

**AMEND BOARD REPORT 01-0124-PR7**  
**APPROVE ENTERING INTO AN AGREEMENT WITH**  
**ARTHUR ANDERSEN LLP FOR CONSULTANT SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into an agreement with Arthur Andersen LLP to provide consulting services to the Office of Technology Services at a cost not to exceed \$1,100,000.00. Consultant was selected on a non-competitive basis because of its expertise in the conceptual and detailed design of technology solutions. A written agreement is currently being negotiated. No payment shall be made to consultant 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 ninety (90) days of the date of this Board Report. Information pertinent to this option is stated below.

The purpose of this amendment is to extend the time period for an additional four (4) months so Arthur Andersen can complete the services at no additional cost and to reflect the Affirmative Action percentages for Consultant. The authority granted herein shall automatically rescind in the event a written amendment is not executed within sixty (60) days of the date of this Board Report.

**Specification No.:** 00-250873

**CONSULTANT:** Arthur Andersen LLP  
33 West Monroe Street  
Chicago, Illinois 60603  
Contact: Mukesh Gangwal  
Telephone No. (312) 931-6075  
Vendor No. 33662

**USERS:** Office of Technology Services  
125 South Clark  
Chicago, Illinois 60603  
Elaine L. Williams, Chief Technology Officer  
Telephone No. (773) 553-1300

**TERM:** The term of this agreement shall commence on January 25, 2001 and shall end ~~September 24, 2001~~ January 31, 2002.

**EARLY TERMINATION RIGHT:** Either party has the right to terminate this agreement with thirty (30) days written notice.

**SCOPE OF SERVICES:** Consultant shall perform the following services:

1. Current Student Information System (SIS) Assessment. The assessment will document the purpose of each component of the SIS, its financial relevance and the number of students and users impacted by each component, as well as the interdependencies, functionality gaps and how well each component is performing its intended function. This will result in a recommended action plan. Estimated cost \$550,000.00.
2. Development of A Request for Information (RFI) for A New SIS. The RFI will provide information from the marketplace regarding the available options. A review of the vendor options will aid in the formulation of a recommended approach to a new SIS. Estimated cost \$165,000.00.

3. Survey Other Major School System SIS to determine best practices with respect to SIS. The survey will help determine a high level strategy approach. Estimated cost \$165,000.00.
4. Develop A Plan for A New SIS. The objective of this segment will be the preparation of a business case that depicts current conditions and outlines alternatives. Consultant will assist the Board in working to achieve a consensus and develop a vision/approach that is best suited to meet overall goals and objectives of the Board. The overall goals and objectives for the new SIS will be coordinated with and included in the master plan being prepared by ITRI/AB. Estimated cost \$220,000.00.

**DELIVERABLES:**

1. The current SIS Assessment will consist of the following written documentation:
  - A narrative describing each component of the SIS.
  - An analysis of the strengths, weaknesses, opportunities and threats (SWOT) of each component.
  - A high level requirements list for future SIS.
  - An analysis of the relevance of each component and its impact on the Board.
  - Department level process flows.
  - High level data model of each component.
  - Data flow diagrams among all components.
  - List of external interfaces (e.g., CHA, State of Illinois).
2. RFI will include the following:
  - The preparation of an RFI, including supplements thereto, that includes project background, statement of confidentiality, vendor profile matrix of Board requirements, technology profile of vendor and pricing information.
  - Tabulation of the RFI results that will allow for comparison of responses.
  - Report on available products meeting Board requirements.
3. Best Practices Survey will consist of the following:
  - Outline an approach to conducting the survey.
  - Draft and final copies of the survey tool final deliverable templates.
  - Work papers and notes collected while conducting surveys.
  - Survey results report in template format.
4. Plan for New SIS will consist of the following:
  - Outline the business case for change. This will be linked closely with information and deliverables from the SI Component Assessment.
  - Creation of an executive steering committee (ESC).
  - Documented analysis of key SI stakeholders.
  - A series of meetings with the ESC that will present the business case.
  - Gain consensus on taking action.
  - Determine the information required to develop a vision/strategy and provide information and facilitate the creation of the vision/strategy.
  - Outline the vision for the management of student information at CPS and a strategic plan for achieving this vision.

**OUTCOMES:** Consultant's services will result in the following:

1. Current SIS Assessment -- A clear definition of what the current SIS is and does. Identification of the purpose of each component and an assessment of its impact on the organization. Documentation of the interdependencies between each component. Documentation of significant missing functionality within SI as identified by CPS users/stakeholders (for example, elementary grade reporting). Identification of components that are not really applications but are important for applications to function (such as fall housing report, racial ethnic survey, state school report cards, etc.). Documentation of high level SI system requirements.
2. RFI -- Documentation of what products are commercially available that could potentially replace SIS.
3. Best Practices -- Documentation of high level strategies and approaches other major school systems use to manage student information.
4. Plan for New SIS -- Communication of the findings of the current state assessment to raise awareness. A consensus on a mandate for change/action to address current SI system problems. Develop a clear vision of what should be done to address the problems. Develop a tactical plan to addressing the problems.

**COMPENSATION:** Consultant shall be paid as follows: Upon invoicing, not to exceed the sum of \$1,100,000.00.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the written agreement. Authorize the Chief Technology Officer to execute all ancillary documents required administering or effectuating this agreement.

**AFFIRMATIVE ACTION:** The vendor has proposed the following M/WBE participation for the renewal period and has identified the following firms and percentages:

<u>33% African American:</u>	
<u>Corporate Office Systems</u>	
<u>Jackson Blvd., 6th Floor, Chicago, Illinois 60607</u>	<u>\$360,000.00 - 33%</u>
<u>2.6% Hispanic:</u>	
<u>Computer Services and Consulting</u>	
<u>1613 South Michigan Avenue, Chicago, Illinois 60068</u>	<u>\$26,680.00 - 2.6%</u>
<u>4.8% Asian:</u>	
<u>Advent Micro Systems</u>	
<u>2100 Golf Road, Rolling Meadows, Illinois 60616</u>	<u>\$52,580.00 - 4.8%</u>

Each identified firm is certified by the City of Chicago/Department of Purchases Contracts and Supplies. The identified firms are subject to change upon approval from the division of Compliance and Vendor Services in the Procurement and Contracts Department without further Board approval.

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

<b>FINANCIAL:</b>	Charge to Office of Technology Services: \$1,100,000.00	Fiscal Year: 00
	Budget Classification: 0960-210-000-1111-5410	P.O. 810475

**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.

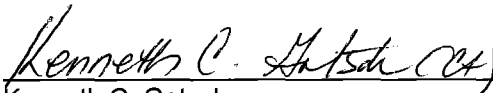
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

**Approved for Consideration:**

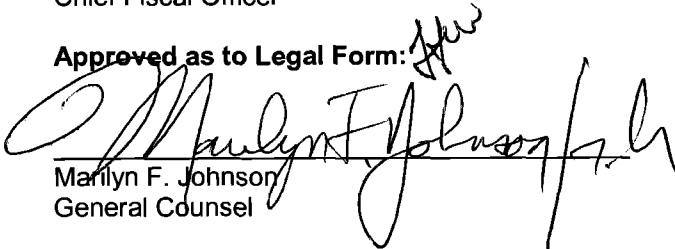
  
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Natalye Paquin  
Chief Purchasing Officer

Approved   
\_\_\_\_\_  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
\_\_\_\_\_  
Kenneth C. Gotsch  
Chief Fiscal Officer

**Approved as to Legal Form:**

  
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Marilyn F. Johnson  
General Counsel