

**AMEND BOARD REPORT 14-0528-PR23**  
**AUTHORIZE FINAL RENEWAL AGREEMENTS WITH HALLAGAN BUSINESS MACHINES, RICOH USA, INC AND XEROX BUSINESS SERVICES FOR THE PURCHASE AND LEASE OF OUTPUT DEVICE EQUIPMENT AND RELATED SERVICES**

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

Authorize final renewal agreements with Hallagan Business Machines, Ricoh USA, Inc and Xerox Business Services to provide for the Sale and Lease of Output Device Equipment and Related Services to CPS schools, charter schools, network offices, and departments at a total cost for the option period not to exceed ~~\$2,250,000.00~~ \$3,750,000.00. Written documents exercising this option are currently being negotiated. No payment shall be made to any vendor during the option period prior to execution of their written document. The authority granted herein shall automatically rescind as to each vendor in the event their written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

This June 2015 amendment increases the not to exceed from \$2,250,000.00 to \$3,750,000.00 to give schools the ability to continue procuring this technology through the end of the fiscal year. No written amendment to the agreement is required.

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

**VENDOR:**

- 1) Vendor # 19766  
HALLAGAN BUSINESS MACHINES  
6850 W NORTH AVENUE  
CHICAGO, IL 60707  
Joan Hallagan  
773 637-0626

Ownership: Joan Hallagan-100%

- 2) Vendor # 21832  
RICOH USA, INC  
P.O. BOX 802815  
CHICAGO, IL 60680  
Michael Crawford  
800 807-1012 X 2774

Ownership: Publicly Traded

- 3) Vendor # 45273  
XEROX BUSINESS SERVICES  
123 N. WACKER DR., STE 1000  
CHICAGO, IL 60606  
Darryl Denham  
847 517-2006

Ownership: Publicly Traded

**USER INFORMATION :**

Contact: 12510 - Information & Technology Services  
42 West Madison Street  
Chicago, IL 60602  
Foster, Mr. Belvie J  
773-553-1347

**ORIGINAL AGREEMENT:**

The original Agreements (authorized by Board Report #10-0728-PR6 and amended by Board Report #11-0622-PR2) in the amount of \$5,000,000.00 were for a term commencing August 1, 2010 and ending July 31, 2011, with the Board having one (1) option to renew for a one (1) year term. Under amended Board Report #11-0622-PR2, the number of options was increased from one (1) to four (4). The first renewal option (authorized by Board Report #11-0727-PR3) in the amount of \$5,000,000.00 was for a term commencing August 1, 2011 and ending July 31, 2012. The second renewal option (authorized by Board Report #12-0627-PR36) in the amount of \$2,250,000.00 was for a term commencing August 1, 2012 and ending July 31, 2013. The third renewal option (authorized by Board Report #13-0626-PR30) in the amount of \$2,250,000.00 was for a term commencing August 1, 2013 and ending July 31, 2014. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.

**OPTION PERIOD:**

The term of each agreement is being renewed for eleven (11) months, commencing August 1, 2014 and ending June 30, 2015. The eleven (11) month term will align this agreement to the fiscal year.

**OPTION PERIODS REMAINING:**

There are no option periods remaining.

**SCOPE OF SERVICES:**

Vendors will continue to provide Output Device Equipment, which includes copiers, printers, MFP's/MFD's, scanners, digital duplicators, and faxes for purchase or lease by the Board for use by all network offices, remote central office locations, central office departments, and schools. Vendors will also provide maintenance for all equipment and inventory and support services.

**DELIVERABLES:**

Vendors will continue to provide the following equipment and services: copiers, printers, MFP's/MFD's, scanners, digital duplicators, faxes, maintenance and support services, and a Managed Print Service strategy.

**OUTCOMES:**

Vendor's services will result in the following outcomes:

- The acquisition of new and more robust output device technology
- The implementation of a Managed Print Services (MPS) strategy throughout the district
- The implementation of a robust asset inventory process and solution

-Enhanced support and maintenance services for all output devices

**COMPENSATION:**

Vendors shall be paid during this option period as follows: total not to exceed the sum of ~~\$2,250,000.00~~ \$3,750,000.00 in the aggregate for all vendors.

**AUTHORIZATION:**

Authorize the General Counsel to include other relevant terms and conditions in the written option documents. Authorize the President and Secretary to execute the option documents. Authorize the Chief Procurement Officer to execute all ancillary documents required to administer or effectuate the option agreements.

**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 Per Contract and Category Goals method for M/WBE participation will be utilized. Aggregated compliance of the vendors in the pool will be reported on a monthly basis. The M/WBE participation goals for the contract include 15% total MBE and 10% total WBE participation.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Various Funds

~~\$2,250,000~~ \$3,750,000.00

Fiscal Years: 2015-2016

Future year funding is contingent upon budget appropriation and approval.

**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:



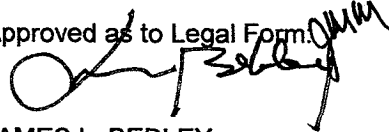
SÉBASTIEN de LONGEAUX  
Chief Procurement Officer

Approved for Consideration:



TIMOTHY CAWLEY  
Chief Administrative Officer

Approved as to Legal Form.



JAMES L. BEBLEY  
General Counsel