

**AMEND BOARD REPORT 12-0627-PR37**  
**APPROVE EXERCISING THE SECOND OPTION TO RENEW THE AGREEMENTS WITH VARIOUS VENDORS AND LEASING AGENTS FOR THE PURCHASE AND LEASE OF DESKTOP AND LAPTOP COMPUTERS, AND ASSOCIATED SERVICES**

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

Approve exercising the second option to renew the agreement with various vendors and leasing agents for the purchase and lease of desktop and laptop computers, and associated services for all schools, including charter schools, network offices, and departments, at an aggregate cost for the option period not to exceed ~~\$6,750,000.00~~ \$10,250,000.00. These agreements are subject to the Board's Strategic Sourcing Policy. Written renewal agreements are currently being negotiated. No payment shall be made to any vendor during the option period prior to execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

This September 2012 amendment is necessary to increase the compensation by \$3,500,000.00 of which \$300,000 has already been spent due to abnormal spending patterns related to grant funded orders and a large shift in ordering volumes that occurred in the months of July and August, rather than in May and June of the FY prior. This increase is necessary to release pending orders, cover new orders and lease payments through October 31, 2012. No written amendments to the renewal agreements are required.

Specification Number : 07-250047

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-3295

**VENDOR:**

- 1) Vendor # 23266  
APPLE COMPUTER INC  
1 INFINITE LOOP  
CUPERTINO, CA 95014  
Madaliene Schalet  
312 939-8969
  
- 2) Vendor # 14600  
DELL FINANCIAL SERVICES - LEASING  
12234 N .IH35 BLDG. B  
AUSTIN, TX 78753  
Brad Webster  
800 455-3355
  
- 3) Vendor # 44646  
DELL MARKETING L.P.  
1 DELL WAY, MAIL STOP 8707  
ROUND ROCK, TX 78682  
Michael Ager  
888 977-3355

**USER INFORMATION :**

Contact: 12210 - Procurement and Contracts Office  
125 South Clark Street 10th Floor  
Chicago, IL 60603  
Sinnema, Mr. Ethan Cedric  
773-553-2280

**ORIGINAL AGREEMENT:**

The original agreements (authorized by Board Report #08-0625-PR4, as amended by Board Reports 11-0126-PR1 and 11-0323-PR1 in the amount of \$85,000,000.00 were for a term commencing July 1, 2008 and ending June 30, 2011, with Board having two options to renew for one year terms. The renewal option (authorized by Board Report #11-0622-PR17) in the amount of \$30,000,000.00 was for a term commencing July 1, 2011, and ending June 30, 2012. The original agreement was awarded on a competitive basis pursuant to Board Rule 7.2

**OPTION PERIOD:**

The term of this agreement is being renewed for four (4) months commencing July 1, 2012 and ending October 31, 2012.

**OPTION PERIODS REMAINING:**

There are no option periods remaining.

**SCOPE OF SERVICES:**

Vendors will continue to provide desktop and laptop computers and associated installation, configuration, extended warranty, and maintenance services. Schools, network offices, and central office departments may purchase equipment and services at their option via requisition to the Department of Procurement and Contracts, which will mail a purchase order to the vendor. Schools, network offices, and central office departments may lease equipment at their option via the technology leasing program, by contacting the 3-EXCL Service Desk. School purchases that exceed \$24,999.00 must be approved by the network officer. Within central office, the respective chief officer must approve purchases over \$25,000.00. Charter schools may purchase equipment and services at their option pursuant to the terms and conditions of the agreement(s) by issuing their own purchase order(s) to vendors. The Board shall not be liable for the failure of any Charter School to pay any invoices, costs, charges, and/or fees billed by vendors to the Charter School. The Charter School will solicit product information and acquire equipment and services directly from the vendors. The Charter School shall be responsible for the payment of all the invoices, costs, charges, and fees billed by the vendors to the Charter School.

**DELIVERABLES:**

Vendors will continue to provide desktop and laptop computers and associated installation, configuration, extended warranty and maintenance services.

**OUTCOMES:**

The vendor's services will result in the supply of desktop and laptop computers and associated installation, configuration, extended warranty and maintenance services to the Board's schools, network offices, and central office departments.

**COMPENSATION:**

The total compensation to be paid to all vendors during the option period shall not exceed ~~\$6,750,000.00~~ \$10,250,000.00 in the aggregate.

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written option document. Authorize the Chief Procurement Officer or the Chief Information Officer or their designee to execute leasing schedules, acceptance certificates, and all ancillary documents required to administer or effectuate this option agreement.

**AFFIRMATIVE ACTION:**

Pursuant to Section 6.2 of the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, the Category Goals method for M/WBE participation will be utilized. Aggregated compliance of the vendors in the pool created by this agreement will be reported on a quarterly basis. The M/WBE participation goals for this contract include: 15% total MBE and 10% total WBE.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Charge to various schools and departments: Fiscal year 2012

Budget Classification:

53405 - Supplies

55005 - Equipment

56105 - Services/Repair Contracts

54105 - Contractual Services

Fund Classification: Various funds

**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.

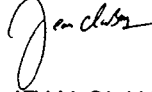
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



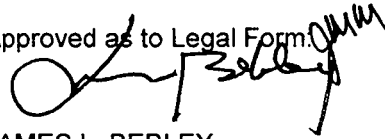
SÉBASTIEN de LONGEAUX  
Chief Procurement Officer

Approved:



JEAN-CLAUDE BRIZARD  
Chief Executive Officer

Approved as to Legal Form:



JAMES L. BEBLEY  
General Counsel