

This Agreement shall be posted on the CPS website.

**PROFESSIONAL SERVICES AGREEMENT
(Navigant Consulting Inc.)**

This **PROFESSIONAL SERVICES AGREEMENT** (this "**Agreement**"), is made and entered into as of the date of execution by the Board as indicated below (the "**Effective Date**"), between the Board of Education of Chicago, a body corporate and politic, organized under the laws of the State of Illinois, commonly known as Chicago Public Schools (the "**Board**" or "**CPS**"), with offices at 42 W. Madison, Chicago, IL 60602, and Navigant Consulting Inc., with principal place of business located at 30 S. Wacker Drive, Chicago, IL 60606 ("**Provider**").

RECITALS:

- A. The Board issued Supplemental Request for Qualifications No. 15-350072 (the "**RFQ**") in which the Board sought proposals for vendors to provide professional services and staff augmentation on an as needed basis to Central Office management;
- B. Provider responded to the RFQ and was selected to provide services in the following areas of specialization:
 - Construction and Facilities Management
 - Data Analytics
 - Finance
 - Organization and Management Consulting
 - Project Management
 - Risk Management;
- C. Provider has demonstrated expertise in providing services, has represented that it has the requisite knowledge, skill, experience, and other resources necessary to perform such services, and is desirous of providing such services for the Board;
- D. The Board chose Provider to supply the services described in this Agreement, and the parties now wish to execute this Agreement that defines the nature of their relationship, establishes pricing, and describes the manner in which services will be furnished by Provider;
- E. Provider acknowledges that it is not guaranteed or entitled to receive assignments or payments solely by virtue of entering into this Agreement.

NOW THEREFORE, in consideration of the foregoing, which are incorporated into and made a part of this Agreement by this reference, and the mutual covenants contained herein, the parties agree as follows:

1. **Term of Agreement:** This Agreement is for a term commencing on its Effective Date and continuing through October 31, 2018 ("**Term**"), unless terminated sooner as provided herein.

2. **Scope of Services; Provider Qualification; Statement of Work; Staff Augmentation Requests:**

2.1. **Scope of Services:** Provider agrees to perform the Services as described in this Agreement. "**Services**" means, collectively, the services, deliverables, duties and responsibilities described in the Scope of Services, attached to and incorporated into this Agreement as Exhibit A, as may be amended or added to in accordance with the terms of this Agreement, and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement. The Board retains final authority with respect to all decisions related to the Services. The Board may, from time to time, request changes in the scope of Services. Any such changes, including but not limited to any increase or decrease in Provider's compensation, shall be in accordance with the Change Management Process described in this Agreement and shall be agreed to in writing by the authorized representatives of both parties and may require the approval of the Board's General Counsel.

2.2. **Services for which Provider has been Qualified:** Based upon the Board's review of Provider's proposal in response to the RFQ, CPS selected Provider to supply services in the following categories:

- Construction and Facilities Management

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- Data Analytics
- Finance
- Organization and Management Consulting
- Project Management
- Risk Management

Provider may not perform any services under this Agreement except in the categories listed above.

2.3. Statements of Work: As described in the Scope of Services, prior to the commencement of any Services hereunder, the parties shall mutually agree upon and prepare a written Statement of Work ("SOW") for each project, which identifies the specific services to be rendered, the roles and responsibilities of the parties, periods of performance, timelines, deliverables, fees for the project (on an hourly or fixed fee basis), key personnel (if any), any additional insurance requirements, the maximum compensation to the Provider for the project, and any additional terms and conditions specific to such SOW. Each SOW between the Board and Provider shall be numbered serially in the order of its execution and shall be executed by the authorized representatives of both parties and may require the approval of the Board's General Counsel. There is no obligation on the Board to enter into any Statements of Work with Provider solely by entering into this Agreement. Any SOW that modifies or amends any legal terms, conditions, or provisions; shifts risks or liabilities between the parties; or otherwise constitutes a material revision as defined below may require the approval of the Board's General Counsel. The execution of the SOW by authorized representatives of both parties is required before any Services commence. The Board may, in its sole discretion, deem any Statement of Work to be null and void, in whole or in part, to the extent that it seeks to modify or amend any legal terms, condition, or provision; shifts risks or liabilities between the parties; or otherwise constitutes a material revision without the proper agreement and approval as set forth in this Agreement.

