

AMEND BOARD REPORT 00-1025-PR6
AMEND BOARD REPORT 00-0524-PR13
RATIFY THE RENEWAL OF AND APPROVE AN AMENDMENT TO
THE EXISTING AGREEMENT WITH ORACLE CORPORATION

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify the renewal of and approve an amendment to the existing agreement with ORACLE CORPORATION to provide an Integrated Financial and Human Resources System at a cost for the renewal period not to exceed \$12,960,468.26. A written amendment to the agreement reflecting the renewal terms and the expanded scope of services is currently being negotiated. Payment of (i) past due amounts owed Consultant for consulting services, (ii) new and additional licenses, and (iii) software and hardware licenses (including databases) shall be made to Consultant upon the approval of Board Report. However, no payment for ongoing consulting services shall be made to Consultant during the renewal period prior to the execution of the written amendment. The authority granted herein shall automatically rescind in the event a written amendment is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this amendment is stated below.

The purpose of this amendment is to clarify payment of compensation to Consultant during renewal period.

This second amendment is required to extend the agreement period, with no additional cost to the Board, for an additional ninety (90) days or until such time as a new contract is negotiated and signed, whichever occurs first. A written extension agreement is required and is currently being negotiated. The authority granted in this second amendment will automatically rescind in the event a written amendment is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this amendment is stated below.

CONSULTANT: Oracle Corporation
500 Oracle Parkway
Redwood, California 94065
Contact Person: Jose Garcia
Telephone No.: 312-551-6218
Vendor No.: 26099

DEPARTMENTS: Various

ORIGINAL AGREEMENT: The original Administrative Software System Procurement and Services Agreement effective May 29, 1997 (authorized by Board Report 97-0528-FN3) was for a term commencing May 29, 1997 and ending April 28, 2000.

RENEWAL PERIOD: The term of the agreement is being renewed for ~~one (1) year~~ a term commencing April 29, 2000 and ending April 30, 2001/July 31, 2001 or at such time as a new contract is negotiated and signed by the parties, whichever occurs first.

OPTION PERIODS: The amendment shall provide the Board the option to renew the agreement for three 1-year periods.

SCOPE OF SERVICES: The Consultant shall continue to provide those services detailed in the original agreement. The Consultant shall render the following new and additional services during the renewal term as follows:

- A. Expansion of Integrated Financial and Human Resources System
1. **GRANTS:** Oracle Grants Management tracks grants and funded projects from inception to final reporting. The module provides a fully integrated system that supports multi-funded projects and the required compliance terms and conditions by award. Grants Management supports validation of allowable cost and effective dates as well as budgetary control to ensure compliance. Building on the strengths of Oracle Projects,

Oracle Grants Management includes the following features to meet the functional requirements of grant and contract management: (i) Management of sponsored projects from inception to completion; (ii) Multi-funding of sponsored projects; (iii) Award management, reporting requirements; (iv) Budgeting control at grant level; (v) Award status inquiry, and (vi) Government reporting.

2. **ORACLE PUBLIC SECTOR BUDGETING:** Oracle Public Sector Budgeting provides a complete budget solution for government, education and non-profit organizations. Public Sector Budgeting will allow the Board to prepare a comprehensive budget that includes position budgeting for personnel services, general operating budgets, and multi-year capital budgeting components. It will enable the Board to create and control budgets by position, leveraging the integration between the Oracle Public Sector General Ledger and Human Resources Management Systems. It will also allow What-If Analysis in budget preparation and the distribution and control of budgets to each organizational unit.
3. **POSITION CONTROL:** Implementation of position control in Oracle using integrated work flow and interfacing to Legacy BRACS until a new BRACS system can be developed.

B. Software Licenses and Related Diagnostic Tool Kits

C. Annual Oracle Technical Support

SUSPENSION OF SERVICES: Authorize the Chief Technology Officer to suspend all or part of the services for such periods as she deems necessary or appropriate.

DELIVERABLES/OUTCOMES: Deliverables, milestones, and a payment schedule shall be negotiated by the Chief Technology Officer and included in the amendment to the agreement.

