

AMEND BOARD REPORT 04-0324-PR12
APPROVE ENTERING INTO AN AGREEMENT WITH THE ADMINISTRATIVE ASSISTANTS, LTD. OR
CHANCERY SOFTWARE INC. FOR THE PURCHASE OF STUDENT INFORMATION SYSTEMS SOFTWARE
LICENSES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with ~~The Administrative Assistants, Ltd. or~~ Chancery Software Inc. for the purchase of database, enterprise, and e-business software licenses at a cost not to exceed \$17,500,000.00 for a 5-year term. ~~The Office of Technology Services is continuing its negotiations with both of these vendors, and the contract will be awarded to that vendor which provides the Board with the best prices and best terms. Both The vendor was~~ vendors were selected on a competitive basis pursuant to a Request for Proposal (Specification No. 03-250274). A written license agreement for such software ~~will be entered into with the final selected vendor 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.

This amendment is necessary to finalize the vendor of choice.

SPECIFICATION No.: 03-250274

SOFTWARE LICENSOR: ~~1.) The Administrative Assistants, Ltd.~~ ~~4480 Harvester Road~~ ~~Burlington, ON L7L 4X2~~ ~~Contact: Donna diCarluccio~~ ~~Telephone No.: (800) 668-8486~~ ~~Vendor No.:~~ ~~OR 2.) Chancery Software, Inc.~~ ~~3001 Wayburne, Ste. 3004 275~~ ~~Burnaby, BC, Canada V5G4W3~~ ~~Contact: Joan Streefkerk~~ ~~Telephone No.: (312) 245-7715~~ ~~Vendor No.: 45887~~

USER: Office of Technology Services
 125 South Clark Street, 3rd Floor
 Chicago, Illinois 60603
 Contact: Robert Runcie, Chief Information Officer
 Gretchen Slusser Olson, SI Program Manager
 Telephone No.: (773) 553-1300

TERM: The term of this agreement shall commence April 1, 2004, and shall end June 30, 2009. This agreement shall have five (5) options to renew for periods of one (1) year each.

USE OF SOFTWARE: Vendor will provide licenses to the Board to use the Student Information System (SIS) software modules. Vendor will also provide maintenance for five (5) years on this licensed software, which consists of program corrections and enhancements that Vendor may develop during the term of this agreement as long as the Board's annual maintenance fee is current.

PURCHASE FEE: Vendor shall be paid a lump sum upon delivery of a district license in an amount to be negotiated.

MAINTENANCE FEE: As part of the phased roll out of the software to all end-users, Vendor shall be paid a lump sum for maintenance for each year of the agreement, at prices to be negotiated. Subsequent annual maintenance fees will be set at a cost which equals 22% of the prevailing license fee for this software product, not to exceed a ~~5%~~ 3.5% increase per year.

DELIVERABLES: Vendor will license the software to the Board, and will also provide program corrections and enhancements that the Vendor 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 SIS software programs will further automate the Board’s student information system applications programs, thus making the Board more efficient and effective in managing student information systems. The SIS software will enhance the Board’s ability to effectively educate students.

COMPENSATION: The final negotiated agreement shall contain a specific compensation schedule; not to exceed \$17,500,000.00.

AUTHORIZATION: ~~Authorize the Chief Information Officer to select one of the two vendors identified herein for this award.~~ Authorize the General Counsel to include other relevant terms and conditions in the written license agreement with the selected vendor. 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: 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: \$17,500,000.00

Budget Classification No.:	0960-410-000-7536-5311	\$10,830,123.00	FY04
	0960-410-000-7536-5311	\$1,631,272.00	FY05
	0960-410-000-7536-5311	\$1,654,977.00	FY06
	0960-410-000-7536-5311	\$1,679,416.00	FY07
	0960-410-000-7536-5311	\$1,704,212.00	FY08

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.

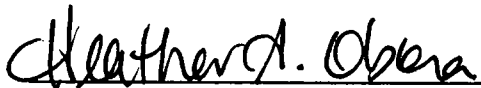
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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

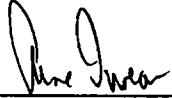
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:




Heather A. Obora
Chief Purchasing Officer

Approved:



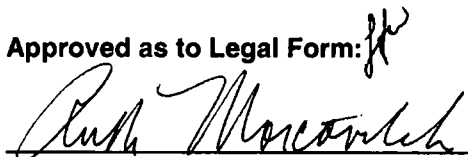
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to Legal Form:



Ruth Moscovitch
General Counsel