

AMEND BOARD REPORT 02-1218-PR14
**APPROVE ENTERING INTO AN AGREEMENT WITH AVAYA CORPORATION FOR
PRIVATE BRANCH EXCHANGE ("PBX") UPGRADE SOFTWARE,
HARDWARE AND MAINTENANCE SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Avaya Inc. ("Avaya") to provide Private Branch Exchange ("PBX") Network upgrade software, hardware and maintenance services for the Office of Technology Services ("OTS"), at a cost not to exceed ~~\$472,499.51~~ \$877,499.51 for a three (3) year term. Avaya was selected on a non-competitive basis because this equipment is proprietary to Avaya. A written agreement for Avaya's services is currently being negotiated. No payment shall be made to Avaya prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written document is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this agreement is stated below.

This amendment is necessary to increase the dollar amount of the contract by \$405,000. This increase is necessary to cover hardware and software maintenance on the Board's six (6) Conversant systems, two (2) Intuity Audix Voicemail systems and associated Call Center components. A written amendment to the Contract is currently being negotiated. No payment for these additional services shall be made prior to the execution of the written amendment. The authority granted in this amended Board Report shall automatically rescind in the event a written amendment is not executed within ninety (90) days of the date of this amended Board Report.

SPECIFICATION NO.: 02-250236

VENDOR: Avaya Inc.
2300 Cabot Drive
Lisle, Illinois 60532
Contact: Michael O'Neill
Telephone No.: 630-245-2789
Vendor No.: 30623

USER: Office of Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contact: Robert W. Runcie, Chief Information Officer
~~Elaine L. Williams, Chief Technology Officer~~
Telephone No.: (773) 553-1300

TERM: The term of this agreement shall commence on December 19, 2002 and shall end December 18, 2005.

DESCRIPTION OF PURCHASE: Version 11 Upgrade Components; Installation; Training; Warranty Service; and Maintenance; Hardware and Software Maintenance on six (6) Avaya Conversant systems; two (2) Avaya Intuity Audix Voicemail systems and associated Call Center components; Total cost not to exceed: ~~\$472,499.51~~ \$877,499.51.

SCOPE OF SERVICES: Avaya will provide PBX Version 11 upgrade software and hardware, including installation, training, warranty and maintenance services. The upgrade is required for additional features, which include the Call Center functionality for other Central Office users. In addition, Avaya will provide hardware and software maintenance on the Board's six (6) Avaya Conversant systems; two (2) Avaya Intuity Audix Voicemail systems and associated Call Center components.

DELIVERABLES: Avaya will provide training, maintenance, technical response and specific on-site coverage for the hardware and software to ensure the proper operation of the Avaya software, servers and associated parts. Maintenance will include all hardware, software, servers and associated parts of the Board's PBX, Conversant Systems, Intuity Audix Voicemail systems and all associated components.

OUTCOMES: Avaya will provide the Board with the necessary training, hardware and software, including installation, maintenance and support services, to ensure the proper functioning of the Avaya operating systems and any related equipment.

COMPENSATION: Avaya shall be paid during this agreement as follows: Upon invoicing: (i) one lump sum payment of \$118,899.99 for the purchase and installation of the PBX hardware and software upgrades; (ii) at a cost not to exceed \$20,000.00 for training; (iii) one lump sum payment of \$91,600.08 for maintenance during year one; (iv) one lump sum payment of \$120,999.72 for maintenance during year two; and (v) one lump sum payment of \$120,999.72 for maintenance during year three; (vi) one lump sum payment of \$135,000 for Conversants, Intuity Audix Systems and associated call center components during year one, (vii) one lump sum payment of \$135,000 for Conversants, Intuity Audix Systems and associated call center components for year two; and (viii) one lump sum payment of \$135,000 for Conversants, Intuity Audix Systems and associated call center components for year three, total compensation not to exceed \$472,499.51 \$877,499.51.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Technology Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: This Contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The M/WBE participation goals for the Contract include: 35% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE.

The vendor has identified and scheduled the following firms and percentages:

Total MBE 35%:

Total 22% African American:	\$103,949.90
Rainey Telecommunications	Reapplied 8/5/02
28 East Jackson Blvd., #1020	
Chicago, Illinois 60604	
Total 11% Hispanic:	\$51,974.99
Quantum Crossing	Reapplied 8/16/02
455 North City Front Plaza, #3100	
Chicago, Illinois 60611	
Total 2% Asian:	\$8,977.49
Electrical Power	Certified through 9/1/03
5959 West 115 th Street	
Alsip, Illinois 60803	
Total 5% WBE:	\$23,624.98
RL Canning	Certified through 10/1/03
1670 North Claremont, #304	
Chicago, Illinois 60647	

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

FINANCIAL: Charge to the Office of Technology Services: \$472,499.51 + \$405,000.00 = \$877,499.51

Budget Classification:	0960-552-000-1614-5430	\$ 10,000.00	FY02 PO#445325
	0960-210-000-1614-5470	\$220,500.07	+ \$116,897.14 = \$337,397.21 FY'03
	0960-552-000-1614-5470	\$ 18,102.86	FY '03
	0960-210-000-1614-5470	\$120,999.72	+ \$135,000.00 = \$255,999.72 FY'04
	0960-210-000-1614-5470	\$120,999.72	+ \$135,000.00 = \$255,999.72 FY'05

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 July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

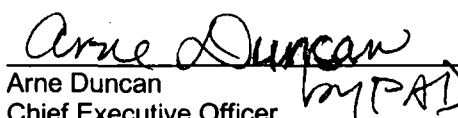
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

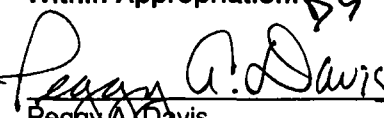
Approved for Consideration:


 Sean P. Murphy
 Chief Purchasing Officer

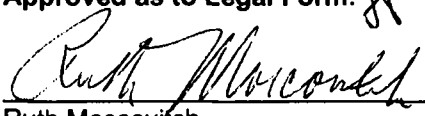
Approved:


 Arne Duncan
 Chief Executive Officer

Within Appropriation:


 Peggy A. Davis
 Chief of Staff

Approved as to Legal Form:


 Ruth Moscovitch
 General Counsel