

AMEND BOARD REPORT 08-1217-PR5
APPROVE ENTERING INTO AN AGREEMENT WITH AT&T DATACOMM, INC. FOR
INTERNET ACCESS SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with AT&T Datacomm, Inc. ("AT&T") to provide Internet access services to Information & Technology Services ("ITS") at a total cost not to exceed \$814,106.70 for a 41-month (three years and five month) term, of which approximately \$649,291.83 is the discounted portion of eligible E-Rate services and/or products to be funded by the School and Libraries Division of the Universal Service Administrative Company ("SLD/USAC"). The Board shall only be responsible for the full price of the first five months of service and for the non-discounted portion of E-Rate eligible services and/or products and the cost of ineligible services and/or products in the remaining 36 months, which shall not exceed \$164,814.87. Vendor was selected on a competitive basis pursuant to Board Rule 5-4.1. A written agreement for these services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to 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 June 2009 amendment is necessary to authorize the Board to indemnify the American Registry for Internet Numbers, Ltd., a nonprofit corporation that provides Internet addressing necessary for AT&T to provide the services contained in the Agreement. A written agreement with the American Registry for Internet Numbers, Ltd. is currently being negotiated. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days.

SPECIFICATION NO.: 08-250039

VENDOR: AT&T DataComm, Inc. an affiliate of AT&T Corp.
One AT&T Way
Bedminster, NJ, 07921-0752
Contact: Keneese McNamer
Telephone No.: (312) 364-2982
Vendor No.: 11912

USER: Information & Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contact: ~~Robert Runcie~~ Arshele Stevens, Chief Information Officer
Richard Burnson, Network Services, Director
Telephone No.: (773) 553-1300

TERM: The term of this agreement shall commence on February 1, 2009 and shall end on June 30, 2012. The majority of this term is necessary to coincide with, and allow for participation in the E-Rate program. This agreement shall have one option to renew for a period of one year.

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

SCOPE OF SERVICES: AT&T will provide the Board with managed Internet access. Additionally, AT&T will provide for domain name services as well as assist the Board with registering for a block of Internet protocol addresses and a "border gateway protocol autonomous system" number through the American Registry for Internet Numbers. The Board has chosen to implement these Internet services as soon as possible and pay full price for the first five months because of the sudden increased need for these services, which is due to high usage rates for Board applications such as IMPACT and the Dashboard.

DELIVERABLES: AT&T will provide the Board with the following deliverables meeting the Board's specified requirements:

- Internet utilization reports
- Service-level agreement report
- Diagrams of Internet connections

OUTCOMES: AT&T's service will result in additional Internet bandwidth for the Board so that the Board can continue to utilize the Internet unimpeded by slowness or other issues. This will allow for the Board to access educational and other technology tools (such as IMPACT applications, the Dashboard, student/teacher e-mail and collaboration system) that inform principals and teachers, and enhance students' learning.

COMPENSATION: Vendor shall be paid as follows: monthly, at a rate that reflects the usage amount or capacity for that month. The total cost shall not exceed \$814,106.70, of which approximately \$649,291.83 is the discounted portion of eligible E-Rate services and/or products to be funded by the SLD/USAC. The Board shall only be responsible for the full price of the first five months of service and for the non-discounted portion of E-Rate eligible services and/or products and the cost of ineligible services and/or products in the remaining 36 months, which shall not exceed \$164,814.87. The Board has chosen to pay full price for the first five months because of the sudden increased need for these Internet services.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement, including any indemnities to be provided to Vendor or the American Registry for Internet Numbers, Ltd. 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 Contract is in full compliance with the goals required by the Remedial Program for Minority and Women Business Enterprise Contract Participation (M/WBE Program). The M/WBE participation goals for the contract include: 35% total MBE, and 5% total WBE. Vendor has identified and scheduled the following firms and percentages:

Total 35% MBE:

**Total 35% African American
Computer Resource Solutions**
One Pierce Place, Suite 325 West
Itasca, IL 60143

Total 5% WBE:

Archon Construction Inc.
563 S. Route 53
Addison, IL 60101

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

FINANCIAL:

	FY09
Total Amount	\$59,116.20
TOTAL PAID BY CPS 12540-230-54125-254901-000000	\$59,116.20
	FY10
Total Amount	\$153,351.00
Annual Eligible	\$153,351.00
NON-DISCOUNTED PORTION PAID BY THE BOARD- 14%	\$21,469.14
DISCOUNTED PORTION FUNDED BY THE SLD/USAC- 86%	\$131,881.86
Annual Ineligible	\$0.00
TOTAL PAID BY CPS 12540-230-54125-254901-000000	\$21,469.14
TOTAL FUNDED BY THE SLD/USAC	\$131,881.86
	FY11
Total Amount	\$213,427.50
Annual Eligible	\$213,427.50
NON-DISCOUNTED PORTION PAID BY THE BOARD- 14%	\$29,879.85
DISCOUNTED PORTION FUNDED BY THE SLD/USAC- 86%	\$183,547.65
Annual Ineligible	\$0.00
TOTAL PAID BY CPS 12540-230-54125-254901-000000	\$29,879.85
TOTAL FUNDED BY THE SLD/USAC	\$183,547.65
	FY12
Total Amount	\$388,212.00
Annual Eligible	\$388,212.00
NON-DISCOUNTED PORTION PAID BY THE BOARD- 14%	\$54,349.68
DISCOUNTED PORTION FUNDED BY THE SLD/USAC- 86%	\$333,862.32
Annual Ineligible	\$0.00
TOTAL PAID BY CPS 12540-230-54125-254901-000000	\$ 54,349.68
TOTAL FUNDED BY THE SLD/USAC	\$333,862.32

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.

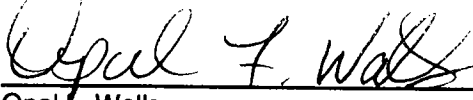
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their 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-P04), 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:




Opal F. Walls
Chief Purchasing Officer

Approved:



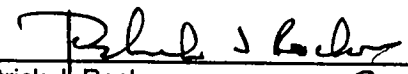
~~Arne Duncan~~ Ron Huberman
Chief Executive Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to Legal Form: ~~dit~~



Patrick J. Rocks
General Counsel 