

APPROVE EXERCISING THE SECOND OPTION TO RENEW THE AGREEMENT WITH PINNACLE RESEARCH INC. FOR CONSULTING SERVICES

THE INSPECTOR OF GENERAL INVESTIGATION REPORTS THE FOLLOWING INFORMATION:
The exercise of the second option to renew the agreement with Pinnacle Research Inc. for consulting services for the period of January 1, 2002 to December 31, 2002 is being negotiated. No payment shall be made to Pinnacle Research Inc. until the agreement is executed. The authority for the exercise of the second option to renew the agreement shall automatically be granted in the event a written document is not executed within 60 days of the date of this Board Report. Information pertinent to this option is stated below.

ch Inc.
Suite 224
is 60466
ny, President

CONSULTANT: Pinnacle Research Inc.
90 North Street,
Park Forest, Illinois
(708) 283-9500
Michael J. Anthony
Vendor #29566

ector General
an, Suite 1300

USER: Office of the Inspector General
310 South Michigan
Chicago, Illinois 60604
(773) 534-8711
James M. Sullivan, Interim

Inspector General

Consulting Agreement (authorized by Board Report 00-1115-IG1) commencing January 1, 2001 and ending December 31, 2001, with the option to extend the agreement for four additional one-year periods. The agreement was renewed in the amount of \$585,000 for a term commencing on January 1, 2002 and ending December 31, 2002 (authorized by Board Report 01-1128-IG1).

ORIGINAL AGREEMENT: The original Contract in the amount of \$585,000, is for the term commencing January 1, 2001 and ending December 31, 2001. The agreement was renewed for a term commencing January 1, 2002 and ending December 31, 2002.

OPTION PERIOD: The term of this agreement is being extended for one year commencing January 1, 2002 and ending December 31, 2002.

There are two option periods for one year each remaining. **OPTION PERIODS REMAINING:** 2

of the investigations will corroborate and prove the allegation(s) and may...
...to conduct thorough investigations.

OUTCOMES:

The results of...
...to conduct thorough investigations.

COMPENSATION: The Consultant shall be paid a fee of \$275,000, which shall not exceed the sum of \$275,000.

and reasonable and defrable expenses...
...of the total compensation amount.

REIMBURSABLE EXPENSES: The Consultant shall be reimbursed for...
...which shall not exceed 75 percent of the total amount of compensation reflected herein is inclusive of all reimbursable expense.

at term and condition in the...
...of the contract.

AUTHORIZATION: Through the General Counsel, in addition to the...
...this option agreement.

proposed M/WBE compliance for the renewal period and has...
...percentages:

AFFIRMATIVE ACTION: The Contractor has...
...identified the following firms and persons:

Street, Suite 224, Park Forest, Illinois 60466: \$228,250

83% African American
(i) Pinnacle Research Inc., 90 North

St. #104, Evanston, IL 60201

7.5% Hispanic:
(i) C.M. Technology, 909 Foster

Market Plaza #500, Chicago, IL 60606 (Indirect)

(ii) Salsedo Press, 3139 W. Chicago, Chicago, IL 60622 (Indirect)

Plaza # Naves, Inc., 760 N. Ogden, Ste. 2200, Chicago, IL 60622 (Indirect)

(iii) Gravois Trading, 1196 N. Westview Ave, South Holland, IL 60476 (Indirect)

(iv) Vision Periodics, Suite C, 2220 W. Foster, Chicago, IL 60626 (Indirect)

Total: \$275,000

2% Asian

(i) Kenfed Team/RG Warehouse, 2916 W. Ogden, Naperville, IL 60148 (Indirect)

(ii) Encore Paper & Supply, 31 First Natl Plaza, #1400, Chicago, IL 60602 (Indirect)

FINANCIAL: Charge to Office of the Inspector General: \$275,000

BUDGET Classification: 0011-492-000-1080-5410 ... \$175,000 Fiscal Year: 2002

000-1080-5410

\$50,000 Fiscal Year: 2003

0011-401

000-1080-5410

\$50,000 Fiscal Year: 2002

0011-401-000-1080-5410 ... \$50,000 ... 0011-401

Source of Funds: 210 – General Education Fund
492 – Capital Project
401 – Capital Project

GENERAL CONDITIONS:

ILCS

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS

5/0-10.1, the Immediate Council of the Board of Trustees is the authority to conduct investigations 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.

agreement

time to time, shall be incorporated into and made a part of the

105 ILCS 5/0-10.1 (b) shall be added from time to

time, shall be incorporated into and made a part of the agree

year agreement shall contain no less than the following provisions: (a) The contingent liability of the Board shall be the responsibility of the Board in the subsequent fiscal year budget/