

**APPROVE EXERCISING THE OPTION TO RENEW THE AGREEMENT  
WITH BANK OF AMERICA FOR BANKING SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve exercising the option to renew the agreement with Bank of America for banking services at a cost not to exceed \$45,000.00 a year. A written document exercising this option is currently being negotiated. No payment shall be made to Vendor 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 120 days of the date of this Board Report. Information pertinent to this option is stated below.

**Specification No.: 04-250002**

<b>VENDOR :</b>	Bank of America	<b>USER:</b>	Office of School Financial Services, Bureau of Treasury
	231 S. LaSalle Street		125 South Clark, 13 <sup>th</sup> Floor
	Chicago, IL 60604		Chicago, IL 60603
	Kimberly Feeney		David Bryant
	(312) 828-2582		
	Vendor #: 44055		

**ORIGINAL AGREEMENT:** The original Bank Services Agreement (authorized by Board Report 04-0526-PR28) in the amount of \$30,00.00 per year, is for a term commencing August 1, 2004 and ending July 31, 2007, with the Board having the option to renew the agreement for one additional 24-month period. The original agreement was awarded on a competitive basis.

**OPTION PERIOD:** The term of this agreement is being renewed for twenty-four months commencing August 1, 2007 and ending July 31, 2009.

**OPTION PERIODS REMAINING:** There are no option periods remaining.

**SCOPE OF SERVICES:** Bank of America will continue to provide electronic data interchange (EDI) payment services, and other specific services at the request of the Chief Financial Officer, all as detailed in the written agreement.

**DELIVERABLES:** Bank of America will continue to provide, activity statements, reconciliation reports, electronic information, electronic access to information, and other written and electronic reports as requested, all as detailed in the written agreement.

**OUTCOMES:** Bank of America's services shall result in streamlining of payments, cost and time savings in payment process, operational efficiencies, and process reconciliation.

**COMPENSATION:** Bank of America shall be paid according to the specific rates identified in the renewal document, not to exceed the sum of \$45,000.00 per year.

**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 the Chief Fiscal Officer to execute all ancillary documents required to administer or effectuate this option agreement.

**AFFIRMATIVE ACTION:** This contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE) The M/WBE goal for this contract include: 35% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE.

The vendor has identified the following firms and percentages:

**Total MBE – 34%**

Pointe International – A 7790 Quincy St. Willowbrook, IL 60527	\$3,000.00 – 2%  certified until September 1, 2007
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Ariel Capital Management – AA 307 N. Michigan Chicago, IL 60622	\$6,600.00 – 22%  certified until September 1, 2007
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US Messenger & Logistics – HH 7790 Quincy St.	\$3,000.00 – 10%
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**Total WBE – 5%**

Arrow Messenger Service – W 1322 W. Walton Chicago, IL 60622	\$1,500.00 – 5%  certified until September 1, 2007
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**LSC REVIEW:** Local School Council approval is not applicable to this report.

<b>FINANCIAL:</b>	Charge to Bureau of Treasury: \$45,000.00	Fiscal Year: FY08
	Budget Classification: 0230-210-000-1135-5410	Source of Funds: Operating Funds
	Charge to Bureau of Treasury: \$45,000.00	Fiscal Year: FY09
	Budget Classification: 0230-210-000-1135-5410	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.

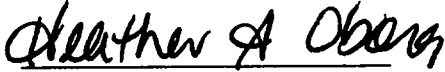
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

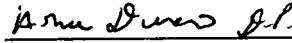
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



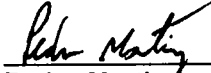
Heather A. Obora  
Chief Purchasing Officer

Approved:



Arne Duncan  
Chief Executive Officer

Within Appropriation:



Pedro Martinez  
Chief Financial Officer

Approved as to legal form 



Patrick J. Rocks  
General Counsel