

APPROVE ENTERING INTO TWO AGREEMENTS WITH CENTRAL AUDIO-VISUAL EQUIPMENT, INC. FOR MEDIA MANAGEMENT SOLUTION AND BASIC MAINTENANCE SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into two agreements with Central Audio-Visual Equipment, Inc. (CAV, Inc.) for the purchase of a Media Management Solution and Basic Maintenance Services by the Office of Technology Services for use at CPS school locations, Area Instructional Offices and Central Office. The first agreement will cover basic maintenance services eligible for the E-Rate discount at a cost not to exceed \$352,728.00 of which approximately \$352,728.00 is eligible for discounts in accordance with the guidelines and requirements of the Federal Government's Universal Services Program ("E-Rate") ("Basic Maintenance Contract" or "Contract #1"). The second agreement shall cover non-basic maintenance eligible and ineligible services at a cost not to exceed \$1,034,885.00 of which \$681,910.55 is eligible for discounts in accordance with the guidelines and requirements of the Federal Government's Universal Services Program ("E-Rate") ("Contract # 2"). It is anticipated that the School and Library Division/Universal Service Administrative Company ("SLD/USAC") will fund eligible E-Rate services and products, and the total cost to the Board for Contract #2 shall not exceed \$518,281.16. The total cost for eligible and ineligible services for both agreements shall not exceed \$1,387,613.00. Consultant was selected, under Specification No. 06-250057, on a competitive basis pursuant to Board Rule 5-4.1. Written agreements for Consultant's services are currently being negotiated. No services shall be provided by Consultant and no payment shall be made to Consultant prior to the execution of the respective written agreements. The authority granted herein shall automatically rescind as to each agreement in the event such written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to these agreements is stated below.

CONSULTANT: Central Audio-Visual Equipment, Inc.
375 Roma Jean Parkway
Streamwood, IL 60107
Michael Bashir, President
(630) 372-8100
Vendor No.: 36633

USER: Office of Technology Services
125 S. Clark, 3rd Floor
Marty McGuire, Digital Media Systems Team Lead
(773) 553-6674

TERM: The term of each agreement shall commence on July 1, 2007 and shall end September 30, 2008. Each agreement shall have two (2) options to renew for periods of one (1) year each.

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

SCOPE OF SERVICES: CAV, Inc. will provide Media Management (distribution) Equipment, Maintenance and Support Services to the Chicago Public Schools in conjunction with the E-Rate Program.

Contract #1 will cover basic maintenance on the new and legacy media management systems throughout the district. This maintenance of new and legacy systems will be provided by CAV, Inc. CAV, Inc. will assist CPS in the continued implementation of its district-wide media management solution — CPS ON Demand using the SAFARI Montage interface. Currently, SAFARI Montage is operating in, approximately 200 CPS schools.

Contract #2 will cover school and central office head end media management solutions. CAV, Inc. will provide additional systems (approximately 70) in order to continue the standardization of this media management system. Additionally, CAV, Inc. will also provide training and professional development.

DELIVERABLES: CAV, Inc. will provide equitable access to Media Management for the district and ensure long-term success with maximum capacity for anytime access.

Contract #1 will cover basic maintenance on the new and legacy media management systems throughout the district. Latest version of Operating System and quarterly system tests and checks to verify functionality.

Contract #2 will cover school and central office head end media management solutions. CAV, Inc. will expand the school-based server solution that is currently in place. Each school will receive a RM-800 server for participating under this agreement. The number of professional development projects, proposed curriculum initiatives, and requests for additional content mandate a robust server in this roll-out.

Servers will be placed in the MDF rooms of schools throughout the district and managed by the Office of Technology services and possibly school-based technology coordinators.

Proposed content must correlate directly to strategic Chicago Public Schools initiatives including literacy, math and science. Proposed content must be accessible using the current Safari Montage browser interface that resides in over 240 schools.

CPS will receive training and professional development that will demonstrate the use of the product, empowering educators to use digital media in the classroom. CPS will also receive training on the use of digital media to meet individual student deficiencies.

