

**APPROVE ENTERING INTO AN AGREEMENT WITH GROW NETWORK, INC.
FOR CONSULTING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Grow Network, Inc. to provide consulting services to the Chicago Public Schools at a cost not to exceed \$2,000,000.00. Consultant was selected on a non-competitive basis because of its unique qualifications to provide a comprehensive system-wide program to improve teaching and learning through the use of assessments, skills analyses and professional development. A written agreement for Consultant's services is currently being negotiated. No payment shall be made to Consultant prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 60 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Specification No.: 02-250104

CONSULTANT: Grow Network, Inc.
386 Park Avenue South, Suite 1605
New York, NY 10016
Contact: Patrick Haugh
Telephone No. (212) 889-1605 (ext. 103)
Vendor # pending

USER: Department of Research
125 South Clark Street, 11th Floor
Chicago, IL 60603
John Q. Easton, (773) 553-2441

TERM: The term of this agreement shall commence on July 1, 2002 and shall end June 30, 2003. This agreement shall have three options to renew for periods of one year each subject to Board approval. The renewal cost will not exceed \$2,000,000.00 for any renewal term.

EARLY TERMINATION RIGHT: The Board shall have the right to terminate this agreement with thirty (30) days written notice for any or no reason.

SCOPE OF SERVICES: Consultant will implement its Grow Report System for approximately 190,000 students tested with the ITBS and ISAT in grades three through eight and maintain ongoing diagnostic website files for all of the approximately 201,500 fourth through ninth grade students whether or not they were tested. These services will include approximately 570,000 ITBS and ISAT reading and math tests taken by third through eighth grade students at approximately 585 schools with 14,000 participating teachers. The Grow Report System shall provide integrated print and web-based instructional tools for teachers, instructional leaders and parents together with professional development to promote informed usage of assessments and skills analyses to improve teaching and learning. The consultant will provide the following:

- Printed reports to teachers, instructional leaders, and parents based on students' performance on standardized Math and Reading assessments in grades 3 to 8
- Website with grade-wide, class, and individual data, as well as instructional tools for teachers and instructional leaders, including ongoing diagnostic features
- Website with instructional information for parents
- Communication and professional development services
- Comprehensive user support
- Ongoing evaluation of the program as a whole

- Operational excellence, including a sound technology platform, rigorous quality assurance procedures, and ongoing data security measures

DELIVERABLES: Consultant will provide its Grow Report System, including printed reports to teachers, Instructional leaders, and parents based on students' test performance in grades 3 to 8. Consultant will provide a high technology website with grade-wide, class and individual data, as well as instructional tools for teachers and instructional leaders, including ongoing diagnostic features. In addition, there will be a website with instructional information for parents. Consultant will provide communication and professional development services, comprehensive user support, ongoing evaluation of the program and operational excellence, including a sound technological platform, rigorous quality assurance procedures, and ongoing data security measures.

OUTCOMES: Consultant's program and services will result in improved teaching and student learning through informed usage of assessment data.

COMPENSATION: Consultant shall be paid monthly upon receipt of deliverables as will be specifically identified in the contract; total compensation not to exceed the sum of \$2,000,000.00.

REIMBURSABLE EXPENSES: Consultant shall not be reimbursed for any expenses.

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

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 35% total MBE, 22% total African American, 10% Hispanic, 2%Asian, and 5%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 Citywide Accountability: \$2,000,000.00
Budget Classification: 0920-251-181-1027-5410 Fiscal Year: 2003
Source of Funds: ESEA Chapter 2 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.

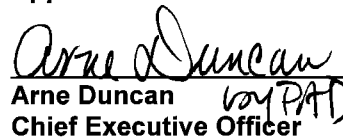
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

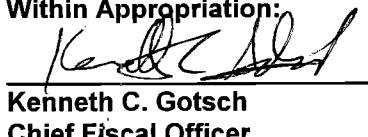
Approved for Consideration:


Anita Rocha
Acting Chief Purchasing Officer

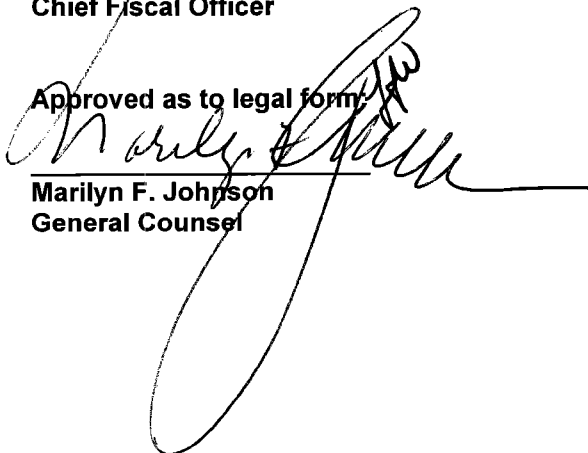
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:


Marilyn F. Johnson
General Counsel