

August 25, 2004

AMEND BOARD REPORT 03-1217-PR29
APPROVE ENTERING INTO A SOFTWARE LICENSE AGREEMENT WITH THINKING MEDIA

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a Software License Agreement with Thinking Media to provide an ACT test preparation program to the Office of High School Programs at a cost not to exceed ~~\$ 110,000.00~~ \$227,000.00. Software Licensor was selected on a non-competitive basis because of the unique ability of Thinking Media to provide on-line test preparation courses and professional development. Thinking Media has developed a program which is perfectly aligned with the ACT Applied Mathematics and ACT Applied Reading examinations. A written agreement for Software Licensor's services is currently being negotiated. 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.

This amended Board Report is necessary to increase the dollar amount of the contract by \$117,000.00 in order to expand the services to all High Schools. A written amendment to the contract is currently being negotiated. No payment for these additional services shall be made prior to the execution of the written amendment. The authority granted in this amended Board Report shall automatically rescind in the event a written amendment is not executed within ninety (90) days of the date of this amended Board Report.

Specification No.: 03-250271

SOFTWARE LICENSOR: Thinking Media
 6403 Sail Pointe
 Hixson, TN 37343
 Contact Person: Sheila Boyington
 433-842-6205
 Vendor # 37828

USER: Office of High School Programs
 125 S.Clark Street 9th floor
 Chicago, Illinois 60603
 Donald R. Pittman
 553-3540

TERM: The term of this agreement shall commence on January 1, 2004 and shall end June 30, 2007.

SOFTWARE: ~~Software Licensor shall provide 41 licenses of the KeyTrain software program for students in 41 high schools.~~ The KeyTrain System software program is a nine course on-line ACT test preparation program. The nine courses are ACT Reading for Information, ACT Applied Mathematics, Locating Information, Applied Technology, Writing, Listening, Teamwork, Observation and Business Writing. The site licenses will provide for unlimited use on unlimited computers at each participating school, and any feeder middle school may use the materials at no additional charge. Software Licensor shall also provide: 1) print curriculum, one set of hard copy and one electronic copy for each high school, 2) ten on-site training sessions, and 3) three comprehensive custom reports on the program. 4) teachers access to lessons and 5) add a menu item for administrator and instructors.

DELIVERABLES: Software Licensor shall provide site licenses to all high schools to use the KeyTrain System including maintenance and upgrades, 10 training sessions, 3 custom usage reports, access to the WorkKeys profiles database to correlate student scores to national profiles, print curriculum, student tracking information, access to online WorkKeys Profiles Database, one training video for each high school, add courses on a server at each school that has a bandwidth issue, import student data and set up administrator and instructor accounts and class schedules.

OUTCOMES: Software Licensor's services will result in higher scores on the ACT and PSAE examinations by students participating in this program.

COMPENSATION: The total fee for all site licenses for the 3-1/2 year term is \$110,000, payable in a lump sum upon activation of the KeyTrain software program at all high schools. Consultant shall be paid in (2) two installments upon the activation of the Key Train system at all participating schools; total cost not to exceed \$227,000.00

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement and the amendment. Authorize the President and Secretary to execute the agreement and the amendment. Authorize The Chief Education 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% 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 is not further divisible. Pursuant to Section 3.7 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract is exempt from review because the contract is Software License.

LSC REVIEW: Local School Council review not applicable

FINANCIAL:	Charge to High School Programs \$117,000	Fiscal Year: 2004 - 2005
	Budget Classification: 0470-210-000-8126-5410- \$73,000.00	Source of Funds: 210
	0910-239-801-2875-5311- \$37,000.00	239
	<u>0470-210-000-8126-5410-117,000.00</u>	Source of 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.

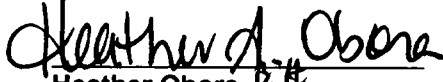
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

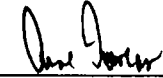
Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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).

Approved for Consideration:


Heather Obora *D.H.*
Chief Purchasing Officer

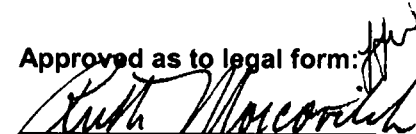
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


John Maiorca
Chief Financial Officer

Approved as to legal form:


Ruth Moscovitch
General Counsel