Schools will use a variety of methods for viewing the digital media based upon individual school infrastructure. Those methods will include LCD projectors in individual classrooms, existing TV monitors, individual classroom computer stations, and computer labs. Individual schools will be encouraged to include additional requisite infrastructure into their School Improvement Plan in order to ensure best-practice use of Media Management systems.

The system additions / improvements will include:

1. Infrastructure assessment of the existing environment
2. Coordination of the ordering of equipment
3. Staging of new equipment
4. Testing of all equipment
5. Training (Technical and non-technical)

The Central Audio-Visual Equipment, Inc. shall add Board approved equipment defined in this scope. The Central Audio-Visual Equipment, Inc. will provide support services to include installation, integration, configuration, and testing of the equipment. The Central Audio-Visual Equipment, Inc. shall also be required to perform both technical and non-technical training for CPS employees as determined by the Board.

OUTCOMES: These services will result in a comprehensive Media Management solution throughout the district. CPS requires that this system be able to handle the district-wide dissemination of digital video content to all classrooms of items such as Professional Development video, superintendent video addresses and video content for the classroom.

COMPENSATION: Consultant shall be paid, as specified in each agreement. The total compensation payable under Contract #1 shall not exceed \$352,728.00 of which approximately \$352,728.00 is eligible for E-rate discounts and the total cost to the Board shall not exceed \$49,381.92. The total compensation payable under Contract #2 shall not exceed \$1,034,885.00 of which approximately \$681,910.55 is eligible for E-rate discounts and the total cost to the Board shall not exceed \$518,281.16.

REIMBURSABLE EXPENSES: None.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreements, including authorization of charter schools and the CPS consortium of charter schools to purchase technology, equipment and services under each agreement. Authorize the President and Secretary to execute the agreements. Authorize Chief Information Officer to execute all ancillary documents required to administer or effectuate the agreements.

AFFIRMATIVE ACTION: This contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The M/WBE participation goals for the contract include: 35% total MBE, and 5% total WBE.

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

Total 95% MBE:

Total 95% African American:

Central Audio Visual 95%

Total 5% WBE :

Jennifer Shields 5%

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

Contract 1:	FY08
Total Cost of Service	\$352,728.00
Annual Eligible- Basic Maint.	\$352,728.00
CPS-14%	\$49,381.92
SLD-86%	\$303,346.08
Total CPS Costs	\$49,381.92
Contract 2	
Schools	\$780,005.00
Annual Eligible -Other	\$463,210.55
CPS-17%	\$78,745.79
SLD-83%	\$384,464.76
Annual Ineligible	\$316,794.45
TOTAL CPS COSTS	\$395,540.24
Contract 2	
Core Head End	\$254,880.00
Annual Eligible -Other	\$218,700.00
CPS-17%	\$37,179.00
SLD-83%	\$181,521.00
Annual Ineligible	\$36,180.00
TOTAL CPS COSTS	\$73,359.00
Contract 2	
GRAND TOTAL	\$1,034,885.00
Annual Eligible -Other	\$681,910.55
CPS 17%	\$115,924.79
SLD-83%	\$565,985.76
Annual Ineligible	\$352,974.45
TOTAL CPS COSTS	\$468,899.24

CPS PAYS	
Charge to various schools and departments	
Budget Classification:	
5730 Equipment,	
5470 Services/Repair Contracts	
Sources of funds: Various	\$518,281.16
SLD PAYS	<u>\$869,331.84</u>
TOTAL COST OF SERVICIES	<u>\$1,387,613.00</u>

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.

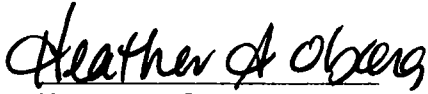
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their 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 June 23, 2004 (04-0623-PO4), 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:



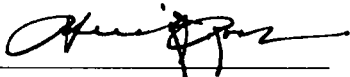
**Arne Duncan
Chief Executive Officer**

Within Appropriation:



**John Maiorca
Chief Financial Officer**

Approved as to legal form:



**Patrick J. Rocks
General Counsel**