March 28, 2001

# APPROVE ENTERING INTO A SOFTWARE LICENSE AGREEMENT WITH ORACLE CORPORATION

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

Approve entering into a software license agreement with Oracle Corporation for the purchase of an additional 240 Universal Power Unit for the Office of Technology Services (this license is necessary for the new student scheduling system) and associated maintenance, at a cost not to exceed $32,516.16; and an additional 550 Universal Power Unit for the Office of the Board (this license is necessary for records management software) and associated maintenance, at a cost not to exceed $74,516.20; aggregate cost not to exceed $107,032.36. Oracle was selected on a non-competitive basis because both the new student scheduling software package, purchased through KPMG, and the records management software package, purchased from Triadd, operate on the Oracle platform. A written software license agreement is currently being negotiated. No payment shall be made to Oracle for this license prior to the execution of the written software license 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.:** 00-250898

**LICENSOR:**
Oracle Corporation
500 Oracle Parkway
Redwood City, California 94065
Contact: Jose Garcia
Telephone No. 312-551-6218
Vendor No. 26099

**USER:**
Office of Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contact: Elaine L. Williams, Chief Technology Officer
Telephone No. 773-553-1300

**TERM:** The term of this software license agreement shall commence on the date the agreement is signed and shall end thirty six (36) months thereafter.

**EARLY TERMINATION RIGHT:** The Board has the right to terminate this agreement with thirty (30) days written notice.

**USE OF SOFTWARE:** This additional software license will enable the new student scheduling software system and the new records management software to operate on the Oracle platform.

**OUTCOMES:** The additional software license will provide the Board with sufficient concurrent licenses to run the new student scheduling software system and the new records management system.

**LICENSE AND MAINTENANCE FEES:** The license fee for the additional software is $63,200.00, which shall be paid in one lump sum to Licensor upon signing of this agreement. The maintenance fees are as follows: for the first twelve (12) months, $13,904.00; for the second twelve (12) months, $14,599.20; and for the third twelve (12) months, $15,329.16. Total expenditure not to exceed $107,032.36.

**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 Technology Officer to execute all ancillary documents required administering or effectuating this license agreement.

**AFFIRMATIVE ACTION:** Not applicable.

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

**FINANCIAL:** Charge to the Office of Technology Services: $107,032.36 Fiscal Year: 2001
Budget Classification: 0960-210-000-7536-5470

**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:**

Natalye Paquin

**Natalye Paquin**
**Chief Purchasing Officer**

**Approved:**

Paul G. Vallas

**Paul G. Vallas**
**Chief Executive Officer**

**Within Appropriation:**

Kenneth C. Gotsch

**Kenneth C. Gotsch**
**Chief Fiscal Officer**

**Approved as to legal form:**

Marilyn F. Johnson

**Marilyn F. Johnson**
**General Counsel**