

APPROVE ENTERING INTO AN AGREEMENT WITH KRONOS INCORPORATED FOR SOFTWARE AND HARDWARE MAINTENANCE

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Kronos Incorporated ("Kronos" or "Vendor") for the purchase of software and hardware maintenance for district-wide time-keeping Kronos clocks, at a cost not to exceed \$546,123.60. Kronos was selected on a non-competitive basis because the hardware is proprietary to Kronos and has previously been implemented throughout the district. A written agreement for these services is currently being negotiated. No services may be received and no payment shall be made to Vendor 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.

VENDOR:

Vendor # 31925
Kronos Incorporated 1
297 Billerica Rd.
Chelmsford, Ma 01824
John Hogan
847-969-1300

USER:

Information & Technology Services
125 South Clark Street - 3rd Floor
Chicago, IL 60603

Contact : Arshele Stevens

Phone: 773-553-1300

TERM:

The term of this agreement shall commence on January 1, 2010 and shall end June 30, 2011. This agreement shall have two options to renew for periods of 12 months each.

EARLY TERMINATION RIGHT:

The Board shall have the right to terminate this agreement with 30 days written notice.

DESCRIPTION OF PURCHASE:

Kronos will provide mission critical maintenance on the Workforce TimeKeeper system and depot repair maintenance on the smart converter and keypad system. Kronos will also provide software support to ensure the operating systems function properly, and will provide quarterly optimizations and necessary process documentation. This maintenance consists of program corrections and enhancements that Kronos may develop during the term of this agreement as long as the Board's maintenance fee is current.

OUTCOMES:

Kronos' services will result in the WorkForce TimeKeeper systems being maintained properly and functioning properly. Services will also result in ITS and Payroll Services having the necessary hardware and software support to ensure the proper functioning of the operating system.

COMPENSATION:

Vendor shall be paid in three installments. The first installment shall be \$177,312.86, and the second and third installments shall be \$184,405.37 each. The total cost for this contract shall not exceed \$546,123.60.

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 Information 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, and 5% total WBE. However the Waiver Review Committee recommends that a full waiver of the M/WBE participation goals for this contract as required by the Remedial Program 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 Information & Technology Services: \$546,123.60

12540-115-56105-266410-000000-2010 \$177,312.86

12540-115-56105-266410-000000-2011 \$368,810.74

CFDA# : Not Applicable

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.

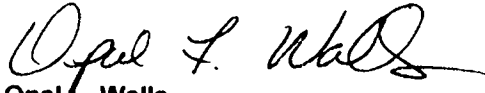
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their 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-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

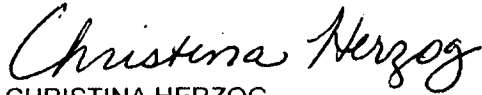
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Opal L. Walls
Chief Purchasing Officer

Within Appropriation:



CHRISTINA HERZOG
ACTING CHIEF FINANCIAL OFFICER

Approved:



Ron Huberman
Chief Executive Officer

Approved as to Legal Form:



PATRICK J. ROCKS
General Counsel