

**APPROVE ENTERING INTO A SOFTWARE LICENSE AND MAINTENANCE AGREEMENT
WITH ORACLE CORPORATION**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a software license and maintenance agreement with Oracle Corporation for software license and maintenance technical support provided to the Office of Technology Services ("OTS") at a cost not to exceed \$1,269,244.00. Software licensor was selected on a non-competitive basis because the Oracle software is proprietary to Oracle. A written license agreement for such software product is currently being negotiated. No payment shall be made to software Licensor prior to the execution of the written 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.: 02-250067

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

USER: Office of Technology Services
125 South Clark, 3rd Floor
Chicago, Illinois 60603
Contacts: Elaine L. Williams, Chief Technology Officer
Stephanie Hunter, Deputy CTO -- Applications
Telephone No. (773) 553-1300

TERM: The term of this software license agreement shall commence May 30, 2002 and shall end May 31, 2003.

EARLY TERMINATION RIGHT: Either party may terminate the Agreement upon ninety (90) days prior written notice to the other party.

USE OF SOFTWARE: Oracle will provide a license and maintenance to the Board to use Oracle's software program products for the Board's operations. Oracle will also provide maintenance on this licensed software, which consists of program corrections and enhancements that Oracle may develop during the term of this agreement as long as the Board's maintenance fee is current.

OUTCOMES: The software program products will further secure the Board's critical data through May 31, 2003.

SOFTWARE LICENSE FEE: The software license fee is included in the maintenance fee stated below.

MAINTENANCE FEE: Software Licensor shall be paid the lump sum of \$1,269,244.00 upon complete execution of this agreement.

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 to administer or effectuate this license 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 the contract is not further divisible.

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

FINANCIAL: Charge to the Office of Technology Services: \$1,269,244.00 Fiscal Year: 1998
Budget Classification: 0230-445-204-1905-5410 \$1,269,244.00 FY 1998 P.O.524526

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.

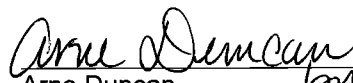
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

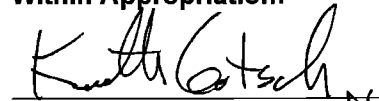
Approved for Consideration:


Anita Rocha
Acting Chief Purchasing Officer

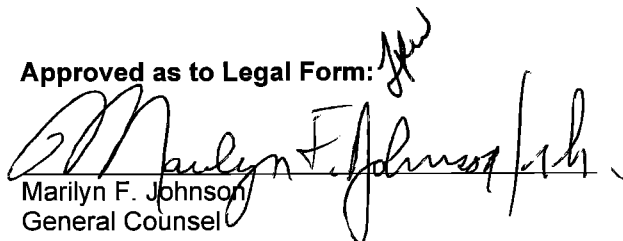
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to Legal Form:


Marilyn F. Johnson
General Counsel