

**APPROVE EXERCISING THE SECOND OPTION TO RENEW THE AGREEMENT WITH
THE ILLINOIS DEPARTMENT OF MILITARY AFFAIRS FOR THE LINCOLN'S CHALLENGE
PROGRAM**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the second option to renew the agreement with the Illinois Department of Military Affairs to provide the Office Of High School Development with an alternative school program for students who have dropped out of school at a cost for the option period not to exceed \$500,000.00. A written document exercising this option is currently being negotiated. No payment shall be made to Consultant 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 60 days of the date of this Board Report. Information pertinent to this option is stated below.

SPECIFICATION NO.: 00-250113

CONSULTANT:

Illinois Department of Military Affairs
Lincoln's Challenge Program
205 Dodge Ave.
Rantoul, Illinois
Contact Person: Colonel Gary D. Sadler
(217) 893-9725
Vendor #28733

USER:

Office of High School Development
125 S. Clark Street, 9th Floor
Wilfredo Ortiz
(773) 553-3540

ORIGINAL AGREEMENT: The original agreement in the amount of \$500,000 (authorized by Board Report 99-1027-PR47) was for a term commencing July 26, 1999 and ending June 30, 2000, with two (2) options to renew for additional one year terms. This agreement was awarded on a non-competitive basis. This agreement was renewed in the amount of \$500,000 for a term commencing July 1, 2000 and ending June 30, 2001 (Board Report 00-0726-PR23).

OPTION PERIOD: The term of this agreement is being extended for 1 year commencing July 1, 2001 and ending June 30, 2002.

OPTION PERIODS REMAINING: None

PROGRAM DESIGN: Consultant provides two, twenty-two week residential, military style educational programs for high school dropouts. The program focuses on the whole person and culminates in the awarding of a GED. In the post residential phase, the student returns to his/her community and is assigned a mentor who provides guidance and support as the student either enters the work force or pursues post secondary education. Consultant agrees to admit a minimum of 250 CPS students into the program.

COMPENSATION: Consultant shall be paid during this option period as follows: one lump sum, not to exceed the sum of \$500,000.00, payable upon the signing of the agreement.

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 Chief Officer of the Office of High School Development to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION: The Waiver Review Committee reviewed the request for waiver, and recommends that a waiver be granted on the basis of the contract not being further divisible. 0% Total MBE, 0% Black, 0% Hispanic, 0% Asian, 0% WBE

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

FINANCIAL: Charge to Office of High School Development: \$500,000.00 Fiscal Year: 2002
Budget Classification: 0470-210-000-1721-5410 Source of Funds: 210 General

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.

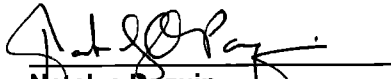
Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.


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).

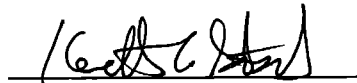
Approved for Consideration:

Approved:

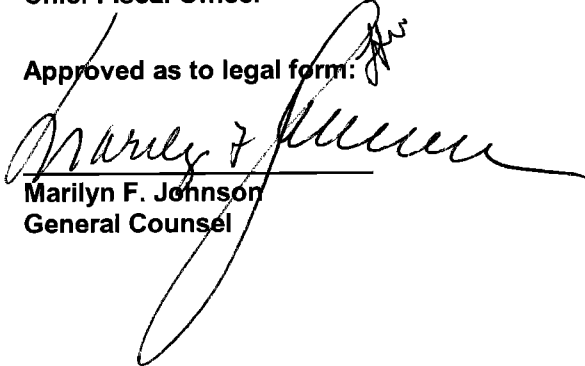

Natalye Paquin
Chief Purchasing Officer


Paul G. Vallas
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:


Marilyn F. Johnson
General Counsel