

AMEND BOARD REPORT 08-0602-PR19
AMEND BOARD REPORT 07-0627-PR14
**APPROVE ENTERING INTO AN AGREEMENT WITH SCHOOLNET, INC. FOR THE PURCHASE OF
STUDENT INFORMATION INSTRUCTIONAL MANAGEMENT SOFTWARE LICENSES,
IMPLEMENTATION AND SUPPORT SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with SchoolNet, Inc. for the purchase of instructional management Software Licenses for Information & Technology Services (ITS), at a cost not to exceed \$4,142,685.00. The vendor was selected on a non-competitive basis because SchoolNet is the only vendor that can provide this software in the context of the IMPACT project. A written agreement is currently being negotiated. No payment shall be made to SchoolNet prior to execution of the written 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 May 2008 amendment is necessary to increase the compensation amount of the agreement by \$165,000 for these additional new services: the development, configuration and deployment of an assessment scanning solution, and additional services needed to train the CPS Enterprise Information Management team on various technical aspects including the database architecture and Microsoft Analysis Services. A written amendment to the agreement is required. No payment shall be made prior to the execution of the written renewal amendment. The authority granted herein shall automatically rescind in the event a written amendment is not executed within 90 days of the date of this amended Board Report.

This February 2009 amendment is necessary to change the structure of compensation to a fixed, flat rate per month instead of a variable hourly rate. The conversion to a monthly fixed, flat amount shall become effective November 2008. The amendment will also include increasing the scope to include two additional key personnel from SchoolNet. The total cost will remain the same. 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 90 days of the date of this amended Board Report.

SOFTWARE LICENSOR: SchoolNet, Inc.
525 7th Avenue, 4th Floor
New York, NY 10018
Contact: Nicole Neal
Telephone No.: (646) 496-9031
Vendor No.: 37402

USER: Information & Technology Services
125 South Clark Street, 3rd Floor
Chicago, Illinois 60603
Contact: Robert Runcie, Chief Information Officer
~~Sharnell Jackson, Chief eLearning Officer~~
Telephone No.: (773) 553-1300

TERM: The term of this agreement shall commence on August 1, 2007 and shall end July 31, 2010.

USE OF SOFTWARE: SchoolNet will provide licenses to the Board for the use of the SchoolNet software modules. SchoolNet will also provide maintenance for the term of this agreement on this licensed software, which consists of program corrections and upgrades, as the same become available to SchoolNet's customers, during the Term of this agreement as long as the Board's annual maintenance fee is current.

SCOPE OF SERVICES: SchoolNet shall provide software and licenses, implementation services, data services, curriculum and standards support, marketing communication and project quality assurance, and associated maintenance for the term of the agreement. SchoolNet will develop the Active Directory Integration Module, and deliver the self-hosted Assess Module. SchoolNet will populate the Data Mart with CRBA, CMBA, EXPLORE, PLAN, PSAE Highest and DIBELS data. SchoolNet will support CPS in their efforts to load curriculum and standards. SchoolNet shall also provide product configuration, including KPI configuration. SchoolNet will provide mentoring and training opportunities to ensure technical and product knowledge transfer over the scope of the engagement.

SchoolNet shall provide the Board with the means to enter/import (or have entered on the Board's behalf) the Board's student data through the Licensed Software. The SchoolNet import feature will not modify the content of imported data in any way. All right, title and interest in and to such data shall at all times remain the property of the Board. SchoolNet shall have the right to use the Board's data (i) to provide the Board with the Services (ii) to assess and compare the use of the Licensed Software by various individual schools within the Board for the purpose of auditing the standard functionality of the Licensed Software and (iii) to improve the Licensed Software. In its use of the Board's data, SchoolNet will not use or disclose any personal information particular to any student.

DELIVERABLES: SchoolNet will license the software to the Board, and will also provide program corrections and upgrades 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. The SchoolNet will also provide:

- Active Directory Authorization Module
- ASSESS self-hosting
- Technical Knowledge Transfer
- Population of Data Mart using CRBA, CMBA, EXPLORE, PLAN, PSAE Highest, DIBELS
- Curriculum and Standards support
- KPI Configuration
- Marketing Communication
- Project Quality Assurance
- Assessment scanning solution
- Database architecture and Microsoft analysis training

OUTCOMES: The SIS software programs will further automate the Board's student information system applications program which will result in the Board being 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 IMS software license fee (Account, Align, Assess and Outreach) is \$865,463 in FY08; \$908,736.00 in FY09; \$954,172.00 in FY10. Implementation Support Services will not exceed \$762,133.00 in FY08, \$334,354 in FY09 and \$83,452.00 in FY10. Help Desk support services, purchased in blocks of 750 hours at a time, will be \$93,750.00 in FY08, \$93,750.00 in FY09; and 375 hours in FY10 for a cost of \$46,875.00. Upon invoicing, payments shall be made in the Board's regular course of business. SchoolNet shall be paid as set forth in the agreement. Effective November 2008, SchoolNet shall be paid a fixed, flat monthly amount. The cost of the license fee and associated services will be invoiced monthly at a flat fee in the amount of \$40,000.00; total compensation not to exceed \$4,142,685.~~

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement and amendments. Authorize the President and Secretary to execute the agreement

and amendments. Authorize the Chief Information Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: The M/WBE participation goals for the contract include: 35% total MBE 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 Remedial Program be granted because the contract scope is not further divisible.

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

Total 20% African American
KC Management Group Corporation 20%
1525 East 53rd Street, Suite 932
Chicago, Illinois 60615

Total 5% WBE:
Bronner Group, LLC 5%
120 North LaSalle Street, Suite 1300
Chicago, IL 60602

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

FINANCIAL: Charge to Information & Technology Services: \$4,142,685.00
Budget Classification No.: 12540-230-53306-266406-000000 FY08 \$865,463.00
12540-230-54125-266406-000000 FY08 \$855,883.00
12540-230-53306-009573-000000 FY09 \$908,736.00(PO#1669614)
12540-230-54125-009574 009592-000000 FY09 ~~\$428,104.00~~\$200,000.00
(PO#1637308)
12540-230-54125-009592-000000 FY09 \$228,104.00
12540-230-53306-009573-000000 FY10 \$954,172.00
12540-230-54125-009573-000000 FY10 \$130,327.00

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.

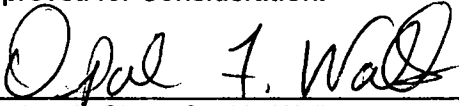
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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



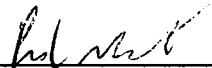
Heather A. Obara Opal L. Walls
Chief Purchasing Officer

Approved:




Ron Huberman
Chief Executive Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to Legal Form:



Patrick J. Rocks
General Counsel