2.4. Staff Augmentation: As described in the Scope of Services, the Board may request that Provider supply staff augmentation on an as needed, temporary basis. In such an event, the Board shall submit a Staff Augmentation Request to Provider, signed by an authorized representative of the Board. Upon acceptance and before Services may commence, the authorized representative of Provider shall sign the Staff Augmentation Request. No changes may be made to the Request without the written acknowledgment and agreement of both parties. The performance of Services pursuant to a Staff Augmentation Request shall be pursuant to the terms and conditions of this Agreement, and the legal terms and conditions, including any risks or liabilities of the parties, shall not be modified through a Staff Augmentation Request. There is no obligation on the Board to issue or enter into any Staff Augmentation Requests with Provider solely by entering into this Agreement.

2.5. Board Authorization of SOW's and Staff Augmentation Requests: One of the following individuals or his/her designee is required to sign an SOW or Staff Augmentation Request as the Board's authorized representative before the SOW or Staff Augmentation Request can be effective: Senior Vice President of Finance, Chief Internal Auditor, Chief Administrative Officer, Chief of Staff to the Chief Executive Officer. Any SOW or Staff Augmentation Request that has a projected spend over Seven Hundred Fifty Thousand Dollars (\$750,000) requires the signature of the Board President or his/her designee before it is effective. Any modification or amendment of any legal terms, conditions, or provisions; any shift of risks or liabilities between the parties; or any other material revision as defined below shall additionally require the approval of the Board's General Counsel.

3. **Pricing; Compensation; Billing and Payment Procedures; Electronic Payments:**

3.1. Pricing: Provider's rates and other pricing elements for the Services to be performed under this Agreement are set forth in the Schedule of Pricing that is attached and incorporated into this Agreement as Exhibit B. The rates are all-inclusive and may not be increased during the Term of the Agreement. The parties may agree to fixed fee arrangements or reductions in the rates for specific projects, which shall be reflected in the applicable SOW or Staff Augmentation Request. However, the rates for any Services performed pursuant to an SOW or Staff Augmentation Request shall not exceed the rates provided in the Schedule of Pricing.

3.2. Compensation: The aggregate total maximum compensation payable to all providers qualified by the Board shall not exceed the sum authorized by the Board in Board Report 15-1028-PR3 ("**Total Maximum**

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Compensation”), as may be amended. The Total Maximum Compensation authorized is currently Fourteen Million Dollars (\$14,000,000). It is understood and agreed that the Total Maximum Compensation is a ‘not-to-exceed amount’ and is not a guaranteed payment. The Board shall not reimburse for any expenses. Compensation shall be based on actual Services performed during the Term of this Agreement, and the Board shall not be obligated to pay for any Services or deliverables not in compliance with this Agreement. In the event the Agreement is terminated early, the Board shall only be obligated to pay the fees incurred up to the effective date of termination and Provider shall promptly refund to the Board any payments received for Services and deliverables not provided.

3.3. **Billing and Payment Procedures:** All invoices must be submitted electronically via email in PDF format to cpsinvoice@cps.edu. Each email may only contain one invoice and must include Provider’s vendor name as registered with the Board and the CPS Purchase Order number. All invoices must include:

- Vendor name and payment address
- Unique invoice number (determined by Provider)
- Valid purchase order number (only one PO number may be referenced on each invoice)
- Invoice date
- Itemized description of the services rendered and/or goods delivered
- Date the services were provided and/or goods were delivered to CPS
- Detailed pricing information such as quantities, unit prices, discount, and final net amount due

Invoices shall be submitted in a timely manner. The final invoice shall be submitted no later than ninety (90) days after the expiration or termination of this Agreement. If Provider has more than one contract with the Board, separate invoices must be submitted for each contract. The Board shall process payments in accordance with the Local Government Prompt Payment Act (50 ILCS 505/1 *et seq.*). The Board reserves the right to request additional information and supporting documentation necessary for the Board to verify the Services provided under this Agreement.

3.4. **Electronic Payments:** Provider agrees that, at the Board’s sole discretion, the Board may make payment electronically to Provider for any and all amounts due by means of the Board’s procurement charge card account. Provider recognizes that any charge to the Board’s procurement charge card that is in excess of the open remaining amount as stipulated in the applicable Purchase Order, or any charge unaccompanied by the requisite documentation and data as required by the Board, shall be deemed invalid and disputed by the Board. Provider further recognizes that, in the absence of any supporting documentation as may be required by the Board, payments associated with disputed charges shall be rescinded by the Board and deemed not owed by the Board. Provider agrees to comply with the rules, procedures and documentation required for electronic payment via the Board’s procurement charge card as established by the Board’s Department of Procurement and Contracts.

