

AMEND BOARD REPORT 02-0123-PR23
APPROVE ENTERING INTO AN AGREEMENT WITH UNISYS CORPORATION
FOR THE PURCHASE OF SOFTWARE LICENSES AND MAINTENANCE SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Unisys Corporation for (a) software licensing fees for DCP in an amount not to exceed \$34,336.00 for a period of twelve months, and (b) software and hardware maintenance services for ClearPath in an amount not to exceed \$397,469.00 for a period of twelve months; the total aggregate cost not to exceed \$431,805.00. Vendor was selected on a non-competitive basis because the DCP software and ClearPath hardware are proprietary to Unisys and required to maintain the Student Information System. A written agreement is currently being negotiated. No payment for the software licensing and software and hardware maintenance shall be made to Vendor 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 amended Board Report. Information pertinent to this agreement is stated below.

This amendment is necessary to revise the negotiated option year language.

SPECIFICATION NO.: 00-250848

VENDOR: UNISYS Corporation
 One East Wacker Drive
 Chicago, Illinois 60601
 Contact: Christopher J. Gonzalez
 Telephone No. (312) 832-7284
 Vendor No. 28507

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

TERM: The term of this agreement shall commence on February 1, 2002 and end January 31, 2003. The Board shall have the option to renew this agreement for four (4) successive periods of twelve (12) months each.

SCOPE OF SERVICES: The hardware and software maintenance entitles the Board to 7x24 coverage, on-site hardware support, telephone software support, same day, four-hour response time. The license fee will allow the Board to use Unisys' proprietary software for the term of the license agreement.

DELIVERABLES: (1) hardware and software maintenance services for the Unisys ClearPath IX4802-3 and DCP, and (2) system software licenses DCP.

OUTCOMES: The Distributed Communication Processor software program and the ClearPath processors will further secure the Board's critical Student Information and Student Administration Systems.

COMPENSATION: Vendor shall be paid \$34,336.00 for the DCP license fees and \$397,469.00 (quarterly payments of \$99,367.00 upon invoicing) for the maintenance services for the first year; not to exceed \$431,805.00. In subsequent option years, annual increases shall be capped at 7% for hardware and software maintenance and capped at 10% for software license. ~~In subsequent option years, Vendor shall be paid \$51,504.00 annually for the DCP license fees, and an annual sum of \$397,469.00 for the maintenance services.~~

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the 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 full waiver of the participation goals for this contract as required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan) be waived because contract scope not further divisible.

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

FINANCIAL: Charge to Office of Technology Services: \$431,805.00
Budget Classification: 0960-210-000-7536-5470 \$169,904.00 Fiscal Year: 2002
Budget Classification: 0960-210-000-1116-5470 \$261,901.00 Fiscal Year: 2003

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.

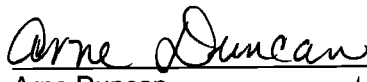
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



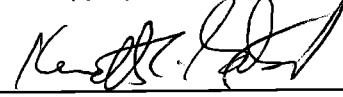
Arlita Rocha
Acting Chief Purchasing Officer

Approved:



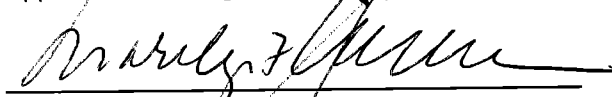
Arne Duncan
Chief Executive Officer *by PAD*

Within Appropriation:



Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to Legal Form:



Marilyn F. Johnson
General Counsel