

AMEND BOARD REPORT 10-1215-PR8
**APPROVE ENTERING INTO AN AGREEMENT WITH AT&T MOBILITY NATIONAL ACCOUNTS, LLC
 FOR CELLULAR SERVICES, APPLICATIONS, EQUIPMENT, ACCESSORIES AND SUPPORT
 SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with AT&T Mobility National Accounts, LLC ("AT&T Mobility") to provide cellular services, equipment, accessories, applications, cellular-based technology solutions and support 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 exceed ~~\$9,224,509.00~~ \$6,792,282.00, 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 ~~\$6,082,080.48~~ \$4,411,463.16. AT&T Mobility was selected on a competitive basis pursuant to Board Rule 7-2. A written document is currently being negotiated. No services shall be provided by AT&T Mobility and no payment shall be made to AT&T Mobility 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 90 days of the date of this Board Report. Information pertinent to this option is stated below.

This August 2012 amendment is necessary to amend the contract to reflect negotiated lower rates with AT&T Mobility to realize cost savings to the District. A written amendment to the agreement is required.

SPECIFICATION NUMBER: 10-250051

Contract Administrator: Martha Escareno/773-553-2284 Ethan Sinnema / 773-553-3295

VENDOR: AT&T Mobility National Accounts, LLC
 7229 Parkway Drive
 Hanover, MD 20176
 Contact: Margaret Snyder
 Telephone No.: (312) 961-3247
 Vendor No. 59509

USER: Chicago Public Schools
 Information & Technology Services
 125 South Clark Street, 3rd Floor
 Chicago, Illinois 60603
 Contact: ~~Arshale Stevens~~ Lachlan Tidmarsh, Chief Information Officer
Katie Zalewski, Telecommunications Manager
 Telephone No.: (773) 553-1300

TERM:

The term of this agreement shall commence 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 Mobility will provide cellular services, equipment, accessories, applications, cellular-based technology solutions and support services for Chicago Public Schools ("CPS"). Applications and support services include, but are not limited to, text messaging, cellular/radio, push-to-talk features, data cards, Blackberry Enterprise Server (BES) maintenance, BES managed services, Global Positioning System (GPS) services for tracking cellular units and vehicles, and other cellular technology solutions to enable cellular-based initiatives or enhance cellular coverage throughout the District. CPS cellular-based special

programs covered under this agreement include Community-based safe passage initiatives as well as CPS' bus and vehicle tracking program using GPS technology.

DELIVERABLES: AT&T Mobility will provide the Board with cellular services, equipment, accessories, applications, cellular-based technology solutions and support services through the end of fiscal year 2014 including GPS bus and vehicle tracking and community-based safe passage cellular programs..

OUTCOMES: AT&T Mobility's services will result in the Board having continuous cellular services, equipment, accessories, applications, cellular-based technology solutions and support services through the end of fiscal year 2014.

COMPENSATION: AT&T Mobility shall be paid as follows: Upon monthly invoicing, at a total cost not to exceed ~~\$9,224,509.00~~ \$6,792,282.00, of which approximately ~~\$3,653,987.00~~ \$2,768,394.00 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, which shall not exceed ~~\$6,082,080.18~~ \$4,411,463.16. Services, equipment, accessories, applications and support services requested by Board departments or schools and funded via the Board's 124 funding mechanism shall not exceed \$350,000.00 annually and are included in the not to exceed cost to the Board.

REIMBURSABLE EXPENSES:
None.

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 agreement and amendment. Authorize the Chief Information Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: This contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Participation in Goods and Services Contracts. The M/WBE participation goals for the contract include: 25% MBE and 5% WBE participation.

The Vendor has identified the following participation:

Total MBE - 25% **United Building Maintenance**
165 Easy St.
Carol Stream, IL 60188

Total WBE - 5% **Archon Construction Co.**
563 S. Route 53
Addison, IL 60101

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

FINANCIAL:

		FY12	FY13	FY14	TOTAL
Annual Eligible		\$1,178,394.00	\$1,219,797.00	\$1,255,796.00	\$3,653,987.00
	CPS-14%	\$164,975.16	\$170,771.58	\$175,811.44	\$511,558.18
	SLD-86%	\$1,013,418.84	\$1,049,025.42	\$1,079,984.56	\$3,142,428.82
Annual InEligible		\$1,323,888.00	\$1,458,636.00	\$1,737,998.00	\$4,520,522.00
Annual InEligible-124 Funds		<u>\$350,000.00</u>	<u>\$350,000.00</u>	<u>\$350,000.00</u>	<u>\$1,050,000.00</u>
		\$2,852,282.00	\$3,028,433.00	\$3,343,794.00	\$9,224,509.00
					-
CPS PAYS	12540-230-54405-254501-000000	\$1,488,863.16	\$1,620,407.58	\$1,913,800.44	\$5,032,080.18
CPS PAYS	12510-124-54405-254501-169400	\$350,000.00	\$350,000.00	\$350,000.00	\$1,050,000.00
SLD PAYS		<u>\$1,013,418.84</u>	<u>\$1,049,025.42</u>	<u>\$1,079,984.56</u>	<u>\$3,142,428.82</u>
		\$2,852,282.00	\$3,028,433.00	\$3,343,794.00	\$9,224,509.00

REVISED FINANCIAL:

		FY12	FY13	FY14	TOTAL
Annual Eligible		\$1,178,394.00	\$775,000.00	\$815,000.00	\$2,768,394.00
	CPS-14%	\$164,975.16	\$108,500.00	\$114,100.00	\$387,575.16
	SLD-86%	\$1,013,418.84	\$666,500.00	\$700,900.00	\$2,380,818.84
Annual InEligible		\$1,323,888.00	\$805,000.00	\$845,000.00	\$2,973,888.00
Annual InEligible-124 Funds		<u>\$350,000.00</u>	<u>\$350,000.00</u>	<u>\$350,000.00</u>	<u>\$1,050,000.00</u>
		\$2,852,282.00	\$1,930,000.00	\$2,010,000.00	\$6,792,282.00
CPS PAYS	12540-230-54405-254501-000000	\$1,488,863.16	\$913,500.00	\$959,100.00	\$3,361,463.16
CPS PAYS	various departments	\$350,000.00	\$350,000.00	\$350,000.00	\$1,050,000.00
SLD PAYS		<u>\$1,013,418.84</u>	<u>\$666,500.00</u>	<u>\$700,900.00</u>	<u>\$2,380,818.84</u>
		\$2,852,282.00	\$1,930,000.00	\$2,010,000.00	\$6,792,282.00

12510-124-54405-254501-000000-2014	\$350,000.00	
12510-124-54405-254501-000000-2012	\$350,000.00	
12510-124-54405-254501-000000-2013	\$350,000.00	
12540-230-54405-254501-000000-2012	\$1,488,863.16	
12540-230-54405-254501-000000-2013	\$1,629,407.58	<u>\$913,500.00</u>
12540-230-54405-254501-000000-2014	\$1,913,809.44	<u>\$959,100.00</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-P04), 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:



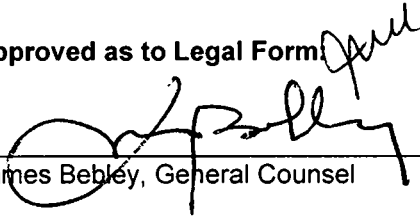
Sebastien de Longeaux
Chief Purchasing Officer

Approved:



Jean-Claude Brizard
Chief Executive Officer

Approved as to Legal Form:



James Bebley, General Counsel