August 28, 2002

APPROVE EXERCISING THE SECOND OPTION TO EXTEND THE PRE-QUALIFICATION STATUS AND THE AGREEMENTS WITH VARIOUS CONSULTANTS TO PROVIDE INVESTIGATIVE, AUDITING, TRAINING AND MANAGEMENT SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the second option to extend the pre-qualification status and the agreements with twelve (12) consulting firms to provide professional services in investigations, audits, management studies, urban education studies, staff training and efficiency studies to the Office of the Inspector General at a cost not to exceed \$153,100, in the aggregate, for this option period. Written documents exercising this option are currently being negotiated. No payment shall be made to any Consultant during the option period prior to the execution of such consultant's written document. The authority granted herein shall automatically rescind as to each consultant in the event such consultant does not execute a written document within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

NAMES OF THE CONSULTANTS:

1. Vendor Name: Advanced Data Concepts, LLC

Vendor No.: 23728

Address: 819 South Wabash Ave., Suite 600 City, State & Zip: Chicago, Illinois 60605

Phone Number: (312) 786-0220

Contact: Robert Runcie

Services: Review of telecommunications and computer systems; network wiring, hardware and

software; and systems.

2. Vendor Name: Clifton Gunderson L.L.C.

Vendor No.: 29792

Address: 1301 West 22nd St., Suite 1100 City, State & Zip: Oak Brook, Illinois 60523

Phone Number: (630) 573-8600

Contact: Pat Brady

Services: Forensic auditing; investigations of white-collar crime and contract violations; and auditing and reviewing management systems; staff development and training in the area of auditing.

3. Vendor Name: American Building Inspection

Service

Vendor No.: 30843

Address: 5875 North Lincoln Ave., Suite 132 City, State & Zip: Chicago, Illinois 60659

Phone Number: (773) 728-4434 Contact: Stephen A. James

Services: Commercial construction inspections and

reports; and laboratory analyses.

4. Vendor Name: Peterson/Navigant Consulting,

Inc.

Vendor No.: 31703

Address: 175 West Jackson St., Suite 500 City, State & Zip: Chicago, Illinois 60604

Phone Number: (312) 583-5712

Contact: Dan E. Turula

Services: Investigative services in the areas of forensic auditing; white-collar crime; and contract

violations; auditing and review of management

systems.

5. Vendor Name: FTP&W, Ltd.

Vendor No.: 25651

Address: 400 North Michigan Ave., Suite 1610 City, State & Zip: Chicago, Illinois 60607

Phone Number: (312) 321-1040

Contact: Greg Wass

Services: Forensic auditing; investigations of white-collar crime and contracts violations; auditing

and review of management systems.

6. Vendor Name: Executive Service Corps of

Chicago

Vendor No.: 14705

Address: 30 West Monroe St., Suite 600 City, State & Zip: Chicago, Illinois 60603-2404 Phone Number: (312) 580-1840 Ext. 329

Contact: Marlene Russum Scott

Services: Staff development and training including

the area of investigative services.

7. Vendor Name: GP&R Group, formerly known as Prado & Renteria CPAs Professional Corporation

Vendor No.: 26818

Address: 1837 South Michigan Ave. City, State & Zip: Chicago, Illinois 60616

Phone Number: (312) 567-1330 Contact: Maria de J. Prado

Services: Forensic auditing and reviewing

management systems.

8. Vendor Name: Fact Finders Group, Inc.

Vendor No.: 30641

Address: 90 North St., Suite 107

City, State & Zip: Park Forest, Illinois 60466

Phone Number: (708) 283-4200 Contact: Kenneth M. Webb

Services: Investigations of white-collar crime and

contract violations.

9. Vendor Name: Russell Novak & Co.

Vendor No.: 26488

Address: 225 West Illinois St., Suite 300 City, State & Zip: Chicago, Illinois 60610

Phone Number: (312) 222-1400 Contact: Michael D. Pakter

Services: Forensic auditing; investigations of whitecollar crime and contract violations; auditing and reviewing management systems; staff development

and training in the area of auditing.

10. Vendor Name: L.S. Gallegos & Associates

Vendor No.: 25426

Address: 20 North Wacker Dr., Suite 2250 City, State & Zip: Chicago, Illinois 60606

Phone Number: (312) 629-0553

Contact: Mary Amour

Services: Expertise in commercial construction (including environmental and capital maintenance); telecommunications and computer systems in the areas of major hardware and software systems; network wiring; programming and systems

integration.

11. Vendor Name: Tactics, Inc.

Vendor No.: 26150

Address: 53 West Jackson, Suite 1115 City, State & Zip: Chicago, Illinois 60604

Phone Number: (312) 987-1800 Contact: Margaret Swanton

Services: Auditing and review of management systems and procurement of services and supplies; staff development and training in the area of auditing management systems, and procurement.

12. Vendor Name: James E. Van Ella & Aşsoc., Inc

Vendor No.: 29569

Address: 8745 West Higgins Rd., Suite 10 City, State & Zip: Chicago, Illinois 60631

Phone Number: (888) 538-1969 Contact: Elizabeth Van Ella

Services: Investigative services in the areas of forensic auditing; white-collar crime and contract violations; staff development and training in the area

of investigative services.

USER:

Office of the Inspector General 310 South Michigan Ave., Suite 1300 James M. Sullivan 773-534-8711

ORIGINAL AGREEMENTS: The original Master Agreements (authorized by Board Report 00-0823-IG1) in the aggregate amount of \$900,000, are for a term commencing September 1, 2000 and ending August 31, 2001, with the Board having the option to extend the pre-qualification status and the agreements for two (2) additional one-year periods. The Agreements were renewed in the aggregate amount of \$904,020 for a term commencing September 1, 2001 and ending August 31, 2002 (authorized by Board Report 01-0822-IG1). The original Master Agreements were awarded pursuant to a duly advertised RFQ/P. Originally, thirteen (13) vendors were awarded agreements; however, Paul. J. Ciolino & Associates is not being renewed due to vendor disinterest in working with the Board.

OPTION PERIOD: The term of each agreement is being extended for one (1) year commencing September 1, 2002 and ending August 31, 2003.

OPTION PERIODS REMAINING: There are no option periods remaining.

SCOPE OF SERVICES: Each Consultant shall continue to provide the services stated in such Consultant's Master Agreement.

DELIVERABLES: Consultants shall continue to deliver to the Inspector General the types of reports as required for the services being rendered.

COMPENSATION: Consultants shall be paid during this option period according to the fees identified in their respective Master Agreements, not to exceed \$153,100 in the aggregate.

USE OF THE POOL: The Inspector General only is authorized to receive services from the pre-qualified pool through an informal bid solicitation process, obtaining at least three quotes for services from the pre-qualified pool with payment by purchase orders. Notices to proceed must be authorized by the Inspector General prior to

commencement of any services.

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 Inspector General to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION: Actual M/WBE participation pursuant to this agreement cannot be determined at this time. M/WBE participation will be evidenced via standard monitoring process.

Fiscal Year: 2003

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

FINANCIAL: Charge to Office of the Inspector General: \$153,100

Budget Classification: 0011-210-000-1007-5410 \$68,489 Budget Classification: 0011-401-000-1080-5410 \$84,611

Source of Funds: 210 - General Education Fund

401- Capital Improvement Program

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).

Within Appropriation

Kenneth C. Gotsch **Chief Fiscal Officer**