

AMEND BOARD REPORT 08-1119-PR10
APPROVE EXERCISING THE FINAL OPTION TO RENEW THE AGREEMENT WITH OPENTEXT CORPORATION FOR STUDENT E-MAIL AND DOCUMENT COLLABORATION SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the final option to renew the agreement with OpenText Corporation ("OpenText") to provide student e-mail and document collaboration services to the Chicago Public Schools' Information & Technology Services at cost not to exceed \$2,455,091.00 of which approximately ~~\$1,577,250.00~~ \$1,356,435.00 is the discounted portion of eligible E-Rate Services or products to be funded by the School and Libraries Division of the Universal Service Administration Company ("SLD/USAC"). The Board shall only be responsible for the non-discounted portion of E-Rate eligible services or products and the cost of ineligible services or products, which shall not exceed ~~\$877,841.00~~ \$1,098,656.00. A written document exercising this option is currently being negotiated. No payment shall be made to OpenText prior to the 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 amended Board Report. Information pertinent to this agreement is stated below.

This January 2009 amendment is necessary to correct the discounted portion of the contract and the maximum amount to be paid by the Board. There was a miscalculation in the previous version.

CONSULTANT: OpenText Corporation
 100 Tri-State Pkwy, 3rd Floor
 Lincolnshire, Illinois 60069
 Contact Person: James Reider
 Telephone: (403) 271-3182
 Vendor No.: 15243

USER: Information & Technology Services
 125 South Clark Street, 3rd Floor
 Chicago, Illinois 60603
 Contact: Anthony McPhearson, Director of Client Computing Services
 Telephone No.: (773) 553-1300

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report # 05-0928-PR6) in the amount of \$7,065,000.00 is for a term commencing July 1, 2006 and ending June 30, 2009. The agreement was amended (authorized by Board Report # 05-1221-PR6) to increase compensation, and amended again (authorized by Board Report # 06-0125-PR10) to include charter schools in the agreement. The original agreement was awarded on a competitive basis pursuant to Board Rule 5-4.1.

OPTION PERIOD: The term of this agreement is being extended for one year commencing July 1, 2009 and ending June 30, 2010.

OPTION PERIODS REMAINING: There are no option periods remaining.

SCOPE OF SERVICES: OpenText will continue to provide the following services:

- Internal and external Web mail access for student and employee users of the e-mail service
- System capable of supporting 450,000 users and operating 24 hours a day, seven days a week, and 365 days a year
- Comprehensive, integrated e-mail, and document collaboration solution
- External and internal hosting solutions
- Encrypted connections to e-mail servers
- Implementation plan
- Project timelines
- Training and marketing

- Virus protection
- SPAM filtering
- Secure authentication via Microsoft Active Directory or Sun ONE LDAP
- End user and support personnel training (e.g., Help Desk agents, Messaging Administrators, etc.)
- Help desk recommendations
- Provide all project, training plans, and recommendations
- Compatibility and integration
- Marketing for 640 locations
- Archiving

DELIVERABLES: OpenText shall continue to furnish the following deliverables:

Phase 5: OpenText System Launch

- OpenText will launch the system upon all approvals of the testing and installation procedures

Phase 6: System Evaluation and Results Reporting

- Prepare and publish engagement report
- Document activities and results

OUTCOMES: OpenText's services will result in a highly scalable, robust, easy-to-maintain solution that encompasses the most effective, market viable technologies designed to roster improved communication and collaboration capabilities across the district's four major user groups (students, teachers, administrators, and parents).

COMPENSATION: OpenText shall be paid as specified in the agreement, in an amount not to exceed the sum of \$2,455,091.00 of which ~~\$1,577,250.00~~ \$1,356,435.00 is estimated to be eligible for discounts in accordance with the guidelines and requirements of E-Rate at a maximum cost to the Board not to exceed ~~\$877,841.00~~ \$1,098,656.00.

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

AFFIRMATIVE ACTION: The M/WBE goals for this contract include 35% total MBE, and 5% WBE. However the Waiver Review Committee recommends that a full waiver of the M/WBE participation goals for this contract as required by the Remedial Program be granted because the contract scope is not further divisible.

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

FINANCIAL: Total Cost:	\$2,455,091.00
<u>Charge to Information & Technology Services:</u>	<u>\$1,098,656.00</u>
<u>Budget Classification: 12540-230-54125-266402-000000</u>	<u>\$1,098,656.00 FY10</u>
<u>Charge to Schools and Library Division:</u>	<u>\$1,356,435.00 FY10</u>
Charge to Information & Technology Services:	\$ 877,841.00
Budget Classification: 12540-230-54125-266402-000000	\$877,841.00 FY10
Charge to Schools and Library Division:	\$1,577,250.00 FY10

	FY10
Eligible	\$1,577,250.00
NON-DISCOUNTED PORTION PAID BY THE BOARD 14%	\$220,815.00
DISCOUNTED PORTION FUNDED BY THE SLD/USAC 86%	\$1,356,435.00
Ineligible Portion Paid By The Board	\$877,841.00
TOTAL PAID BY CPS	\$1,098,656.00
TOTAL FUNDED BY THE SLD/USAC	\$1,356,435.00

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.

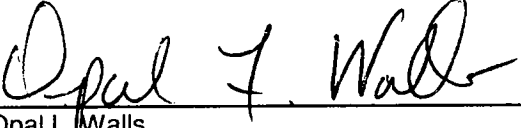
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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



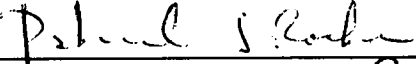
Opal L. Walls
Chief Purchasing Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to Legal Form: 



Patrick J. Rocks
General Counsel 