

September 28, 2016

**AUTHORIZE THE FIRST AND SECOND RENEWAL AGREEMENT WITH AT&T, CORP. FOR
TELECOMMUNICATIONS VOICE AND DATA SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the first and second renewal agreement with AT&T, Corp. for the purchase of Telecommunications Voice and Data services for the Department of Information and Technology Services. This agreement may be 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 exceed \$50,000,000.00. The Board is authorized to pay approved invoices up to the not-to-exceed amount and will utilize the Billed Entity Applicant Reimbursement (BEAR) process, as defined below, to recover any costs that may be eligible for federal subsidies under the E-Rate program. A written renewal agreement for this purchase is currently being negotiated. No goods may be ordered or received and no payment shall be made to AT&T, Corp. prior to execution of the renewal agreement. The authority granted herein shall automatically rescind in the event the renewal agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification Number : 13-250062

Contract Administrator : Knowles, Mr. Jonathan / 773-553-2280

VENDOR:

- 1) Vendor # 11912
AT AND T, CORP.
ONE ATAND T WAY
BEDMINSTER, NJ 07921-0752
Kenees McNamer
312 364-2982
Ownership Information: Publicly Traded
Company

USER INFORMATION :

Project 12510 - Information & Technology Services
Manager: 42 West Madison Street
Chicago, IL 60602
Zalewski, Miss Kathryn Lucille
773-553-1300

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 13-1218-PR11 as amended by 14-0528-PR16) in the amount of \$69,000,000.00 is for a term commencing July 1, 2014 and ending June 30, 2017, with the Board having two (2) options to renew for one (1) year term. 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 two (2) years commencing July 1, 2017 and ending June 30, 2019.

OPTION PERIODS REMAINING:

There are no option periods remaining.

SCOPE OF SERVICES:

AT&T, Corp. will continue to provide voice circuits, data circuits, managed internet access services, long distance services, teleconferencing services, current and emerging technologies as well as associated technical and support services. Voice and data circuits are used for basic communications, as well as Internet access for schools and administrative offices. Additional value-added services are also included, such as scalable internet bandwidth, long distance, teleconferencing and emerging technologies such as new transport opportunities and dark fiber utilization. Scalable bandwidth allows increases during peak testing windows and decreases over the summer months.

OUTCOMES:

This purchase will provide the Board with continuous and enhanced voice and data circuits, services, features, applications, transport technologies, scalable Internet access and support services through the end of the fiscal year 2019.

COMPENSATION:

The total amount of the contract shall not exceed \$50,000,000.00. The Board is authorized to pay approved invoices up to the not-to-exceed amount and will utilize the Billed Entity Applicant Reimbursement (BEAR) process to recover any costs that may be eligible for federal subsidies under the E-Rate Program. The BEAR process is the mechanism used by E-Rate applicants to request reimbursement for approved services for which the applicant has already paid the full pre-discounted amount. It is anticipated that the Board will be able to seek reimbursement for approximately \$33,400,000.

AUTHORIZATION:

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

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 MBE/WBE goals for this agreement include: 30% total MBE and 7% total WBE participation.

AT and T, Corp. has identified the following:

Total MBE - 30%

Computer Resources Solutions
One Pierce Place, Suite 325-West
Itasca, Illinois 60143
Contact: Debbie Dreyer

Total WBE - 7%

Archon Construction Co., Inc.
536 South Route 53
Addison, Illinois 60101
Contact: Leta Loizzo

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Various Operating Budget Funds
Information and Technology Services, Unit #12510
\$25,000,000.00 FY18
\$25,000,000.00 FY19
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:




LESLIE NORGRN
Chief Procurement Officer

Approved:



FORREST CLAYPOOL
Chief Executive Officer

Approved as to Legal Form: 



RONALD L. MARMER
General Counsel