

**APPROVE ENTERING INTO A SOFTWARE LICENSE AND SERVICES AGREEMENT WITH  
MAXIMUS, INC. FOR A SPECIALIZED SERVICES MANAGEMENT SOLUTION**

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

Approve entering into an agreement with MAXIMUS, Inc. ("Software Licensor" or "MAXIMUS") for a specialized services management solution to be provided to the Office of Technology Services ("OTS") at a cost not to exceed \$5,427,910.00. Software licensor was selected on a competitive basis pursuant to a duly advertised Request for Proposal (Specification No. 06-250037). A written agreement is currently being negotiated. No use of the software shall begin and no payment shall be made 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.

**SPECIFICATION NO.:** 06-250037

**SOFTWARE LICENSOR:**

MAXIMUS, Inc.  
11419 Sunset Hills Road  
Reston, VA 20190  
Contact Person: Dr. Philip Geiger  
Telephone No.: (602) 751-5858  
Vendor No.: 29626

**USER :**

Office of Technology Services  
125 South Clark Street, 3rd Floor  
Chicago, Illinois 60603  
Contact: Robert W. Runcie, Chief Information Officer  
          Arshele Stevens, Project Manager  
Telephone No.: 773-553-1300

**TERM:** The term of this agreement shall commence October 1, 2006 and shall end September 30, 2007. This agreement shall have two (2) options to renew for a period of one (1) year each.

**EARLY TERMINATION:** The Board shall have the right to terminate this agreement with thirty (30) days written notice.

**USE OF SOFTWARE:** The solution is called Specialized Services Management, (SSM), Solution and it will be used for the tracking and delivery of Special Education Services.

**LICENSE FEE:** Software Licensor shall be paid a license fee of \$1,888,356.00 for unlimited users.

**MAINTENANCE FEE:** There will be no charge for maintenance during the initial term of the agreement. The maintenance fee for any renewal term will be \$372,075.00 per year.

**SCOPE OF SERVICES:** In addition to the software licenses, MAXIMUS will provide the following to implement the Board's new Specialized Services Management (SSM) software:

**Phase 0: Mini Pilot (SSM Basic functionality)**

1. Business Process Review / Gap Analysis
  - a. Gap Analysis Report
  - b. Business Process Improvement
  - c. Implementation Plan
2. Data Conversion
  - a. Develop Data Conversion Plan
  - b. Implementing the data Conversion Plan

3. Form Design / Business Rule Creation
4. Validity Testing
5. Training
6. Implementation
7. Review / Assessment of Implementation

**Phases 1 - 3: (See below for Components of Phases 1 - 3)**

**1. General Project Management**

- a) Manage Project efforts
- b) Develop Project work plan
- c) Develop Communication plan

**2. Process Review and Gap Analysis**

- a) Assess technical environment
- b) Review business processes
- c) Document Gaps
- d) Submit recommendations for Fits

**3. Product, Data Conversion and Interface Development**

- a) Update SSM application according to fits
- b) Develop interfaces to ODS, SIM, CIM, Active Directory and ancillary systems
- c) Data Conversion
- d) Identify/map data to convert
- e) Design/Develop conversion scripts
- f) Design/develop customizations
- g) Design/Develop Security
- h) Install application into relevant environments
- i) Training and End-User Support
- j) Develop Training Plan and Curriculum
- k) Develop/modify training
- l) Design/develop training database
- m) Design/develop training materials (Web Based, Instructor Led, Self Paced)
- n) Develop Online Quick Reference tool
- o) Design Pilot Implementation Approach
- p) Design District Implementation Approach

**4. Pilot and District Implementation**

- a) Convert Data
- b) Clean up Data
- c) Deliver training
- d) Evaluate training

**PHASE 1 COMPONENTS**

- Automated IEP/Section 504
- Areas of Need
- Accommodations/Modifications
- Specialized Instruction
- Grades, Promotion, Graduation
- Transition
- Extended School Year
- Least Restrictive Environment
- Transportation
- Referral
- Consent
- Evaluation
- Eligibility

**PHASE 2 COMPONENTS**

- o Placement
- o Procedural
- o Safeguards

**PHASE 3 COMPONENTS**

- o Planning
- o HSMP
- o Monitoring
- o Document Management

**DELIVERABLES:** Software Licensor shall deliver the software, program corrections and enhancements that Software Licensor develops during the term of the agreement, to the Board on magnetic tape, CD, email attachment or via downloadable FTP or the then current method of software delivery.

**OUTCOMES:** Software licensor's services will result in enhancing educational opportunities, and overall education processes, enable new application development and allow for future growth. The database and enterprise software program will further automate the Board's Individualized Education Program process.

**COMPENSATION:** MAXIMUS shall be paid for implementation services upon invoicing and completion of milestones and shall be paid the license fee in the amount of \$1,888,356.00 in a lump sum; the total compensation payable to MAXIMUS under this agreement shall not exceed \$5,427,910.00.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the written agreement, including any indemnities to be provided by the Board to the Software Licensor. Authorize the President and Secretary to execute the agreement. Authorize the Chief Information Officer (CIO) to execute all ancillary documents required to administer or effectuate the agreement, including any agreements with charter schools or CPS charter school consortium members necessary for implementation of the specialized services management solution and having no financial impact on the Board.

**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 partial 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.

The vendor has, however, identified and scheduled the following firms and percentages:

**Total MBE – 32%**

**Total African American – 22%**

Synchronous Solutions, Inc.  
d/b/a/ Synch Solutions  
211 West Wacker Drive  
Suite 300  
Chicago, Illinois 60606

certified through 04/01/2007

**Total Hispanic – 10%**

Advance Electronic Instruments, Inc.  
d/b/a Stratus Consulting Group  
P.O. Box 2684  
Des Plaines, Illinois 60017

certified through 04/01/2007

**Total WBE – 8.5%**

Bronner Group, LLC – 5%  
120 North LaSalle Street  
Suite 1300  
Chicago, Illinois 60602

certified through 04/01/2007

8<sup>th</sup> Day Consulting – 3.5%  
6110 Rob Roy Drive  
Oak Park, Illinois 60452

certified through 02/01/2007

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

**FINANCIAL:** Charge to the Office of Technology Services: \$5,427,910.00  
Budget Classification No.: 0220-474-000-7536-5410 \$ 2,737,182.00 FY07  
0220-474-000-7536-5410 \$ 1,971,130.00 FY08  
0220-474-000-7536-5410 \$ 719,598.00 FY09

**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.

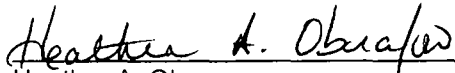
**Conflicts** – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their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

**Indebtedness** – The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

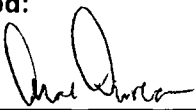
**Ethics** – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

**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 A. Obora  
Chief Purchasing Officer

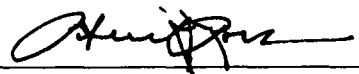
**Approved:**

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

**Within Appropriation:**

  
\_\_\_\_\_  
John Maiorca   
Chief Financial Officer

**Approved as to Legal Form** 

  
\_\_\_\_\_  
Patrick Rocks  
General Counsel