

**AMEND BOARD REPORT 11-0223-PR4
APPROVE ENTERING INTO AGREEMENTS WITH DELL MARKETING, L.P., DELL FINANCIAL,
SENTINEL TECHNOLOGIES (CISCO), INC. AND VION CORPORATION (HITACHI) FOR THE
PURCHASE AND/OR LEASE OF NETWORK SERVERS**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into agreements with Dell Marketing L.P., Dell Financial, Sentinel Technologies, Inc. and Vion Corporation for the purchase and/or lease of network servers for use by all schools, areas, and central office departments at an aggregate cost not to exceed \$3,000,000.00 ~~\$4,650,000.00~~ of which approximately \$300,000.00 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"). Vendors were selected on a competitive basis pursuant to Board Rule 7-2. These contracts are subject to the Board's Strategic Sourcing Policy. Written agreements for these Vendors are currently being negotiated. No goods may be ordered or received and no payment shall be made to any Vendor prior to the execution of their agreement. The authority granted herein shall automatically rescind as to each Vendor in the event a written agreement is not executed by such Vendor within 90 days of the date of this Board Report. Information pertinent to these agreements is stated below.

This December 2011 amendment is necessary to: a) increase the compensation amount by \$1,650,000.00 to a new total of \$4,650,000.00 to support the District's new High Definition Security Camera Initiative; b) modify the term of the agreements to end June 30, 2012; c) increase the number of options; and, d) to add indemnification language. Written amendments to the agreements are required.

Specification Number : 10-250057

Contract Administrator : Hernandez, Miss Patricia / 773-553-2280

USER INFORMATION :

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

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

TERM:

The term of each agreement shall commence upon execution and shall end ~~April 29, 2014~~ June 30, 2012. Each agreement shall have ~~two~~ four options to renew for periods of one year each.

EARLY TERMINATION RIGHT:

The Board shall have the right to terminate ~~this~~ each agreement with 30 days written notice.

DESCRIPTION OF PURCHASE:

Vendors will provide Dell, Cisco, and Hitachi servers and associated installation, configuration, extended warranty and maintenance service. Schools, areas, and central office departments shall purchase equipment at their option via requisition to CPS Procurement and Contracts, abiding by current

Procurement processes. School purchases shall be consistent with school improvement plans (S.I.P.). Purchases that exceed \$25,000.00 must be approved by the Chief of Schools Area Officer. In the Central Office, purchases over \$25,000.00 must be approved by the Chief of the appropriate department and the Chief Information Officer.

DELIVERABLES:

The Vendors will provide the following deliverables meeting the Board's specified requirements under the agreements: reporting (all reports accessible online, in a downloaded form and hard copy; equipment management asset and order tracking; service level agreements (SLA) and implementation of agreed upon SLAs; installation and configuration of equipment; incident management and onsite maintenance services for all designated equipment.

OUTCOMES: ~~These~~ ~~These~~ This agreements will result in the ability to purchase and/or lease network servers and associated accessories for existing and new applications.

COMPENSATION:

Vendors shall be paid in accordance with the unit prices contained in their agreement; not to exceed the sum of ~~\$3,000,000.00~~ \$4,650,000.00 in the aggregate for all Vendors.

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written agreements and amendments, including any indemnities by the Board. Authorize the President and Secretary to execute the agreements and amendments. Authorize Chief Information Officer and Chief Purchasing Officer to execute all ancillary documents required to administer or effectuate these agreements and amendments.

AFFIRMATIVE ACTION:

The M/WBE goals for this agreement include 10% total MBE and 5% total WBE participation. However, pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, the aggregate compliance method for M/WBE compliance will be utilized. Thus, orders for subsequent vendors from the pool created by this agreement will be subjected to aggregated compliance reviews and monitored on a quarterly basis.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Charge to various schools and departments
Total amount not to exceed \$3,000,000.00 4,650,000.00
For Fiscal Years 2011- 2014 2012
Budget Classification: 5730-Equipment, 5320-Supplies, 5470-Services/Repair Contracts

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 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:


OPAL L. WALLS
Chief Purchasing Officer

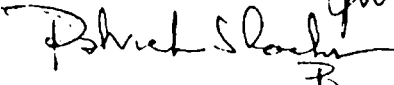
Approved:


JEAN-CLAUDE BRIZARD
Chief Executive Officer

Within Appropriation:


DAVID G. WATKINS
Chief Financial Officer

Approved as to Legal Form:


PATRICK J. ROCKS
General Counsel

- 1)
Vendor # 44646
DELL MARKETING L.P.
1 DELL WAY, MAIL STOP 8707
ROUND ROCK, TX 78682
Angela Woods
800-766-3355

- 2)
Vendor # 21472
SENTINEL TECHNOLOGIES,INC.
2550 WARRENVILLE ROAD
DOWNERS GROVE, IL 60515
Brian Osborne
630-769-4325

- 3)
Vendor # 52926
VION CORPORATION
1055 THOMAS JEFFERSON ST., N.W. STE
406
WASHINGTON, DC 20007
Robert Bryar
202-467-5500

- 4)
Vendor # 14600
DELL FINANCIAL SERVICES - LEASING
12234 N .IH35 BLDG. B
AUSTIN, TX 78753
Brad Webster
800-455-3355