

**APPROVE EXERCISING THE SECOND OPTION TO RENEW
THE AGREEMENT WITH VERIZON FOR PAGING SERVICES****THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve exercising the second option to renew the agreement with Verizon to provide paging communication services and rental equipment for the Office of Technology Services, at a cost not to exceed \$185,000.00 for the option period. This renewal is required to ensure the continuity of the E-Rate program. A written document exercising this option is currently being negotiated. No payment shall be made to the vendor during the renewal period prior to the execution of the written option document. The authority granted herein shall automatically rescind in the event a written option 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.: 00-250819

VENDOR: Verizon
1600 Golf Road, Suite 100
Rolling Meadows, Illinois 60008
Contact: Tim Gwin, District Sales Manager
Telephone No. (847) 515-5146
Vendor No. 30796

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 in the amount of \$261,540.00 (authorized by Board Report No. 00-0113-PR10) is for a term commencing February 1, 2000 and ending January 31, 2002 with the Board having the option to extend the contract for two (2) additional 12-month periods, or any lesser period of time. This contract was renewed in the amount of \$85,000.00 pursuant to Board Report No. 00-1220-PR15 for a term commencing February 1, 2002 and ending June 30, 2002. The original agreement was awarded pursuant to a duly advertised bid solicitation (Specification No. 00-160008).

RENEWAL PERIOD: The Board is exercising its second option and is renewing this agreement for a term 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 are no option periods remaining.

SCOPE OF SERVICES: Verizon will continue to provide digital paging services, including pager devices and paging network services (telephone numbers), to the Chicago Public Schools.

DELIVERABLES: Verizon will continue to provide paging services to the Board, including all equipment for fiscal year 2003.

OUTCOMES: The Board will have paging services for fiscal year 2003.

COMPENSATION: Verizon shall be paid during this renewal period as follows: upon monthly invoicing, not to exceed \$185,000.00. These services are 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 option agreement.

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 35% total MBE with 22% African American, 10% Hispanic and 2% Asian. The total WBE goal is 5%.

However, the Waiver Review Committee recommends that a full waiver of the participation goals for this contract as required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan) be waived because the contract is for a critical need.

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

FINANCIAL: Charge to the Office of Technology Services \$185,000.00
Budget Classification: 0960-552-000-1614-5430 \$185,000.00 Fiscal Year 200?

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.

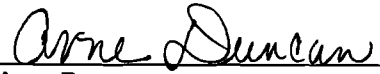
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

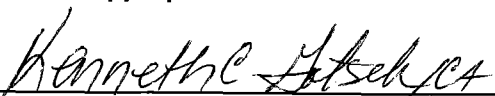
Approved for Consideration:

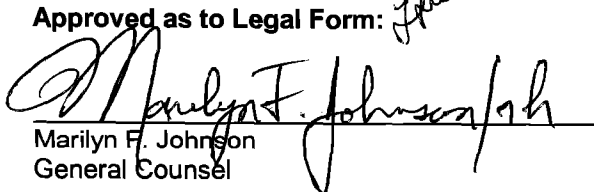

Anita Rocha
Acting Chief Purchasing Officer

Approved:


Arne Duncan
Chief Executive Officer *VPAD*

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to Legal Form: *for*

Marilyn F. Johnson
General Counsel