

APPROVE ENTERING INTO AN AGREEMENT WITH JP MORGAN CHASE BANK FOR BANKING SERVICES**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into an agreement with JP Morgan Chase Bank for banking services provided to the Office of School Financial Services, Bureau of Treasury at a cost not to exceed \$670,000.00 a year. Vendor was selected on a competitive basis pursuant to a duly advertised Request for Proposal (Specification #08-250023). A written agreement for Vendor's services is currently being negotiated. No payment shall be made to Vendor prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board. Information pertinent to this agreement is stated below.

Contract Administrator: Nanzi Flores

VENDOR : JP Morgan Chase Bank
10 South Dearborn
Chicago, IL 60603
Debra Parker
(312) 732-6932
Vendor Number: 58545

USER: Office of School Financial Services, Bureau of Treasury
125 South Clark, 13th Floor
Chicago, IL 60603
David Bryant

TERM: The term of this agreement shall commence on August 1, 2009 and shall end July 31, 2012. This agreement shall have one option to renew for a period of 24 months. Vendor shall have the right to reject the renewal period of 24 months by notifying the Board in writing by July 31, 2011.

EARLY TERMINATION RIGHTS: The Board shall have the right to terminate this Agreement upon thirty (30) calendar days written notice to Vendor.

SCOPE OF SERVICES: Vendor will provide concentration account services, disbursement services for both employees and vendors, check and statement printing services, and other specific services at the request of the Chief Financial Officer, all as detailed in the written agreement.

DELIVERABLES: Vendor will provide, bank statements, reconciliation reports, return items, electronic information, electronic access to information, and other written and electronic reports as requested, all as detailed in the written agreement.

OUTCOMES: Vendor's services shall result in streamlining of receipts and disbursements, cost savings in the check payment process, increased interest income due to more efficient cash management, and operational efficiencies in the cash reconciliation process.

COMPENSATION: Vendor shall be paid according to the specific rates identified in the written agreement, not to exceed the sum of \$670,000.00 per year during the original term. The specific rates during any renewal period will be determined by mutual agreement of the parties.

REIMBURSABLE EXPENSES: Vendor shall be reimbursed for certain expenses as detailed in the written agreement including, but not limited to certain postage, delivery, and copying charges. The total compensation amount reflected herein is inclusive of all reimbursable expense.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Financial Officer to execute all ancillary documents required to administer or effectuate the written agreement.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Financial Officer to engage Vendor to provide related banking services hereunder provided the maximum compensation amount is not increased.

AFFIRMATIVE ACTION: This contract is in full compliance with the goals required by the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services contracts. The M/WBE goals for this contract include: 35% total MBE and 5% total WBE.

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

Total MBE - 35%

African American

Loop Capital Markets
200 W. Jackson
Chicago, IL 60606

Hispanic

A&R Janitorial Services
35236 Eagle Way
Chicago, IL 60678

Total WBE - 5%

Continental Courier
11697 Westgrand Avenue
Northlake, IL 60164

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

FINANCIAL:

Charge to:	Bureau of Treasury \$670,000.00	Fiscal Year: FY10
Budget Classification:	12410-115-54125-252302-000000-2010	Source of Funds: Operating Fund
Charge to:	Bureau of Treasury \$670,000.00	Fiscal Year: FY11
Budget Classification:	12410-115-54125-252302-000000-2011	Source of Funds: Operating Fund
Charge to:	Bureau of Treasury \$670,000.00	Fiscal Year: FY12
Budget Classification:	12410-115-54125-252302-000000-2012	Source of Funds: Operating Fund

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.

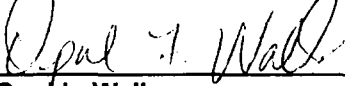
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted 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:



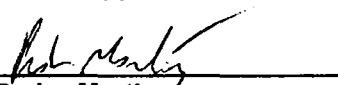
Opa L. Walls
Chief Purchasing Officer

Approved:




Ron Huberman
Chief Executive Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to legal form: 



Patrick J. Rocks
General Counsel 