

APPROVE EXERCISING THE OPTION TO RENEW THE AGREEMENT WITH JP MORGAN CHASE BANK FOR BANKING SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the option to renew the agreement with JP Morgan Chase Bank for banking services to the Office of School Financial Services, Bureau of Treasury at a total cost for the option period not to exceed \$670,000.00 per fiscal year. A written document exercising this option is currently being negotiated. No payment shall be made to JP Morgan Chase Bank during the option period prior to execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification Number : 08-250023

Contract Administrator : Flores, Miss Nanzi / 773-553-2280

VENDOR:

- 1) Vendor # 58545
JPMORGAN CHASE BANK N.A.
10 SOUTH DEARBORN., STE IL1-1228
CHICAGO, IL 60603
Mark Lester
312-732-6932

USER INFORMATION :

Contact: 12440 - Treasury
125 South Clark Street
Chicago, IL 60603
Jopek Shaker, Ms. Melanie A.
773-553-2595

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 09-0225-PR12) in the amount of \$670,000.00 per year, is for a term commencing August 1, 2009 and ending July 31, 2012, 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 pursuant to Board Rule 7-2.

OPTION PERIOD:

The term of this agreement is being extended for 23 months commencing August 1, 2012 and ending June 30, 2014.

OPTION PERIODS REMAINING:

There are no option periods remaining.

SCOPE OF SERVICES:

JP Morgan Chase Bank will continue to provide concentration account services, disbursement services for both employees and vendors, check and statement printing services and other specific services at the request of the Chief Financial Officer, all as detailed in the written agreement.

DELIVERABLES:

JP Morgan Chase Bank will continue to provide bank statements, reconciliation reports, return items, electronic information, electronic access to information, and other written and electronic reports as requested, all as detailed in the written agreement.

OUTCOMES:

JP Morgan Chase's services will result in streamlining of receipts and disbursements, cost savings in the check payment process, increased interest income due to more efficient cash management, and operational efficiencies in the cash reconciliation process.

COMPENSATION:

During this option period JP Morgan Chase shall be paid at the specific rates identified in the renewal agreement; total not to exceed the sum of \$670,000.00 per fiscal year, inclusive of any reimbursable expenses.

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 Chief Financial Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION:

This agreement is in full compliance with the requirements of the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts. The M/WBE requirements for this agreement include: 35% total MBE and 5% total WBE participation.

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

Total MBE - 35%

Loop Capital Markets
200 W. Jackson Blvd.
Chicago, IL 60606

A&R Janitorial Services
35236 Eagle Way
Chicago, IL 60678

Total WBE - 5%

Continental Courier
11697 Westgrand Avenue
Northlake, IL 60164

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

FY2013 and FY2014 funding is contingent upon budget appropriation and approval.

12440-115-54125-252302-000000-2013	\$670,000.00
12440-115-54125-252302-000000-2014	\$670,000.00

CFDA#: Not Applicable

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 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 May 25, 2011 (11-0525-PO2), 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:



SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



JEAN-CLAUDE BRIZARD
Chief Executive Officer

Within Appropriation:



DAVID G. WATKINS
Chief Financial Officer

Approved as to Legal Form:



PATRICK J. ROCKS
General Counsel