

**RATIFY THE RENEWAL OF THE EXISTING AGREEMENT WITH TRIAS CAPITAL MANAGEMENT, INC.
FOR CONSULTING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify the renewal of the existing agreement with TRIAS Capital Management, Inc. to provide consulting services to the Bureau of treasury at a cost not to exceed \$120,000.00. A written renewal agreement for TRIAS' services is currently being negotiated. No payment shall be made to TRIAS during the renewal period prior to the execution of the written renewal agreement. The authority granted here 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 renewal agreement is stated below.

Specification No.:

VENDOR: TRIAS Capital Management, Inc.
140 S. Dearborn, Suite 1620
Chicago, IL 60603
James A. Casselberry, President and CEO
312/223-9400
Vendor #24920

USER: Office of School Financial Services
Bureau of Treasury
125 South Clark, 13th Floor
David Bryant
773/ 553-2806

ORIGINAL AGREEMENT: The original Consulting Services Agreement (authorized by Board Report 02-0327-PR23), in the amount of \$240,000 is for a term commencing May 1, 2002 and ending April 30, 2003. The original agreement was awarded on a non-competitive basis due to TRIAS' unique understanding of public funds management, and the Board's policies and cash flows.

RENEWAL PERIOD: By mutual agreement of the parties, the term of this agreement is being renewed for a period commencing on May 1, 2003 and ending on April 30, 2004.

SCOPE OF SERVICE: TRIAS will continue to provide investment advisory services related to the Board's operating portfolio and other funds such as bond funds that the Board manages internally. TRIAS will also continue to provide the Bureau of Treasury with investment tracking, reporting, and analyze support and other related services as requested by the Chief Fiscal Officer or his designee.

DELIVERABLES: TRIAS will continue to provide written reports and written analysis as requested by the Bureau of Treasury to support decision-making regarding various financing alternatives.

OUTCOMES: Consultant's services shall result in the implementation of a portfolio management strategy, the generation of reports, and the establishment of other financing and investment initiatives as requested by the Chief Fiscal Officer.

COMPENSATION: For services rendered during the renewal period total compensation to the consultant will not exceed \$120,000.00, with a specific fee schedule to be as specified in the written renewal agreement.

REIMBURSABLE EXPENSES: None.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written renewal agreement. Authorize the President and Secretary to execute the renewal agreement. Authorize the Chief Fiscal Officer to negotiate the specific fee schedule and to execute all ancillary documents required to administer or effectuate this renewal agreement.

AFFIRMATIVE ACTION: Pursuant to Section 6.2 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan), the Per Contract and Category Goals method for M/WBE participation will be utilized.

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

FINANCIAL:	Charge to Bureau of Treasury: \$40,000.00	Fiscal Year: FY03
	Budget Classification: 0230-210-000-1135-5410 \$40,000.00	Source of Funds: Operating Funds
	Charge to Bureau of Treasury: \$80,00.00	Fiscal Year: FY04
	Budget Classification: 0230-210-000-1135-5410 \$80,000.00	Source of Funds: 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.

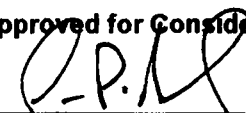
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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




 Sean P. Murphy
 Chief Purchasing Officer

Approved:



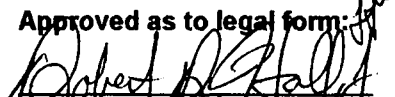
 Arne Duncan
 Chief Executive Officer

Within Appropriation:



 Peggy A. Davis
 Chief of Staff

Approved as to legal form:



 Robert R. Hall Jr.
 Acting General Counsel