

APPROVE ENTERING INTO AN AGREEMENT WITH AT AND T, INC. FOR LONG DISTANCE SERVICES, DEDICATED DS1 LONG DISTANCE, TELECONFERENCING, DIGITAL LINK LOCAL SERVICE AUTHORIZATION AND TOLL-FREE 800 SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with AT & T, Inc. ("AT & T") to provide long distance services, dedicated DS1 long distance services, teleconferencing, digital link local service authorization and toll-free 800 services for Chicago Public Schools ("CPS"). This agreement is 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 to exceed \$758,549.07, but the Board shall only be responsible for the non-discounted portion of E-Rate eligible services and/or products and the cost of ineligible services and/or products, which shall not exceed \$371,555.03. AT & T was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement is currently being negotiated. No services shall be provided by AT & T and no payment shall be made to AT & T prior to execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Specification Number : 10-250054
Contract Administrator : Nanzi Flores / 773-553-2273

VENDOR:

- 1) Vendor # 11912
AT & T LONG DISTANCE
P.O. BOX5019
CAROL STREAM, IL 60197-5019
Keneese McNamer
312-364-2982

USER:

Information & Technology Services
125 South Clark Street - 3rd Floor
Chicago, IL 60603

Contact : Arshele Stevens
Phone: 773-553-1300
Project Manager: Kathryn Zalewski
Phone: 773-553-3060

TERM:

The term of this agreement shall commence on July 1, 2011 and shall end June 30, 2014. This agreement shall have two options to renew for periods of one year each.

EARLY TERMINATION RIGHT:

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

SCOPE OF SERVICES:

AT & T will provide the Board with long distance, dedicated DS1 long distance, teleconferencing, digital link local service authorization and toll-free 800 services for the existing voice network to approximately 12,000 lines. It is estimated that long distance services will increase three to five percent each year during the term.

DELIVERABLES:

AT & T will provide the Board with long distance, teleconferencing, digital link local service authorization and toll-free 800 services through the end of fiscal year 2014.

OUTCOMES:

AT & T's services will result in the Board having long distance, teleconferencing, digital link local service authorization and toll-free 800 services through the end of fiscal year 2014.

COMPENSATION:

AT & T shall be paid as follows: Upon monthly invoicing, at a total cost not to exceed \$758,549.07, of which approximately \$449,993.07 is eligible for, but not contingent upon, E-Rate discounts. The Board shall only be responsible for the non-discounted portion of E-Rate eligible services and/or products and the cost of ineligible services and/or products, at a total cost to the Board not to exceed \$371,555.03.

REIMBURSABLE EXPENSES:

None

AUTHORIZATION:

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

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 M/WBE participation goals for the contract include: 25% MBE and 5% total WBE.

The Vendor has identified the following participation:

Total MBE - 25%

United Building Maintenance, Inc.
165 Easy Street
Carol Stream, Illinois 60188

Total WBE - 5%

Archon Construction Co.
563 S. Route 53
Addison, Illinois 60101

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

See attachment for SLD financials

12540-230-54405-254501-000000-2012	\$123,157.28
12540-230-54405-254501-000000-2013	\$123,854.48
12540-230-54405-254501-000000-2014	\$124,543.28

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.

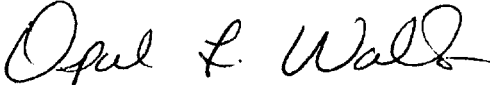
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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



OPAL L. WALLS
Chief Purchasing Officer

Approved:



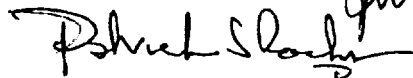
TERRY MAZANY
Chief Executive Officer

Within Appropriation:



DIANA S. FERGUSON
Chief Financial Officer

Approved as to Legal Form:



PATRICK J. ROCKS
General Counsel

		FY12	FY13	FY14	TOTAL
Annual Eligible		\$145,037.69	\$150,017.69	\$154,937.69	\$449,993.07
	CPS-14%	\$20,305.28	\$21,002.48	\$21,691.28	\$62,999.03
	SLD-86%	\$124,732.41	\$129,015.21	\$133,246.41	\$386,994.04
Annual InEligible		<u>\$102,852.00</u>	<u>\$102,852.00</u>	<u>\$102,852.00</u>	<u>\$308,556.00</u>
		\$247,889.69	\$252,869.69	\$257,789.69	\$758,549.07
CPS PAYS	12540-230-54405-254501-000000	\$123,157.28	\$123,854.48	\$124,543.28	\$371,555.03
SLD PAYS		<u>\$124,732.41</u>	<u>\$129,015.21</u>	<u>\$133,246.41</u>	<u>\$386,994.04</u>
		\$247,889.69	\$252,869.69	\$257,789.69	\$758,549.07