RATIFY EXERCISING THE SECOND OPTION TO RENEW THE AGREEMENT WITH AMFM BROADCASTING, INC

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the second option to renew the agreement with AMFM Broadcasting, Inc. to provide radio marketing services for all Chicago Public Schools at a cost for the option period not to exceed $100,000. 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 90 days of the date of this Board Report. Information pertinent to this option is stated below.

VENDOR:

1)
Amfm Broadcasting, Inc
233 North Michigan Ave., #2800
Chicago, Il 60601
Jenise Green
312-540-2367
Vendor # 90302

USER:

Office of Communications
125 S Clark St - 6th Floor
Chicago, IL 60603
Celeste Garrett
773-553-1620

ORIGINAL AGREEMENT:
The original Agreement (authorized by Board Report #05-0928-PR11 as amended by 06-0628-PR28) in the amount of $200,000 is for a term commencing on October 1, 2005 and ending August 31, 2007, with the Board having 3 options to renew for 1 year terms. The original agreement was awarded on a competitive basis pursuant to Board Rule 5-4.1. The agreement was renewed (authorized by Board Report 07-0822-PR12) for a term commencing September 1, 2007 and ending August 31, 2008.

OPTION PERIOD:
The term of this agreement is being extended for one year commencing September 1, 2008 and ending August 31, 2009.

OPTION PERIODS REMAINING:
There is 1 option period remaining for 1 year.

SCOPE OF SERVICES:
The vendor will continue to provide commercial advertising for placement on local subsidiary stations. AMFM Broadcasting, Inc. is the parent corporation and owns several radio stations, specifically WGCI, WVAZ, WKSC, WGRB, WNUA, WLIT. AMFM Broadcasting, Inc. will create and then air the promotions through its subsidiary stations.

DELIVERABLES:
Vendor will continue to provide a minimum of twenty 5 second feature sponsorships and thirty-five 30 second promotional announcments monthly and will obtain mutually agreed upon third party sponsorships. The Board shall receive a minimum fee of 10% of the investment of the sponsorship. Vendor will 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 2008-2009 school year, Vendor will provide vacations, a shopping spree, and surprise visits by recording artists and radio personalities.

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

COMPENSATION:
Vendor shall be paid during this option period as specified in the option document; total compensation for the option period 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:
The goals for this contract include 25% MBE and 5% WBE participation however the Office of Business Diversity recommends a waiver in leiu of the vendor identifying an altenative method to participate in the diversity program.

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

FINANCIAL:
Charge to Office of Communications: $100,000 Fiscal Year: 2009
Budget Classification: 10510-115-54125-263004-000000

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 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/ow

HEATHER A. OBORA
Chief Purchasing Officer

Within Appropriation:

Pedro Martinez

PEDRO MARTINEZ
Chief Financial Officer

Approved:

Arne Duncan

ARNE DUNCAN
Chief Executive Officer

Approved as to Legal Form: gm

PATRICK J. ROCKS
General Counsel