

APPROVE ENTERING INTO A SOFTWARE LICENSE AND CONSULTING SERVICES AGREEMENT WITH ACI WORLDWIDE, INC. D/B/A INSESSION TECHNOLOGIES, INC.

THE CHICAGO BOARD OF EDUCATION REPORTS THE FOLLOWING DECISION:

Approve entering into a software license and consulting services agreement with ACI Worldwide, Inc. d/b/a Insession Technologies, Inc. for WorkPoint 3.0 Software to be used by the Chicago Board of Education in a program to automate the Board Report process at a cost not to exceed \$272,500.00. Software licensor was selected on a non-competitive basis based upon an analysis of the company's proprietary workflow software and experience with web-based solutions. A written license and consulting agreement for such software product and services is currently being negotiated. Software upgrades and "bug fixes" will be provided free of charge for six months, the estimated time to complete the consulting services (project customization). Thereafter, the Board must pay an annual maintenance fee for such upgrades and bug fixes. No services may be rendered and no payment shall be made to software Licensor prior to the execution of the 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 Board Report. Information pertinent to this agreement is stated below.

SOFTWARE LICENSOR: ACI Worldwide, Inc.
330 S. 108th Avenue
Omaha, NE 68154
402-333-3322
Contact: Anthony Johnson
Vendor #32034

USER: Chicago Board of Education – Board Office
125 South Clark Street, 6th Floor
Sharon Revello, Board Secretary
773-553-1600

Office of Technology Services
125 South Clark Street, 3rd Floor
Jerome Slad
773-553-1310

TERM: The term of this agreement shall commence on the date the agreement is signed. The license shall end five years thereafter and the consulting services shall end six months thereafter with an option to extend for an additional five-year period at an amount to be determined and with additional Board approval. The maintenance portion of the Agreement shall end eighteen months after the commencement date. Additional one-year renewals of the maintenance shall require additional Board approval.

USE OF SOFTWARE: WorkPoint 3.0 will provide an electronic method of initiating, approving, processing, and tracking Board Reports for one select central office department agreeing to participate in a pilot implementation program concurrent with all central office departments essential to the approval process. After a pilot program to refine the business processes used with the software, the program will be rolled out to 70 departmental users in the central office and over 600 schools and regional offices.

SCOPE OF SERVICES: Consultant shall conduct onsite interviews with key personnel within each department involved in the Board Report process to determine the functional specifications necessary to clearly define the business requirements of an electronic workflow system. Consultant shall deliver a project implementation plan based upon the interviews to the Office of the Board for approval. The implementation plan will be used to develop a detailed workflow system design including specifications for database and design process flows, interfaces, processing logic and dependencies, and required software components required. The detailed system design will be used as the guideline for the Electronic Board Report Process system. Consultant will make all necessary installations and configurations, develop all scripts and interfaces, and test and refine the system for performance and accessibility subject to Office of the Board approval. Consultant shall provide all documentation, training, and technical assistance necessary to ensure the smooth implementation of the system.

DELIVERABLES: Consultant shall deliver the following to the Office of the Board: (1) overall implementation

plan for approval; (2) a detailed system design; (3) installation and configuration of software; (4) weekly status reports; and (5) complete system documentation and training.

OUTCOMES: Consultant's software shall result in an easy to use system of developing and tracking Board Reports electronically consistent with Board rules, regulations, and policies while increasing the accountability of departments participating in the approval process and expanding reporting capabilities of the Board Office.

REIMBURSABLE EXPENSES: None.

LICENSE FEE, COMPENSATION FOR SERVICES, AND MAINTENANCE FEE: Software Licensor shall be paid the following sums: (i) License fee - \$125,000.00 due upon signing of the Agreement; (ii) work process analysis, software customization, system implementation, documentation, training and support services to the satisfaction of the Office of the Board - \$1,500 per day; not to exceed a total of \$125,000.00 to be paid monthly; and (iii) after six months, software maintenance, future upgrades and bug fixes maintenance fee will be due which shall be \$22,500.00. Total expenditures not to exceed \$272,500.00.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written license agreement. Authorize the President and Secretary to execute the agreement. Authorize the Chief Technology Officer to execute annual maintenance fee agreements for the system for the length of the term of the software license agreement, provided such maintenance fee does not exceed \$22,500.00 per year.

AFFIRMATIVE ACTION: M/WBE participation will be evidenced via standard monitoring procedures.

LSC REVIEW: Local School Council approval is not applicable to this report

FINANCIAL: Charge to Office of the Board: **\$272,500.00** Fiscal Year: 2001
Budget Classification: 0010-210-000-1071-5410 Source of Funds: General Funds: 210

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.

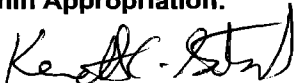
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), 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).

Within Appropriation:



Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form: ^{2/3}



Marilyn F. Johnson
General Counsel