

AMEND BOARD REPORT 15-1028-PR2
**AUTHORIZE A NEW AGREEMENT WITH GEMCAP INC DBA HAYES SOFTWARE SYSTEMS FOR
 AN ASSET MANAGEMENT SOLUTION**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize a new agreement with Gemcap Inc dba Hayes Software Systems to provide an Asset Management Solution to all departments and schools at an estimated annual cost set forth in the Compensation Section of this report. Vendor was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to the execution of their 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 amended Board Report. Information pertinent to this agreement is stated below.

This October 2016 amendment is necessary to 1) revise the contract term and budget to align with the implementation timeline and 2) increase the compensation amount for additional services including physical inventory for IT assets and to provide RFID tags and barcodes as needed.

Contract Administrator : Janus, Ms. Rene / 773-553-3241

VENDOR:

- 1) Vendor # 36706
 GEMCAP INC DBA HAYES SOFTWARE
 SYSTEMS
 12007 RESEARCH BLVD
 AUSTIN, TX 78759
 Matt Winebright
 512 219-7610

Ownership: 45% Eugene M Hayes, 55%
 Michael J Hayes

USER INFORMATION :

Contact: 14010 - Chief Administrative Officer
 42 West Madison Street
 Chicago, IL 60602
 De Hoyos-Acosta, Mr. Jose Alfonso
 773-553-4224

Project 12410 - Accounting
 Manager: 42 West Madison Street
Chicago, IL 60602
Fraze, Mr. Larry
773-553-2710

TERM:

The term of this agreement shall commence on December 1, ~~2015~~ 2016 and shall end November 30, ~~2020~~ 2021. This agreement shall have two (2) options to renew for periods of two (2) years each.

EARLY TERMINATION RIGHT:

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

SCOPE OF SERVICES:

Vendor will complete an initial inventory of the district's instructional materials, IT Assets and facility assets. Vendor will manage the tracking, compliance and reporting of inventory for the district's instructional materials, facility and technological assets. Vendor will also supply RFID tags and barcodes as needed.

DELIVERABLES:

Vendor will provide TIPWeb-IM and TIPWeb-IT software licenses to all CPS schools and departments, as well as ongoing hosting and software maintenance. Vendor will also manage the initial physical inventory at all CPS schools, to be completed within 18 months of contract execution. Vendor will provide ongoing project management personnel, systems integration personnel and will guide the creation of policies and procedures for the project.

OUTCOMES:

Vendor's services will result in the following:

- Maximizing usage of existing resources, through reduction of loss and ability to locate and transfer assets
- Reduction of staff time and labor needed to manually track inventory with decentralized systems
- Ability to accurately report on current assets
- Increased compliance with Grant requirements to track and locate assets

COMPENSATION:

Vendor shall be paid in accordance with the prices contained in the agreement.

Estimated annual costs for the five (5) year term are set forth below:

~~\$2,660,000, FY16~~ ~~\$2,740,000,~~ \$3,190,000, FY17
~~\$900,000,~~ \$3,245,000, FY18
~~\$500,000,~~ \$1,055,000, FY19
~~\$500,000,~~ \$645,000, FY20
\$645,000, FY21

REIMBURSABLE EXPENSES:

None.

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 Chief Administrative Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION:

This agreement is in full compliance with the 25% ~~30%~~ MBE and 5% ~~7%~~ WBE goals required by the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts.

The Vendor has scheduled the following:

Total MBE - ~~28%~~ 30%
ProBar
621 Admiral Drive, Suite 408
Annapolis, MD 21401
Contact: Michael Moss
Ownership: Carol Bondurant 100%

Total WBE - ~~5%~~ 7%
Integrated Asset Management, Inc.
43 Redwood Road
Severna Park, MD 21146
Contact: Marla Williams
Ownership: Marla Williams 100%

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Various Funds and Units will be authorized to use this board report across central and network offices.

~~\$2,660,000, FY16~~

~~\$2,740,000, \$3,190,000, FY17~~

~~\$900,000, \$3,245,000, FY18~~

~~\$500,000, \$1,055,000, FY19~~

~~\$500,000, \$645,000, FY20~~

~~\$645,000, FY21~~

Not to exceed ~~\$7,300,000~~ \$8,780,000 for the five (5) year term.

Future year funding is contingent upon budget appropriation and approval.

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.

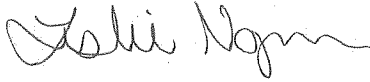
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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



LESLIE NORGRN
Chief Procurement Officer

Approved:



FORREST CLAYPOOL
Chief Executive Officer

Approved as to Legal Form:



RONALD L. MARMER
General Counsel