

**AUTHORIZE A NEW AGREEMENT WITH GUITAR CENTER, INC DBA MUSIC AND ARTS CENTERS
FOR THE PURCHASE OF MUSICAL INSTRUMENTS**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize a new agreement with Guitar Center, Inc dba Music and Arts Center for the purchase of Musical Instruments for all schools at an estimated annual cost set forth in the Compensation Section of this report. Vendor was selected on a competitive basis pursuant to Board Rule 7-2.7 which authorizes the Board to purchase through government purchasing cooperative contracts. The Cooperative Purchasing Network (TCPN) issued RFP #14-08 and subsequently entered into a contract with Guitar Center, Inc. (TCPN #R140802). A written agreement for this purchase is currently being negotiated. No goods may be ordered or received and no payment shall be made to Vendor prior to the execution of their 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.

Contract Administrator : Gromadzka, Ms. Justyna / 773-553-2280

VENDOR:

- 1) Vendor # 69910
GUITAR CENTER, INC DBA MUSIC AND
ARTS CENTERS
907 WEST IRVING PARK RD.
ITASCA, IL 60143
PAUL BAUER
630 467-1077

Ownership: Ares Management Llc

USER INFORMATION :

Project
Manager: 10810 - Teaching and Learning Office

42 West Madison Street

Chicago, IL 60602

Gurley, Miss Annette Denise

773-553-1216

TERM:

The term of this agreement shall commence on the date the agreement is signed and shall end August 31, 2018. This agreement shall have 2 (two) options to renew for periods of two (2) years each.

EARLY TERMINATION RIGHT:

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

DESCRIPTION OF PURCHASE:

Goods: Musical Instruments
Quantity: Unlimited
Unit Price: Various
Estimated Annual Cost: \$1,000,000

OUTCOMES:

This purchase will result in:

- Anticipated savings for schools purchasing musical instruments, supplies, and equipment of approximately \$100,000 overall each year.
- Expected ease of purchasing, as reported by schools, due to contract with and discount offered by Vendor to the District.

COMPENSATION:

Vendor shall be paid in accordance with the unit prices contained in the agreement; Estimated annual costs for the three (3) year term are set forth below:

\$1,000,000, FY16
\$1,000,000, FY17
\$1,000,000, FY18

AUTHORIZATION:

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

AFFIRMATIVE ACTION:

This agreement is exempt from MBE/WBE compliance review as it was awarded through The Cooperative Purchasing Network (TCPN), and was not advertised by The District nor assigned any MBE/WBE requirements.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Various Funds
Various Units
\$1,000,000, FY16
\$1,000,000, FY17
\$1,000,000, FY18

Not to exceed \$3,000,000 for the three (3) year term.
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:



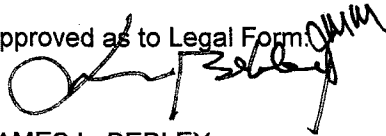
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



FORREST CLAYPOOL
Chief Executive Officer

Approved as to Legal Form:



JAMES L. BEBLEY
General Counsel