

**APPROVE EXERCISING THE THIRD OPTION TO RENEW THE AGREEMENT
WITH INTERFACE COMPUTER COMMUNICATIONS, INC.
FOR THE PURCHASE OF APPLE SERVERS AND WARRANTY SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the third option to renew the agreement with Interface Computer Communications Inc. for the purchase of Apple servers and warranty services for use by all area instructional offices, central office departments and schools, at a cost not to exceed \$750,000.00 for the third option period. This contract is subject to the Board's Strategic Sourcing Policy. Exercising this option at this time is required to qualify eligible equipment and services purchased under this contract for Year 7 of the E-Rate Program (July 1, 2004 through June 30, 2005). 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 90 days of the date of this Board Report. Information pertinent to this option is stated below.

SPECIFICATION NO: 00-250499

Contract Administrator: Charlita Fain 553-2259

VENDOR:

Interface Computer Communications, Inc.
633 South Plymouth Court, Suite 604
Chicago, Illinois 60605
3121588-0737
Contact Person: David R. Andalcio
Vendor No.: 26463

USER: All schools, area instructional offices, and central office Departments. Contact Person: Charlita Fain, Contract Administrator-773.553.2259

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report No. 00-0927-PR6) is for a term commencing March 16, 2001 and ending March 15, 2002, with the Board having three (3) options to renew the agreement for successive periods of twelve (12) months each. The original agreement was renewed for a 15½ month period commencing March 16, 2002 and ending June 30, 2003 (Authorized by Board Report 01-1219-PR43). The original agreement was further renewed for a period commencing July 1, 2003 and ending June 30, 2004 (Authorized by Board Report 02-1218-PR07). The original agreement was awarded pursuant to a duly advertised RFP.

OPTION PERIOD: The agreement as to the purchase of apple servers and warranty services shall be renewed for a period commencing July 1, 2004 and ending June 30, 2005.

OPTION PERIODS REMAINING: There are no remaining options to renew.

SCOPE OF SERVICES: Vendor will continue to provide Apple servers, and associated installation, configuration, extended warranty and maintenance service. Schools, area instructional offices, and central office Departments shall purchase equipment at their option via requisition to Procurement and Contracts who will mail a purchase order to the vendor. Purchases of servers for schools shall be consistent with the school's technology plan and the implementation of the school improvement plan (S.I.P.) School purchases that exceed \$25,000 must be approved by the AIO. Central Office purchases over \$25,000.00 must be approved by the appropriate Chief.

PRICES: Vendor will continue to provide all servers at the prices indicated in the original agreement. Total amount shall not exceed \$750,000.00 during the third option period.

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 Chief Purchasing Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 35% total MBE, 22% total African American, 10% Hispanic, 2% total Asian and 5% total WBE.

However, the Waiver Review Committee recommends that a partial waiver of the M/WBE participation goals for this contract as required by the Revised Remedial Plan be granted because the contract scope is not further divisible.

The vendor has, however identified and scheduled the following firms and percentages

Total MBE 99.83%

Total .34% African American:

Smart Technology \$1,270.00/.17%	156 N. Jefferson St., #300, Chgo., IL 60661 Reapplied 7/31/03
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Lansoft Office Systems \$1,270.00/.17%	811 W. Evergreen, #103, Chgo., IL 60622 Reapplied 7/18/03
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Total 99.49% Hispanic:

Interface Computer Communications \$746,200.00	633 S. Plymouth Ct., #1A, Chgo., IL 60605 Certified through 8/1/04
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Total WBE .17%

Alva Rosales \$1,270.00	509 W. 38 th St., Chgo, IL 60609 Certified through 2/1/04
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As a condition of the approved waiver, the vendor has agreed to enter into the Student initiative Program.

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

FINANCIAL: Charge to various schools and departments Fiscal Years: 2005
Budget Classification: 5730-Equipment, 5320-Supplies, 5470-Services/Repair Contracts

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.

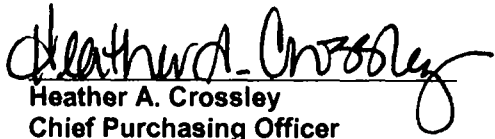
Conflicts - The agreement shall not be legally binding on the Board If entered Into In violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their terms of office.

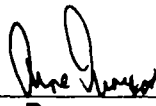
Indebtedness - The Boards Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:


Heather A. Crossley
Chief Purchasing Officer





Arne Duncan
Chief Executive Officer

Within Appropriation:



John J. Maiorca
Chief Financial Officer

Approved as to legal form 


Ruth Moscovitch
General Counsel