September 22, 2004

APPROVE ENTERING INTO AN AGREEMENT WITH OCE BUSINESS SERVICES FOR MAIL AND PRE-SORT MAIL SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with OCE Business Services to provide mail and pre-sort mail services to the Department of Operations at a cost not to exceed $1,044,426 for a two-year period. Vendor was selected on a competitive basis pursuant to a duly advertised Request for Proposals (Specification #04-250010). A written agreement for Vendor's services is currently being negotiated. No payment shall be made to Vendor 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 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.
Specification No.: 04-250010

VENDOR: OCE Business Services
300 S. Wacker Drive, Suite 2200
Chicago, IL 60606
Kristin Ekdahl
(312) 855-0900 ext.313
Vendor #46698

USER: Department of Operations
125 South Clark- 16th Floor
Chicago, IL 60603
Rebecca Grespan
773-553-2909

TERM: The term of this agreement shall commence on October 1, 2004 and shall end September 30, 2006. This agreement shall have 2 options to renew for periods of 12 months each.

EARLY TERMINATION RIGHT: The Board shall have the right to terminate this agreement with 30 days written notice.

SCOPE OF SERVICES: Vendor shall provide the following mailroom, receiving room and pre-sort mail services: (i) back-up support from vendor's field support staff; (ii) USPS daily mail pickup;(iii) internal/outbound mail runs two (2) times per day on USPS mail; (iv) daily tracking/ delivery of all accountable mail; (v) daily processing and cost analysis of all outbound accountable mail; and (vi) pick-up, pre-sort, automate and deliver all first class mail.

DELIVERABLES: Vendor will provide state-of-the art mailroom and receiving room operations for 125 South Clark Office and Medill Center.

OUTCOMES: Vendor's services will result in quality services, accountability and reduction of expenses.

COMPENSATION: Vendor shall be paid for the two year contract period as follows:

Staffing	$827,636
Equipment	$ 34,526
Mover (daily rate)	$ 48,880
Pre-sort and Non-automated Mail (per piece basis)	$ 61,000
Miscellaneous Costs	$ 40,716
Machinery (Folder/Stuffer)	$ 31,668

Total compensation for the two year term not to exceed $1,044,426.

REIMBURSABLE EXPENSES: There are no reimbursable expenses other than equipment and miscellaneous costs as stated above.

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 Operating Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 26% total MBE, 16% total African American, 7.5% 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 Operations: $538,047-FY05
$506,379-FY06
Budget Classification: 0643-210-000-4462-5400
Source of Funds: Operation of Plant Corporate Headquarters

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:

Heather A. Obora/BH

Heather A. Obora B.H.
Chief Purchasing Officer

Approved:

Arne Duncan
Chief Executive Officer

Within Appropriation:

John Maiorca
Chief Financial Officer

Approved as to legal form:

Ruth M. Moscovitch
General Counsel