

**AMEND BOARD REPORT 10-1215-PR7**  
**APPROVE ENTERING INTO AN AGREEMENT WITH AT AND T, INC. FOR LONG DISTANCE SERVICES, DEDICATED DS1 LONG DISTANCE, TELECONFERENCING, DIGITAL LINK LOCAL SERVICE AUTHORIZATION AND TOLL-FREE 800 SERVICES AND MANAGED INTERNET ACCESS SERVICES**

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

Approve entering into an agreement with AT & T, Inc. ("AT & T") to provide long distance services, dedicated DS1 long distance services, teleconferencing, digital link local service authorization, toll-free 800 services and managed internet access services for Chicago Public Schools ("CPS"). This agreement is eligible for discounts to be funded by the School and Libraries Division of the Universal Service Administrative Company ("SLD/USAC") as part of the E-Rate program. The total amount of the contract shall not ~~to exceed \$758,549.07~~ \$1,101,209.07, but 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, which shall not exceed ~~\$371,555.03~~ \$419,527.43. AT & T was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement is currently being negotiated. No services shall be provided by AT & T and no payment shall be made to AT & T prior to 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 February 2013 amendment is necessary to add a pricing schedule for managed internet access services to the Board's AT&T Master Long Distance Agreement (Master Agreement) in order to provide increased and sufficient internet capacity needed for the District's expanding internet educational programs and tools. The pricing schedule will replace the current pricing schedule for managed internet access services with AT&T (authorized by Board Report 12-0222-PR16) on July 1, 2013. The written amendment will also clarify the applicable AT&T Master Agreement and term. A written amendment to the agreement is required. The authority granted herein shall automatically rescind in the event the amendment is not executed within 90 days of the date of this amended Board Report.

Specification Number : 10-250054

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-2280

**VENDOR:**

- 1) Vendor # 11912  
 AT & T LONG DISTANCE  
 P.O. BOX5019  
 CAROL STREAM, IL 60197-5019  
 Keneese McNamer  
 312-364-2982

**USER INFORMATION :**

Contact: 12510 - Information & Technology Services  
125 South Clark Street - 3rd Floor  
Chicago, IL 60603  
Tidmarsh, Mr. Lachlan W.  
773-553-1300

Project 12510 - Information & Technology Services  
Manager: 125 South Clark Street - 3rd Floor  
Chicago, IL 60603  
Zalewski, Miss Kathryn Lucille  
773-553-1300

**TERM:**

The term of this agreement shall commence on July 1, 2011 and shall end June 30, 2014. 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:**

AT & T will provide the Board with long distance, dedicated DS1 long distance, teleconferencing, digital link local service authorization and toll-free 800 services for the existing voice network to approximately 12,000 lines and will provide managed internet access services for the entire District. The internet access service will include a 10Gb physical connection with up to 4Gb of internet bandwidth. It is estimated that long distance services will increase three to five percent each year during the term.

**DELIVERABLES:**

AT & T will provide the Board with long distance, teleconferencing, digital link local service authorization and toll-free 800 services, and managed internet access services through the end of fiscal year 2014.

**OUTCOMES:**

AT & T's services will result in the Board having long distance, teleconferencing, digital link local service authorization and toll-free 800 services and managed internet access services with sufficient bandwidth to support the Board's growing education needs through the end of fiscal year 2014.

**COMPENSATION:**

AT & T shall be paid as follows: Upon monthly invoicing, at a total cost not to exceed ~~\$758,549.07~~ \$1,101,209.07, of which approximately ~~\$449,993.07~~ \$792,653.07 is eligible for, but not contingent upon, E-Rate discounts. 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, at a total cost to the Board not to exceed ~~\$371,555.03~~ \$419,527.43.

**REIMBURSABLE EXPENSES:**

None

**AUTHORIZATION:**

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

**AFFIRMATIVE ACTION:**

This agreement is in full compliance with the goals required by the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts. The M/WBE participation goals for the contract include: 25% MBE and 5% total WBE.

The Vendor has identified the following participation:

**Total MBE - 25%**

United Building Maintenance, Inc.  
165 Easy Street  
Carol Stream, Illinois 60188

Computer Resource Solutions  
One Pierce Place, Suite 325 West  
Itasca, Illinois 60143**Total WBE - 5%**

Archon Construction Co.  
563 S. Route 53  
Addison, Illinois 60101

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

See attachment for SLD financials

12540-230-54405-254501-000000-2012	\$123,157.28
<u>12540-115-54405-254501-000000-2013</u>	<u>\$123,854.48</u>
<del>12540-230-54405-254501-000000-2013</del>	<del>\$123,854.48</del>
<u>12540-115-54405-254501-000000-2014</u>	<u>\$172,515.68</u>
<del>12540-230-54405-254501-000000-2014</del>	<del>\$124,543.28</del>

**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:



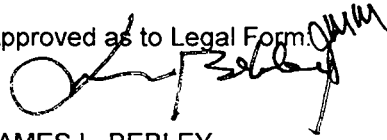
SÉBASTIEN de LONGEAUX  
Chief Procurement Officer

Approved:



BARBARA BYRD-BENNETT  
Chief Executive Officer

Approved as to Legal Form:



JAMES L. BEBLEY  
General Counsel

**ORIGINAL FINANCIALS ATTACHMENT:**

		<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>TOTAL</b>
<b>Annual Eligible</b>		\$145,037.69	\$150,017.69	\$154,937.69	\$449,993.07
	CPS-14%	\$20,305.28	\$21,002.48	\$21,691.28	\$62,999.03
	SLD-86%	\$124,732.41	\$129,015.21	\$133,246.41	\$386,994.04
<b>Annual InEligible</b>		<u>\$102,852.00</u>	<u>\$102,852.00</u>	<u>\$102,852.00</u>	<u>\$308,556.00</u>
		\$247,889.69	\$252,869.69	\$257,789.69	\$758,549.07
<b>CPS PAYS</b>	12540-230/115-54405-254501-000000	\$123,157.28	\$123,854.48	\$124,543.28	\$371,555.03
<b>SLD PAYS</b>		<u>\$124,732.41</u>	<u>\$129,015.21</u>	<u>\$133,246.41</u>	<u>\$386,994.04</u>
		\$247,889.69	\$252,869.69	\$257,789.69	\$758,549.07

**REVISED FINANCIALS ATTACHMENT:**

		<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>TOTAL</b>
<b>Annual Eligible</b>		\$145,037.69	\$150,017.69	\$497,597.69	\$792,653.07
	CPS-14%	\$20,305.28	\$21,002.48	\$69,663.68	\$110,971.43
	SLD-86%	\$124,732.41	\$129,015.21	\$427,934.01	\$681,681.64
<b>Annual InEligible</b>		<u>\$102,852.00</u>	<u>\$102,852.00</u>	<u>\$102,852.00</u>	<u>\$308,556.00</u>
		\$247,889.69	\$252,869.69	\$600,449.69	\$1,101,209.07
<b>CPS PAYS</b>	12540-230/115-54405-254501-000000	\$123,157.28	\$123,854.48	\$172,515.68	\$419,527.43
<b>SLD PAYS</b>		<u>\$124,732.41</u>	<u>\$129,015.21</u>	<u>\$427,934.01</u>	<u>\$681,681.64</u>
		\$247,889.69	\$252,869.69	\$600,449.69	\$1,101,209.07