

**AMEND BOARD REPORT 08-0602-PR29**  
**APPROVE ENTERING INTO AN AGREEMENT WITH VION**  
**FOR HITACHI TECHNOLOGY EQUIPMENT**

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

Approve entering into an agreement with ViON to provide technology equipment from Hitachi America, Ltd. to Chicago Public Schools Information & Technology Services (ITS) at a cost not to exceed \$1,200,000.00. The vendor was selected on a non-competitive basis because it is the only vendor that sells this equipment, which is necessary to meet the needs of the district's technology infrastructure. A written agreement for the vendor's equipment is currently being negotiated. No equipment shall be provided by the vendor and no payment shall be made to the vendor 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.

This May 2009 amendment is necessary to receive authority from the Board to spend all of the originally authorized \$1,200,000.00 and to revise the Affirmative Action section. The contract was executed for only \$770,565.00; however, ITS would like to purchase additional servers under this agreement and leverage the not to exceed amount of \$1,200,000.00. The additional servers are of the same scope as the previously purchased equipment. A written amendment for the vendor's equipment is necessary and is currently being negotiated. No equipment shall be provided by the vendor and no payment shall be made to the vendor prior to the execution of the written amendment. The authority granted herein shall automatically rescind in the event a written amendment is not executed within 90 days of the date of this Board Report. Information pertinent to this amendment is stated below.

**VENDOR:** ViON  
 1055 Thomas Jefferson St. N.W.  
 Washington, D.C. 20007-3840  
 Contact Person: Robert Bryar  
 Phone #: (630) 258-8686  
 Vendor No: 52926

**USER:** Information & Technology Services  
 Chicago Public Schools  
 125 S. Clark Street, 3<sup>rd</sup> floor  
 Contact Person: Robert Runcie, CIO  
~~Arshelo Stevens~~ Ed Wagner, Director of Infrastructure Services  
 Phone #: (773) 553-1300

**TERM:** The term of this agreement shall commence on the date the agreement is signed and shall end 12 months thereafter. This agreement shall have two options to renew for periods of one year each.

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

**SCOPE OF SERVICES:** This agreement will provide equipment and technical support, which includes BladeSymphony enterprise servers and any necessary associated peripherals.

**DELIVERABLES:** Vendor will provide the following deliverables, based on agreed-upon scope of work, meeting the Board's specified requirements:

- BladeSymphony enterprise servers
- Associated peripherals
- Technical and problem-resolution support
- Installation support

o Training

**OUTCOMES:** As a result of this new equipment, the district's enterprise infrastructure will experience improved performance and reliability. This will allow the Board to extend the capabilities of currently installed software and experience shorter resolution time for major issues, especially for the enterprise-wide student information system (IMPACT). This will result in better performance time and faster issue-resolution with IMPACT Student Information Management, Specialized Services Management, Curriculum & Instructional Management, and the new IMPACT Gradebook.

**COMPENSATION:** Vendor shall be paid an amount not to exceed \$1,200,000.00. The exact amount is currently being negotiated and will be based upon the necessary configuration for these servers.

**REIMBURSABLE EXPENSES:** None

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

**AFFIRMATIVE ACTION:** ~~This is exempt because of the unique nature of the equipment.~~ Vion has elected to demonstrate a good faith effort to participate in CPS' Diversity Program by complying with the Goods and Services Remedial Program Section 9.5. Vion has made a contribution to the Department of College and Career Prep. Hitachi has also demonstrated a good faith effort by making a contribution to the E-learning program.

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

**FINANCIAL:** Charge to Information & Technology Services (ITS) \$1,200,000.00.  
Budget Classification: 12510-436-55005-009594-000000 2008 \$770,564.36(PO#1632398)  
12510-499-55005-009594-000000 2009 \$429,535.64

**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.

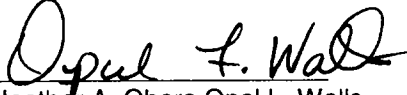
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

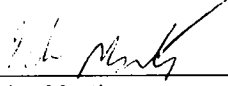
**Approved for Consideration:**

  
Heather A. Obera Opal L. Walls  
Chief Purchasing Officer

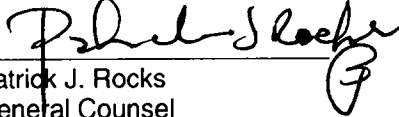
**Approved:**

  
~~Arno Duncan~~ Ron Huberman  
Chief Executive Officer

**Within Appropriation:**

  
Pedro Martinez  
Chief Financial Officer

**Approved as to legal form: DK**

  
Patrick J. Rocks  
General Counsel