

**MARCH 27, 2002**

**EXERCISING THE OPTION TO EXTEND THE AGREEMENT  
WITH A. C. ADVISORY, INC.**

**APPROVE**

**CER REPORTS THE FOLLOWING DECISION:**

**THE CHIEF EXECUTIVE OFFICE**

extending the agreement with A.C. Advisory, Inc. ("A.C. Advisory") to provide services to the Board of Education for financial services during the period of December 1, 2001 through November 30, 2002, consisting of \$400,000.00. 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 60 days of the date of this Board decision.

Classification: **Att-A-90-200252**

**VENDOR:** A.C. Advisory, Inc.  
70 West Madison  
Suite 2100

Chicago, IL 60602

Adela Cebeda  
312/346-9164

**USER:** Office of School Financial Services  
125 S. Dearborn Street, Suite 1000

Chicago, IL 60603

Kenneth C. Götsch  
(773) 553-2700  
David A. Bryant  
(773) 553-2790

Authorized by Board Report U-02-012 by Board Report #02-0126. ORIGINAL AGREEMENT: The original Financial Advisor Contract was signed on May 13, 2001 and will expire on May 25, 2002. Renewal of this contract will be determined at the time of renewal.

**DELIVERABLES:** A.C. Advisory will provide reports and written analyses as requested by the Office of School

**OUTCOMES:** Outcomes include the issuance and restructuring of bonds or the establishment of other alternative financing mechanisms that will allow the Board and schools to finance the Capital Program in a fiscally and cost effective manner.

**COMPENSATION:** Fees will be established by the Office of School and will not exceed \$400,000.00 with a specific fee schedule to be as specified in the written document.

**AUTHORIZATION:** Authorize the General Counsel to include all relevant terms and conditions in the option document. Authorize the Chief Financial Officer to execute the option document. Authorize the President and Secretary to execute the

**ALTERNATIVE ACTION:** Pursuant to Section C.2.c. of the Revised Standard Contract, minority and women business enterprise contractor participation (M/WBE) in the new contract and category classification for M/WBE participation will be utilized.

applicable to this report.

**LSC REVIEW:** Local School Council approval is not a

**FINANCIALS:** Observe the Bureau of Treasury. \$112,500.00 - Fiscal Year: FY02

**GENERAL CONDITIONS:**

ILCS 5/34.13.1  
Section 5/34.13.1 of the Illinois Compiled Statutes, Chapter 5, Local Government, provides that no member of the government shall acknowledge that, in accordance with 105 ILCS 5/34.21, he or she has been involved in the conduct of investigations or other proceedings relating to the conduct of members of the government or former members of the government, or to investigations.

Provisions of  
Article 106 of the Illinois Compiled Statutes, Chapter 5, Local Government, 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.

as amended from time to time.

Independence - The Board's Independence Policy, adopted July 26, 1995 (95-0726-PX3),  
which is available at <http://www.scc.state.il.us/boards/indpol.htm>, 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

shall be contingent upon its approval in the subsequent fiscal year.

Approved:

*Arne Duncan*

AFCUIC Chief Executive Officer

Approved for Consideration:

*Ed Mallock*

AFCUIC Chief Purchasing Officer

Within Appropriation:

*W. H. O'Dell*

Kenneth O. Gotson

CFO, AFSCM, AFL-CIO

Enter Fiscal Officer

Approved as to legal form: