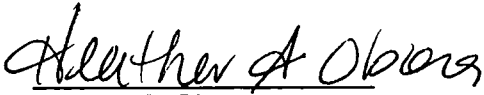
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), 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:



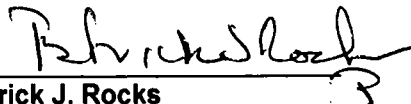
Pedro Martinez
Chief Financial Officer

Approved:



Arne Duncan
Chief Executive Officer

Approved as to legal form. 



Patrick J. Rocks
General Counsel