APPROVE EXERCISING THE 1st OPTION TO RENEW THE AGREEMENT WITH AM/FM BROADCASTING, INC. D/B/A - CLEAR CHANNEL RADIO / WGCI

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the 1st option to renew the agreement with AM/FM BROADCASTING, INC., d/b/a CLEAR CHANNEL RADIO / WGCI to provide radio marketing services for all Chicago Public Schools at a cost for the 1st option period not to exceed $100,000. A written document exercising this 1st option is currently being negotiated. No payment shall be made to Consultant during the 1st 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 90 days of the date of this Board Report. Information pertinent to this 1st option is stated below.

CONSULTANT:
AM/FM BROADCASTING, INC. d/b/a CLEAR CHANNEL RADIO / WGCI
233 N. Michigan Ave – 28th Floor
Chicago, IL 60601
Contact Person: Jenise Green
Phone: 312-540-2367
Vendor # 39018

USER:
All Chicago Public Schools
125 S. Clark St.
Chicago, IL 60603
Contact person: Joi Mecks
Phone: 773-553-1620

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report #05-0928-PR11) in the amount of $100,000 is for a term commencing October 1, 2005 and ending August 31, 2007, with the Board having 3 option(s) to renew/extend for 1 year term(s). The original agreement was awarded on a competitive basis pursuant to Board Rule 5-4.1. Board Report 05-928-PR11 was amended on June 28th, 2006 (#06-0628-PR28) to reflect a $100,000 increase in the compensation.

OPTION PERIOD: The term of this agreement is being extended for 1 year commencing September 1, 2007 and ending August 31, 2008.

OPTION PERIODS REMAINING: There are 2 option period(s) remaining, each for one (1) year.

SCOPE OF SERVICES: Continue to provide a radio marketing initiative, including a series of incentives and on-air promotions.

DELIVERABLES: Consultant will continue to provide a minimum of 20 five second feature sponsorships and 35 thirty second promotional announcements monthly and will obtain mutually agreed upon third party sponsorships. The Board shall continue to receive a minimum fee of 10% of the investment of the sponsorship. Consultant will continue to host school events such as homecoming dances and football games, secure radio personalities and recording artists to visit schools, pay families' rent or mortgage and designate a daily news segment for attendance. During the 2007-2008 school year, Consultant will provide vacations, a shopping spree, and surprise visits by recording artists and radio personalities.

BOARD PARTICIPATION: The Board will continue to provide on-site space at events for sponsors for signage and booths and sponsorship opportunities for CPS public announcement messages. The Board shall continue to have discretion to approve all sponsorships, promotions, prizes and incentives.

OUTCOMES: Consultant's services will continue to result in improved attendance and a more informed student body.

COMPENSATION: Consultant shall be paid during this option period as specified in the original agreement, total compensation not to exceed the sum of $100,000.

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 Director of Communications to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION: Pursuant to section 5.2 of the Remedial Program for Minority and Women Owned and Business Enterprise Participation in Goods and Services, (M/WBE Plan) this contract is exempt from review because services provided classify as a unique transaction.

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

FINANCIAL: Charge to Office of Communications: $100,000 Fiscal Year: 2008
Budget Classification: 10510-115-54125-211207-000000 Source of Funds: Education 115

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

Heather A. Obora
Chief Purchasing Officer

Approved:

Arne Duncan
Chief Executive Officer

Within Appropriation:

Pedro Martinez

Pedro Martinez
Chief Financial Officer

Approved as to legal form:

Patrick J. Rocks
General Counsel