

**APPROVE EXERCISING THE SECOND OPTION TO RENEW THE AGREEMENT WITH
EDUCATIONAL TESTING SERVICE FOR THE PURCHASE OF TEST MATERIALS AND RELATED
SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the second option to renew the agreement with Educational Testing Service for the purchase of test materials and related services for the Office of Instructional Design and Assessment at a cost for the option period not to exceed \$2,000,000.00 in the aggregate. A written document exercising this option is currently being negotiated. No payment shall be made to Vendor during this option period 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 option is stated below.

VENDOR: Educational Testing Service
317 SW Alder St. #1200
Portland, OR 97204
Contact: John Laramy
Telephone No. (800) 480-3060
Vendor # 18345

USER: Office of Instructional Design and Assessment
125 South Clark Street, 5th Floor
Chicago, IL 60603
Xavier Botana
Telephone No. (773) 553-5060

ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 06-0823-PR18) in the amount of \$1,550,000.00 is for a term commencing September 1, 2006 and ending June 30, 2007, with the Board having three (3) options to renew the agreement for additional 1-year periods. The first option to renew was authorized by Board Report 07-0627-PR33 in the amount of \$2,000,000.00 for a term commencing July 1, 2007 and ending June 30, 2008. The original agreement was awarded on a non-competitive basis based on the Vendor's previous history of working with the Chicago Public Schools and their ability to deliver a formative classroom assessment system.

OPTION PERIOD: The term of the agreement is being extended for one additional year commencing July 1, 2008 and ending June 30, 2009.

OPTION PERIODS REMAINING: There is one option period remaining for a period of one year.

SCOPE OF SERVICES: Educational Testing Service shall continue to provide services related to their mathematics benchmark assessment test materials for grades 3-8.

DELIVERABLES: Educational Testing Service shall continue to deliver their mathematics benchmark assessment test materials for grades 3-8. Delivery includes test books, answer sheets, custom reporting services, Pre-ID labels, and Pregridding. Vendor shall continue to provide, at no additional cost, district profile summary reports for both tests and presentation packets. Area Instructional Officers shall continue to receive area specific district profile summary reports and PDF versions of school profile summary reports. Vendor shall also continue to provide psychometric services including equating and prediction studies.

OUTCOMES: The ETS mathematics benchmark assessment, which is aligned to the standards measured by the Illinois Standards Achievement Test, shall provide teachers and administrators with insights and tools to rapidly evaluate and guide classroom instruction over the course of a school year. The assessment shall provide benchmarks of student achievement so that administrators and teachers can target students who need intervention and additional resources.

COMPENSATION: Vendor shall be paid during this option period as specified in the renewal agreement. Total compensation during this option period shall not exceed \$2,000,000.00.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in this renewal agreement. Authorize the President and Secretary to execute this renewal agreement. Authorize Chief of the Office of Instructional Design and Assessment to execute all ancillary documents required to administer or effectuate this renewal agreement.

AFFIRMATIVE ACTION: Pursuant to Section 5.2 of the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services contracts (M/WBE Plan), contract goal provisions do not apply to those vendors who operate as Not-for-Profit organizations.

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

FINANCIAL: Charge to Research, Evaluation, and Accountability: \$2,000,000.00
Budget Classification: TBD Fiscal Year: 2009
Source of Funds: 115 General Education Fund

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.

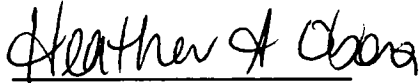
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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

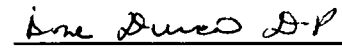
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



Heather A. Obora
Chief Purchasing Officer

Approved:



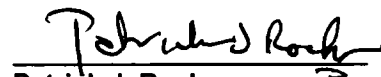
Arne Duncan
Chief Executive Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to legal form: 



Patrick J. Rocks
General Counsel