

**APPROVE ENTERING INTO TWO AGREEMENTS WITH SUN MICROSYSTEMS CORPORATION
FOR WIRELESS NETWORK INTERFACE CARD (NIC) SUPPORT AND BASIC MAINTENANCE
SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into two agreements with Sun Microsystems, Inc. ("Sun") to provide Wireless Network Interface Card (NIC) Support and Basic Maintenance Services to the Office of Technology Services. The first agreement will cover basic maintenance services eligible for the E-Rate discount ("Basic Maintenance Contract" or "Contract #1") not to exceed \$1,749,000.00 of which approximately \$1,749,000.00 is eligible for discounts in accordance with the guidelines and requirements of the Federal Government's Universal Services Program ("E-Rate Program"). It is anticipated that the school and Library Division/Universal Service Administrative Company ("SLD/USAC") will fund eligible E-Rate services and products, and the total cost to the Board shall not exceed \$244,860.00. The second agreement shall cover non-basic maintenance eligible and ineligible services ("Contract # 2") at a cost not to exceed \$831,000.00 of which \$240,000.00 is eligible for discounts in accordance with the guidelines and requirements of the E-Rate Program. It is anticipated that the Schools and Libraries Division/Universal Service Administrative Company ("SLD/USAC") will fund eligible E-Rate services and products, and the total cost to the Board under Contract #2 shall not exceed \$624,600.00. The total cost for eligible and ineligible services for both agreements shall not exceed \$2,580,000.00. Consultant was selected on a competitive basis pursuant to Board Rule 5-4.1. Written agreements for Consultant's services are 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 for such services. The authority granted herein shall automatically rescind as to each agreements in the event such agreement is not executed within 90 days of the date of this Board Report. Information pertinent to these agreements is stated below.

SPECIFICATION NO. 06-250057

CONSULTANT: Sun Microsystems, Inc.
4150 Network Circle
Santa Clara, CA 95054
Contact: Charles Tom Lockman, Regional Sales Executive
Telephone No.: (217) 359-9805
Vendor No.: 89823

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

TERM: The term of each agreement shall commence on July 1, 2007 and shall end June 30, 2008. Each agreements shall have (2) options to renew for periods of (1) year each.

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

SCOPE OF SERVICES: Under the first agreement covering basic maintenance services eligible for the E-rate discount, Consultant will provide basic maintenance services in conjunction with the E-Rate program to the Board. This will include wireless network interface card (NIC) Support and Basic Maintenance Services. These services will include district-wide hardware and software driver support for all laptops, desktops and printers, which contain components that support wireless connectivity to all Chicago Public Schools network. Additionally, these supported laptops and desktops will have to meet the Chicago Public Schools' minimum hardware, software, and network standards. Under the second agreement, Consultant will provide eligible and ineligible services that include the support and maintenance of wireless print servers, WEP key rotation services and the purchase wireless NICs for Apple devices and the installation of wireless NIC devices for Windows devices and Apple devices.

Additionally, these supported laptops and desktops will have to meet the Chicago Public Schools' minimum hardware, software, and network standards.

DELIVERABLES: Under the first agreement, Consultant will provide the following deliverables (meeting the Board's specified requirements):

- Basic Maintenance services of Wireless NIC devices at Eligible Board Schools and facilities
- Providing replacement NICs for malfunctioning out-of-warranty wireless NICs
- Configuration of wireless NIC into the CPS wireless network
- Configuration of security policies
- Configuration of wireless NIC using Windows, Cisco, and MAC configuration utility
- Reconfiguration of wireless attached devices on locations currently out of compliance
- Testing of computers to ensure proper connection to CPS networks
- Continual enforcement of wireless security standards
- On-site resolution of issues including timely ticket entry and coordination with CPS
- Handling the warranty replacement of DOA and malfunctioning in-warranty wireless NICs
- Reporting, which includes, but is not to, Failure Rates, Replacement Reports, Ticket activity and other reports as requested by the Board.

