

**AMEND BOARD REPORT 04-0728-PR25**  
**APPROVE ENTERING INTO AN AGREEMENT WITH SCHOOLNET, INC. FOR THE PURCHASE OF  
 STUDENT INFORMATION INSTRUCTIONAL MANAGEMENT SOFTWARE LICENSES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into an agreement with SchoolNet, Inc. for the purchase of an instructional management Software License at a cost not to exceed ~~\$7,024,000.00~~ \$9,602,821.00. The vendor was selected on a competitive basis pursuant to a Request for Proposal (Specification No. 03-250274). A written license agreement for such software is currently being negotiated. 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 Board Report. Information pertinent to this agreement is stated below.

This amendment is necessary to I) extend the contract term until July 31, 2007, II) revise the scope of services III) increase the dollar amount of the contract by \$2,578,821.00 and IV) revise the M/WBE goals. A written amendment to the agreement is required. The authority granted herein shall automatically rescind in the event a written amendment is not executed within ninety (90) days of the date of this Board Report.

**SPECIFICATION No.:** 03-250274

**SOFTWARE LICENSOR:** SchoolNet, Inc.  
 75 9<sup>th</sup> Avenue, 6<sup>th</sup> Floor  
 New York, NY 10011  
 Contact: ~~Sharan Gill~~ Silver McDonald  
 Telephone No.: (212) 645-0615 ext. 277  
 Vendor No.: 37402

**USER:** Office of Technology Services  
 125 South Clark Street, 3<sup>rd</sup> Floor  
 Chicago, Illinois 60603  
 Contact: Robert Runcie, Chief Information Officer  
~~Gretchen Olson, SI Program Manager~~  
Kathy Wong, CIM Project Manager  
 Telephone No.: (773) 553-1300

**TERM:** The term of this agreement shall commence August 1, 2004, and shall end July 31, ~~2006~~ 2007.

**USE OF SOFTWARE:** Software Licensor will provide licenses to the Board for the use of the SchoolNet software modules. Software Licensor will also provide maintenance for the Term of this agreement on this licensed software, which consists of program corrections and enhancements that Software Licensor may develop during the Term of this agreement as long as the Board's annual maintenance fee is current.

**SCOPE OF SERVICES:** SchoolNet shall provide software, implementation services, training, adoption strategy support, data services, curriculum and standards support, certification training, third-party security and scalability audits, and associated maintenance for the Term of the agreement.

**DELIVERABLES:** Software Licensor will license the software to the Board, and will also provide program corrections and enhancements that the Software Licensor may develop during the term of the agreement, on magnetic tape, CD, email attachment, via downloadable File Transport Protocol ("FTP"), or the then current method of software delivery.

Additional deliverables to be provided by Software Licensor include: 1) Adoption Strategy Support; 2) Recommendations for District Roadmap for Implementing SchoolNet software in CPS; 3) SIF Integration Strategy; 4) Population of ACCOUNT Module using ITBS, ISAT, DIBELS, EXPLORE, PLAN, PSAE, Learning First Benchmark Assessments, ACCESS, and IMAGE data; 5) Configuration of ALIGN, ACCOUNT, OUTREACH, and ASSESS modules; 6) Ensure data migration of all environments.

**OUTCOMES:** The SIS software programs will further automate the Board's student information system applications programs, thus making the Board more efficient and effective in managing student information systems. The SIS software will enhance the Board's ability to effectively educate students.

**COMPENSATION:** The cost of the software is \$5,239,000.00 and the cost for implementation and training shall not exceed ~~\$1,000,000.00~~ \$2,754,571.00. The cost of the first year maintenance is included in the price of the software. The cost of the maintenance for the second and third year of the agreement shall not exceed ~~\$785,000.00~~ \$1,609,250.00. Upon invoicing, payments shall be made in the Board's regular course of business. The total aggregate cost shall not exceed ~~\$7,024,000.00~~ \$9,602,821.00.

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

**AFFIRMATIVE ACTION:** ~~This contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE).~~ The M/WBE participation goals for the contract include: 35% total MBE, 22% total African American, 10% total Hispanic, 3% total Asian and 5% total WBE. However, the Waiver Committee recommends that a partial waiver of 15% for the MBE participation goals for this contract as required by the Revised Remedial Plan be granted because the contract scope is not further divisible.

The consultant has identified and scheduled the following firms and percentages:

Total 22 <u>20%</u> African American	
<b>Catalyst Consulting Group, Inc.</b>	10% / \$100,000.00
211 West Wacker Drive, Suite 400	Certification expires June 1, 2005
Chicago, Illinois 60606	
<b>KC Management Group Corporation</b>	12 <u>20%</u> / \$120,000.00
1525 East 53 <sup>rd</sup> Street, Suite 932	Certification expires March 1, 2009
Chicago, Illinois 60615	
Total 10% Hispanic:	
<b>Quantum Crossings, LLC</b>	10% / \$100,000.00
455 North Cityfront Plaza Drive	Certification expires November 1, 2007
Chicago, Illinois 60614	
Total 3% Asian:	
<b>Marstech Solutions, Inc.</b>	3% / \$30,000.00
850 West Jackson Boulevard, #650	Certification expires November 15, 2004
Chicago, IL 60607	
Total 5% WBE:	
<b>Bronner Group, LLC</b>	5% / \$50,000.00
120 N. LaSalle Street, Suite 1300	Certification expires June 1, 2007
Chicago, IL 60602	

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

**FINANCIAL:** Charge to Office of Technology Services:  $\$7,024,000.00 + \$2,578,821.00 = \$9,602,821.00$   
 Budget Classification No.: 0220-464-000-7536-5311 \$5,239,000.00 FY05  
                                   0220-464-000-7536-5410 \$1,000,000.00 FY05  
                                   0220-464-467-000-7536-9572-5311 \$785,000.00 FY06  
                                   0220-467-000-9572-5410 \$893,401.00 FY 06  
                                   0220-467-000-9572-5410 \$861,170.00 FY 07  
                                   0220-467-000-9572-5311 \$824,250.00 FY 07

**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.

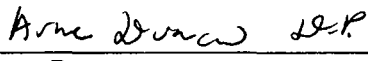
**Ethics** – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

**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:**

  
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Heather A. Obora  
Chief Purchasing Officer

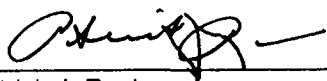
**Approved:**

  
\_\_\_\_\_  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
\_\_\_\_\_  
John Maiorca  
Chief Financial Officer

**Approved as to Legal Form:**

  
\_\_\_\_\_  
Patrick J. Rocks  
General Counsel