

**RATIFY EXERCISING OPTION TO RENEW ON-SITE MAINTENANCE AGREEMENTS  
WITH NCS PEARSON, INC.**

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

Ratify exercising the option to renew on-site maintenance agreements with NCS Pearson, Inc. for scanner equipment used by the Office of Accountability to scan and score various tests including the CASE, Stanford Diagnostic, Iowa Tests of Basic Skills, Tests of Achievement and Proficiency and various other documents at a cost not to exceed \$66,364.47. The renewals occurred without prior Board approval. In accordance with the terms of the existing maintenance agreements, renewal is effectuated by payment of the annual maintenance charges. Therefore no written documentation regarding these renewals is required. Information pertinent to each agreement is stated below.

Specifications No.: 01-250847

**VENDOR:** NCS Pearson, Inc.  
F/K/A National Computer Systems, Inc.  
P.O. Box 9365  
Minneapolis, MN 55440  
Contact Person: Cathy Eckstrom  
Phone No.: (800) 336-3426  
Vendor No.: 21185

**USER:** Office of Accountability  
125 S. Clark Street  
Chicago, Illinois 60603  
Contact Person: Adalbert Kouba  
Phone No.: (773) 553-2335

**ORIGINAL BOARD REPORT:** These maintenance agreements were originally entered into in 1997 with each agreement's start date determined by the agreed date of equipment installation. They have been renewed annually ever since, with the most recent annual renewal being exercised under Board Report 00-0726-PR8 and 01-0124-PR12.

**OPTION PERIOD:** The term is being extended for the period commencing September 1, 2001 and ending October 31, 2002 for the Opscan 21/100 OMR Scanners and for the period commencing November 1, 2001 and ending October 31, 2002 for the 5000I Image Scanners.

**OPTION PERIODS REMAINING:** These on-site maintenance agreements provide for unlimited renewals which are effectuated by payment of an annual license fee.

**USE OF EQUIPMENT:** The Opscan 21/100 OMR and the 5000I Image Scanners, bar code readers, printers and workstations are used to scan and score standardized achievement tests and other data collection forms. This firm is the sole supplier of this patented equipment.

**MAINTENANCE FEES:** Maintenance charges shall be paid in lump sums of \$35,070.00 for the Opscan 21/100 OMR Scanners and \$31,294.47 for the 5000I Image Scanners for a total of \$66,364.47.

**AUTHORIZATION:** Authorize the Chief Accountability Officer to approve and exercise a maximum of two additional annual renewals of these license agreements providing that the annual cost of the renewals is less than \$42,500.00 for the Opscan 21/100 OMR Scanners and \$38,000.00 for the 5000I Image Scanners.

**AFFIRMATIVE ACTION:** The M/WBE goals for this contract include:

35% total MBE, 22 % total African American, 10% total Hispanic, 2% total Asian and 5% total WBE

However, the Waiver Review Committee recommends that a full waiver of the participation goals for this contract as required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan) be waived because contract scope not further divisible.

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

**FINANCIAL:** Charge to Office of Accountability \$66,364.47 Fiscal Year: 2002  
Budget Classification: 0920-210-000-1029-5470 Source of Funds: General Ed. Fund

**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.

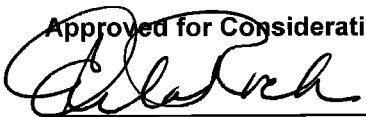
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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

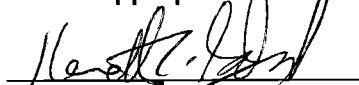
**Approved for Consideration:**

  
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Anita Rocha  
Acting Chief Purchasing Officer


**Approved:**

  
\_\_\_\_\_  
Arne Duncan  
Chief Executive Officer *BY PAD*

**Within Appropriation:**

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

**Approved as to legal form:**

  
\_\_\_\_\_  
Marilyn F. Johnson  
General Counsel