

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT FOR THE HOSTED
INFRASTRUCTURE OF PEOPLESFT WITH CEDARCRESTONE INCORPORATED**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with CedarCrestone, Inc to provide the necessary hosted infrastructure for the PeopleSoft application deployment to Information & Technology Services at a cost for the option period not to exceed \$1,113,828.57 . A written document exercising this option is currently being negotiated. No payment shall be made to CedarCrestone, Inc during the option period 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 Board Report. Information pertinent to this option is stated below.

Specification Number : 05-250024

VENDOR:

- 1) Vendor # 89824
CEDARCRESTONE, INC
1255 ALDERMAN DRIVE
ALPHARETTA, GA 30005
Sherie Monroe
877-302-5769

USER:

Information & Technology Services
125 South Clark Street - 3rd Floor
Chicago, IL 60603

Contact : Arshele Stevens
Phone: 773-553-1300
Project Manager: Thong Lam
Phone: 773-553-1300

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 05-1221-PR9 as amended by 06-0222-PR8 and 06-0426-PR16) in the amount of \$4,873,000.00 is for a term commencing January 1, 2006 and ending March 31, 2011, with the Board having two options to renew, each for a one year term. 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 April 1, 2011 and ending March 31, 2012.

OPTION PERIODS REMAINING:

There is one option period for one year remaining.

SCOPE OF SERVICES:

CedarCrestone will continue to provide the necessary hardware, operating systems and database license for all tiers (web, application, and database) for all environments along with network connectivity. They will also provide database administration, UNIX, and Windows system administration including standard support and help desk services through its CedarCrestone Data Center. This also includes disaster recovery at their Disaster Recovery site for the production environment. CedarCrestone will perform performance testing and a third party security audit with mitigation.

DELIVERABLES:

CedarCrestone will continue to provide the Board with a supported hosted infrastructure and services for implementing the PeopleSoft application for the term of the renewal.

OUTCOMES:

CedarCrestone's services will result in CPS implementing the infrastructure required to implement the Human Capital initiative CPS @ Work with the PeopleSoft application

COMPENSATION:

CedarCrestone shall be paid monthly upon invoicing in accordance with the pricing set forth in the agreement. Total compensation shall not exceed the sum of \$1,113,828.57

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 Chief Information Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION:

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

The vendor has identified the following:

Total MBE - 37%

Synch-Solutions
211 West Wacker Drive, Ste 300
Chicago, Illinois 60606

The Ojibway Group
100 West Big Beaver, Suite 200
Troy, MI 48084

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Charge to Information & Technology Services

12540-230-54125-266410-000000-2011	\$240,000.00
12510-230-54125-266410-000000-2012	\$873,828.57

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.

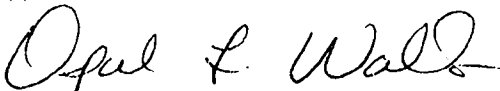
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

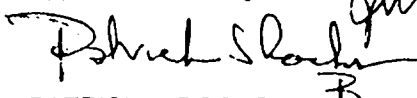
Approved:


TERRY MAZANY
Chief Executive Officer

Within Appropriation:


DIANA S. FERGUSON
Chief Financial Officer

Approved as to Legal Form:


PATRICK J. ROCKS
General Counsel