

**APPROVE EXERCISING THE FINAL OPTION TO RENEW THE AGREEMENT WITH
SCHOOLNET, INC. FOR THE PURCHASE OF GRADEBOOK SOFTWARE LICENSES,
IMPLEMENTATION, AND SUPPORT SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the final option to renew the agreement with Schoolnet, Inc. to provide software and consulting services to Information & Technology Services at a cost not to exceed \$500,000.00. A written document exercising this option is currently being negotiated. No payment shall be made to Vendor during the option period prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification Number : 07-250036
Contract Administrator : Craig Holloway / 773-553-2903

VENDOR:

- 1) Vendor # 37402
SCHOOLNET, INC.
525 7TH AVE, 4TH FLR.
NEW YORK, NY 10018
Andrew Brenner
646-496-9002

USER:

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

Contact : Arshele Stevens
Phone: 773-553-1300
Project Manager: Phillip Dibartolo
Phone: 773-553-1300

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 08-0123-PR6 as amended by Board Report 09-0527-PR11) in the amount of \$2,296,600.00 is for a term commencing on March 25, 2008 and ending March 24, 2010, with the Board having two options to renew for one year terms. The agreement was renewed pursuant to Board Report 10-0324-PR8 for a term commencing March 25, 2010 and ending March 24, 2011. The original agreement was awarded on a competitive basis pursuant to Board Rule 5-4.1

OPTION PERIOD:

The term of this agreement is being extended for one year commencing March 25, 2011 and ending March 24, 2012.

OPTION PERIODS REMAINING:

There are no option periods remaining.

SCOPE OF SERVICES: Use of Software: GradeSpeed.Net release 4.55 and above, which includes software modules for Gradebook functions, the Parent Connection module, and the Student Connection module, will provide both CPS educators and the parent community at large with a real-time means of tracking student performance and proactively monitoring academic progress towards defined educational

goals. The product will also provide educators with a means of performing grading related tasks irrespective of physical location.

Existing Software Version: Schoolnet will continue to provide enterprise level licensing for Schoolnet GradeSpeed.Net release 4.55 and above, which includes modules for Grading, Attendance, Student and Parent Portals (English/Spanish), the custom CPS RtI module. The software must integrate seamlessly with the existing IMPACT modules with respect to sharing key student data, such as attendance, grades and disciplinary status. Gradebook must also continue to provide parents with a means of actively monitoring academic performance for multiple student children. Parent-side functionality must allow users to define student performance thresholds that initiate automated alerts via phone, email or text message.

Software Upgrade: Schoolnet will continue to provide maintenance and support for all major version upgrades, which include modules for Grading, Attendance, Student and Parent Portals (English/Spanish/Polish), curriculum tracking and increased standardized test and assessment data interoperability with other CPS systems. Schoolnet will continue to provide any technical program corrections and enhancements that may develop during the term of this agreement as long as the Board's technical support fee is current. There are no third party licenses associated with this software

DELIVERABLES:

Schoolnet will continue to provide an annual license and maintenance services for Schoolnet GradeSpeed for CPS school district. Schoolnet will continue to provide maintenance which consists of program corrections and enhancements that Schoolnet may develop during the term of this extended agreement. Maintenance will also include any changes required by the Board as a result of new or modified State or Federal requirements regarding special education. Schoolnet will also provide support on this licensed software, which consists of resolving trouble tickets, corrective maintenance, knowledge management, knowledge transfer and the following:

- Regular software updates and installers
- Database cleanup and alter scripts (usually part of installers)
- Bug Fixes targeted to highest priority defects
- Updated user guides to accompany each release
- Minor feature and functional enhancement
- Performance Optimizations
- Integration testing for embedded components
- Software Testing
- Compatibility Testing (New OS, SQL Server, etc.)

Additional Support: Schoolnet shall provide time and material support for the creation of custom CPS deliverables including portal text messaging, phase one response to intervention (RtI) functions and all other new functions provided supporting business requirements and technical specifications are provided.

OUTCOMES:

The license of this software will result in providing both CPS educators and the parent community at large with a real-time means of tracking student performance and proactively monitoring academic progress towards defined educational goals. The product will also provide educators with a means of performing grading related tasks irrespective of physical location.

Teachers will have:

- Remote access for grading activities
- Support for Illinois standards based grading
- Provide a Gradebook that contains class period, assessment information and homework assignments
- Proactive monitoring of student progress toward defined educational goals.

Administrators will have:

- Real-time monitoring of grades and attendance
- Analytic capacity to support performance management framework
Reports

Data collection for key curriculum identifiers

Increased integration with assessment and standardized test data

- Administrative access to teacher grade books at their location by extension, similar tiered access to area and district personnel

Parents will have:

- Online access to student progress reports and report cards
- Online access to student attendance and grades
- Automated notification of student performance based on parent defined thresholds
- Increased collaboration and communication between Parents and School Staff.

Students will have:

- An online, real-time means of tracking grades to date
- A means of downloading homework assignments.

COMPENSATION:

Schoolnet shall be paid an annual license fee of \$430,000 which includes maintenance, support and upgrades, and shall be paid for CPS customizations in an amount not to exceed \$70,000; total compensation during the renewal period not to exceed \$500,000.

AUTHORIZATION:

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

AFFIRMATIVE ACTION:

The M/WBE participation goals for this contract include: 35% total MBE and 5% total WBE. However, the Waiver Review Committee recommends that a full waiver of 15% for the M/WBE participation goals for this contract as required by the Remedial Program be granted because the scope of service is not further divisible.

LSC REVIEW:

Local School Council approval is not applicable to this report

FINANCIAL:

Charge to Information & Technology Services \$500,000.00

12540-230-53306-009573-000000-2012

\$500,000.00

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.

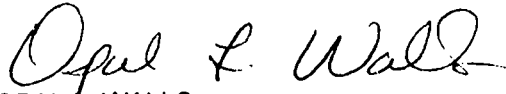
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

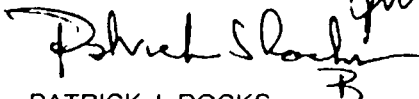
Approved:


TERRY MAZANY
Chief Executive Officer

Within Appropriation:


DIANA S. FERGUSON
Chief Financial Officer

Approved as to Legal Form:


PATRICK J. ROCKS
General Counsel