

**APPROVE EXERCISING THE OPTION TO RENEW THE AGREEMENT WITH
OMICRON TECHNOLOGIES FOR SCHOOL KEY CARD SYSTEMS AND ASSOCIATED SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the option to renew the agreement with Omicron Technologies ("Omicron" or "Vendor") for the purchase of software and support services for all schools at a cost for the option period not to exceed \$1,000,000.00. A written document exercising this option is currently being negotiated. No payment shall be made to Omicron 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.

VENDOR:

Omicron, Inc.
6348 N. Milwaukee Ave, Suite 328
Chicago, Illinois 60646
Contact: Lionel Rabb
Telephone No.: (773) 583-8267
Vendor No.: 22049

USER:

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

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report #04-0922-PR9) in the amount of \$5,000,000.00 is for a term commencing October 1, 2004 and ending September 30, 2009 with the Board having two options to renew for one year terms. The original agreement was awarded on a non-competitive basis.

OPTION PERIOD: The term of this agreement is being extended for one year commencing October 1, 2009 and ending September 30, 2010.

OPTION PERIODS REMAINING: There is one option period for one year remaining.

SCOPE OF SERVICES: Omicron will continue to provide software, hardware and associated installation, configuration, warranty and maintenance services for elementary and high school student and staff IDs, high school student access to buildings, student debt tracking, textbook distribution and returns, and training and support services on an individual school basis.

DELIVERABLES: Omicron services will provide delivery and maintenance of the following items:

- Implement centralized Verify.Net infrastructure; including production, test and development environment.
- Decommission all existing school-site hardware infrastructure once centralized framework is in place.
- Provide District personnel enterprise access to data and make Verify.Net data more accessible to other IMPACT modules.
- Convert the current version of Verify authentication (school-defined) to AD-integrated software to match the business process of the rest of the IMPACT suite.
- Single source district-wide reporting available to central administration.
- Upgrade to Verify.Net solution for all district-wide customers including the immediate capacity to support the following modules:
 - a. School ID
 - b. Building Access

- c. Student Finance
- d. Textbook
- e. Detention
- Upgrade to Verify.Net solution for all district-wide customers to include the foundation for future state support of the following:
 - a. Mobile Platform and Dashboard to enables communication and reporting with a variety of mobile/handheld/cell phone solutions.
 - b. Same day cut reporting

OUTCOMES: Omicron's services will continue to result in the successful implementation and operation of the district's school ID systems, including its seamless integration with aspects of the IMPACT student information system. Specific outcome areas include:

- **District Office Access** – District Office personnel can access Verify.Net system data for a local school, area or entire district. Departments such as Safety and Security can view information for any particular student, such as: student pictures, detention history, and counseling case notes that in the past were only available at the local school level.
- **Centralization and Security of Data** – The previous Verify application was a distributed system with servers located at individual schools. This not only created a management issue but also a security risk, where an unlocked, unprotected, or under-cooled local school server room could put school information at risk. With Verify.Net, all data will be centrally located within CPS' data center.
- **Synchronized User Administration:** Consolidation of user provisioning within the CPS Active Directory framework affords CPS IT staff and schools a unified access model.
- **District Wide Reporting:** Reports and views can be created to show the number of IDs printed citywide, the number of student bus passes sold, or the average student debt, etc. Area offices can view aggregate information for schools within their area or drill down to the individual student level for a particular school.
- **Uniform Business Rules:** Provide the engine to support new business rules and policies, such as the possibility for district-wide setting of the number of cuts to incur a detention, or the cost for a student bus pass, can be enforced centrally.
- **Centralized Monitoring and Alerts:** Real-time dashboard allows for the viewing of key metrics and performance across the entire district, areas, or individual schools, such as metrics based on student cuts (only accessible to schools using the Building Access Module).

COMPENSATION: Omicron shall be paid during this option period as follows: Compensation shall be in accordance with the price scheduled included in the written option document and for an amount not-to-exceed \$1,000,000.00 for the one-year term.

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: This contract is in full compliance with the goals required by the Remedial Program for the Minority and Women Business Enterprise Contract Participation (M/WBE Program). Pursuant to section 6.2 of the Remedial Program for the M/WBE participation in Goods and Services the industry goals for this contract are 10% MBE and 10% WBE.

The vendor has identified and scheduled the following independent consultants and percentages:

Total 10% WBE

Carolyn Rodgers
5820 N. Kenmore Apt. 507
Chicago, IL 60660

Total 10% MBE

Martin Aramburu
2266 W. Leland Avenue
Chicago, IL 60651

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

FINANCIAL: Charge to various schools and departments.
Fiscal Year 2010
Budget Classification: 5320-Supplies; 5730-Equipment; 5470-Services/Repair Contracts

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.

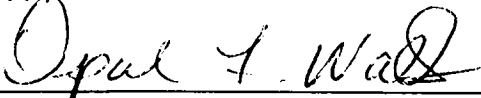
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their 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-P04), 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:



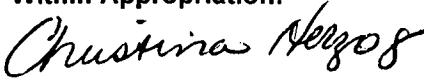
Opal L. Walls
Chief Purchasing Officer

Approved:


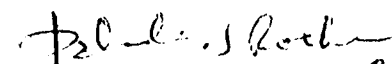


Ron Huberman
Chief Executive Officer

Within Appropriation:



Christina Herzog
Acting Chief Financial Officer

Approved as to Legal Form 


Patrick Rocks
General Counsel