

**RATIFY EXERCISING OPTION TO RENEW ON-SITE MAINTENANCE AGREEMENTS
WITH NCS PEARSON, INC.**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify exercising the option to renew on-site maintenance agreements with NCS Pearson, Inc. for scanner equipment used by the Department of Research and Evaluation to scan and score various tests including the CASE, Stanford Diagnostic, Iowa Tests of Basic Skills, Tests of Achievement and Proficiency and various other documents at a cost not to exceed \$63,630.00. The renewals occurred without prior Board approval. In accordance with the terms of the existing maintenance agreements, renewal is effectuated by payment of the annual maintenance charges. Therefore no written documentation regarding these renewals is required. Information pertinent to each agreement is stated below.

VENDOR: NCS Pearson, Inc.
F/K/A National Computer Systems, Inc.
P.O. Box 9365
Minneapolis, MN 55440
Contact Person: Cathy Eckstrom
Phone No.: (800) 336-3426
Vendor No.: 21185

USER: Department of Research and Evaluation
125 S. Clark Street
Chicago, Illinois 60603
Contact Person: John Q. Easton
Phone No.: (773) 553-2441

ORIGINAL AGREEMENT: These maintenance agreements were originally entered into in 1997 with each agreement's start date determined by the agreed date of equipment installation. They have been renewed annually ever since, with the most recent annual renewal being exercised under Board Report 01-1219-PR26.

OPTION PERIOD: The term is being extended for the period commencing November 1, 2002 and ending October 31, 2003 for the Opscan 21/100 OMR Scanners and for the 5000I Image Scanners.

OPTION PERIODS REMAINING: These on-site maintenance agreements provide for unlimited renewals which are effectuated by payment of an annual license fee.

USE OF EQUIPMENT: The Opscan 21/100 OMR and the 5000I Image Scanners, bar code readers, printers and workstations are used to scan and score standardized achievement tests and other data collection forms. This firm is the sole supplier of this patented equipment.

MAINTENANCE FEES: Maintenance charges shall be paid in lump sums of \$30,974.00 for the Opscan 21/100 OMR Scanners and \$32,656.00 for the 5000I Image Scanners.

AUTHORIZATION: Authorize the General Counsel to approve and exercise a maximum of two additional annual renewals of these license agreements providing that the annual cost of the renewals is less than \$42,500.00 for the Opscan 21/100 OMR Scanners and \$38,000.00 for the 5000I Image Scanners.

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 35% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian 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 Revised Remedial Plan 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 Dept. of Research & Eval. \$63,630.00 Fiscal Year: 2003
Budget Classification: 0170-210-000-1027-5470 Source of Funds: General Ed. Fund

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:


Sean P. Murphy
Chief Purchasing Officer

Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:


Marilyn F. Johnson
General Counsel