

**APPROVE ENTERING INTO AN AGREEMENT WITH SBC BUSINESS COMMUNICATION SERVICES
FOR VIDEO CONFERENCING SERVICES AND EQUIPMENT**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with SBC Business Communication Services to provide video conferencing services and equipment to the Office of Technology Services at a cost not to exceed \$2,231,075.00, of which \$587,933.00 is eligible for, but not contingent upon, discounts in accordance with the guidelines and requirements of the Federal Government's Universal Services Program ("E-Rate"), at a cost to the Board not to exceed \$1,643,142.00. Vendor was selected on a competitive basis pursuant to a duly advertised Request for Proposal (Specification No. 04-250162). A written agreement for Consultant's services is currently being negotiated. No services shall be provided by Consultant and no payment shall be made to Consultant prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Specification No.: 04-250162

Contract Administrator: Charlita Fain

VENDOR: SBC Business Communication Services
225 W. Randolph Street, Floor 23C
Chicago, Illinois 60606
Contact Person: Keneese McNamer
Telephone No.: (312) 364-2982
Vendor No.: 13290

USER: Office of Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contacts: Robert W. Runcie, Chief Information Officer
Sharnell Jackson, Chief eLearning Officer
Telephone No. 773-553-1300

TERM: The term of this agreement shall commence on July 1, 2005 and shall end June 30, 2008. This agreement shall have one (1) option to renew for a period of one (1) year.

EARLY TERMINATION RIGHT: The Board shall have the right to terminate this agreement with 30 days written notice.

SCOPE OF SERVICES: SBC will design, furnish, and install video conferencing systems at approximately fifty five schools and sites, including the Central Office. The integrated system will connect each school and site together as a conferencing point. In addition, SBC will provide technical and user training, ongoing user support and basic maintenance services. SBC shall provide scaleable, robust H.323 networking solutions and a Project Plan which shall consist of the following elements:

- Project Overview Statement
- Communications Plan
- Project Budget and Invoicing Plan
- Quality Plan
- Risk Identification and Response Development
- Implementation Plan
- Change Control Plan
- Test and Acceptance Plan
- Basic Maintenance Plan

DELIVERABLES: SBC will provide the following:

1. Videoconferencing Systems

- a. 45 Large room systems
- b. 10 Medium room systems
- c. 8 Administrative desktop units
- 2. Network Components
 - a. Multipoint control unit/gateway
 - b. Gatekeeper
 - c. Proxy solution
 - d. Scheduling and directory solutions
- 3. Maintenance and Support
 - a. Help desk for technical and user support
 - b. Hardware basic maintenance
- 4. Training
 - a. Technical Network level
 - b. Basic End-user level
- 5. Project Management

OUTCOMES: SBC's services will result in the Board having integrated video conferencing systems at approximately fifty five schools and sites with interconnectivity between the schools, sites, central office, and educational resources.

COMPENSATION: Consultant shall be paid during the term as follows: Upon monthly invoicing at a cost not to exceed \$2,231,075. of which \$587,933. is eligible for, but not contingent upon, discounts in accordance with the guidelines and requirements of the Federal Government's Universal Services Program ("E-Rate"), at a cost to the Board not to exceed \$1,643,142.

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 Information 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). 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 23.68% African American:

Information Technology Integrators	\$389,096.00 / 23.68%
311 S. Wacker Drive, Suite 4550	Certified through 03/01/05
Chicago, Illinois 60606	

Total 11.19% Hispanic:

Quantum Crossings, LLC	\$183,867.58 / 11.19%
455 N. Cityfront Plaza, Suite 3100	Certified through 11/01/05
Chicago, Illinois 60611	

Total 2.1% Asian:

System Development Integration Inc.	\$34,505.98 / 2.1%
180 N. LaSalle Street, Suite 1500	Certified through 02/01/05
Chicago, Illinois 60601	

Total 6.87% WBE:

TeamWerks	\$112,883.85 / 6.87%
307 N. Michigan Avenue, Suite 1818	Certified through 08/01/05
Chicago, Illinois 60601	

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

FINANCIAL: Total Cost: \$2,231,075.00

Charge to the Office of Technology Services: (Capital Funds) \$1,643,142.00		
Budget Classification: 0220-XXX-000-9596-5410	\$538,856.00	FY '06
0220-XXX-000-9596-5410	\$552,143.00	FY '07
0220-XXX-000-9596-5410	\$552,143.00	FY '08
Charge to Schools and Library Division: \$587,933.00		
\$194,119.00		FY '06
\$196,907.00		FY '07
\$196,907.00		FY '08

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.

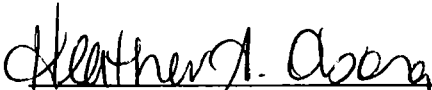
Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), 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:

Approved:



 Heather A. Obora
 Chief Purchasing Officer



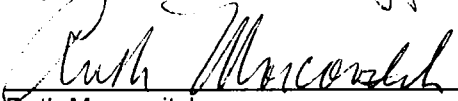
 Arne Duncan
 Chief Executive Officer

Within Appropriation:



 John Maiorca
 Chief Financial Officer

Approved as to Legal Form:



 Ruth Moscovitch
 General Counsel