

**APPROVE ENTERING INTO AN AGREEMENT WITH
SIGHTLINE SYSTEMS FOR A SOFTWARE LICENSE AND MAINTENANCE SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with SightLine Systems for Torch, ForSight and SightLine software license and maintenance to be used by the Office of Technology Services at a cost not to exceed \$42,307.28. A written agreement for such software license and maintenance services is currently being negotiated. Software upgrades and fixes will be provided for an annual maintenance fee included in the contract price. No payment shall be made to software Licensor 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.: 03-250154

SOFTWARE LICENSOR: SightLine Systems
12150 Monument Drive, Suite 300
Fairfax, VA 22033
Contact: Gordon D. B. Pell Esq.
Telephone No. (703) 385-7700 ext. 377
Vendor No. 38722

USER: Office of Technology Services
125 South Clark
Chicago, Illinois 60603
Contact: Robert W. Runcie, Chief Information Officer
DeLois Mix, Data Center Manager
Telephone No. (773) 553-1300

TERM: The term of this agreement for the capacity management analysis services, the initial software license and the maintenance services shall commence on August 1, 2003 and shall end July 31, 2004. This agreement shall provide for the renewal of the maintenance services for continuous periods of twelve (12) months each with subsequent Board approval. The yearly renewal maintenance fee will be set at a cost which equals 20% of the prevailing license fee for each software product, not to exceed a 5% increase per year.

EARLY TERMINATION RIGHT: Either party shall have the right to terminate this agreement upon thirty (30) days written notice.

USE OF SOFTWARE AND SERVICES: SightLine will provide a license to the Board to use the Torch, ForSight and SightLine software products for the Unisys mainframe computer. SightLine will also provide maintenance on this licensed software, which consists of program corrections and enhancements that SightLine may develop during the term of this agreement as long as the Board's maintenance fee is current. SightLine will provide the upgrade to the Unisys system from a 285 mip machine to a 350 mip machine.

DELIVERABLES: SightLine will deliver the software, program corrections and enhancements that SightLine may develop during the term of the agreement on magnetic tape, CD, email attachment or via downloadable FTP.

OUTCOMES: The software program products, Torch, ForSight and SightLine, will further secure the Board's critical data through performance analysis and reporting, as well as workload analysis and capacity planning.

LICENSE AND MAINTENANCE FEE: The license and maintenance fee for the period of August 1, 2003 through July 31, 2004 is \$42,307.28 itemized as follows: \$1,840.00 for ForSight license and maintenance; \$18,681.68 for Torch license and maintenance; and \$21,785.60 for SightLine license and maintenance. SightLine shall be paid upon invoicing, in one lump sum payment. Thereafter, the annual maintenance fee will be based upon 20% of the then license fee for the software product, not to exceed a 5% increase per year.

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

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 Office of Technology Services: \$42,307.28
Budget Classification: 0960-210-000-1116-5470 FY'04

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.

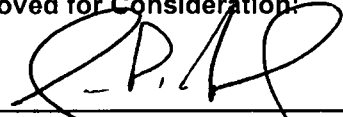
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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



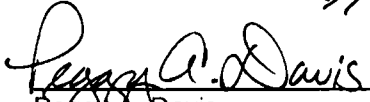
Sean P. Murphy
Chief Purchasing Officer

Approved:



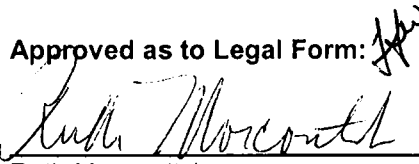
Arne Duncan
Chief Executive Officer *by PAD*

Within Appropriation:



Peggy A. Davis
Chief of Staff

Approved as to Legal Form:



Ruth Moscovitch
General Counsel