

AUTHORIZE THE FIRST RENEWAL 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:

Authorize the first renewal 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 estimated annual cost set forth in the Compensation Section of this report. Written renewal agreements for this purchase are currently being negotiated. No goods may be ordered or received and no payment shall be made to any Vendor prior to the execution of their written renewal agreement. The authority granted herein shall automatically rescind as to each Vendor in the event their written renewal agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Contract Administrator : Pincombe, Ms. Charley C / 773-553-2280

VENDOR:

- 1) Vendor # 44646
DELL MARKETING L.P.
1 DELL WAY, MAIL STOP 8707
ROUND ROCK, TX 78682
Jay Strmiska
888 977-3355
Ownership: Dell Marketing Lp - 99%, Dell
Marketing Gp - 1%
- 2) Vendor # 14600
DELL FINANCIAL SERVICES - LEASING
One Dell Way
Round Rock, TX 78664
Mark Opyd
800 455-3355
Ownership: Dell Inc. - 100%
- 3) Vendor # 23266
APPLE INC
1 INFINITE LOOP
CUPERTINO, CA 95014
Denise Nahley
630 248-3708
Ownership: Publicly Held Company

USER INFORMATION:

Project

Manager:

12510 - Information & Technology Services
42 West Madison Street
Chicago, IL 60602
Wagner, Mr. Edward Joseph
773-553-1300

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TERM:ORIGINAL AGREEMENT:

The original agreements (authorized by Board Report 12-1024-PR12 in the amount of \$85,000,000, as amended by reports 12-1114-PR8 to add Apple Computer, Inc as a vendor and revise term section and 14-0528-PR18 to increase amount by \$25,250,000) were for a term commencing November 1, 2012 or date of execution, whichever is later and ending October 31, 2015 with the Board having two (2) options to renew for a two (2) years term. The original agreements were awarded on a competitive basis pursuant to Board Rule 7-2.

OPTION PERIOD:

The term of each agreement is being renewed for two (2) years commencing November 1, 2015 and ending October 31, 2017.

OPTION PERIODS REMAINING:

There is one (1) renewal option remaining for a two (2) year term.

EARLY TERMINATION RIGHT:

The Board shall have the right to terminate this 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 continue to 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:

Vendor shall be paid in accordance with the unit prices contained in the agreement; Estimated annual costs for the two (2) year term are set forth below:

\$17,300,000, FY 16

\$26,000,000, FY 17

\$8,700,000, FY 18

AUTHORIZATION:

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

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.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 115, Multiple Departments, Multiple Units

\$17,300,000, FY 16

\$26,000,000, FY 17

\$8,700,000, FY 18

Not to exceed \$52,000,000 for the two (2) year renewal term.

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:



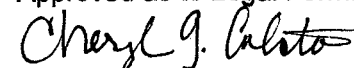
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



FORREST CLAYPOOL
Chief Executive Officer

Approved as to Legal Form: *gamm*



CHERYL J. COLSTON
Acting General Counsel