

AMEND BOARD REPORT 05-0323-PR10
APPROVE THE PURCHASE OF MAINFRAME OUTSOURCING SERVICES
FROM ACXIOM CORPORATION

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve the purchase of mainframe outsourcing services from Acxiom Corporation for the Office of Technology Services ("OTS") at a cost not to exceed ~~\$6,812,624.00~~ \$7,813,215 for a 52-month term. Vendor is currently under contract with the City of Chicago's Department of Business and Information Services for a term commencing August 1, 2004 and ending July 31, 2009 (the "Acxiom Contract"). The Acxiom Contract was awarded on competitive basis pursuant to a solicitation issued by the City. The Acxiom Contract allows other governmental agencies to purchase under the Acxiom Contract via the signing of a specific statement of work between Acxiom and the Board and the issuance of a purchase order to Acxiom by the Board. No additional written contract is required for this matter. Information pertinent to this matter is stated below.

This amendment is necessary (1) to increase the dollar amount of the statement of work by \$1,000,591 due to an expansion of the scope of services and deliverables to support the Clearpath Project and include CA-7 Job scheduling and Monitoring Services, and (2) to specify the monthly processing charge amounts. A written amendment to the statement of work is required. The authority granted herein shall automatically rescind in the event a written amendment to the statement of work is not executed within ninety (90) days of the date of this amended Board Report.

VENDOR: Acxiom Corporation
 1501 Opus Place
 Downers Grove, Illinois 60515-5727
 Contact Person: Jeffrey Shoop
 Telephone No.: (630) 944-5000
 Vendor No.: 15038

USERS: Office of Technology Services
 125 South Clark Street, 3rd Floor
 Chicago, Illinois 60603
 Contact: Robert W. Runcie, Chief Information Officer
 Steven Dorner, Deputy Chief Information Officer, Network Services
 Telephone No.: (773) 553-1300

TERM: The purchase of these outsourcing services shall be made for a term that is ~~coterminous~~ coterminous with the Acxiom Contract which term is April 1, 2005 to July 31, 2009. If the City extends the Acxiom Contract, the Board may continue to purchase through the Acxiom Contract, subject to Board approval, for such period of time as the Acxiom Contract is extended by the City.

SCOPE OF SERVICES: The vendor shall provide outsourcing services to include the following:

- A transition/migration with project management of client-owned hardware, software, applications, data and information management procedures to an Acxiom Data Center facility.
- Technical Services to include installation, configuration, and support in the following areas:
 1. Hardware management and monitoring
 2. Software Management
 3. Mainframe Network Administration
 4. Storage Management
 5. Tape and tape library operations
 6. Backup/Restore and planning
 7. Associated recovery site
 8. Mainframe database administration
 9. System security and audit
 10. Job scheduling operations
 11. 24x7 Client Support Center (Help Desk)
- Support for the CPS IMPACT and Financial Application environment by providing the following CA-7 Job Scheduling and Monitoring Services:

1. Software Agent acquisition
 2. Schedule Creation for 800 jobs for IMPACT environment
 3. Schedule Creation for 300 jobs for Financial Application Environment
 4. Installation of agents on associated servers
 5. Testing
 6. Escalation process definition and implementation
 7. Scheduling and Monitoring of jobs
- Support for Unisys Mainframe that will include the following:
 1. Unisys technical support via Acxiom
 2. Unisys operational (operators) support, running of jobs
 3. One (1) O/S upgrade
 4. One (1) Mapper upgrade
 5. Opening of school onsite support

DELIVERABLES: Vendor will provide outsourced services, construct and execute a migration/transition plan with project management, associated technical services, reporting, and support for the Chicago Public Schools mainframe environment. The environment consists of an IBM Mainframe, Unisys Mainframe, Storage Tek tape silo, tape library and associated disk space. Vendor will also provide scheduling and will monitor server jobs schedule from the mainframe for IMPACT and Financial Application Environment. Vendor will also provide the following:

- 40 hours of Unisys On-Site support during Sept 2007 enrollment week
- One (1) Mapper Upgrade in 2007 with up to 30 hours of Unisys support (installation and support)
- One (1) Operating System upgrade in 2007 with up to 56 hours of Unisys support (installation and support)
- Unisys Contingency services (80 hours)
- 40 hours per week of consulting services ("monitoring and light technical support services")
- Up to 8 hours per month to handle on-call activities.
- Two (2) operators for Operations support
- Acxiom Hardened Facilities

OUTCOMES: Vendor's services shall result in the Board receiving outsourced mainframe environment operations and support.

COMPENSATION: Vendor shall be paid monthly upon invoicing; total compensation not to exceed ~~\$6,812,624.00~~ \$7,813,215 for a 52-month term. In the event that a statement of work has not been executed by May 1, 2005, the Board shall pay Acxiom for all costs and expenses related to the migration processing which amount shall not exceed \$537,000.00. This statement of work was executed by May 1, 2005, and the Board does not have to pay Acxiom \$537,000. If a statement of work is executed by May 1, 2005, the payment terms and conditions shall be governed by the statement of work, as amended, and any amounts previously paid to Acxiom will be applied against amounts due under the amended statement of work. From April 1, 2005 to June 30, 2006, the monthly processing charge (Charge) will be \$131,012 per month. From July 1, 2006 to September 30, 2006, the Charge shall not exceed \$134,751 per month. From October 1, 2006 to September 30, 2008, the Charge shall not exceed \$170,678 per month. From October 1, 2008 through the end of the term, the Charge shall not exceed \$134,751 per month. If the Acxiom Contract ~~contract~~ is renewed, the monthly processing charge for the first eight (8) months of the renewal term shall not exceed \$101,012.00 per month and the monthly processing charge to the remainder of the renewal term shall not exceed \$127,012.00 per month.

AUTHORIZATION: Authorize the General Counsel to negotiate a statement of work and an amended statement of work for vendor services. Authorize the Chief Information Officer to execute the statement of work, the amended statement of work, and all ancillary documents required to administer or effectuate this statement of work and the amended statement of work.

AFFIRMATIVE ACTION: Pursuant to Section 3.7 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan), this contract is exempt from review because the nature of the service is a unique transaction.

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

FINANCIAL: Charge to the Office of Technology Services: \$6,812,624.00 + \$1,000,591 = \$7,813,215

Budget Classification:	0220-210-000-1116-5410	\$1,965,180.00	FY 06 (PO # 1030119)
	0220-210-000-1116-5410	\$1,572,144.00	\$1,940,355.00 FY 07
	0220-210-000-1116-5410	\$1,572,144.00	\$2,048,136.00 FY 08
	0220-210-000-1116-5410	\$1,572,144.00	\$1,724,793.00 FY 09
	0220-210-000-1116-5410	\$ 131,012.00	\$ 134,751.00 FY 10

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.

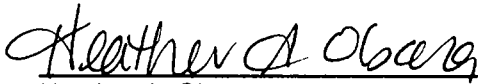
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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

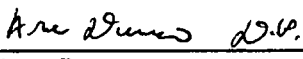
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Heather A. Obora
Chief Purchasing Officer

Approved:



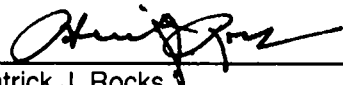
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to legal form:



Patrick J. Rocks
General Counsel MF