

**APPROVE EXERCISING THE SECOND OPTION TO RENEW THE AGREEMENT WITH KRONOS
INCORPORATED FOR SOFTWARE AND HARDWARE MAINTENANCE**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the second option to renew the 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 for the option period not to exceed \$344,008.80. 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.

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-2280

VENDOR:

- 1) Vendor # 31925
KRONOS INCORPORATED 1
297 BILLERICA RD.
CHELMSFORD, MA 01824
John Hogan
847-969-1300

USER INFORMATION :

Contact:

12510 - Information & Technology Services

125 South Clark Street - 3rd Floor

Chicago, IL 60603

Tidmarsh, Mr. Lachlan W.

773-553-1300

Project 12510 - Information & Technology Services

Manager: 125 South Clark Street - 3rd Floor

Chicago, IL 60603

Lam, Mr. Thong

773-553-1300

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 09-1216-PR13) in the amount of \$546,123.60 was for a term commencing January 1, 2010 and ending June 30, 2011, with the Board having two options to renew for one year terms. The agreement was extended (authorized by Board Report 11-0427-PR21) for a term commencing July 1, 2011 and ending June 30, 2012. The original agreement was awarded on a non-competitive basis because the hardware is proprietary to Kronos and has previously been implemented throughout the district.

OPTION PERIOD:

The term of this agreement is being renewed for one year commencing July 1, 2012 and ending June 30, 2013.

OPTION PERIODS REMAINING:

There are no options remaining.

SCOPE OF SERVICES:

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

DELIVERABLES:

Kronos will continue to provide critical maintenance on the WorkForce TimeKeeper system and depot repair maintenance on the smart converter and keypad system. Kronos will continue to provide software support to ensure the operating systems function properly, and will provide quarterly optimizations and necessary process documentations. This maintenance consists of program corrections and enhancements that Kronos may develop during this renewal term 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:

Kronos shall be paid in two equal installments of \$172,004.40 each; the total cost for this option period shall not exceed \$344,008.80.

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 requirements for this agreement 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 agreement, 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

12540-115-53306-266410-000000-2013

\$344,008.80

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:



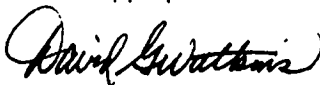
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



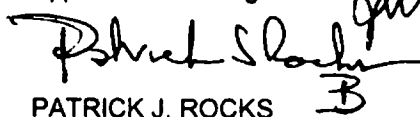
JÉAN-CLAUDE BRIZARD
Chief Executive Officer

Within Appropriation:



DAVID G. WATKINS
Chief Financial Officer

Approved as to Legal Form:



PATRICK J. ROCKS
General Counsel