

AUTHORIZE THE EXTENSION OF THE AGREEMENT WITH ORACLE AMERICA, INC. FOR THE PURCHASE OF A HUMAN CAPITAL MANAGEMENT SYSTEM AND HOSTING SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the extension of the agreement with Oracle America, Inc. for the purchase of a Human Capital Management System and Hosting Services for the Department of Information and Technology Services at an estimated annual cost set forth in the Compensation Section of this report. This request was presented to the Single/Sole Source Committee on February 25, 2019 and approved by the Chief Procurement Officer. Prior to approval as a Single Source, the item was published on the Procurement website on February 22, 2019, found here: <http://www.cps.edu/procurement/>. The item will remain on the Procurement website until the March 27, 2019 Board Meeting. This process complies with the independent consultant's recommendations for single source procurements and the Board's Single/Sole Source Committee Charter. A written extension document is currently being negotiated. No payment shall be made to the Vendor during the extension period prior to execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this extension is stated below.

Specification Number : 13-250064

Contract Administrator : Washington, Ms. Nealean T / 773-553-2273

VENDOR:

- 1) Vendor # 89823
ORACLE AMERICA, INC.
500 ORACLE PARKWAY
REDWOOD SHORES, CA 94065

Guy Borda
406 556-3420

Ownership: Oracle Corporation - 100%
(Publicly Traded)

USER INFORMATION :

Project
Manager: 11010 - Talent Office

42 West Madison Street

Chicago, IL 60602

Lyons, Mr. Matthew A

773-553-2520

Project
Manager: 12510 - Information & Technology Services

42 West Madison Street

Chicago, IL 60602

Swanton, Mr. Craig E

773-553-1300

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 13-1218-PR13) in the amount of \$7,500,000 was for a term commencing on the date the agreement was signed and ending June 30, 2019, with the Board having no options to renew. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.

EXTENSION PERIOD:

The term of this agreement is being extended for two (2) years commencing July 1, 2019 and ending June 30, 2021.

SCOPE OF SERVICES:

Vendor will continue to provide on-going software maintenance supporting HR, Payroll, Benefits, Learning Management, and other critical organizational functions. The vendor will also continue to provide a fully outsourced and managed server infrastructure.

DELIVERABLES:

Vendor will continue to provide commercially licensed software, and provide hosting services for both their software and CPS data. Vendor's Human Capital Management and Learning Management software modules will support critically needed functionality including payroll throughout the district.

OUTCOMES:

Vendor's services will result in vital functionality including Core HR, Payroll, Benefits, Learn Management and other critical functions to continue to be available to CPS.

COMPENSATION:

Vendor shall be paid during the extension period as specified in the agreement; the sum of payments for the term shall not exceed \$2,500,000.

Estimated annual costs for the two (2) year term are set forth below:

\$1,250,000, FY20

\$1,250,000, FY21

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written extension document. Authorize the President and Secretary to execute the extension document. Authorize the Chief Information Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION:

Pursuant to the Remedial Program for Minority and Women-Owned Business Enterprise Participation in Goods and Services contracts, (M/WBE Program), this contract is waived of the M/WBE participation goals of 30 % MBE and 7% WBE because the contract is not further divisible.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 115, ITS, Unit 12510

\$1,250,000, FY20

\$1,250,000, FY21

Not to exceed \$2,500,000 for the two (2) year term.

Future year funding is contingent upon budget appropriation and approval.

CFDA#: Not Applicable

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.

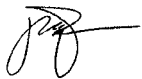
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their 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 May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

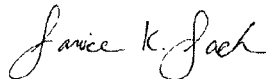
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



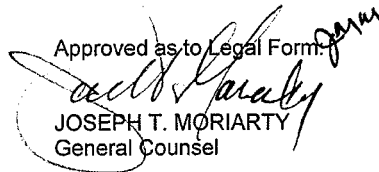
JONATHAN MAPLES
Chief Procurement Officer

Approved:



JANICE K. JACKSON
Chief Executive Officer

Approved as to Legal Form.



JOSEPH T. MORIARTY
General Counsel