

**APPROVE EXERCISING THE ANNUAL OPTION TO RENEW TECHNICAL SUPPORT WITH
ORACLE USA, INC.**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the option to renew annual technical support for licenses purchased under the original agreement with Oracle USA, Inc. ("Oracle" or "Software Licensor") at a cost not to exceed \$1,405,384.77. A written document exercising this option is currently being negotiated. No payment shall be made to Software Licensor during the option period prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

**SOFTWARE
LICENSOR:**

Oracle USA, Inc. (f/k/a Oracle Corporation, Inc.)
500 Oracle Parkway
Redwood, California 94065
Contact Person: Jodee Whitby
Telephone No.: (916) 315-6823
Vendor No.: 91760

USER:

Information & Technology Services
125 South Clark, 3rd Floor
Chicago, Illinois 60603
Contacts: Arshele Stevens, Chief Information Officer
Telephone No.: (773) 553-1300

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report #05-1026-PR6 as amended by Board Report #06-0222-PR7), in the amount of \$1,828,610.66 is for a term commencing October 1, 2005 and ending June 30, 2006, with the Board having two options to renew for periods of one year each. The Agreement was subsequently renewed through June 30, 2007, with unlimited options to renew (authorized by Board Report #06-0628-PR22 as amended by #07-0425-PR9) and further extended through June 30, 2008 (authorized by Board Report #07-0627-PR15). The original Agreement was awarded on a non-competitive basis because the Oracle software is the only software that provides the functionality required by the Board's integrated financial systems.

OPTION PERIOD: The term of this agreement is being renewed for technical support for one year, commencing on July 1, 2009 and ending June 30, 2010.

OPTION PERIODS REMAINING: There are unlimited options to renew technical support on an annual basis.

USE OF SOFTWARE: The software will continue to allow the Board to operate an integrated financial system connecting the accounts receivables, cash management, treasury, general ledger, budget and procurement.

OUTCOMES: The software program products will further secure the Board's critical data through June 30, 2010.

TECHNICAL SUPPORT FEE: Software Licensor shall be paid a fee of \$1,405,384.77, which includes software upgrades, technical support and usage of the integrated financial software package. The fees shall be payable upon invoicing at times specified in the renewal agreement.

COMPENSATION: The total compensation to be paid to Software Licensor shall not exceed \$1,405,384.77.

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

AFFIRMATIVE ACTION: The M/WBE goals for this contract is 10% total M/WBE. The Office of Business Diversity recommends approving a waiver for this contract due to the good faith efforts Oracle has demonstrated in its negotiations of a Memorandum of Understanding with local governmental agencies to dramatically increase M/WBE utilization in the State of Illinois.

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

FINANCIAL: Charge to the Information & Technology Services: \$1,405,384.77
Budget Classification: 12540-230-53306-266407-000000 \$1,405,384.77 FY10

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.

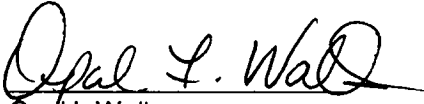
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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

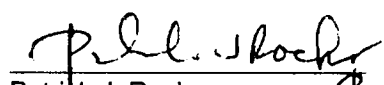
Approved:


Ron Huberman
Chief Executive Officer

Within Appropriation:


Pedro Martinez
Chief Financial Officer

Approved as to legal form: 


Patrick J. Rocks
General Counsel 