

AMEND BOARD REPORT 04-0825-PR19
AMEND BOARD REPORT 03-1217-PR29
APPROVE ENTERING INTO A SOFTWARE LICENSE AGREEMENT WITH THINKING MEDIA

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a Software License Agreement with Thinking Media to provide an ACT test preparation program to the Office of High School Programs at a cost not to exceed ~~\$227,000.00~~ \$377,000.00. Software Licensor was selected on a non-competitive basis because of the unique ability of Thinking Media to provide on-line test preparation courses and professional development. Thinking Media has developed a program which is perfectly aligned with the ACT Applied Mathematics and ACT Applied Reading examinations. A written agreement for Software Licensor's services is currently being negotiated. No payment shall be made to Software Licensor 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 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

This amended Board Report is necessary to increase the dollar amount of the contract by \$117,000 in order to expand the services to all High Schools. A written amendment to the contract is currently being negotiated. No payment for these additional services shall be made prior to the execution of the written amendment. The authority granted in this amended Board Report shall automatically rescind in the event a written amendment is not executed within ninety (90) days of the date of this amended Board Report.

This second amended Board Report is necessary to 1) increase the dollar amount of the contract by \$150,000.00; 2) to extend the term for an additional 3-year term at a reduced price; and 3) to amend the Affirmative Action section. A written amendment to the contract is currently being negotiated. The authority granted in this amended Board Report shall automatically rescind in the event a written amendment is not executed within ninety (90) days of the date of this amended Board Report.

Specification No.: 03-250271

SOFTWARE LICENSOR: Thinking Media
6403 Sail Pointe
Hixson, TN 37343
Contact Person: Sheila Boyington
(433) 842-6205
Vendor # 37828

USER: Office of High School Programs
125 S. Clark Street 9th floor
Chicago, Illinois 60603
Donald R. Pittman
(773) 553-3540

TERM: The term of this agreement shall commence on January 1, 2004 and shall end June 30, ~~2007~~ 2010.

SOFTWARE: The KeyTrain System software program is a nine course on-line ACT test preparation program. The nine courses are: ACT Reading for Information, ACT Applied Mathematics, Locating Information, Applied Technology, Writing, Listening, Teamwork, Observation and Business Writing. In

addition, Software Licensor shall provide full use of KeyTrain's Beginning Skills curriculum in Reading and Math; use of the Career Skills curriculum for school year 2006-2007; use of Quiz Question Alignment Matrix; and access to on-line WorkKeys Profiles Database. The site licenses will provide for unlimited use on unlimited computers at each participating school, and any feeder middle school may use the materials at no additional charge. Software Licensor shall monitor usage and provide technical support to prevent / resolve any interruption of service or program failure. Software Licensor shall also provide: 1) print curriculum, one set of hard copy and one electronic copy for each high school, 2) ten on-site training sessions, and 3) three comprehensive custom reports on the program, 4) teachers access to lessons and 5) add a menu item for administrator and instructors.

DELIVERABLES: Software Licensor shall provide site licenses to all high schools to use the KeyTrain System including technical support, maintenance and upgrades, 10 training sessions, 3 custom usage reports, access to the WorkKeys profiles database to correlate student scores to national profiles, print curriculum, student tracking information, access to online WorkKeys Profiles Database, ~~one training video for each high school~~, add courses on a server at each school that has a bandwidth issue, import student data and set up administrator and instructor accounts and class schedules.

OUTCOMES: Software Licensor's services will result in higher scores on the ACT and PSAE examinations by students participating in this program.

COMPENSATION: ~~Consultant shall be paid in (2) two installments upon the activation of the Key Train system at all participating schools; total cost not to exceed \$227,000. Consultant shall be paid in four (4) installments. The first 2 installments shall be in the amount of \$113,500 each and shall be payable upon the activation of the Key Train system at all participating schools; the third installment of \$100,000 shall be due upon execution of the second amendment to the agreement, and the fourth installment of \$50,000 will be due July 1, 2007. The total cost shall not exceed \$377,000.~~

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

AFFIRMATIVE ACTION: ~~The MIWBE goals for this contract include: 35% total MBE, 22% total African American, 10% total Hispanic, 2% Asian and 5% total WBE.~~

~~However, the Waiver Review Committee recommends that a full/waiver of the MIWBE participation goals for this contract as required by the Revised Remedial Plan be granted because the contract is not further divisible. Pursuant to Section 3.7 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract is exempt from review because the contract is Software License.~~

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 this contract are 35% MBE and 5% WBE.

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

Total MBE 35%
Thinking Media
340 Frazier Avenue
Chattanooga, TN 37405

Smart Office Services
346 N. Justine Street, Suite 400
Chicago, IL 60607

Total WBE 5%
Marge Kepka
11 Laughry Lane
Palos Park, IL 60464

Advanced Systems Consultant
945 Shetland Drive
Frankfort, IL 60423

LSC REVIEW: Local School Council review is not applicable.

FINANCIAL:

Charge to High School Programs ~~\$227,000~~ \$377,000

Budget Classifications:

0470-210-000-8126-5410 - \$ 73,000	Fiscal Year: 2003-2004	Source of Funds: 210
0470-239-801-2875-5311 - \$ 37,000	Fiscal Year: 2003-2004	Source of Funds: 239
0470-210-000-8126-5410 - \$117,000	Fiscal Year: 2004-2005	Source of Funds: 210
<u>0470-210-000-8126-5410 - \$150,000</u>	<u>Fiscal Year: 2005-2006</u>	<u>Source of Funds: 210</u>

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)~~ 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 ~~September 27, 1995 (95-0927-RU3)~~ June 23, 2004 (04-0623-PO4) as amended from time to time, shall be incorporated into and made a part of the agreement.

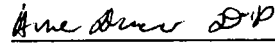
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Dr. Barbara Eason-Watkins *HWS*
Chief Education Officer

Approved:




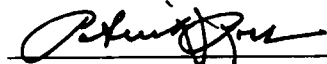
Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to legal form. 



Patrick J. Rocks
General Counsel