

**APPROVE THE PURCHASE OF WIDE AREA NETWORK AND LOCAL AREA NETWORK
EQUIPMENT, MAINTENANCE AND ASSOCIATED TRAINING FROM AT AND T DATACOMM, INC
FKA SBC DATACOMM**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve the purchase of Wide Area Network ("WAN") and Local Area Network (LAN) equipment, maintenance and associated training from AT & T Datacomm. Inc. FKA SBC Datacomm for Information Technology Services ("ITS") at a cost not to exceed \$7,096,062.00 of which \$3,150,817.00 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 cost to the Board shall not exceed \$3,945,245.00. AT & T Datacomm. Inc. FKA SBC Datacomm is the provider of services that qualifies the Board for the negotiated discount on all Cisco purchases, which discount is currently 42.5% for hardware and software, and 30% for maintenance under that certain contract between AT & T Datacomm. Inc., the Illinois Century Network, and its fiscal agent, Illinois Central Management Services "CMS" (the "ICN Contract"). The ICN Contract was awarded pursuant to a competitive solicitation issued by ICN for the benefit of various governmental agencies. The ICN Contract allows other governmental agencies to purchase under the ICN Contract; thus, the purchase of these WAN services is effectuated via the issuance of a purchase order to AT & T Datacomm. Inc. FKA SBC Datacomm from the Board. No additional written contract is required for this matter. Information pertinent to this matter is stated below.

VENDOR:

- 1) Vendor # 73289
AT&T DATACOMM, INC FKA SBC
DATACOMM
225 W. RANDOLPH ST., SUITE 23C
CHICAGO, IL 60606
Keneese McNamer
312 364-3127

USER INFORMATION:

Contact: 12510 - Information & Technology Services
125 South Clark Street - 3rd Floor
Chicago, IL 60603
Stevens, Miss Arshele C
773-553-1300

Project
Manager: 12510 - Information & Technology Services
125 South Clark Street - 3rd Floor
Chicago, IL 60603
Burnson, Mr. Richard A
773-553-1300

TERM: The purchases shall be made during the period commencing September 1, 2011 and ending June 30, 2014, which end date is coterminous with the end date of the ICN Contract renewal term. Provided the ICN Contract term will be extended for an additional period, the Board shall continue to purchase through the ICN Contract, subject to Board approval. This term is necessary to coincide with, and allow for the Board's participation in Year 2011, 2012 and 2013 of the E-rate program.

DESCRIPTION OF CISCO EQUIPMENT PURCHASE: Vendor will provide equipment for WAN and LAN hardware upgrades, enhancements and expansion. Equipment shall include, but not be limited to: Cisco system hardware, software, maintenance and services (including but not limited to switches, routers, wireless equipment and associated cables).

OUTCOMES:

Vendor's services will result in improved WAN and LAN services and features, including maintenance and associated training, for the Chicago Public Schools. All schools will have the equipment necessary for a high speed broadband connection to the Board's system, which will provide additional bandwidth and improved network performance. Aging LAN equipment at schools will be replaced with newer equipment providing greater network stability and improved network performance. This also allows for implementing new technologies in the Board's datacenter to ensure reliable and scalable infrastructure for the Board's applications; Network equipment for new schools and other capital projects is also purchased under this agreement.

COMPENSATION:

Vendor shall be paid as follows: upon invoicing, at the negotiated discount rates as specified in the pricing formulas in the ICN Contract. The total cost for this period shall not exceed \$7,096,062.00, of which approximately \$3,150,817.00 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 non-discounted portion of E-Rate eligible services and/or products and the cost of ineligible services and/or products during the renewal term, which shall not exceed \$3,945,245.00.

AUTHORIZATION:

No additional written contract is required for this matter. Authorize the Chief Information Officer to execute any ancillary documents required to administer or effectuate these purchases. Allow the Chicago Charter School Consortium, a consortium of charter schools who share facilities with CPS schools or reside at CPS owned facilities, to receive services from AT &T Datacomm pursuant to this agreement.

AFFIRMATIVE ACTION:

Pursuant to section 5.2 of the Remedial Program for Minority and Women Owned Business Enterprise participation in Goods and Services contracts (M/WBE Program), this contract is exempt from M/WBE review because the services classify as a unique transaction (intergovernmental agreement).

LSC REVIEW:

Local School Council approval is not applicable to this report

FINANCIAL:

Total Cost \$7,096,062.00
Charge to Information & Technology Services: \$945,245
Budget Classification: 12510-482-55005-254901-000000 \$945,245 FY11

Charge to Various Schools and Department Budgets: \$3,000,000
Budget Classification: FY 12-14 Account 55005
\$1,000,000.00 FY12
\$1,000,000.00 FY13
\$1,000,000.00 FY14

Charge to Schools and Library Division: \$3,150,817
\$3,150,817 FY11

CFDA#: Not Applicable

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.

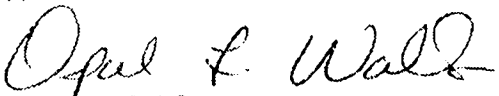
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

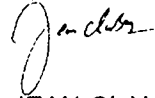
Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

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 L. WALLS
Chief Purchasing Officer

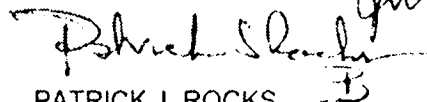
Approved:


JEAN-CLAUDE BRIZARD
Chief Executive Officer

Within Appropriation:


MELANIE A. SHAKER
Interim Chief Financial Officer

Approved as to Legal Form:


PATRICK J. ROCKS
General Counsel