

WITHDRAWN

09-0128-FN2

January 28, 2009

APPROVE PAYMENT TO A.C. ADVISORY, INC. FOR CONSULTANT'S SERVICES (FY2008)

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve payment to A.C. Advisory, Inc. who provided consulting services to the Office of School Financial Services related to debt restructuring not contemplated in the FY08 contract from January 2008 to June 2008 in the amount of \$100,000.00. These services were rendered without prior Board Approval and all services have been completed.

CONSULTANT: A.C. Advisory, Inc.
Suite 4975
161 North Clark Street
Chicago, IL 60601
Attention: Adela Cepeda
312-346-0154
Vendor #28872

USER: Office of School Financial Services
13th Floor
125 South Clark Street
Chicago, IL 60603
Attention: David Bryant
(773) 553-2790

SCOPE OF SERVICES: Consultant provided financial advisory services related to the unprecedented collapse of the auction rate debt market during FY2008, including: advice on debt restructuring strategies; coordination of issuance of \$968,415,000 refunding bonds and transfer of debt service investment contracts; bidding and negotiations related to transfer and termination of \$1,413,410,000 notional amount of financial derivative products; and other specific services not contemplated by the FY08 contract at the request of the Chief Financial Officer.

DELIVERABLES: Consultant provided reports and written analyses as requested by the Office of School Financial Services to support decision-making regarding auction rate restructuring alternatives.

OUTCOMES: Consultant's services assisted in the restructuring of debt required by the collapse of the auction rate market that permitted the Board to contain debt service costs related to the Board's Capital Program in an efficient and cost-effective manner.

COMPENSATION: Consultant shall be paid the sum of \$100,000.00.

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

FINANCIAL: Charge to Bureau of Treasury: \$100,000.00

Fiscal Year: FY08

Budget Classification: 0230-672-000-1135-5410

Source of Funds: Other bond funds
Not to exceed \$100,000.00

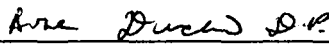
(If bond sales or other financing transactions result from the work of this Consultant, then the Board may use proceeds from bond sales or other financing transactions to reimburse the funding source identified above in conjunction with the completion of a bond sale or other financing transaction.)

**Within Appropriation:
Approved for Consideration:**

Approved:

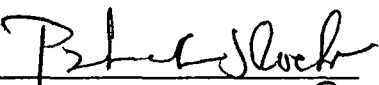


**Pedro Martinez
Chief Financial Officer**



**Arne Duncan
Chief Executive Officer**

Approved as to legal form: 



**Patrick J. Rocks
General Counsel** 