

**APPROVE ENTERING INTO AN AGREEMENT WITH GLOBAL CAPITAL, LTD. FOR THE LEASING  
OF SELECTED NETWORK SERVERS**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into an agreement with Global Capital, Ltd. to provide leasing services for Selected Network Servers to the Office of Technology Services at a cost not to exceed \$8,000,000.00. Lessor was selected on a non-competitive basis because no responses were received from any leasing entities. A written agreement for Lessor's services is currently being negotiated. No services shall be provided by Lessor and no payment shall be made to Lessor prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

**LESSOR:** Global Capital, Ltd.  
888 E. Belvidere Rd., Suite 309  
Grayslake, IL 60030  
Contact: Terri E. McNally, President  
(847) 223-7820  
Vendor No.: 80577

**USER:** Office of Technology Services  
125 South Clark Street, 3<sup>rd</sup> Floor  
Contact: Robert W. Runcie, Chief Information Officer  
Steve Dorner, Director, Infrastructure  
Hardy Sykes, Infrastructure Manager  
Telephone No.: (773) 553-1300

**TERM:** The term of this agreement shall commence on the date the original agreement is signed and shall end on June 30, 2008. This agreement shall have two (2) options to renew for periods of one (1) year each.

**EARLY TERMINATION RIGHT:** The Board shall have the right to terminate this agreement with 30 days written notice.

**SCOPE OF SERVICES:** The Lessor will provide leasing of Selected Network Servers to the Central Office of the Board of Education. These servers include: Hewlett Packard (Intel), Hewlett Packard (PA-RISC), and SUN (UltraSPARC) equipment.

**DELIVERABLES:** The Lessor will provide the leasing of Selected Network Servers throughout the Central Office of the Board of Education. There will be three phases for the implementation of the servers:

- I. Site Review: The Lessor will provide the installation requirements for specific equipment ordered. This will include power, space, heat, and environmental specifications for the equipment ordered
- II. Installation: Installing, configuring, and testing the hardware and software.
- III. Ongoing Delivery and Support: Lessor will provide ongoing delivery and support throughout the term of the contract.

**OUTCOMES:** The Lessor's services will result in the leasing of Hewlett Packard and Sun Servers, which allows the district the flexibility to differ costs for multiple years to contend with the fiscal budget. In addition, these servers will support OTS projects and district initiatives, such as: IMPACT, CPS@WORK, Student E-mail, Active Directory, etc.

**COMPENSATION:** Lessor shall be paid as set forth in the agreement. The total aggregate amount shall not exceed \$8,000,000.00.

**REIMBURSABLE EXPENSES:** None.

**AUTHORIZATION:** Authorize the General Counsel to include relevant terms and conditions including an indemnity from the Board to the Lessor, in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize Chief Information Officer and Chief Purchasing Officer or their designee to execute leasing schedules, acceptance certificates and all ancillary documents required to administer or effectuate this 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: 35% MBE, 5% total WBE.

**Consultant has identified and scheduled the following firms and percentages:**

**Total 30% MBE:**

<b>Edge System, LLC</b>	<b>30%</b>
1805 High Point Drive, #103	
Naperville, IL 60563	

**Total 35% WBE:**

<b>Advotek DBA</b>	<b>35%</b>
<b>Computerland Downers Grove</b>	
148 Ogden Avenue	
Downers Grove, IL 60515	

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

<b>FINANCIAL:</b> Charge to All Central Office Units: \$8,000,000.00	Fiscal Year: 2007
Budget Classification: All Central Office Units	Source of Funds: All Funds
5730 - Equipment	

**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.

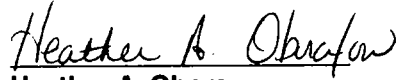
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their 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 June 23, 2004 (04-0623-PO4), 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:**

  
Heather A. Obora  
Chief Purchasing Officer

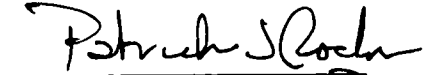
**Approved:**

  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
John Maiorca  
Chief Financial Officer

**Approved as to legal form:** 

  
Patrick J. Rocks  
General Counsel