

**AMEND BOARD REPORT 06-0125-PR12**  
**APPROVE ENTERING INTO AN AGREEMENT WITH HITEC GROUP INTERNATIONAL, INC.**  
**FOR TTY COMMUNICATIONS SYSTEM, ~~MAINTAINANCE~~ MAINTENANCE**  
**AND ASSOCIATED TRAINING SERVICES**

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

Approve entering into an agreement with Hitec Group International, Inc. (Hitec) to provide Textnet TTY Communications System, maintenance and associated training services for the Office of Technology Services ("OTS") at a cost not to exceed ~~\$732,660.00~~ \$747,060.00, of which approximately ~~\$540,583.20~~ \$545,281.20 is eligible for, but not contingent upon, discounts in accordance with the guidelines and requirements of the Federal Government's Universal Services Program ("E-Rate"), at a total cost to the Board not to exceed ~~\$492,076.80~~ \$201,778.80. Hitec was selected pursuant to a duly advertised Request for Proposals (Specification No. 05-250052). An agreement is currently being negotiated. No payment shall be made to Hitec prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written document is not executed within ninety (90) days of the date of this Board Report.

This amendment is necessary to i) add language allowing charter schools, CPS consortium members and City of Chicago sister agencies to purchase services under the agreement; ii) to increase the funding amount by \$14,400.00 to cover any billings to the Board as the Billed Entity for the CPS consortium and iii) to correct the title of the board report. Payment for purchases so made shall be the responsibility of the charter school, CPS consortium members, and City of Chicago sister agencies. Charter schools and City sister agencies shall pay vendor directly and CPS consortium members shall reimburse the Board for such purchases. A written amendment to the agreement is required. The authority granted herein shall automatically rescind in the event a written amendment is not executed within 90 days of this amended Board Report

**SPECIFICATION NO.:** 05-250052

**VENDOR:** Hitec Group International, Inc.  
8160 Madison Avenue  
Burr Ridge, IL 60527  
Contact: Richard Uzuanis, Vice President  
Telephone No.: (630) 654-9200  
Vendor No. 16374

**USER:** Office of Technology Services  
125 South Clark Street, 3rd Floor  
Chicago, Illinois 60603  
Contact: Robert Runcie, Chief Information Officer  
Katie Zalewski, Telecommunications Director  
Telephone No.: (773) 553-1300

**TERM:** The term of this agreement shall commence on February 1, 2006 and shall end on July 31, 2009. This term is necessary to coincide with, and allow for the Board's participation in Years 9, 10, and 11 of the Federal E-Rate program. This agreement shall have two (2) options to renew for periods of one (1) year each at a cost to be negotiated at the time of renewal.

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

**SCOPE OF SERVICES:** Hitec will provide the Board with a Textnet TTY communications system, maintenance and associated training services for a network of 1,500 licenses. Textnet is a shared, digital TTY communications system that provides a seamless integration of the public switched telephone network, the Internet and the Board's data network to enable telephone calls to be made by people who are deaf, hard of hearing or speech restricted. Since the system utilizes the Board's current data network and existing PCs, no additional hardware or equipment is required. Hitec also provides on-going support and training as needed.

**DELIVERABLES:** Hitec will provide the Board with Textnet TTY services through the end of fiscal year 2009.

**OUTCOMES:** Hitec's services will result in the Board having continuous TTY services. The Board will also be in compliance with legal mandates of the Americans with Disabilities Act, Sections 504 and 508 of the Rehabilitation Act, IDEA and Section 255 of the Telecommunications Act through the end of fiscal year 2009.

**COMPENSATION:** Hitec shall be paid as follows: Upon monthly invoicing, at a cost not to exceed ~~\$732,660.00~~ \$747,060.00 for the Contract term, of which approximately ~~\$540,583.20~~ \$545,281.20 is eligible for, but not contingent upon, E-Rate discounts, at a cost to the Board not to exceed ~~\$192,076.80~~ \$201,778.80.

