

October 22, 2003

**APPROVE EXERCISING THE THIRD OPTION TO RENEW THE AGREEMENT
WITH ADVOTEK, INC. FOR THE PURCHASE OF SERVERS AND WARRANTY SERVICE**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the third option to renew the agreement with Advotek, Inc. for the purchase of servers and warranty services for use by all regional, central office departments and schools, at a cost not to exceed \$5,000,000.00 for the third option period. Exercising this option at this time is required to qualify eligible equipment and services purchased under this contract for Year 7 of the E-Rate program (July 1, 2004 through June 30, 2005). A written document exercising this option is currently being negotiated. No payment shall be made to the vendor during the option period prior to the 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.

SPECIFICATION NO: 00-250499**VENDOR:**

Advotek Incorporated d/b/a Computerland of Downers Grove
148 Ogden Avenue
Downers Grove, Illinois 60515
630/964-7762
Contact Person: Diana Conley
Vendor No.: 45666

USER: All schools, regional, and central office Departments.
Contact Person: Craig Holloway, Commodity Manager—773.553.2280

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report No. 00-1220-PR2) is for a term commencing January 12, 2001 and ending June 30, 2002, with the Board having three (3) options to renew the agreement for successive periods of twelve (12) months each. The original agreement was awarded pursuant to a duly advertised Request for Proposals. The agreement was renewed for a term commencing July 1, 2002 and ending June 30, 2003 (authorized by Board Report 01-1219-PR45). The agreement was further renewed for a term commencing July 1, 2003 and ending June 30, 2004 (authorized by Board Report 02-1218-PR06).

OPTION PERIOD: The term of this agreement is being extended for one (1) year commencing July 1, 2004 and ending June 30, 2005.

OPTION PERIODS REMAINING: There are no option periods remaining.

SCOPE OF SERVICES: Vendor will continue to provide servers, and associated installation, configuration, extended warranty and maintenance service. Schools, regional, and central office Departments shall purchase equipment at their option via requisition to Procurement and Contracts who will mail a purchase order to the vendor. Purchases that exceed \$10,000 must be approved by the AIO. In the Central Offices, purchases over \$10,000.00 must be approved by the Chief.

PRICES: The prices for the purchase of the equipment during the option period shall be in accordance with the price lists indicated in the original agreement.

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

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 35% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE.

However, the Waiver Review Committee recommends that a partial waiver of the M/WBE participation goals for this contract as required by the Revised Remedial Plan be granted because the contract is not further divisible.

The vendor has, however, identified and scheduled the following firms and percentages

Total MBE 2.5%

Total 1.5% African American:

KBS

749 Lincoln Mall Dr., Suite 503,
Matteson, IL 60443

\$ 50,000.00 1%

Lansoft

811 W. Evergreen, Suite 103,
Chgo., IL 60622

\$ 25,000.00 .5%

Total .5% Hispanic:

Rico Enterprises

7022 W. 73rd Pl.,
Chgo., IL 60638

\$ 25,000.00 .5%

Total .5% Asian:

Micro City

2040 Corporate Lane
Naperville, IL 60563

\$ 25,000.00 5%

Total WBE 97.5%

AdvancedSystems

945 Shetland Dr.
Frankfort, IL 60423

\$ 50,000.00 1%

Computerland

148 Ogden Ave.
Downers Grove, IL 6051

\$ 4,875,000.00 96.5%

LSC REVIEW: Local School Council approval is not applicable to this report

FINANCIAL: Charge to various schools and departments
Fiscal Years: 2003-2005
Budget Classification: 5730-Equipment, 5320-Supplies, 5470-Services/Repair Contracts

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 member during the one year period following expiration or other termination of their terms of office.

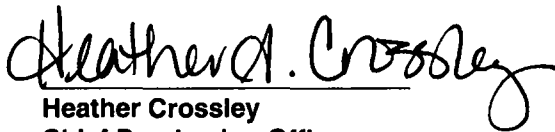
Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

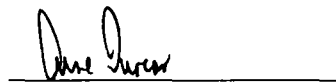
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:

Approved:


Heather Crossley
Chief Purchasing Officer


Arne Duncan
Chief Executive Officer

Within Appropriation:


John Malorca
Chief Fiscal Officer

Approved as to legal form: 


Ruth Moscovitch
General Counsel