

**APPROVE ENTERING INTO AN AGREEMENT WITH  
STONEHOUSE TECHNOLOGIES, INC. FOR THE PURCHASE OF SOFTWARE, HARDWARE,  
TRAINING AND ON-GOING MAINTENANCE FOR THE MONIESWeb® SYSTEM**

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

Approve entering into an agreement with Stonehouse Technologies, Inc. ("Stonehouse") for the purchase of MONIESWeb® V10 Inventory and Order Management System including hardware, software, migration from current mainframe system, implementation, training and associated maintenance for a two (2) year period for the Office of Technology Services ("OTS") at an aggregate cost not to exceed \$262,200.00. The vendor was selected on a non-competitive basis because Stonehouse is the only vendor able to accommodate necessary E-Rate requirements in the billing module and the Board currently uses the Stonehouse mainframe-version of the inventory and order management system. The hardware is an additional component that will be added to existing PBX equipment to enable call accounting and both the hardware and software are proprietary to Stonehouse. A written agreement is currently being negotiated. No payment shall be made to Stonehouse Technologies, Inc 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 agreement is stated below.

**VENDOR:** Stonehouse Technologies, Inc.  
14881 Quorum Drive Ste 800  
Dallas Texas 75254  
Contact: William Karant  
Telephone No.: (972) 581-7361  
Vendor No.: 13609

**USER:** Office of Technology Services  
125 South Clark Street  
Chicago, Illinois 60603  
Contact: Robert W. Runcie, Chief Information Officer  
Kathryn Zalewski, Telecommunications Director  
Telephone No.: (773) 553-1300

**TERM:** The term of this agreement shall commence on January 29, 2004 and shall end with a written notice from the Board indicating its desire to terminate maintenance on the system.

**SCOPE OF SERVICES:** Stonehouse shall provide server based MONIESWeb® and Masterminded software, Call Collection hardware, implementation, training, and associated maintenance for a two (2) year period.

**OUTCOME:** The Board will have accurate, up-to-date inventory and order management information as well as monthly reports for school and administrative executives on their telecommunications activity.

**COMPENSATION:** The cost of the hardware is \$11,500.00, which shall be paid upon installation and acceptance. The cost of the software is \$92,000.00 and the cost for implementation and training is \$129,200.00, which shall be paid upon installation and acceptance of each component. The cost of the first year maintenance is \$2,975.00 which shall be paid upon invoicing. The cost of the second year maintenance is \$26,525.00 (beginning twelve months after installation and acceptance of the new and upgraded software), which will be paid upon invoicing. The total aggregate cost shall not exceed \$262,200.00.

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

**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 M/WBE participation goals for this contract as required by the Revised Remedial Plan be granted because the contract scope is not further divisible.

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

<b>FINANCIAL:</b>	Charge to Office of Technology Services: \$262,200.00		
	Budget Classification: 0960-410-000-1614-5730	\$235,675.00	FY04
	Budget Classification: 0960-210-000-1614-5470	\$ 26,525.00	FY05

**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.

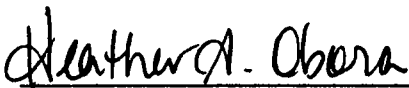
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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

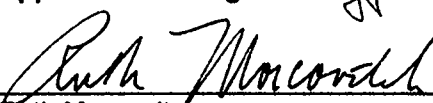
**Approved:**

  
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 Arne Duncan  
 Chief Executive Officer

**Within Appropriation:**

  
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 John Maiorca  
 Chief Financial Officer

**Approved as to legal form:**

  
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 Ruth Moscovitch  
 General Counsel