4. **Change Management Process:** During the Term of this Agreement, the parties may determine that change(s) to the scope of Services or other terms of this Agreement is necessary. In such an event, the parties shall determine if the proposed change amounts to a material revision as described in this Section before determining how that change will be documented.

4.1. **Material Revision:** A material revision includes but is not limited to: (i) increasing the cost of the Services to be provided during the Term of this Agreement beyond the Total Maximum Compensation identified in this Agreement, as may be amended; (ii) substantial reduction in the scope of Services; (iii) substantial expansion of the Services to be provided beyond the scope of Services authorized by the Board in this Agreement; (iv) extending the time of performance of Services beyond the time period approved by the Board; or (v) change or modification to the legal terms and conditions contained in this Agreement. A material revision requires a written amendment to the Agreement approved by the Board and the Board’s General Counsel and Provider’s Office of the General Counsel. Any material revision that is not documented and approved as set forth above may, at the Board’s sole discretion, be considered null and void with no legal effect.

4.2. **Change Requests and Authorizations:** If the proposed change does not amount to a material revision as defined above, the authorized representatives of both parties shall agree in writing to a Change Request and Authorization for the applicable Statement of Work before the change takes effect. As described further in the

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Scope of Services, all Change Requests and Authorizations shall contain a detailed written description of the change in the Services and any associated price change. Any Services provided pursuant to a Change Request and Authorization will be subject to and comply with the terms of this Agreement. The Board may, in its sole discretion, deem any Change Request and Authorization to be null and void, in whole or in part, to the extent that it seeks to modify or amend any legal terms, condition, or provision; shifts risks or liabilities between the parties; or otherwise constitutes a material revision without the proper agreement and approval as set forth in this Agreement.

5. **Personnel:** Provider agrees to assign and maintain during the term of this Agreement, an adequate staff of competent personnel that is fully equipped, licensed as appropriate, available as needed, and qualified to perform the Services. If the Board determines, in its sole discretion that any employee, subcontractor or other person providing Services hereunder for Provider is not performing in accordance with the performance standards or other requirements of this Agreement, the Board shall have the right to direct Provider to remove that person from performing Services under this Agreement.

6. **Standards of Performance:** Provider shall devote, and shall cause all of its employees, agents and subcontractors, if any, to devote, such of their time, attention, best skill and judgment, knowledge and professional ability as is necessary to supply all Services effectively, efficiently, and consistent with the best interests of the Board and to the satisfaction of the Board officer who signed the applicable SOW or Staff Augmentation Request. Provider shall retain and utilize sufficient staff to assure the most effective and efficient supply of Services and shall utilize, as required by law or by this Agreement, professionals licensed to practice in the State of Illinois in the applicable profession. Provider shall use efficient business administration methods and supply the Services in the best way and in the most expeditious and economical manner consistent with the best interests of the Board, so as to assure, among other things, that the Services are supplied at a reasonable cost to the Board and that Services supplied by other entities or persons in connection with this Agreement are efficiently and cost-effectively delivered. Provider acknowledges that, if in the course of providing Services hereunder, it is entrusted with or has access to valuable or confidential information or records of the Board, that with respect to that information, Provider agrees to be held to the standard of care of a fiduciary. Any review, approval, acceptance of Services or deliverables or payment for any of the Services by the Board does not relieve Provider of its responsibility for the professional skill, care, and technical accuracy of its Services and deliverables. Provider shall remain responsible for the professional and technical accuracy of all Services, including any deliverables furnished, whether by Provider or its subcontractors or others on its behalf.

7. **Non-appropriation:** Expenditures not appropriated by the Board in its current fiscal year budget are deemed to be contingent liabilities only and are subject to appropriation in subsequent fiscal year budgets. In the event no funds or insufficient funds are appropriated and budgeted in any subsequent fiscal period by the Board for performance under this Agreement, the Board shall notify Provider and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. Payments for Services completed to the date of notification shall be made to Provider except that no payment shall be made or due to Provider under this Agreement beyond those amounts appropriated and budgeted by the Board to fund payments under this Agreement.

8. **Termination, Suspension of Services, Events of Default, Remedies and Turnover of Documents:**

8.1. **Early Termination:** The Board may terminate this Agreement in whole or in part, without cause at any time upon thirty (30) days' written notice in accordance with the Notice provisions herein. After notice is received, Provider must restrict its activities and those of its subcontractors, to winding down any reports, analyses, or other activities previously begun. No costs incurred after the effective date of the termination are allowed.