Under the second agreement, Consultant will provide the following deliverables:

- Configuration of security policies
- Configuration of wireless NIC using Windows, Cisco, and MAC configuration utility
- Rotation of security keys
- Purchase of Apple wireless NICs
- Installation of new laptop, desktop and printer NIC and antennas for Windows and Apple systems
- Testing of computers and printers to ensure proper connection to CPS networks
- Providing replacement NICs for malfunctioning out-of-warranty wireless NICs
- Continual enforcement of wireless security standards
- On-site resolution of issues including timely ticket entry and coordination with CPS
- Handling the warranty replacement of DOA and malfunctioning in-warranty wireless NICs
- Reporting, which includes, but is not to, Failure Rates, Replacement Reports, Ticket activity and other reports as requested by the Board.

OUTCOMES: The Consultant's services will result in new, improved, and upgraded NIC and Basic maintenance Services for the entire Chicago Public Schools network. Additionally, the services provided will include enhanced warranty services.

COMPENSATION: Consultant shall be paid, as specified in each agreement. The total compensation payable under Contract #1 shall not exceed \$1,749,000.00 of which approximately \$1,749,000.00 is eligible for E-rate discounts and the total cost to the Board shall not exceed \$244,860.00. The total compensation payable under Contract #2 shall not exceed \$831,000.00 of which approximately \$240,000.00 is eligible for E-rate discounts and the total cost to the Board shall not exceed \$624,600.00.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreements including provisions authorizing charter schools and CPS consortium of charter schools to purchase services under these agreements. Authorize the President and Secretary to execute the agreements. Authorize Chief Information Officer to execute all ancillary documents required to administer or effectuate the agreements.

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, 25% total African American, 10% total Hispanic, 5% total WBE. **Consultant has identified and scheduled the following firms and percentages:**

TOTAL 35% MBE:

Total 10.1% African American:

IMC Connect, Inc.	10.1%
207 E. Ohio #293	
Chicago, Illinois 60611	

Total 11.5% Hispanic:

Computer Services & Consulting	11.5%
1613 S. Michigan Ave.	
Chicago, Illinois 60639	

Total 12.9% Asian:

Catalyst Consulting Group, Inc.	12.9%
211 E. Wacker Drive, Suite 450	
Chicago, IL 60606	

Total 5% WBE:

KMC Enterprises	5%
13255 Hiawatha Drive	
Homer Glen, Illinois 60491	

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

FINANCIAL:

Contract 1:	FY08
Total Cost of Service	1,749,000.00
Annual Eligible- Basic Maintenance	1,749,000.00
CPS-14%	\$244,860.00
SLD-86%	\$1,504,140.00
Total CPS Costs	\$244,860.00
Contract 2	
Total Cost of Service	\$831,000.00
Annual Eligible -Other	\$240,000.00
CPS-14%	\$33,600.00
SLD-86%	\$206,400.00
Annual Ineligible	\$591,000.00
TOTAL CPS COSTS	\$624,600.00
CPS PAYS	
Charge to various schools and departments	
Budget Classification:	
5730 Equipment,	
5470 Services/Repair Contracts	
Sources of funds: Various	\$869,460.00
SLD PAYS	\$1,710,540.00
TOTAL COST OF SERVICIES	\$2,580,000.00

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.

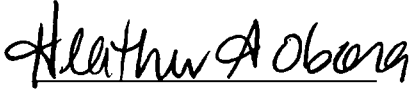
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness – The Board’s Indebtedness Policy adopted 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.

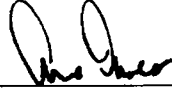
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



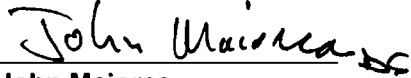
**Heather A. Obora
Chief Purchasing Officer**

Approved:



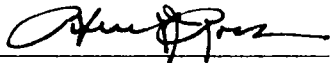
**Arne Duncan
Chief Executive Officer**

Within Appropriation:



**John Maiorca
Chief Financial Officer**

Approved as to legal form:



**Patrick J. Rocks
General Counsel**