Board of Education

Board Report

25-0626-PR5

Agenda Date: 6/26/2025

AUTHORIZE THE ANNUAL RENEWAL AGREEMENT WITH ORACLE AMERICA, INC FOR LICENSING AND SUPPORT FOR ORACLE ENTERPRISE FINANCIAL SYSTEMS

THE INTERIM SUPERINTENDENT/CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the annual renewal agreement with Oracle America, Inc. for licensing and support for Oracle Enterprise Financial Systems, which manages the Board's finance and human resources activities, at an estimated annual cost set forth in the Financial Section of this report. Vendor was selected on a non-competitive basis. This item was presented to the Single/Sole Source Committee on March 4, 2025, and approved by the Chief Procurement Officer. Prior to approval as a Single Source, the item was published on the Procurement website on March 20, 2025 found here: cps.edu/procurement. The item will remain on the Procurement website until the June 26, 2025 Board Meeting. This process complies with the independent consultant's recommendations for single source procurements and the Board¿s "Single/Sole Source Committee Charter." A written document exercising this option is currently being negotiated. No payment shall be made to Oracle America, Inc. during the option period prior to 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.

Specification Number: Sss-75

Contract Administrator: Munoz, Rigoberto / 773-553-2280

 VENDOR:

1)   Vendor #89823
        ORACLE AMERICA, INC.
        500 ORACLE PARKWAY
        REDWOOD SHORES, CA 94065

        Michael Dogan
        650-506-7000

        Ownership: Oracle Corporation 100%
        (Publicly Traded)

USER INFORMATION:

Project
Manager: 12510 - Information & Technology Services
        42 West Madison Street
        Chicago, IL 60602

        Muppalla, Prakash
        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 was for a term commencing October 1, 2005 and ending June 30, 2006, with the Board having two (2) options to renew for periods of one (1) 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 agreement was further extended through June 30, 2009 (authorized by Board Report 08-0625-PR20). The agreement was further extended through June 30, 2010 (authorized by Board Report 09-0624-PR20). The agreement was further extended through June 30, 2011 (authorized by Board Report 10-0922-PR11). The agreement was further extended through June 30, 2012 (authorized by Board Report 11-0622-PR16). The agreement was further extended through June 30, 2013 (authorized by Board Report 12-0627-PR24). The agreement was further extended through June 30, 2014 (authorized by Board Report 13-0626-PR27). The agreement was further extended through June 30, 2015 (authorized by Board Report 14-0625-PR32). The agreement was further extended through June 30, 2016 (authorized by Board Report 15-0722-PR16). The agreement was further extended (authorized by Board Report 16-0622-PR6) in the amount of $3,600,000.00 for a term commencing July 1, 2016 and ending June 30, 2017. The agreement was further extended (authorized by Board Report 17-0628-PR11) in the amount of $4,000,000.00 for a term commencing in July 1, 2017 and ending June 30, 2018.   The agreement was further extended (authorized by Board Report 18-0425-PR11) in the amount of $4,000,000 for a term commencing July 1, 2018 and ending June 30, 2019. The agreement was further extended (authorized by Board Report 19-0522-PR14) in the amount of $4,100,000 for a term commencing July 1, 2019 and ending June 30, 2020. The agreement was further extended (authorized by Board Report 20-0527-PR19) in the amount of $4,300,000 for a term commencing July 1, 2020 and ending June 30, 2021. The agreement was further extended (authorized by Board Report 21-0526-PR12) in the amount of $4,400,000 for a term commencing July 1, 2021 and ending June 30, 2022. The agreement was further extended (authorized by Board Report 22-0525-PR14) in the amount of $4,200,000 for a term commencing July 1, 2022 and ending June 30, 2023. The agreement was further extended (authorized by Board Report 23-0628-PR10) in the amount of $4,200,000 for a term commencing July 1, 2023 and ending June 30, 2024. The agreement was further extended (authorized by Board Report 25-0523-PR11) in the amount of $4,700,000 for a term commencing July 1, 2024 and ending June 30, 2025. 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 one (1) year commencing July 1, 2025 and ending June 30, 2026.

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

SCOPE OF SERVICES:
Vendor will continue to provide technical support to allow the Board to operate integrated financial and HR systems connecting accounts receivable, cash management, treasury, general ledger, budget, payroll, position control, and procurement processes.

DELIVERABLES:
Vendor will continue to provide software to allow the Board to operate an integrated financial and HR system connecting accounts receivable, cash management, treasury, general ledger, budget, payroll, position control and procurement processes. The financial system allows CPS to access and update budgetary information with respect to both school and administrative units. The financial system also gives school administrators up-to-date detailed information about dollars associated with programs including funds disbursed, encumbrances, positions, and allocations.

OUTCOMES:
Vendor's software program will further secure the Board's critical data.

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 this option agreement.

AFFIRMATIVE ACTION:
Pursuant to the Remedial Policy for Minority-Owned Business Enterprise (MBE) and Women-Owned Business Enterprise (WBE) participation in Goods and Services contracts. The MBE and WBE Policy, the contract is an excluded transaction pursuant to the Goods and Services Policy, for the aspirational goals of 30% MBE and 7% WBE. This agreement is for proprietary Information Technology Software license and/or patented Technological Equipment.

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

FINANCIAL:
Fund 115, Unit 12510 - Information & Technology Services,

FY26 - $4,700,000

Not to exceed $4,700,000   for the one (1) year term. Future year funding is contingent upon budget appropriation and approval.

GENERAL CONDITIONS:
The agreement shall contain general conditions including but not limited to the following: Inspector General provision, in accordance with 105 ILCS 5/34-13.1; Conflicts provision, in accordance with 105 ILCS 5/34-21.3; Indebtedness provision, in accordance with the Board's Indebtedness Policy adopted June 26, 1996 pursuant to Board Report 96-0626-PO3; Ethics provision, in accordance with the Board's Ethics Code as amended; and, Contingent Liability provision.

Approved for Consideration:

PATRICIA HERNANDEZ
Chief Procurement Officer

Approved:

MACQULINE KING, Ed.D
Interim Superintendent/Chief Executive Officer

Approved as to Legal Form:

RUCHI VERMA
General Counsel