

**APPROVE ENTERING INTO AN AGREEMENT WITH MARSH, USA, INC.
FOR CONSULTING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Marsh, USA, Inc. to provide consulting services to the Office of Specialized Services at a cost not to exceed \$190,000.00. Consultant was selected on a non-competitive basis because of the company's experience and knowledge of the organizational structure of the Office of Specialized Services. A written agreement for Consultant's services is currently being negotiated. No payment shall be made to Consultant 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 60 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Specification No: 03-250095

CONSULTANT: Marsh, USA, Inc.
500 W. Monroe
Chicago, IL 60661
Contact Person: Thomas H. Morsch, Jr./Ellen Maag
Vendor # 31247

USER: OFFICE OF SPECIALIZED SERVICES
125 S. Clark – 8th Floor
Chicago, Illinois 60603
Contact Person: Dr. Renee Grant-Mitchell
(773) 553-1772

TERM: The term of this agreement shall commence on May 1, 2003 and shall end June 30, 2003.

SCOPE OF SERVICES: Marsh, USA, Inc. will provide advice and support to the Office of Specialized Services to facilitate departmental organizational changes through data collection, analysis and feedback phases. Strategic planning and focused stakeholder feedback sessions will be devised to align the organizational structure and resources of the Office of Specialized Services with the Chicago Public School's Educational Plan.

DELIVERABLES: Consultant shall provide the following deliverables: three departmental organizational models; required linking mechanisms to be in place to ensure the success of the new models; implementation implications for each of the proposed organizational models; a detailed implementation plan for organizational/structural changes; feedback from the focused groups; and best practices to effectuate the necessary organizational change in the Office of Specialized Services.

OUTCOMES: Consultant's services shall result in the effective and efficient development of an organizational structure for the Office of Specialized Services that is aligned with the Chicago Public School's Educational Plan.

COMPENSATION: Consultant shall be paid on a monthly basis upon receipt of invoice in an amount not to exceed \$190,000.00.

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 Officer of Specialized Services to execute all ancillary documents required to administer or effectuate this agreement.

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

However, the Waiver Review Committee recommends that a full waiver of the M/WBE participation goals for this contract as required by the Revised Remedial Plan be granted because the contract is of critical need.

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

FINANCIAL: Charge to: Office of Specialized Services
Budget Classification: 0966-220-383-1608-5410

Fiscal Year: 2003
Source of Funds: IDEA Federal
Special Education

Requisition Number:

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.

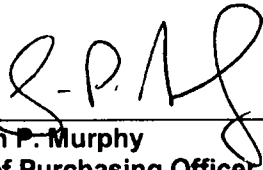
Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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.

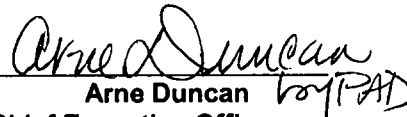
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:

Approved:

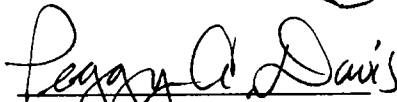


Sean P. Murphy
Chief Purchasing Officer



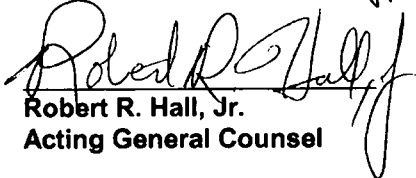
Arne Duncan
Chief Executive Officer

Within Appropriation:



Peggy A. Davis
Chief of Staff

Approved as to legal form:



Robert R. Hall, Jr.
Acting General Counsel