

**APPROVE THE RENEWAL OF THE AGREEMENT WITH HEWLETT-PACKARD COMPANY FOR  
HARDWARE AND SOFTWARE MAINTENANCE SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve the renewal of the agreement with Hewlett-Packard Company ("HP" or "Vendor") to provide hardware and software maintenance services to the Office of Technology Services ("OTS") at a cost not to exceed \$356,671.93 for the renewal term. A written renewal for Consultant's services is currently being negotiated. No payment shall be made to Consultant during the renewal period prior to the execution of the written renewal document. The authority granted herein shall automatically rescind in the event a written renewal document is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this written renewal is stated below.

**SPECIFICATION No.:** 01-250313

**CONSULTANT:** Hewlett-Packard Company  
2001 Butterfield Road, Suite 700  
Downers Grove, IL 60515  
Contact: Linda Barber  
Telephone No.: (847) 895-0856  
Vendor No. 46457

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

**ORIGINAL AGREEMENT:** The original agreement in the amount of \$230,790.28 (authorized by Board Report 01-1219-PR12, as amended by Board Report 02-0424-PR16) is for a term commencing October 1, 2001 and ending September 30, 2002. The agreement was renewed (authorized by Board Report 02-1120-PR05, as amended by Board Report 03-1119-PR10) for a term commencing October 1, 2002 and ending September 30, 2005. This agreement was subsequently renewed for a one-year term from October 1, 2005 and ending September 30, 2006 and authorized unlimited options to renew for one-year terms at an annual renewal cost not to exceed a 5% increase over the previous years' cost (authorized by Board Report 05-0928-PR8). The original agreement was awarded on a non-competitive basis because this hardware and software is proprietary to HP and HP has the expertise to provide maintenance services to the Board.

**RENEWAL TERM:** This agreement shall be renewed for a term commencing October 1, 2006 and ending September 30, 2007.

**SCOPE OF SERVICES:** HP will continue to provide Support Plus 13 X 5 (M-F), 4 hour onsite, 2 hour OS Software Support Plus 24; 24X7X365 4 hour onsite, 2 hour OS Software, Proactive 24; 24X 7X 365, 4 hour onsite, 2 hour OS Software.

**DELIVERABLES:** HP will continue to provide hardware support to insure the proper operations of the HP UNIX and HP Jukebox. HP will also continue to provide software correction and enhancement for the HP Operating System.

**OUTCOMES:** The Board will have the necessary hardware and software support to ensure the proper functioning of the HP Operating Systems for the Oracle Financial Applications.

**COMPENSATION:** Consultant shall be paid upon invoicing; total compensation not to exceed \$356,671.93. This amount exceeds the 5% cap on increases over the previous year's cost due to maintenance payments for existing servers that came off of warranty. This cost was added to the maintenance cost.

**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 MWBE goals for this contract include:

35% total MBE and 5% total WBE:

However a conditional Waiver has been granted based on the vendor's commitment to participate in an Education-to-Careers initiative for CPS students with an interest in technology.

**FINANCIAL:** Charge to the Office of Technology Services: \$356,671.93  
Budget Classification No.: 0220-210-000-1116-5470      \$356,671.93      FY 07

**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.

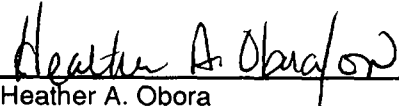
**Conflicts** – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of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

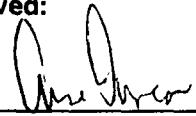
**Ethics** – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

**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).

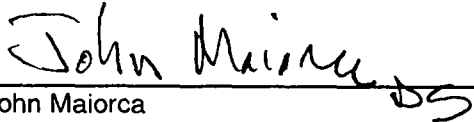
**Approved for Consideration:**

  
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Heather A. Obora  
Chief Purchasing Officer

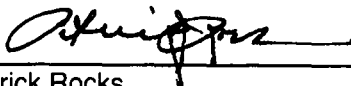
**Approved:**

  
\_\_\_\_\_  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
\_\_\_\_\_  
John Maiorca  
Chief Financial Officer

**Approved as to Legal Form:** 

  
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Patrick Rocks  
General Counsel