

**APPROVE ENTERING INTO AN AGREEMENT WITH EDGE SYSTEMS, INC. FOR THE
PURCHASE OF PRODUCTION AND DEVELOPMENT APPLICATIONS DATABASE SERVERS**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Edge Systems, Inc. ("Edge Systems" or "Vendor") for the purchase of production and development applications database servers related to the Oracle 11i migration for the Office of Technology Services ("OTS") and the Office of Financial Services ("OFS") at a cost not to exceed \$650,000.00. Vendor was selected on a non-competitive basis due to the critical need to purchase the equipment to maintain effective target dates and schedules for the Oracle 11i migration project. A written agreement for this purchase is currently being negotiated. No goods may be received and no payment shall be made to Vendor prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this agreement is stated below.

Specification No.: 02-250254

VENDOR: Edge Systems, Inc.
3010A Woodcreek Drive
Downers Grove, Illinois 60515
Contact: Sam B. Bishop
Telephone No.: (630) 810-9669
Vendor No.: 28418

USERS: Office of Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contact: Elaine L. Williams, Chief Technology Officer
Telephone No.: 773-553-1300

Office of Financial Services
125 South Clark Street, 14th Floor
Chicago, Illinois 60603
Contact: Kenneth C. Gotsch, Chief Fiscal Officer
Telephone No.: 773-553-2700

TERM: The term of this agreement shall commence on the date the agreement is signed and shall end upon satisfactory delivery and installation of all equipment.

DESCRIPTION OF PURCHASE:

Goods	Unit Price
Production Application Server Package	\$100,165.96
Development Application Server Package	\$31,435.21
Production Database Server Package	\$212,496.00
Development Database Server Package	\$156,887.55
Devices for Production Application/Database Servers	\$32,983.91
Devices for Development Application/Database Servers	\$5,459.50
One (1) Standard Rack	\$1,301.61
CPU and Memory	\$109,270.26
Total Cost Not to Exceed:	\$650,000.00

OUTCOME: Vendor's services will result in the Board having production and development applications database servers for the implementation of the Oracle 11i project.

COMPENSATION: Vendor shall be paid as follows: upon invoicing, at the negotiated discounted rates and terms as specified in the pricing formulas, for a cost not to exceed \$650,000.00, including any optional equipment, as outlined in the quotation, if performance requires increased CPUs and memory.

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 the Chief Technology Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: The M/WBE goals for this Contract include: 35% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE. However, the Waiver Review Committee recommends that a *partial* waiver of the M/WBE participation goals for this Contract, as required by the Revised Remedial Plan, be granted because the Contract scope is not further divisible. Vendor has, however, identified and scheduled the following firms and percentages:

Total MBE: 95%

Total African American: 95%

Edge Systems	\$617,500.00
3010A Woodcreek Drive	Certified through 6/30/03
Downers Grove, Illinois 60515	

Total 5% WBE:

Harvest Technologies	\$32,500.00
330 S. Wells, #902	Certified through 8/1/03
Chicago, Illinois 60606	

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

FINANCIAL: Charge to the Office of Technology Services: \$650,000.00
Budget Classification: 0960-454-000-1111-5730 \$650,000.00 FY03

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.

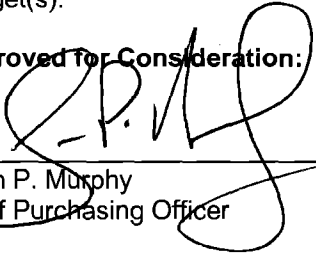
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness – The Board’s Indebtedness Policy adopted 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:




Sean P. Murphy
Chief Purchasing Officer

Approved:



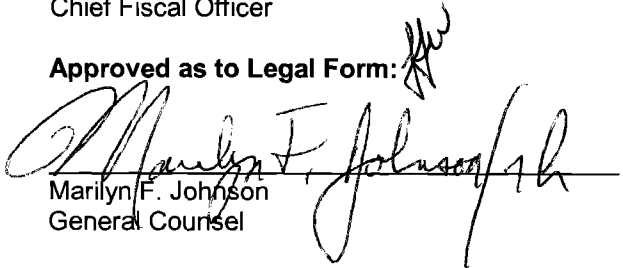
Arne Duncan *by PAD*
Chief Executive Officer

Within Appropriation:



Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to Legal Form:



Marilyn F. Johnson
General Counsel