

**APPROVE ENTERING INTO AN AGREEMENT WITH  
ORACLE CORPORATION FOR CONSULTING SERVICES**

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

Approve entering into an agreement with Oracle Corporation ("Oracle") to provide functional and technical services for the Oracle Treasury Management, Cash Management and Accounts Receivable implementation project at a cost not to exceed \$295,760.00 for a six (6) month period for the Office of Technology Services ("OTS"). Oracle was selected on a non-competitive basis because of the unique functional expertise required for the implementation. A written agreement for Oracle's services is currently being negotiated. No payment shall be made to Consultant 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.:** 03-250250

**CONSULTANT:** Oracle Corporation  
233 South Wacker Drive  
Chicago, Illinois 60606  
Contact: Mr. Michael Dean  
Telephone No.: (614) 280-6550  
Vendor Number: 26099

**USER:** Office of Technology Services  
125 South Clark Street, 3rd Floor  
Chicago, Illinois 60603  
Contacts: Robert Runcie, Chief Information Officer  
Prasad Nettem, Oracle Applications Director  
Telephone No.: 773-553-1300

**TERM:** The term of this agreement shall commence on December 1, 2003 and shall end May 31, 2004. This agreement shall have one (1) option to renew for a period of two (2) months. Additional costs will be determined at the time of renewal based on corrective actions identified by the Consultant.

**EARLY TERMINATION:** The early termination clause will be negotiated in the master agreement.

**SCOPE OF SERVICES:** Oracle and CPS will mutually agree on the work schedules of the consultants. Oracle will provide the following services related to the implementation of the Oracle Treasury Management module, the Oracle Cash Management module and the Oracle Accounts Receivable module:

*Developer Scope of Services*

- Provide technical knowledge and development skills in the required Oracle development tools and knowledge of the Oracle Treasury Management, Oracle Cash Management and Oracle Accounts Receivable modules.

*Functional Analyst Scope of Services*

- Provide deep and relevant business and functional knowledge of the Oracle Treasury Management, Oracle Cash Management, and Oracle Accounts Receivable modules.

**DELIVERABLES:** Oracle will provide the following deliverables to the Board related to the implementation of the Oracle Treasury Management, Oracle Cash Management, and Oracle Accounts Receivable modules:

- Oracle will provide 1,720 hours of assistance in the design, setup and configuration of the Oracle Treasury Management, Oracle Cash Management, and Oracle Accounts Receivable modules.
- Oracle will deliver source code for new reports, interfaces, customizations and extensions based on written business / functional requirements.

**OUTCOMES:** Oracle's services will result in the development and modification of the Oracle modules to support a custom environment, and the facilitation, capture and dissemination of business and functional requirements to all parties involved in the project.

**COMPENSATION:** Consultant shall be paid monthly upon invoicing. Total cost shall not exceed the sum of \$295,760.00 for a six (6) month period

**REIMBURSABLE EXPENSES:** Consultant shall not be reimbursed for any travel expenses.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Technology Officer to execute all ancillary documents required to administer or effectuate this 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 partial waiver of the M/WBE participation goals for this contract as required by the Revised Remedial Plan be granted because the contract scope is not further divisible.

The vendor has, however, identified and scheduled the following firms and percentages

Total MBE 56%

Total 56% African American:	\$165,600.00
Diversified Telecommunications	Certified through 4/30/04
1112 S. Wabash Ave., Ste. 500	
Chicago, Illinois 60605	

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

<b>FINANCIAL:</b> Charge to the Office of Technology Services:	\$295,760.00	
Budget Classifications: 0960-210-000-1111-5410	\$295,760.00	FY 2004

**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.

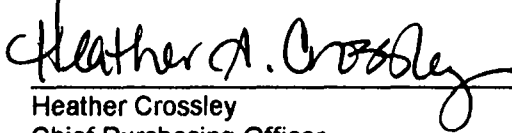
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

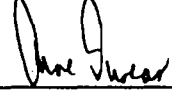
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:**



  
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Heather Crossley  
Chief Purchasing Officer

**Approved:**

  
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Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
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John Maiorca  
Chief Financial Officer

**Approved as to Legal Form:**   
  
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Ruth Moscovitch  
General Counsel