

**AUTHORIZE THE SECOND AND THIRD RENEWAL AGREEMENTS WITH REVENUE
INTERNATIONAL, LLC AND PROFESSIONAL AUDITING SERVICES OF AMERICA FOR
COMPLIANCE REVIEW AND ACCOUNTS PAYABLE RECOVERY AUDITING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the second and third renewal agreements with Renew International, LLC ("Renew") and Professional Auditing Services of America ("PAS": and together with Renew, each a "Vendor" and collectively, the "Vendors") to provide compliance review and auditing services to Procurement for a two (2) year term. Written documents exercising this option are currently being negotiated. No payment shall be made to any Vendor during the option period prior to execution of their written document. The authority granted herein shall automatically rescind as to each Vendor in the event their written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification Number : 12-250034

Contract Administrator : Wilkerson, Ms. Iman / 773-553-2280

VENDOR:

- 1) Vendor # 44490
ROY D JACKSON ETAL PTR DBA
PROFESSIONAL AUDITING SERVICES OF
AMERICA
29193 NORTHWESTERN HWY. STE 643
SOUTHFIELD, MI 48034
Roy Jackson
800 353-3050

- 2) Vendor # 64946
RENEW INTERNATIONAL, LLC
9 GREENWAY PLAZA., STE 1950
HOUSTON, TX 77046
Dan Schaefer
281 201-4389

USER INFORMATION :

Contact:
12210 - Procurement and Contracts Office

125 South Clark Street 10th Floor

Chicago, IL 60603

De Longeaux, Mr. Sebastien

773-553-2280

ORIGINAL AGREEMENT:

The original Agreements (authorized by Board Report #12-1024-PR11) in the aggregate amount of \$1,000,000 were for a term commencing November 8, 2012 and ending October 31, 2013, with the Board having three (3) options to renew for 1 (one) year terms. The agreements were renewed (authorized by Board Report #13-0925-PR12) for a term commencing November 1, 2013 and ending October 31, 2014. The original agreements were awarded on a competitive basis pursuant to Board Rule 7-2.

OPTION PERIOD:

The term of each agreement is being renewed for 2 years commencing November 1, 2014 and ending October 31, 2016.

OPTION PERIODS REMAINING:

There are no option periods remaining.

SCOPE OF SERVICES:

Vendors will continue to provide professional supplier contract compliance reviews and Accounts Payable recovery audit services in addition to recommendations and improvements to processes and procedures.

DELIVERABLES:

Vendors will continue to provide the following deliverables: 1) Review and analyze Accounts Payable and Procurement information from the Board's internal and external sources to discover overpayments, 2) Track overpayments and request suppliers to remit the funds to the Board; including funds from vendors and contractors who are no longer conducting business with the Board, 3) Provide the Board with copies of all invoices from vendors and contractors for overpayments made by the Board, 4) Provide bi-weekly reports of recoveries and confirmed credits, and 5) Provide detailed summary reports at the conclusion of the overall audit activity including, but not limited to, cost saving opportunities, best practice recommendations and training to the Board for improvements based upon observations and discoveries made during and throughout the recovery audit period.

OUTCOMES:

Vendors' services will result in identification of overpayments and recovery of such identified credits and owed to the Board.

COMPENSATION:

Vendors shall be paid during this option period as follows: As a percentage of the total recoveries received as indicated in the payment terms of the contract. Payment shall only be made to Vendors after recoveries are received by CPS. Estimated annual costs for this option period are set forth below and are inclusive of reimbursable expenses.

\$1,000,000.00, FY 2015

\$1,000,000.00, FY 2016

AUTHORIZATION:

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

AFFIRMATIVE ACTION:

Pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, contracts for subsequent vendors from the pool created by this agreement will be subjected to aggregated compliance reviews and monitored on a monthly basis.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 115

Department of Procurement, Unit 12210

\$1,000,000.00 FY 2015

\$1,000,000.00 FY 2016

Not to exceed \$2,000,000.00 for the two (2) year term. Future year funding is contingent upon budget appropriation and approval.

CFDA#: Not Applicable

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 May 25, 2011 (11-0525-PO2), 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:



SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



BARBARA BYRD-BENNETT
Chief Executive Officer

Approved as to Legal Form: 



JAMES L. BEBLEY
General Counsel