

APPROVE THE RENEWAL OF AN EXISTING AGREEMENT WITH SEAWAY NATIONAL BANK**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into a renewal agreement with Seaway National Bank ("Seaway") to provide deposit-processing services to the Bureau of Treasury in an amount not to exceed \$248,000.00. A written renewal agreement for Seaway's services is currently being negotiated. No payment shall be made to Seaway prior to the execution of the written renewal agreement. The authority granted herein shall automatically rescind in the event a written renewal agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Specification No.: 03-250071

VENDOR: Seaway National Bank
645 East 87th St.
Chicago, IL 60619
Richard S. Abrams
(773) 487-4800
Vendor Number: 31372

USER: Office of School Financial Services, Bureau of Treasury
125 South Clark, 13th Floor
Chicago, IL 60603
David Bryant
(773) 553-2806

ORIGINAL AGREEMENT: The original written agreement was entered into pursuant to Board Report 00-1115-PR16, which authorized the original agreement for twelve months with one (1) option to renew. The original agreement was renewed under Board Report 02-0227-PR9 for a one-year period commencing April 9, 2002 and ending April 8, 2003. The original agreement was awarded on a non-competitive basis because Seaway is a leader in coin and currency processing.

RENEWAL PERIOD: By mutual agreement of the parties, the term of the agreement is being renewed for a period commencing on April 9, 2003 and ending on July 31, 2004.

SCOPE OF SERVICES: Consultant will provide (i) coin and currency deposit processing including coin and currency counting and sorting, reconciliation and reporting for deposits collected from high school lunchrooms and main offices; and (ii) related banking services as determined by the Chief Fiscal Officer. "Coin and currency" refers primarily to coin and currency but may include a small number of checks and money orders.

DELIVERABLES: Consultant will provide invoices, account analysis, bank statements, reconciliation reports, and other written reports as requested.

OUTCOMES: Consultant's services shall result in accurate and timely deposit processing, increased interest income due to efficient cash management, and operational efficiencies in the activity reconciliation process.

COMPENSATION: Consultant shall be paid at the specific rates and terms as set out in the agreement, not to exceed the sum of \$248,000.00.

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 Fiscal Officer to engage Seaway to provide related banking services hereunder provided the maximum compensation amount is not increased.

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 35% total MBE, 22% African American, 10% Hispanic, 2% Asian, and 5% total WBE.

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

Total MBE/African American 95%	or	\$235,352.00
Seaway National Bank 645 East 87 th Street		
Chicago, IL., 60606		Certified through December 31, 2003

Total WBE 5% or \$12,648.00
We're Cleaning
644 S. Clark St., Suite 203
Chicago, IL 60605

Certified through September 30, 2003

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

FINANCIAL:	Charge to Bureau of Treasury: \$45,000.00	Fiscal Year: FY03
	Budget Classification: 0230-210-000-1135-5410	Funding Source: Operating Funds
	Charge to Bureau of Treasury: \$188,000.00	Fiscal Year: FY04
	Budget Classification: 0230-210-000-1135-5410	Funding Source: Operating Funds
	Charge to Bureau of Treasury: \$15,000.00	Fiscal Year: FY05
	Budget Classification: 0230-210-000-1135-5410	Funding Source: Operating Funds

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.

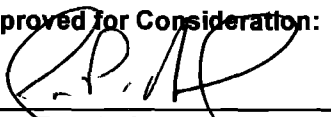
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted 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).

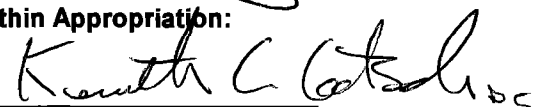
Approved for Consideration:


Sean P. Murphy
Chief Purchasing Officer

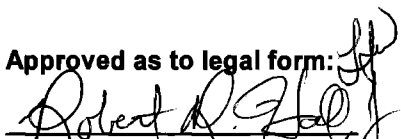
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:


Robert R. Hall Jr.
Acting General Counsel