

MARCH 27, 2002

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

**APPROVE**

**REPORTS THE FOLLOWING DECISION:**

**THE CHIEF EXECUTIVE OFFICER**

extend the agreement with A.C. Advisory, Inc. A.C. Advisory, Inc. provides office of school financial services at a cost during the option period of \$400,000.00. A written document exercising this option is currently being negotiated. No payment shall be made to the 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 resolution.

Resolutions Approved March 27, 2002

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

Chicago, IL 60602  
Adela Cepeda  
312-346-0184

**USER:** Office of School Financial Services  
Chicago, IL 60602

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

Authorized by Board Report U.S. 11/20/02 by Don P. 11/20/02 11/20/02  
ORIGINAL AGREEMENT: The Original Financial Advisor Contract  
in the amount of \$400,000.00 per year for the period of 5 years.

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

**OUTCOMES:** Outcomes include assistance in restructuring of bonds on the establishment of one or more financing mechanisms that will allow the Board and Schools to finance the Capital Program in a efficient and cost-effective manner.

**CONTRIBUTION:**

\$400,000.00 with a specific fee schedule to be as specified in the written document.

**AUTHORIZATION:**

Authorize the General Counsel to include a net effective terms and conditions option document. Authorize the President and Secretary to execute the option document.

**ALTERNATIVE ACTION:**

M/WBE participation will be utilized.

applicable to this report.

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

500.00 Fiscal Year: FY02

**FINANCIAL:** Charge to Bureau of Treasury, \$112

GENERAL CONDITIONS:

ILCS 5/34-13.1. The Board shall not be legally binding on the Board if entered into in violation of the provisions of 106 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.

Conflicts. The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 106 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 July 26, 1995 (95-0726-EX3) 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 incorporated into and made a part of the agreement.

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Approved: Approved for Consideration:

*Arne Duncan*

*Charles Rock*

Chief, XcelVY: [Signature]

Acting Chief Purchasing Officer

Within Appropriation:

*[Signature]*

Kenneth O. Gotsen

Chief Fiscal Officer

Approved as to legal form: *[Signature]*