

**APPROVE ENTERING INTO AN AGREEMENT WITH
KRONOS INCORPORATED FOR SOFTWARE AND HARDWARE MAINTENANCE**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Kronos Incorporated ("Kronos" or "Vendor") to provide software and hardware maintenance for all of the Board's Kronos software and hardware products for the Office of Technology Services ("OTS") at a cost not to exceed \$354,625.71. Kronos was selected on a competitive basis pursuant to Board Rule 5-4.1. A written agreement for vendor services is currently being negotiated. No services shall be provided and no payment shall be made to Kronos prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written document is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this agreement is stated below.

SPECIFICATION NO.: 01-250357

VENDOR: Kronos Incorporated
1515 Woodfield Road
Schaumburg, Illinois 60173
Contact: John Hogan
Telephone: (847) 969-1300
Vendor No.: 31925

USER: Office of Technology Services
125 South Clark, 3rd Floor
Chicago, Illinois 60603
Contact: Robert W. Runcie, Chief Information Officer
Anthony McPhearson, LAN Services, Director
Telephone No.: (773) 553-1300

TERM: The term of this agreement shall commence on January 1, 2007 and shall end on December 31, 2007. This agreement shall have two options to renew for periods of twelve (12) months each at a cost to be negotiated at the time of the renewal.

SCOPE OF SERVICES: Kronos will provide mission critical maintenance on the Workforce TimeKeeper system and depot repair maintenance on the smart converter and keypad system. This maintenance consists of program corrections and enhancements that Kronos may develop during the term of this agreement as long as the Board's maintenance fee is current.

DELIVERABLES: Kronos will provide hardware support to insure the proper operation of the WorkForce TimeKeeper units. Kronos will also provide software support to ensure the operating systems function properly, and will provide quarterly optimizations and necessary process documentation.

OUTCOMES: Kronos' services will result in the WorkForce TimeKeeper systems being maintained properly and functioning properly and OTS and Payroll Services will have the necessary hardware and software support to ensure the proper functioning of the operating system.

COMPENSATION: Kronos shall be paid in quarterly installments of \$88,656.43; total amount not to exceed \$354,625.71.

REIMBURSEABLE EXPENSES: None.

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 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.

FINANCIAL: Charge to Office of Technology Services: \$354,625.71
Budget Classification: 0220-210-000-1110-5470 \$177,312.85 FY '06
0220-210-000-1110-5470 \$177,312.86 FY '07

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).

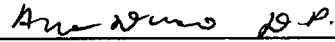
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Approved for Consideration:




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