

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH
CAL COMMUNICATIONS, INC. FOR
AVAYA COMMUNICATION SYSTEMS EQUIPMENT**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with Cal Communications, Inc. to provide Avaya Communication Systems equipment to the Office of Technology Services at a cost not to exceed \$561,886.20 for the option period. The contract is eligible for E-Rate discounts. 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 ninety (90) days of the date of this Board Report. Information pertinent to this option is stated below:

SPECIFICATION NO: 00-250769

VENDOR: Cal Communications, Inc.
1340 Busch Parkway
Buffalo Grove, Illinois 60089
Contact: Carlos A. Lopez
Telephone No. 847-537-2425
Vendor No. 47765

USER: Office of Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contacts: Elaine L. Williams, Chief Technology Officer
Arlene Love, Deputy Chief Technology Officer -- Operations
Telephone No. (773) 553-1300

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report No. 00-1220-PR7) in the amount of \$805,091.40 is for a term commencing July 1, 2001 and ending June 30, 2002, with the Board having two (2) one-year options to renew the agreement. Vendor was selected pursuant to a duly advertised RFP (Specification No. 00-250769).

RENEWAL PERIOD: The Board is exercising its first option and is renewing this agreement commencing July 1, 2002 and ending June 30, 2003. This renewal term is necessary to coincide with, and allow for the Board's participation in, Year 5 of the E-Rate program.

OPTION PERIOD: There is one (1) one-year option period remaining.

SCOPE OF SERVICES: Cal Communications shall continue to provide Avaya Communication Systems equipment to the Board as detailed in vendor's agreement.

DELIVERABLES: Cal Communications will continue to provide Avaya Communication Systems equipment.

OUTCOMES: The Board will continue to receive Avaya Communication Systems equipment for fiscal year 2003.

COMPENSATION: Cal Communications shall be paid as follows: based upon the actual items ordered at the specified unit prices in the written agreement in an amount not to exceed the sum of \$561,886.20 for the term. The purchase of this equipment is eligible for, but not contingent upon E-Rate discounts under the Federal Government's Universal Services program.

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

AFFIRMATIVE ACTION: The Contract is in compliance with the goal of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). M/WBE: 0% Black, 95% Hispanic, 0% Asian, 5% WBE and 0% Non-Minority.

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

FINANCIAL: Charge to Office of Technology Services: \$561,886.20 Fiscal Year 2003
Budget Classification: 0960-[various funds]-000-1618-5730

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, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

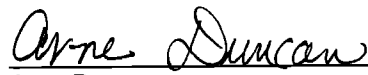
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

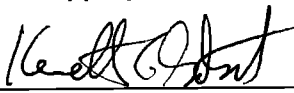
Approved for Consideration:


Anita Rocha
Acting Chief Purchasing Officer

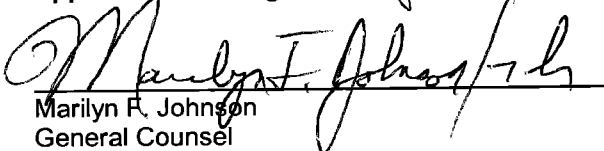
Approved:


Arne Duncan
Chief Executive Officer *104PATD*

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to Legal Form: *for*


Marilyn F. Johnson
General Counsel