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

**AFFIRMATIVE ACTION:** The M/WBE goals for this contract include: 26% total MBE 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 vendor has demonstrated reasonable good faith efforts.

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

**Total 1.2% MBE:**

African American  
 Creative Printing Services, Inc. Certified through 02/28/2006  
 1701 Birchwood Avenue  
 Des Plaines, Illinois 60018

**Total 25% WBE:**

Krista Ray Independent Consultant  
 705 Linden Court  
 Itasca, Illinois 60143

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

**FINANCIAL:**

Original Before Consortium:

	FY06	FY07	FY08	FY09	TOTAL
<b>Annual Eligible</b>	\$0.00	\$207,120.00	\$207,120.00	\$207,120.00	\$621,360.00
<b>CPS-13%</b>	\$0.0	\$26,925.60	\$26,925.60	\$26,925.60	\$80,776.80
<b>SLD-87%</b>	\$0.0	\$180,194.40	\$180,194.40	\$180,194.40	\$540,583.20
<b>Annual InEligible</b>	<u>\$88,800.00</u>	<u>\$7,500.00</u>	<u>\$7,500.00</u>	<u>\$7,500.00</u>	<u>\$111,300.00</u>
	\$88,800.00	\$214,620.00	\$214,620.00	\$214,620.00	\$732,660.00
<b>CPS PAYS</b>					
12510-230-54405-254906-00000	*\$88,800.00	\$34,425.60	\$34,425.60	\$34,425.60	\$192,076.80
<b>SLD PAYS</b>	<u>\$0.0</u>	<u>\$180,194.40</u>	<u>\$180,194.40</u>	<u>\$180,194.40</u>	<u>\$540,583.20</u>
	\$88,800.00	\$214,620.00	\$214,620.00	\$214,620.00	\$732,660.00

\*\$34,725.60 will be funded by Hitec PO number 821640. The remaining balance will be transferred to the budget line identified.

**Amended to Include Consortium:**

	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>TOTAL</b>
<b>Annual Eligible</b>	\$0.00	\$207,120.00	\$209,820.00	\$209,820.00	\$626,760.00
CPS-13%	\$0.00	\$26,925.60	\$27,276.60	\$27,276.60	\$81,478.80
SLD-87%	\$0.00	\$180,194.40	\$182,543.40	\$182,543.40	\$545,281.20
<b>Annual InEligible</b>	<u>\$88,800.00</u>	<u>\$7,500.00</u>	<u>\$12,000.00</u>	<u>\$12,000.00</u>	<u>\$120,300.00</u>
	\$88,800.00	\$214,620.00	\$221,820.00	\$221,820.00	\$747,060.00
<b>CPS PAYS</b>					
12510-230-54405-254906-00000	\$88,800.00	\$34,425.60	\$39,276.60	\$39,276.60	\$201,778.80
<b>SLD PAYS</b>	<u>\$0.00</u>	<u>\$180,194.40</u>	<u>\$182,543.40</u>	<u>\$182,543.40</u>	<u>\$545,281.20</u>
	\$88,800.00	\$214,620.00	\$221,820.00	\$221,820.00	\$747,060.00

**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.

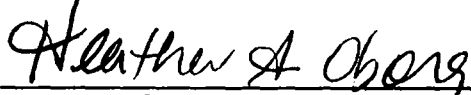
**Conflicts** – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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

**Indebtedness** – The Board's Indebtedness Policy adopted 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 A. Obora  
Chief Purchasing Officer

**Approved:**



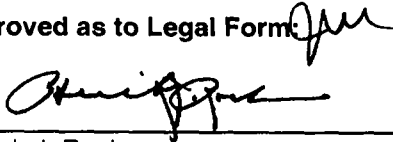
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**



John Maiorca  
Chief Financial Officer

**Approved as to Legal Form:**



Patrick J. Rocks  
General Counsel