

**APPROVE EXERCISING THE OPTION TO RENEW THE AGREEMENT
WITH COMARK CORPORATE SALES, INC. FOR THE PURCHASE OF SOFTWARE LICENSES FOR ALL
MICROSOFT PRODUCTS AND OTHER NON-MICROSOFT SOFTWARE**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the option to renew the agreement with Comark Corporate Sales, Inc. for the purchase of software licenses for all Microsoft products through the Microsoft Academic Select Program, and other non-Microsoft off the shelf software for use by all regional, central office departments, and schools, at an aggregate cost not to exceed \$10,000,000.00 for the option period. Comark Corporate Sales will serve as an administrative agent for various software license providers and as a direct vendor for shrink wrap software. This contract is subject to the Board's Strategic Sourcing Policy. Exercising this option at this time is required to qualify eligible equipment, software and services purchased under this contract for Year 6 of the E-Rate Program (July 1, 2003 through June 30, 2004). 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 90 days of the date of this Board Report. Information pertinent to this option is stated below.

SPECIFICATION NO: 00-250499

VENDOR:

Comark Corporate Sales, Inc.
444 Scott Drive
Bloomington, IL 60108
(630) 924-6704
Contact Person: Mr. Jay Kirtley
Vendor No. 12040

USER: All schools, regional, and central office departments.
Contact Person: Craig Holloway, Contract Administrator—773.553.2903

ORIGINAL AGREEMENT: The original Software Sales Agreement (authorized by Board Report No. 00-1220-PR4) is for a term commencing January 12, 2001 and ending June 30, 2002, with the Board having three (3) options to renew for successive periods of twelve (12) months each. The original agreement was renewed (authorized by Board Report 01-1219-PR47) for a term commencing July 1, 2002 and ending June 30, 2003. The original agreement was awarded pursuant to a duly advertised Request for Proposals.

OPTION PERIOD: The term of this agreement is being extended for one (1) year commencing July 1, 2003 and ending June 30, 2004.

OPTION PERIODS REMAINING: There is one (1) option to renew for one (1) year period remaining.

SCOPE OF SERVICES: Vendor will continue to invoice the Board monthly for software licenses for Microsoft products through the Microsoft Academic Select Program. Vendor will continue to provide software licenses to all installation vendors for the installation of all Microsoft products on CPS computer hardware. Schools, regional, and central office Departments shall also continue to be allowed to purchase other Microsoft products and non-Microsoft off the shelf software at their option via requisition to Procurement and Contracts who will mail a purchase order to the vendor. Purchases of computers for schools shall be consistent with the school's technology plan and the implementation of the school improvement plan (S.I.P.) Purchases that exceed \$10,000 must be approved by the AIO. In the Central Offices, purchases over \$10,000.00 must be approved by the Chief.

PRICES: Vendor will continue to provide all software at the prices indicated in its original agreement. Total contract amount for the option period shall not exceed \$10,000,000.00.

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

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: 35X% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE.

The vendor has identified and scheduled the following firms and percentages:

Total MBE35 %

Total 22% African American:

Advance Computer \$1,200,000.00/12%	805 W. Randolph, #200, Chgo., IL 60607 Certified through 8/1/03
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NCG \$1,000,000.00/10%	13 Centre, Suite 1G, Park Forest, IL 60466 Reapplied 6/21/02
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Total 11% Hispanic:

RL Canning \$1,100,000.00	1670 N. Claremont, #304, Chgo., IL 60647 Certified through 10/1/03
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Total 2% Asian:

Educ. Tech. \$200,000.00	609 Martin Lane, Deerfield, IL 60015 Reapplied 8/16/02
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Total WBE5%

CS & C \$500,000.00	1613 S. Michigan, Chgo., IL 60616 Reapplied 8/16/02
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The City of Chicago Department of Procurement Services certifies each identified firm. The identified firms are subject to change upon approval from the Procurement and Contract's Division of Compliance and Vendor Services without further Board approval.

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

FINANCIAL: Charge to various schools and departments
Fiscal Years: 2003-2004
Budget Classification: 5730-Equipment, 5320-Supplies, 5311-Software, Licenses

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 member 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

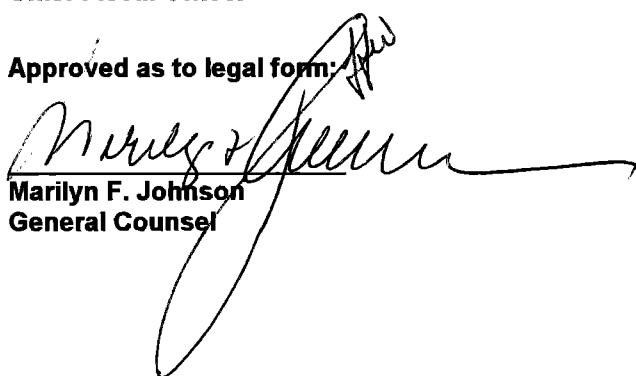
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:


Marilyn F. Johnson
General Counsel