

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE SOFTWARE LICENSE OR
SUBSCRIPTION AND SERVICES AGREEMENTS WITH NORTHWEST EVALUATION ASSOCIATION
AND SCANTRON CORPORATION**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the software license or subscription and services agreements with Northwest Evaluation Association and Scantron Corporation ("Vendors") for a computer adaptive assessment tool, implementation services, professional development services, technical support, data integration and reporting services to be used by the Office of Performance and Autonomous Management and Performance Schools (AMPS) at a cost not to exceed \$5,000,000 in the aggregate. Vendors were selected on a competitive basis pursuant to Board Rule 5-4.1. Written documents exercising these options are currently being negotiated. No payment shall be made to any Vendors during the option period prior to the execution of their written option. The authority granted herein shall automatically rescind as to each Vendor in the event their written document is not executed within 90 days of the date of this Board Report. Information pertinent to these options is stated below.

SPECIFICATION NUMBER: 09-250037 **CONTRACT ADMINISTRATOR:** Craig Holloway

VENDOR:	<p>1. Northwest Evaluation Association 5885 SW Meadows Road Suite 200 Lake Oswego, OR 97035 503-624-1951 Molly Held Vendor Number: 43763</p> <p>2. Scantron Corporation 1313 Lone Oak Road Eagan, MN 55121 800-722-6876 Leslie Arnold Vendor Number: 37338</p>	USERS:	<p>AMPS 125 S. Clark St., 19th floor Chicago, IL 60603 773-553-3620 Melissa Megliola</p> <p>Office of Performance 125 S. Clark St., 5th floor Chicago, IL 60603 773-553-5735 Sarah Kreamsner</p>
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ORIGINAL AGREEMENT: The original agreements (authorized by Board Report No. 09-0722-PR19, as amended by Board Report No. 09-0923-PR25) in the amount not exceed \$4,500,000 for both vendors were for a term commencing on the date executed by the Board and terminating on August 31, 2010, with the Board having two (2) options to renew for periods of one (1) year each.

RENEWAL TERM: The term of each agreement shall commence on September 1, 2010 and shall end August 31, 2011.

OPTION PERIODS REMAINING: Both agreements have one (1) option to renew remaining, each for a period of one (1) year.

USE OF SOFTWARE: The Board will continue to use the software to administer multiple assessments per year in reading, mathematics and science. Reports will be available within 1 day of testing. The systems will provide web based analysis and reporting tools that are easy to use and intuitive for users with all levels of technical skills.

Trainers will learn the concepts and practices necessary to use and support the assessment tool and provide direct learning opportunities for other district staff that require it. Trainers will be supported through coaching sessions as they carry out this work.

District staff will also have access to on-demand, on-line training provided by the Vendors. As needed for successful implementation, Vendor will provide direct training to district staff.

Vendors will provide necessary technical resources to facilitate the effective integration of the Board's student and teacher data into the assessment tool for ease of implementation and use. Vendors will also provide the necessary technical resources to facilitate the effective deployment of the assessment tool based on the scope of schools, students and users to be defined by the Board. Vendors will provide additional data reporting and extraction services to facilitate data exchanges at a frequency and scope to be defined by the Board as well as custom reporting to facilitate additional analysis of student assessment data.

SCOPE OF SERVICES: Vendors will continue to provide implementation, professional development and reporting tools for a computer adaptive assessment that will provide data that can be used to improve instruction. All services will be provided by skilled resources performing technical support, project management, professional development, problem identification and problem resolution for the software as defined by the Board.

Vendors will continue to provide project management support for successful implementation as stated in the agreements. This support may include project managers, implementation support for training and technology, and support from content and assessment experts.

Project Management/Implementation Managers: Scantron will assign 2 dedicated project managers and up to 8 implementation managers. The Board may request additional or reduced project management resources upon 60 days written notice to Scantron; the project management fees will be adjusted accordingly.

DELIVERABLES: The Board will have the ability to administer multiple assessments per year in reading, mathematics and science.

OUTCOMES: Vendors will ensure that the system has been properly installed at all participating schools and that all trainers have been properly trained in the administration and use of the assessments. The performance measures are: 1) percent of project milestones met, 2) percent of teachers administering the assessment, 3) utilization rate of reports and 4) percent of users satisfied with the system.

COMPENSATION: Vendors will be paid the software license, subscription and fees for services as stated in their respective option. Discounts will be given on the software license fee based upon the total volume of students tested. The total compensation will not exceed \$5,000,000.00 in the aggregate.

REIMBURSABLE EXPENSES: None.

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

AFFIRMATIVE ACTION: Pursuant to the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, the Category Goals method for M/WBE participation will be utilized. The goals for this contract are 10% total MBE and 5% total WBE. The Office of Business Diversity has approved the M/WBE participation submitted from the prime vendors.

The vendors have selected the following sub contractors for their M/WBE compliance:

NWEA (prime vendor)
MBE- 10%
PC Specialists Inc.
7810 Trade Street
San Diego, CA 92121

Scantron (prime vendor)
MBE- 10%
Total Maintenance Concepts
201 James Street
Bensenville, IL 60106

Sunrise Technology, Inc. d/b/a smarTechs.net
1727 S. Indiana Avenue G02B
Chicago, IL 60616

NWEA (prime vendor)

WBE- 5%
Victory Productions, Inc.
55 Linden Street
Worcester, MA 01609

Scantron (prime vendor)

WBE – 5%
Education Consulting and Solutions
8726 Aberdeen Circle
Highlands Ranch, CO 80130

In addition to being in full compliance Scantron has also elected to participate in our Department of College & Career Prep program, pursuant to section 9.5.10 the Remedial program for minority and Women Business Enterprise Participation in Goods and Services.

FINANCIAL: Charge to Office of Performance Management: \$4,500,000
Budget Classification: NCLB Title I Federal Fund: 331
Source of Funds: ARRA Title I Federal Grant

Charge to Office of Autonomy: \$330,000
Budget Classification: NCLB Title I Federal Fund: 331
Source of Funds: ARRA Title I Federal Grant

Charge to Office of Autonomy: \$170,000
Budget Classification: General Education Fund: 115

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.

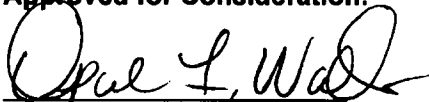
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Approved:



**Ron Huberman
Chief Executive Officer**

Within Appropriation:



**Diana S. Ferguson
Chief Financial Officer**

Approved as to legal form: ~~PLX~~



**Patrick J. Rocks
General Counsel**