

AMEND BOARD REPORT 12-1114-PR8
AMEND BOARD REPORT 12-1024-PR12

**APPROVE ENTERING INTO AN AGREEMENT WITH VARIOUS VENDORS AND LEASING AGENTS
FOR THE PURCHASE AND LEASE OF DESKTOP AND LAPTOP COMPUTERS, AND ASSOCIATED
SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into agreements with Apple Computer, Inc, Dell Marketing L.P., and Dell Financial Services - Leasing for the purchase and lease of desktop and laptop computers, and associated services for all schools, including charter schools, network offices, and departments, at an aggregate cost not to exceed ~~\$85,000,000.00~~ \$110,250,000.00. These agreements are subject to the Board's Strategic Sourcing Policy. Vendors were selected on a competitive basis pursuant to Board Rule 7-2. The RFP was done through a joint procurement with the Board, City of Chicago, and Cook County, using specification number 105081. No goods may be ordered or received and no payment shall be made to any Vendor prior to the execution of their 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 amended Board Report. Information pertinent to these agreements is stated below.

The November 2012 amendment is necessary to i) add Apple Computer, Inc. as a vendor and ii) to revise the term section.

This May 2014 amendment is necessary to increase the authorized amount by \$25,250,000.00. No amendments to the agreements are required.

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-3295

VENDOR:

- 1) Vendor # 44646
DELL MARKETING L.P.
1 DELL WAY, MAIL STOP 8707
ROUND ROCK, TX 78682
Michael Ager
888 977-3355

- 2) Vendor # 14600
DELL FINANCIAL SERVICES - LEASING
12234 N .IH35 BLDG. B
AUSTIN, TX 78753
Brad Webster
800 455-3355

- 3) Vendor # 23266
APPLE COMPUTER INC
1 INFINITE LOOP
CUPERTINO, CA 95014
Madaliene Schalet
312 939-8969

USER INFORMATION :

Contact: 12510 - Information & Technology Services
125 South Clark Street - 3rd Floor
Chicago, IL 60603
Foster, Mr. Belvie J
773-553-1347

TERM:

The term of each agreement shall be three (3) years with two (2) renewable options of two (2) years each, with the initial term commencing on November 1, 2012 or date of execution, whichever is later, and ending on October 31, 2015.

EARLY TERMINATION RIGHT:

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

DESCRIPTION OF PURCHASE:

These agreements will allow all schools, charter schools, network offices, and departments to purchase and lease desktop and laptop computers and associated services. Vendors will provide desktop and laptop computers and associated installation, configuration, extended warranty and maintenance services.

OUTCOMES:

These agreements will result in the supply of desktop and laptop computers and associated installation, configuration, extended warranty, and maintenance services for all departments and schools. By leveraging this joint partnership with the City of Chicago and Cook County, significant price discounts are available compared to previous contracts. Absence of the agreements will result in higher pricing, an unmanageable technology footprint and a higher overall TCO.

COMPENSATION:

Vendors shall be compensated as specified in their respective agreements; total compensation to be paid to all vendors during the original term shall not exceed ~~\$85,000,000.00~~ \$110,250,000.00 in the aggregate.

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written agreements, including any indemnities by the Board. Authorize the President and Secretary to execute the agreements. Authorize the Chief Procurement Officer to execute all ancillary documents required to administer or effectuate the agreements.

AFFIRMATIVE ACTION:

This Joint IT Hardware agreement is in compliance with the requirements of the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts. The MBE/WBE goals for this Joint RFP were set by the participating Sister Agencies and will be enforced on the Chicago Public School contract by CPS' Office of Business Diversity.

The Vendors have identified the following participation:

MBE

Wynndalco Enterprises, LLC
55 West Wacker Drive, 9th Floor
Chicago, Illinois 60601
Contact: Samantha Gregory

Solai & Cameron, Inc.
2335 N. Southport Ave.
Chicago, Illinois 60601
Contact: Maller R. Solai

Level-1 Global Solutions, LLC
22 West Washington Street, 15th Floor
Chicago, Illinois 60602
Contact: Thomas D. McElroy

Fusion Technology Solutions Group, LLC
233 S. Wacker Drive, 84th Floor
Chicago, Illinois 60606
Contact: Eli Reynoso

KBS Computer Services, Inc. (Subcontractor to Apple)
15537 South 70th Court
Orland Park, Illinois 60462
Contact: Anthony Kitchens

WBE

ConnectED Consulting Services LLC (Subcontractor to Wynndalco and Solai & Cameron)
708 S. Racine Avenue, Unit B
Chicago, Illinois 60607
Contact: Elaine Williams

Advotek, Inc. (Subcontractor to Apple)
148 Ogden Avenue
Downers Grove, Illinois 60515
Contact: Diana Conley

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

~~Charge to various schools and departments. Fiscal years 2012-2016~~
~~Budget Classification:~~
~~53405 - Supplies~~
~~55005 - Equipment~~
~~56105 - Services/Repair Contracts~~
~~54105 - Contractual Services~~
~~Fund Classification: Various funds~~
~~All schools and departments~~
~~\$110,250,000. FY12 - FY16~~
Future year funding is contingent upon budget appropriation and approval.

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 May 25, 2011 (11-0525-PO2), 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:



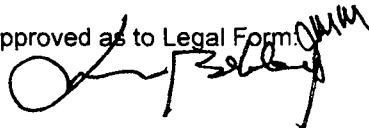
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



BARBARA BYRD-BENNETT
Chief Executive Officer

Approved as to Legal Form:



JAMES L. BEBLEY
General Counsel