

**APPROVE ENTERING INTO A SOFTWARE LICENSE AGREEMENT WITH
LT ONLINE CORPORATION**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a software license and hosting-and-support-services agreement with LT Online Corporation for LawTrac software to be used by the Law Department, at a total one-time cost for the license not to exceed \$176,375.00, and a total cost for the initial term of the hosting-and-support services not to exceed \$61,000.00 (total cost for the initial term not to exceed \$237,375.00). Software licensor/service provider was selected on a competitive basis pursuant to Board Rule 5-4.1. A written license and services agreement for such software products and services is currently being negotiated. Software upgrades and "bug fixes" will be provided free of charge for the life of the agreement. No use of the software shall begin, no services shall be provided, and no payment shall be made to software Licensor/Service Provider 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 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

SOFTWARE

LICENSOR: **LT Online Corporation**
50 Charles Lindbergh Boulevard
Suite 500
Uniondale, NY 11553
(516) 390-4700
Ernie Bruno or Frank Orzo
Vendor #68374

USER: **Law Department**
125 S. Clark, 7th Floor
Patrick J. Rocks
(773) 553-1700

TERM: The software license is perpetual and shall commence on the date the agreement is executed. The initial term of the hosting-and-support services agreement shall be for 12 months from the date of execution, and the Board shall have 3 options to renew it for periods of 12 months each. The first renewal shall be at a cost not to exceed \$61,000.00, the second renewal shall be at a cost not to exceed \$64,050, and the third renewal shall be at a cost not to exceed \$67,253.00.

USE OF SOFTWARE: LawTrac is a web-accessible matter-management software product, designed for management of litigation and non-litigation matters, dockets and documents. The Law Department will use LawTrac to manage all legal matters.

OUTCOMES: The Law Department anticipates this product will improve its effective and efficient provision of legal services to the Board, and will provide disaster recovery protection.

LICENSE AND IMPLEMENTATION FEE: Software Licensor shall be paid a lump sum in the amount of \$167,000.00 for LawTrac license, plus up to \$9,375.00 for migration of existing matter data to LawTrac.

HOSTING AND SUPPORT SERVICES FEE: Software Licensor/Service Provider shall be paid \$61,000.00 per year for server and network hardware equipment and access, training, technical support for Law Department and selected outside counsel, database backup, product upgrades, ongoing support for basic utilization and management reporting, and ancillary database software licensing.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written license agreement, including any indemnities to be provided to Software Licensor and the Board. Authorize the President and Secretary to execute the license agreement. Authorize General Counsel to execute all ancillary documents required to administer or effectuate this license and services agreement.

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 35% total MBE and 5% total WBE. However, the Waiver Review Committee recommends that a full waiver of the M/WBE participation goals for this contract as required by the Remedial Program be granted because the contract scope is not further divisible.

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

FINANCIAL: Charge to Risk Management: \$71,213 Fiscal Year: 2009
Budget Classification: 12470-210-54530-231112-000000

Charge to Law Department: \$166,162 Fiscal Year: 2009
Budget Classification: 10210-115-54125-231101-000000

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.

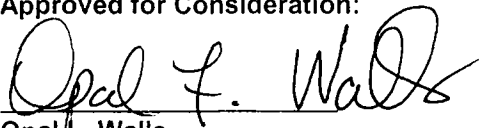
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), 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:


Opal L. Walls
Chief Purchasing Officer

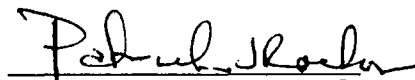
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Pedro Martinez
Chief Financial Officer

Approved as to legal form:


Patrick J. Rocks
General Counsel