

APPROVE EXERCISING THE OPTION TO RENEW THE AGREEMENT WITH HALLAGAN BUSINESS MACHINES, IKON OFFICE SOLUTIONS AND XEROX BUSINESS SERVICES FOR THE SALE AND LEASE OF OUTPUT DEVICE EQUIPMENT AND RELATED SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the option to renew the agreements with Hallagan Business Machines, IKON Office Solutions, and Xerox Business Services to provide for the Sale and Lease of Output Device Equipment and Related Services to CPS schools, charter schools, area instructional offices, and departments at an aggregate total cost for the option period not to exceed \$5,000,000.00. Written documents exercising this option are currently being negotiated. No payment shall be made to any vendor during the option period prior to execution of their written document. The authority granted herein shall automatically rescind as to each vendor in the event their written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification Number : 10-250002

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-3295

VENDOR:

- 1) Vendor # 19766
HALLAGAN BUSINESS MACHINES
6850 W NORTH AVENUE
CHICAGO, IL 60635
Joan Hallagan
773-637-0626

- 2) Vendor # 45273
XEROX BUSINESS SERVICES
123 NORTH WACKER DRIVE
CHICAGO, IL 60606
Darryl Denham
312-849-1400

- 3) Vendor # 21832
IKON OFFICE SOLUTIONS
101 N. WACKER DRIVE, #1850
CHICAGO, IL 60606
Michael Crawford
312 251-0300

USER INFORMATION:

Contact: 12210 - Office of Procurement and Contracts
125 South Clark Street 10th Floor
Chicago, IL 60603
Sinnema, Mr. Ethan Cedric
773-553-3295

ORIGINAL AGREEMENT:

The original Agreements (authorized by Board Report #10-0728-PR6 as amended by Board Report #11-0622-PR2) in the amount of \$5,000,000.00 are for a term commencing August 1, 2010 and ending July 31, 2011, with the Board having one (1) option to renew for a one (1) year term. Under amended Board Report #11-0622-PR2, the number of options was increased from one (1) to four (4). The original agreements were awarded on a competitive basis pursuant to Board Rule 7-2.

OPTION PERIOD:

The term of each agreement is being extended for one (1) year commencing August 1, 2011 and ending July 31, 2012.

OPTION PERIODS REMAINING:

There are three (3) option periods remaining for one (1) year each.

SCOPE OF SERVICES:

Vendors will continue to provide Output Device Equipment, which includes copiers, printers, MFP's/MFD's, scanners, digital duplicators, and faxes for purchase or lease by the Board for use by all area offices, remote central office locations, central office departments, and schools. Vendors will also provide maintenance for all equipment and inventory and support services.

DELIVERABLES:

Vendors will continue to provide the following equipment and services: copiers, printers MFP's/MFD's, scanners, digital duplicators, faxes, maintenance and support services, and a Managed Print Services strategy.

OUTCOMES:

Vendor's services will result in the following outcomes:

- The acquisition of new and more robust output device technology
- The implementation of a Managed Print Services (MPS) strategy throughout the district
- The implementation of a robust asset inventory process and solution
- Enhanced support and maintenance services for all output devices

COMPENSATION:

Vendors shall be paid during this option period as set forth in their respective agreement; total not to exceed the sum of \$5,000,000.00 in the aggregate for all vendors.

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written option documents. Authorize the President and Secretary to execute the option documents. Authorize the Chief Purchasing Officer to execute all ancillary documents required to administer or effectuate the option agreements.

AFFIRMATIVE ACTION:

Pursuant to Section 6.2 of the Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan), the Per Contract and Category Goals method for M/WBE participation will be utilized. Aggregated compliance of the vendors in the pool will be reported on a monthly basis. The M/WBE participation goals for this contract include: 15% total MBE and 10% total WBE. The following lists of vendors have been identified and are scheduled to provide the M/WBE participation that was approved by the Board's Office of Business Diversity.

The vendors have identified and scheduled the following firms and percentages:

IKON

Total 25% MBE

KBS Computer Services, Inc.
20200 Governors Highway
Suite 202
Olympia Fields, IL 60461

Total 5% WBE

Advotek, Inc.
148 Ogden Avenue
Downers Grove, IL 60515

Hallagan Business

Total 25% MBE

Active Copy
3839 W. Devon
Chicago, IL 60647

Prido Educational and Training
4800 S. Chicago Beach Drive
Chicago, IL 60615

Total 75% WBE

Hallagan Business
6850 W. North Avenue
Chicago, IL 60707

Xerox

Total 4.7% MBE

KBS Computer Services, Inc.
20200 Governors Highway
Suite 202
Olympia Fields, IL 60461

Revere Consulting Co., Inc
20280 Govers Hwy. #204
Olympia Fields, IL 60461

Total 11.7% WBE

Bebon Office Machines
234 Wabash Avenue
Chicago, IL 60604

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Charge to various schools and departments

Fiscal Years: 2012 - 2013

Budget Classification: 53306 - Software

55005 - Equipment

56105 - Services/Repair Contracts

54105 - Contractual Services

Various funds, including 331-Federal Title 1 - 2009 Stimulus (ARRA) and 332 Title 1

CFDA#:

Not Applicable

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.

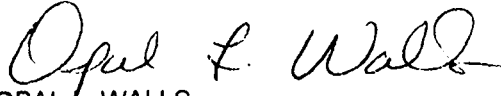
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

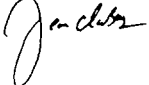
Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:


OPAL L. WALLS
Chief Purchasing Officer

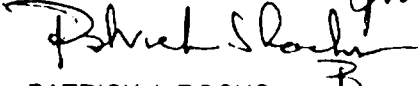
Approved:


JEAN-CLAUDE BRIZARD
Chief Executive Officer

Within Appropriation:


MELANIE A. SHAKER
Interim Chief Financial Officer

Approved as to Legal Form:


PATRICK J. ROCKS
General Counsel