

AMEND BOARD REPORT 02-0123-PR14
RATIFY A SOFTWARE LICENSE AGREEMENT WITH
IBM FOR SOFTWARE PRODUCT AND MAINTENANCE

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify a software license agreement with IBM Corporation ("IBM") for OS390 system software required for

the IBM 9672 Mainframe System to be used by the Office of Technology Services ("OTS") at a cost not to exceed ~~\$306,056.00~~ \$1,421,731.80 for a three (3) year period. Software licensor was selected on a non-competitive basis because the IBM OS 390 software is proprietary to IBM. A written license agreement for such software product is currently being negotiated. Software upgrades and fixes will be provided for an annual maintenance fee included in the contract price. 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 amended Board Report. Information pertinent to this agreement is stated below:

DELIVERABLES: IBM will deliver the software, program corrections and enhancements that IBM may develop during the term of the agreement on magnetic tape, CD, email attachment or via downloadable

FTP.

OUTCOMES: The software development project CC/000 will fulfill the Board's initial objectives

~~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