

**AMEND BOARD REPORT 03-0723-PR17
RATIFY THE RENEWAL OF THE EXISTING AGREEMENT WITH
ORACLE CORPORATION FOR SOFTWARE LICENSE AND MAINTENANCE**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify the renewal of the existing software license and maintenance agreement with Oracle Corporation for software license and maintenance technical support provided to the Office of Technology Services ("OTS") at a cost not to exceed ~~\$1,375,014.33~~ \$2,851,553.82. A written renewal agreement is currently being negotiated. No payment during the renewal term shall be made to software Licensor prior to the execution of the written renewal agreement. The authority granted herein shall automatically rescind in the event a written renewal agreement is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this renewal agreement is stated below.

This amendment is necessary to (i) increase the contract amount by \$1,476,539.49 for additional maintenance support for new software license purchases (ii) extend the renewal term by 12 months; and (iii) provide for two (2) additional options to extend. A written amendment to the contract is currently being negotiated. No payment shall be made for these additional services prior to the execution of the written amendment. The authority granted in this amended Board Report shall automatically rescind in the event a written amendment is not executed within ninety (90) days of the date of this amended Board Report.

SPECIFICATION No.: 02-250067

VENDOR: Oracle Corporation
500 Oracle Parkway
Redwood, California 94065
Contact Person: ~~Jose Garcia~~ Michael Dean
Telephone No.: ~~312-651-8218~~ (614) 280-6550
Vendor No.: 26099

USER: Office of Technology Services
125 South Clark, 3rd Floor
Chicago, Illinois 60603
Contacts: Robert W. Runcie, Chief Information Officer
Telephone No.: (773) 553-1300

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report 02-0522-PR10,) is for a term commencing on May 30, 2002 and ending May 31, 2003 in an amount not to exceed \$1,269,244.00. The original agreement was awarded on a non-competitive basis because the Oracle software is proprietary to Oracle.

RENEWAL PERIOD: By mutual consent of the parties, the term of this agreement is being renewed for a ~~thirteen (13)~~ twenty-five (25) month period commencing June 1, 2003 and ending June 30, 2005 ~~2004~~. The amendment shall also provide for two (2) additional options to renew the agreement for one-year periods each.

USE OF SOFTWARE: Oracle will continue to provide a license to the Board for the use of Oracle's software program products. Oracle will also continue to provide maintenance on this licensed software, which consists of program corrections and enhancements that Oracle may develop during the term of this agreement as long as the Board's maintenance fee is current.

OUTCOMES: The software program products will further secure the Board's critical data through June 30, 2005 ~~2004~~.

SOFTWARE LICENSE FEE: The software license fee is included in the maintenance fee stated below.

MAINTENANCE FEE: Software Licensor shall be paid the lump sum of \$1,375,014.33 and amount of \$1,476,539.49 upon invoicing

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written renewal agreement. Authorize the President and Secretary to execute the renewal agreement. Authorize the Chief Information Officer to execute all ancillary documents required to administer or effectuate this renewal 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 full waiver of the participation goals for this contract as required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan) be waived because the contract is not further divisible.

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

FINANCIAL: Charge to the Office of Finance: \$1,375,014.33 + \$1,476,539.49 = \$2,851,553.82 FY 03
Budget Classification: 0960-210-000-1111-5470 \$1,375,014.33 FY 03
0960-410-000-1111-5311 \$1,476,539.49 FY 05

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.

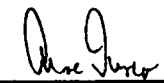
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:




Heather A. Oboza
Chief Purchasing Officer

Approved:





Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to Legal Form: 


Ruth Moscovitch
General Counsel