

**APPROVE ENTERING INTO AN AGREEMENT WITH KRONOS INCORPORATED  
FOR IMPLEMENTATION OF SOFTWARE UPGRADES****THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into an agreement with Kronos Incorporated ("Kronos") to provide software upgrade implementation services to Information & Technology Services ("ITS") at a cost not to exceed \$150,000. A written agreement for Consultant's services is currently being negotiated. No services shall be provided by Consultant and no payment shall be made to Consultant prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this document is stated below.

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

**USER:** Information & Technology Services  
125 South Clark, 3<sup>rd</sup> Floor  
Chicago, IL 60603  
Contact: Robert W. Runcie, Chief Information Officer  
Jerome Goudelock, Application Services, Director  
Telephone: (773) 553-1300

**TERM:** The term of this agreement shall commence on August 1, 2007 and shall end on June 30, 2008. This agreement shall have 2 options to renew for periods of twelve (12) month each at a cost to be negotiated at the time of the renewal.

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

**SCOPE OF SERVICES:** Kronos will provide mission critical upgrades to the programs, reports and databases structures of the Kronos system. Kronos will eliminate the Social Security Number (SSN) as the key driver for all online screens, reports and database.

**DELIVERABLES:** KRONOS will remove SSN from all online screens and reports. The SSN will be replaced by the Employee ID generated from the CPS@WORK (PeopleSoft) system. KRONOS will change all interfaces, programs and reports to use the Employee ID.

**OUTCOMES:** Consultant's services will result in the mitigation of potential employee privacy risk by removing the Social Security Number (SSN) from all reports and delivered Kronos application screens. Also, the consultant's services will mitigate the need for CPS' employees to enter their SSN at the Kronos time clocks. House Bill 4712 makes it illegal to require SSN to be used to access an Internet website, or to require an individual to transmit their SS# over the internet. These changes will make us compliant with Illinois law.

**COMPENSATION:** The compensation will be based on a completion of deliverables as listed in the contract to be negotiated.

**REIMBURSABLE 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 Chief Information Officer to execute all ancillary documents required to administer or effectuate this agreement.

**AFFIRMATIVE ACTION:** TBD

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

**FINANCIAL:** Charge to Information & Technology Services: \$150,000                      Fiscal Year: 2008  
Budget Classification: [#]    Source of Funds: [name and #]

**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:**

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**Heather A. Obora**  
**Chief Purchasing Officer**

**Within Appropriation:**

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**Pedro Martinez**  
**Chief Financial Officer**

**Approved as to legal form:**

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**Patrick J. Rocks**  
**General Counsel**

**Approved:**

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**Arne Duncan**  
**Chief Executive Officer**