COMPENSATION: Consultant shall be paid during this renewal period in accordance with the agreed upon payment schedule, not to exceed the sum of \$12,960,468.26.

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

AFFIRMATIVE ACTION: As a condition of the award, the firms shall agree to comply with the provisions of the Revised Remedial Plan for Minority and Women Business Enterprise Economic Participation. Goals have been set for a minimum total of 35% MBE (22% Black, 10% Hispanic, 2% Asian) and 5% WBE. A written amend will not be executed with out receipt of a full Affirmative Action Plan and Contractors Disclosure forms.

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

FINANCIAL:	Charge to Office of Finance	\$6,777,205.00	Fiscal Year:	1998
	Budget Classification: 0230-445-204-9105-5410			
	Requisition Number: 524526			
	Charge to Office of Technology Services	\$ 4,750.00	Fiscal Year:	2000
	Budget Classification: 0220-210-000-1113-5410			
	Requisition No.: IM-1256433	\$4,750		
	Charge to Office of Technology Services	\$ 175,000.00	Fiscal Year:	2000
	Budget Classification: 0951-060-000-1545-5310			
	Charge to Office of Technology Services	\$ 800,000.00	Fiscal Year:	2000
	Budget Classification: 0430-300-258-1540-5310			

Charge to Office of Technology Services \$ 243,629.00 Fiscal Year: 2000
Budget Classification: 0951-239-883-8922-5410
P.O. Number 980919

Charge to Office of Technology Services \$ 556,371.00 Fiscal Year: 2001
Budget Classification: 0220-210-000-1114-5410

Charge to Office of Technology Services \$ 7,900.00 Fiscal Year: 1999
Budget Classification: 0220-210-000-1111-5420
P.O. Number: 739855

Charge to Office of Technology Services \$ 2,520.00 Fiscal Year: 1999
Budget Classification: 0220-210-000-1113-5420
P.O. Number: 739806

Charge to Office of Technology Services \$ 6,000.00 Fiscal Year: 1999
Budget Classification: 0220-210-000-1115-5420
P.O. Number: 739808

Charge to Office of Technology Services \$ 662.00 Fiscal Year: 1999
Budget Classification: 0220-210-000-1114-5420
P.O. Number: 739807

Charge to Office of Technology Services \$ 5,200.00 Fiscal Year: 1999
Budget Classification: 0220-210-000-1116-5420
P.O. Number: 739854

Charge to Office of Learning Technologies \$ 2,560.01 Fiscal Year: 1999
Budget Classification: 0430-210-000-1540-5420
P.O. Number: 663188

Charge to Operations \$ 140,000.00 Fiscal Year: 1998
Budget Classification: 0644-210-000-7536-5410
P.O. Number: 510794

Charge to Office of Technology Services \$5,038,671.25 Fiscal Year: 2000
Budget Classification: 0220-210-000-1111-5410

TOTAL: \$12,960,468.26

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 member during the one year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), 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:



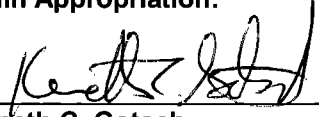
Natalye Paquin
Chief Purchasing Officer

Approved:



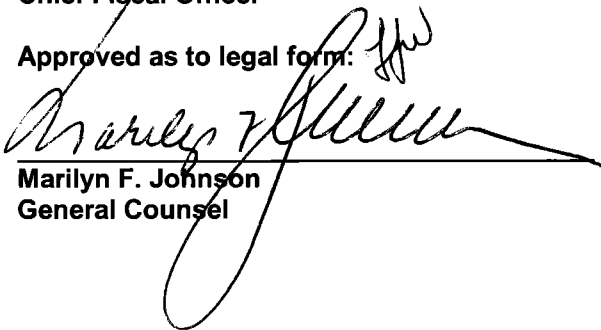
Paul G. Vallas
Chief Executive Officer

Within Appropriation:



Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:



Marilyn F. Johnson
General Counsel