

**APPROVE ENTERING INTO AGREEMENTS WITH APPLE COMPUTER, DELL COMPUTER AND HEWLETT –  
PACKARD COMPANY FOR THE PURCHASE AND LEASE OF DESKTOP AND LAPTOP COMPUTERS AND  
WARRANTY SERVICES**

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

Approve entering into agreements with Apple Computer, Dell Computer and Hewlett-Packard Company (HP) for the purchase and lease of desktop and laptop computers and warranty services for all schools, area instructional offices and departments at a cost not to exceed \$30,000,000.00. These agreements are subject to the Board's Strategic Sourcing Policy. Vendors were selected pursuant to a duly advertised Request for Proposal (Specification# 03-250116). A written agreement for each vendor is currently being negotiated. No goods may be ordered or received and no payment shall be made to any vendor prior to the execution of such vendor's written agreement. The authority granted herein shall automatically rescind as to each vendor in the event a written agreement is not executed by such vendor within 90 days of the date of this Board Report. Information pertinent to these agreements is stated below.

**Specification No.: 03-250116**

**Vendor: 1.** Apple Computer  
10 South Wacker  
Chicago, Ill 60606  
(630) 978-7931  
Contact Person: Alyce Gambrell  
Vendor No.: 23266

**Commodity Manager: Craig Holloway 553-2903**

**2.** Dell Computer  
One Dell Way  
MS Box 8707  
Round Rock, TX 78682  
(512) 728-2353  
Contact Person: J.C. Madrigal, Marketing  
Regional Contract Manager/Vendor No.: 44646

**3.** Hewlett Packard Company  
3000 Hanover Street  
Palo Alto, CA 94304  
(847) 733-0053  
Contact Person: Debbie Agee  
Vendor No.: 46457

**Term:** The term of each agreement shall commence on the date each agreement is signed and shall end December 31, 2005. The Board shall have two (2) options to extend the agreements for additional one-year periods under the same terms, conditions and prices contained in the original agreements.

**OPTION PERIODS:** There are two (2) options to renew for one (1) year each.

**SCOPE OF SERVICES:** Vendors will provide desktops and laptops computers and associated installation, configuration extended warranty and maintenance services. Schools, instructional offices and central office departments may purchase or lease equipment and services at their option via requisition to Procurement and Contracts who will mail a purchase order to the vendor. School purchases that exceed \$25,000 must be approved by the AIO. In the Central Offices, the respective Chief must approve purchases over \$25,000.

**DELIVERABLES:** Vendors will provide desktops and laptops computers and associated installation, configuration extended warranty and maintenance services.

**PRICES:** The prices for the purchase and/or leasing of the equipment shall be in accordance with the price lists included in each vendor's original agreement.

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

**AFFIRMATIVE ACTION:** Pursuant to Section 6.2 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan), the Per Contract and Category Goals method for M/WBE participation will be utilized. Thus, contracts for subsequent vendors from the pool created by this contract will be subject to compliance reviews on a contract-by-contract basis. Aggregated compliance of the vendors in the pool will be reported on a quarterly basis.

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

**FINANCIAL:** Charge to various schools and departments  
Fiscal Years: 2004-2006  
Budget Classification: 5320-Supplies, 5730-Equipment, 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.

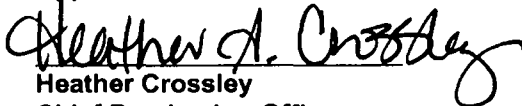
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their 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.

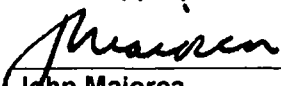
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:**

  
Heather Crossley  
Chief Purchasing Officer

**Within Appropriation:**

  
John Maiorca  
Chief Financial Officer

**Approved:**

  
Arne Duncan  
Chief Executive Officer

**Approved as to legal form**

  
Ruth Moscovitch  
General Counsel