

**APPROVE ENTERING INTO AN AGREEMENT WITH ORACLE CORPORATION FOR THE  
PURCHASE OF SOFTWARE LICENSES**

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

Approve entering into an agreement with Oracle Corporation ("Oracle") for the purchase of database, enterprise, and e-business software licenses at a cost not to exceed \$1,405,200.00. Software licensor was selected on a non-competitive basis because the software provides the functionality required by the Department of Procurement and Contracts, is part of the Oracle 11i Financial package, and interfaces with other Oracle modules that the Board has purchased. A written license agreement for such software is currently being negotiated. Future software upgrades and fixes will be provided for by an annual maintenance fee that is not included in the license price. 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.:** 04-250016

**SOFTWARE LICENSOR:** Oracle Corporation  
233 South Wacker Drive  
Chicago, Illinois 60606  
Contact: Mr. Michael Dean  
Telephone No.: (614) 280-6550  
Vendor Number: 26099

**USER:** Office of Technology Services  
125 South Clark Street, 3<sup>rd</sup> Floor  
Chicago, Illinois 60603  
Contact: Robert Runcie, Chief Information Officer  
Prasad Nettem, Director, Enterprise Financial Applications  
Telephone No.: (773) 553-1300

**TERM:** The term of this agreement shall commence upon execution of the written agreement and shall end 12 months thereafter.

**USE OF SOFTWARE:** Oracle will provide licenses to the Board to use the Oracle Enterprise Edition Database, Real Application Cluster, Diagnostic Management Pack, Tuning Management Pack, Change Management Pack, eBusiness Intelligence, iProcurement, Sourcing, iSupplier Portal, Enterprise Asset Management and Tutor software modules. Oracle will also provide maintenance for one (1) year 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 annual maintenance fee is current.

**PURCHASE FEE:** Oracle shall be paid a lump sum upon delivery of all licenses in an amount not to exceed \$1,405,200.00 for these software licenses.

**DELIVERABLES:** Oracle will license the software to the Board, and will also provide program corrections and enhancements that Oracle may develop during the term of the agreement, on magnetic tape, CD, email attachment, via downloadable FTP, or the then current method of software delivery.

**OUTCOMES:** The database and enterprise software programs will further automate the Board's financial applications programs, thus making the Board more efficient and effective in managing databases. The e-business software will enhance the school's ability to requisition goods and services and reduce and/or eliminate redundant interfaces maintained in the MAPPER system.

**COMPENSATION:** Under the agreement, Oracle shall be paid as follows: upon invoicing, a one time fee of \$1,405,200.00 for the Licenses due upon delivery of the licenses. Total compensation not to exceed \$1,405,200.00.

**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 CFO to execute all ancillary documents required to administer or effectuate this license agreement.

**AFFIRMATIVE ACTION:** Pursuant to Section 3.7 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan) this contract is exempt from review because the contract is a unique transaction.

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

**FINANCIAL:** Charge to Office Technology Services for License fee: \$1,405,200.00  
Budget Classification: 0960-410-000-1111-5311 FY04

**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.

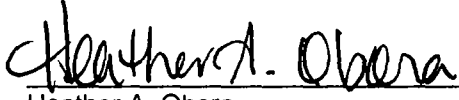
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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

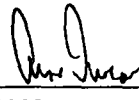
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:**

  
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Heather A. Obora  
Chief Purchasing Officer


**Approved:**

  
\_\_\_\_\_  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
\_\_\_\_\_  
John Maiorca  
Chief Financial Officer

**Approved as to Legal Form:**

  
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Ruth Moscovitch  
General Counsel