

**APPROVE ENTERING INTO AN AGREEMENT WITH
SOLBOURNE COMPUTER, INC. FOR CONSULTING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Solbourne Computer, Inc. to provide consulting services to the Office of Technology Services ("OTS") at a cost not to exceed \$2,671,750.00. Consultant was selected on a competitive basis pursuant to a duly advertised Request for Proposal (Specification No. 03-250282). A written agreement for vendor's services is currently being negotiated. No payment shall be made to Consultant 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 Board Report. Information pertinent to this agreement is stated below.

SPECIFICATION NO.: 03-250282
Contract Administrator: Charlita Fain

CONSULTANT: Solbourne Computer, Inc.
1790 38 Street
Boulder, CO 80301
Contact: Brian Christenson
Telephone: (303) 417-2821
Vendor No.: 32239

USER: Office of Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contacts: Robert W. Runcie, Chief Information Officer
Prasad Nettem, Director, Enterprise Financial Systems
Telephone No.: 773-553-1300

TERM: The term of this agreement shall commence on May 3, 2004 and shall end August 31, 2005. This agreement shall have one (1) option to renew for a period of six (6) months.

EARLY TERMINATION: Any early termination clause will be negotiated by the General Counsel..

SCOPE OF SERVICES: Solbourne shall provide consulting services to the Board to implement the Oracle iProcurement and iSupplier Portal Modules and to deploy them (rollout) to all locations where purchasing functions occur (primarily the Central Office and the Schools). The services include training more than twelve hundred (1200) Board personnel and a formal change management program.

Solbourne shall provide CPS with post-production support for the Oracle iProcurement and iSupplier Portal Modules during the Central Office deployment, School pilot, and School rollout.

DELIVERABLES: Solbourne will deliver the following:

- Oracle iProcurement and iSupplier Modules requirements capture, customization, testing and deployment to all purchasing locations; successfully deployed modules will satisfy the defined and captured business requirements.
- Solbourne will establish and manage a formal change management program. Solbourne will develop training materials and deliver training to Central Office and School personnel.
- Solbourne will integrate Supplier catalogs (including punchout and marketplaces) and prepare CPS to integrate additional catalogs in the future.
- Solbourne will provide post-production support during the Central Office deployment, School pilot, and School rollout.

OUTCOMES: The Solbourne services will result in a single purchasing system across the entire District, i.e. the elimination of a legacy purchasing application and more than a dozen interfaces between the legacy system and the Oracle application.

COMPENSATION: Solbourne shall be paid on a Milestone basis in accordance with an agreed upon payment schedule contained in the written agreement, not to exceed the sum of \$2,671,750.00.

REIMBURSABLE EXPENSES: None

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Information Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: This contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The M/WBE participation goals for this contract include: 40% total MBE, 23% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE.

Total MBE – 35%

Total 22% African American:

DTI \$507,632.50 / 19%
1112 South Wabash Avenue, Suite 500 certified until 04/30/2007
Chicago, Illinois 60605

Advanced Data Concepts, LLC \$106,870.00 / 4%
819 South Wabash Avenue, Suite 600 certified until 10/01/2007
Chicago, Illinois 60605

Total 10% Hispanic:

San Juan Star Travel \$267,175.00 / 10%
3066 West Armitage Street certified until 7/31/2007
Chicago, Illinois 60647

Total 2% Asian:

Senryo Technologies \$51,000.00 / 2%
1801 High Point Drive, Suite 200 certified until 12/01/2008
Naperville, Illinois 60563

Total 5% WBE:

RL Canning, Inc. \$133,587.50 / 5%
1670 North Claremont Street, Suite 304 certified until 10/01/2007
Chicago, Illinois 60622

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

FINANCIAL: Charge to the Office of Technology Services: \$2,671,750.00
Budget Classifications: 0960-410-000-1111-5410 FY 04

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.

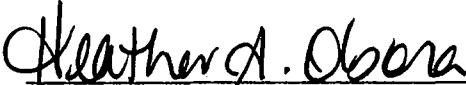
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

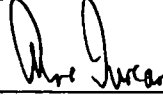
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



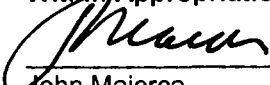
Heather A. Obora
Chief Purchasing Officer

Approved:




Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to Legal Form:



Ruth Moscovitch
General Counsel