

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE EXISTING AGREEMENT WITH
AT&T FOR DEDICATED ACCESS SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the existing agreement with AT&T to provide dedicated access services for the Office of Technology Services ("OTS"), at a cost not to exceed \$33,000.00 for an eighteen (18) month renewal term, of which \$33,000.00 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 \$4,620.00 for the renewal period. A written renewal agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written agreement is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this option is stated below:

VENDOR: AT&T
175 East Houston Street
San Antonio, Texas 78205
Contact: Keneese McNamer
Telephone No.: (312) 364-2982
Vendor No. 85525

USER: Office of Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contact: Robert Runcie, Chief Information Officer
Kathryn Zalewski, Telecommunications Director
Telephone No.: (773) 553-1300

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report No. 04-1215-PR10) in the amount of \$66,000.00 is for a term commencing February 3, 2005 and ending February 2, 2008, with the Board having 3 options to renew for periods of one year each.

RENEWAL PERIOD: By mutual consent of the parties, the agreement is being renewed for a term of eighteen (18) months commencing February 3, 2008 and ending June 30, 2009. This 18 month renewal term is necessary to coincide with the Board's long distance contract with AT&T (BR 06-0125-PR8) and allow for the Board's participation in Years 10 and 11 of the E-Rate Program.

OPTION PERIODS REMAINING: There are two (2) one year options to renew remaining on this contract.

SCOPE OF SERVICES: AT&T will continue to provide dedicated access circuits to support long distance telephone service and optional local digital services for the CPS Central Service Center ("CSC"). The Contract Tariff applies to AccuNet T1.5 access and connections, multiplexing office functions and 1.544 Mbps local channel services and access coordination. The total value of this Contract Tariff will be billed in monthly invoices based on current tariff rates. Long distance calls generated by the CSC will be routed over the dedicated facilities and the usage will be billed at the lower "dedicated" rates per minute (rather than "switched"), as negotiated under the Uniplan contract, pursuant to Board Report 06-0125-PR8). AT&T will allow charter schools and the CPS consortium of charter schools to purchase technology, equipment and services during the renewal periods of the agreement. AT&T will also allow various City of Chicago sister agencies to purchase technology, equipment, and services during the renewal periods of the agreement.

DELIVERABLES: AT&T will continue to provide the Board with dedicated access to long distance services for the remainder of fiscal year 2008 and full fiscal year 2009.

OUTCOMES: The Board will receive dedicated access services for fiscal years as outlined in Deliverables. Local calls generated by the CSC will continue to be routed over the dedicated facilities and usage will be billed at the lower "dedicated" rates per minute (rather than "switched"), as negotiated under the Uniplan contract.

COMPENSATION: AT&T shall be paid as follows: upon monthly invoicing, not to exceed the sum of \$33,000.00, of which is \$33,000.00 is eligible for, but not contingent upon, E-Rate discounts, at a cost to the Board not to exceed \$4,620.00 for the contract renewal period.

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

AFFIRMATIVE ACTION: Pursuant to section 3.7 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation ("M/WBE Plan"), this Contract is *exempt* from review because it is for a non-competitive utility.

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

FINANCIAL:

	FY08	FY09	TOTAL RENEWAL
Total Contracted Amount	\$11,000.00	\$22,000.00	\$33,000.00
Annual Eligible	\$11,000.00	\$22,000.00	\$33,000.00
CPS-14%	\$1,540.00	\$3,080.00	\$4,620.00
SLD-86%	\$9,460.00	\$18,920.00	\$28,380.00
Annual InEligible	\$0.00	\$0.00	\$0.00
CPS Pays 12540-230-54405-254501-000000	\$1,540.00	\$3,080.00	\$4,620.00
SLD Pays	\$9,460.00	\$18,920.00	\$28,380.00
	\$11,000.00	\$22,000.00	\$33,000.00

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, 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 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:



Heather A. Obora
Chief Purchasing Officer

Within Appropriation:




John Maiorca
Chief Financial Officer

Approved:



Arne Duncan
Chief Executive Officer

Approved as to Legal Form



Patrick J. Rocks
General Counsel