

**APPROVE THE RENEWAL OF THE EXISTING AGREEMENT WITH
SOUTHWESTERN BELL MOBILE SYSTEMS, LLC, d/b/a CINGULAR WIRELESS FOR
CELLULAR AND WIRELESS TELECOMMUNICATION SERVICES AND EQUIPMENT**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve the renewal of the existing agreement with Southwestern Bell Mobile Systems, LLC, d/b/a Cingular Wireless ("Cingular" or "Vendor"), to provide cellular and wireless telecommunications services and equipment for the Office of Technology Services ("OTS"), at a cost not to exceed \$1,593,378.00 for a three (3) year renewal term; of which \$1,292,905.08 is eligible for, but not contingent upon, discounts in accordance with the guidelines and requirements of the Federal Government's Universal Services Program ("E-Rate"), at a cost to the Board not to exceed \$300,472.92 during the renewal period. Vendor was selected pursuant to a duly advertised Request for Proposals (Specification No. 02-250221). A written renewal agreement is currently being negotiated. No payment shall be made to Vendor during the renewal term prior to the execution of the written renewal agreement. The authority granted herein shall automatically rescind in the event a written renewal document is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this renewal is stated below.

SPECIFICATION NO.: 02-250221

VENDOR: Southwestern Bell Mobile Systems, LLC
d/b/a Cingular Wireless
930 National Parkway
Schaumburg, Illinois 60173
Contact: Tim Kramer
Telephone No. (847) 762-2579
Vendor No. 26450

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

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report No. 01-0523-PR16) in the amount of \$144,492.90 is for a term commencing June 1, 2001 and ending May 31, 2002. The agreement was renewed pursuant to Board Report No. 01-1219-PR20 in the amount of \$191,100.00 for a term commencing June 1, 2002 and ending June 30, 2003. The original agreement was awarded on a non-competitive basis.

RENEWAL PERIOD: By mutual consent of the parties, the agreement is being renewed for a three (3) year term commencing on July 1, 2003 and ending on June 30, 2006. This three (3) year renewal term is necessary to coincide with, and allow for the Board's participation in, Year 6, Year 7 and Year 8 of the E-Rate program. This contract renewal is being awarded pursuant to a duly advertised Request for Proposals (Specification No. 02-250221).

SCOPE OF SERVICES: During the renewal period, Cingular will provide the Board with analog, digital and upcoming third generation cellular and wireless telecommunication services, including cellular and wireless telephone equipment and accessories for approximately 325 current users and future users. The Board currently averages approximately 100,000 minutes of local usage and 20,000 minutes of roaming usage of cellular services per month. With the addition of principals and key school personnel to the program, it is estimated the Board will utilize 300,000 minutes of local usage and 20,000 minutes of roaming usage per month.

DELIVERABLES: During the renewal period, Cingular will provide the Board with cellular and wireless telecommunication services and telephone equipment through the end of fiscal year 2006.

OUTCOMES: Cingular's services will result in the Board having continuous cellular and wireless telecommunication services and equipment through the end of fiscal year 2006.

COMPENSATION: Cingular shall be paid during the renewal period as follows: Upon monthly invoicing, \$18,000 monthly fee for 300,000 local digital bulk minutes (including long-distance); \$2,000 monthly fee for 20,000 national digital bulk minutes (including long-distance and roaming); \$10.00 monthly access fee per activated telephone; monthly variable charges (per-minute packages for select executives; other wireless services (such as mobile e-mail, analog minutes, roaming fees, mobile-to-mobile charges, additional minutes and new or additional equipment). Total compensation for the three (3) year renewal term shall not exceed the sum of \$1,593,378.00, of which \$1,292,905.08 is eligible for, but not contingent upon, E-Rate discounts, at an annual cost to the Board not to exceed \$100,157.64 in FY04, FY05 and FY06; at an aggregate cost to the Board not to exceed \$300,472.92 during the renewal period.

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

AFFIRMATIVE ACTION: The Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan) goals for this Contract include: 35% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE. However, the Waiver Review Committee recommends that a *partial* waiver of the M/WBE participation goals for this Contract be granted, as required by the Revised Remedial Plan, because the Contract scope is not further divisible.

Total 7.5% MBE:

Total 7.5% Hispanic:

KJM	\$120,000.00
1935 South Plum Grove Road	Applied 9/19/02
Palatine, Illinois 60007	

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

FINANCIAL: Charge to the Office of Technology Services: \$1,593,378.00	
Budget Classification: 0960-552-000-1614-5430	\$531,126.00 FY04
0960-552-000-1614-5430	\$531,126.00 FY05
0960-552-000-1614-5430	\$531,126.00 FY06

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.

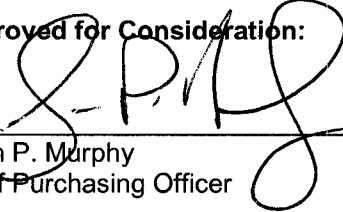
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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



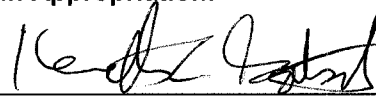
Sean P. Murphy
Chief Purchasing Officer

Approved:



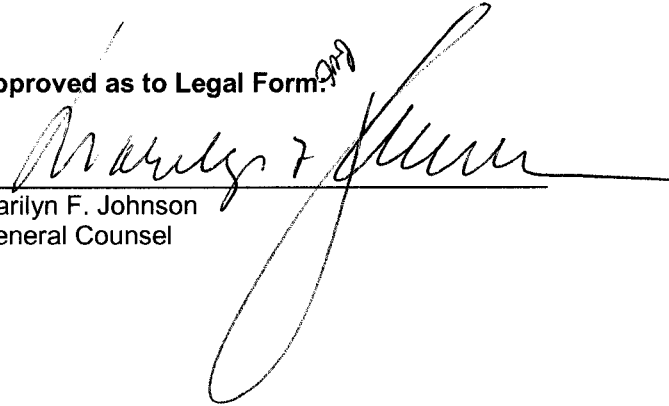
Arne Duncan
Chief Executive Officer *(by P.M.)*

Within Appropriation:



Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to Legal Form:



Marilyn F. Johnson
General Counsel