

**RATIFY EXTENDING THE AGREEMENT WITH SCHOOLNET, INC. FOR THE PURCHASE OF
STUDENT INFORMATION INSTRUCTIONAL MANAGEMENT SOFTWARE MAINTENANCE AND
SUPPORT SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Ratify extending the agreement with Schoolnet, Inc. for instructional management system maintenance and support services for the Department of Information and Technology Services at a cost not to exceed \$800,000. Vendor was selected on a non-competitive basis: the sole-source request was presented to the Non-Competitive Procurement Review Committee, and was approved by the Chief Purchasing Officer. A written extension agreement is currently being negotiated. No payment shall be made to vendor prior to the execution of the written extension agreement. The authority granted herein shall automatically rescind in the event a written extension agreement is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this extension is stated below.

VENDOR:

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

USER INFORMATION:

Project
Manager: 12510 - Information & Technology Services
125 South Clark Street - 3rd Floor
Chicago, IL 60603
Dibartolo, Mr. Phillip Brian
773-553-1300

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 07-0627-PR14) in the amount of \$3,977,685.00 was for a term commencing August 1, 2007 and ending on July 31, 2010. The agreement was amended (authorized by Board Report 08-0602-PR19 and 09-0225-PR6) to increase compensation and scope. The original agreement was extended (authorized by Board Report 10-0728-PR11) for a term commencing August 1, 2010 and ending July 31, 2011.

EXTENSION PERIOD: The term of this agreement is being extended for a one-year period commencing on August 1, 2011 and ending July 31, 2012.

USE OF SOFTWARE: Schoolnet, Inc. will provide maintenance and support for this perpetually licensed software, which consists of program corrections and upgrades, as the same become available to Schoolnet's customers, during this extension term as long as the Board's annual maintenance fee is current.

SCOPE OF SERVICES: Schoolnet, Inc. shall provide software maintenance and support, data services, interim assessment support, and project quality assurance, and associated maintenance for the extension term. Schoolnet, Inc. will develop the Active Directory Integration Module, and deliver the self-hosted Assess Module. Schoolnet, Inc 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, Inc. 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, Inc. 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, Inc. 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, Inc. 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, Inc. will provide updates to licensed 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. Schoolnet, Inc. will also provide: Interim Assessment support for ETS Item Bank; Active Directory Authorization Module Teacher Tools to promote ease of use; ASSESS self-hosting; Technical Knowledge Transfer; Curriculum and Standards support; KPI Configuration; Marketing Communication; Project Quality Assurance; Assessment scanning solution; and, 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:

Schoolnet, Inc. shall be paid as set forth in the extension agreement; total compensation not to exceed the sum of \$800,000.00.

AUTHORIZATION:

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

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 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: \$800,000.00

12540-230-53306-009573-000000-2012

\$800,000.00

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.

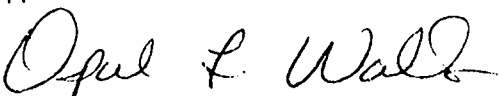
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

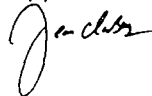
Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

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

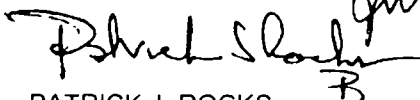
Approved:


JEAN-CLAUDE BRIZARD
Chief Executive Officer

Within Appropriation:


MELANIE A. SHAKER
Interim Chief Financial Officer

Approved as to Legal Form:


PATRICK J. ROCKS
General Counsel