Provider must include in its contracts with subcontractors an early termination provision in form and substance equivalent to this early termination provision to prevent claims against the Board arising from termination of subcontracts after the early termination of this Agreement. Provider shall not be entitled to make any early termination claims against the Board resulting from any subcontractor's claims against Provider or the Board to the extent inconsistent with this provision.

8.2. **Suspension of Service:** The Board may, upon fifteen (15) calendar days' written notice, request that Provider suspend supplying Services in whole or part. Provider shall promptly resume supplying Services upon written notice from the Board and upon such equitable extension of time as may be mutually agreed upon, in writing, by the Board and Provider. Responsibility for any additional costs or expenses actually incurred by Provider as a result of remobilization shall be determined by mutual agreement of the parties.

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8.3. Events of Default: Events of default (“**Events of Default**”) include, but are not limited to, any of the following:

- a. Any material misrepresentation by Provider in the inducement of the Agreement or the provision of Services;
- b. Where Services include contact with CPS students, any failure to comply with the Criminal History Records Check Section, in whole or in part;
- c. Breach of any agreement, representation or warranty made by Provider in the Agreement;
- d. Default by Provider under any other agreement Provider may have with the Board;
- e. Assignment by Provider for the benefit of creditors or consent by Provider to the appointment of a trustee or receiver or the filing by or against Provider of any petition or proceeding under any bankruptcy, insolvency or similar law;
- f. Breach of any term, condition, representation, or warranty made by the Provider in the Agreement; or
- g. Failure of Provider to perform any of its obligations under this Agreement, including, but not limited to, the following:
 - (1) Action or failure to act which affects the safety or welfare of students or Board staff;
 - (2) Failure to perform in accordance with terms, conditions, and specifications of this Agreement;
 - (3) Failure to perform the Services herein at the time fixed for performance and in the manner specified herein;
 - (4) Failure to perform the Services with sufficient personnel and equipment or with sufficient material to ensure the timely performance of Services;
 - (5) Failure to perform the Services in a manner satisfactory to the Board;
 - (6) Failure to promptly re-perform Services that were determined by the Board to be defective or failing to meet the scope of Services within a reasonable time and at no cost to the Board;
 - (7) Discontinuance of the supply of the Services for reasons within Provider's reasonable control; or
 - (8) Failure to comply with any term of this Agreement, including but not limited to, the provisions concerning insurance and nondiscrimination, and any other acts specifically and expressly stated in this Agreement constituting an event of default.

8.4. Remedies: The Board in its sole discretion may declare Provider in default if Provider commits an Event of Default. The Chief Procurement Officer may in her or his sole discretion give Provider an opportunity to cure the default within a certain period of time (the “**Cure Period**”). The Chief Procurement Officer shall give Provider written notice of the default either in the form of a cure notice (“**Cure Notice**”) or, if no opportunity to cure is granted, a default notice (“**Default Notice**”). If the Chief Procurement Officer gives a Default Notice stating that s/he has decided to terminate this Agreement, in whole or in part, then that decision is final and effective on giving of the notice or on the date set forth in the notice, whichever is later. The Chief Procurement Officer may give a Default Notice if Provider fails to effect a cure within the Cure Period, or, in the event that the default cannot be cured completely within the Cure Period, Provider fails to begin reasonable efforts to effect a cure within the Cure Period. If the Chief Procurement Officer decides not to terminate, then she or he may decide at any time thereafter to terminate this Agreement in a subsequent Default Notice.

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Provider must discontinue all Services unless otherwise specifically directed in the Default Notice, and Provider must deliver to the Board all materials prepared or created in the performance of this Agreement, whether completed or in-process.

Upon the occurrence of an Event of Default, the Board may invoke any or all of the following remedies:

- a. The right to take over and complete the supply of Services or any part thereof, by contract or otherwise as agent for and at the cost of Provider either directly or through others. Provider shall be liable to the Board for any excess costs incurred by the Board. Any amount due Provider under this Agreement or any other agreement Provider may have with the Board may be offset against amounts claimed due by the Board.
- b. The right to terminate this Agreement, in whole or in part, as to any or all of the Services yet to be performed effective at a time specified by the Board.
- c. The right to suspend the supply of Services during the Cure Period if the default results from Provider's action or failure to act which affects the safety or welfare of students or Board staff. In the event that Services are resumed, Provider shall not be entitled to seek reimbursement from the Board for any additional costs or expenses incurred as a result of remobilization.
- d. The right to specific performance, an injunction or any other appropriate equitable remedy.
- e. The right to money damages.
- f. The right to withhold all or part of Provider's compensation under this Agreement.
- g. The right to deem Provider non-responsible in future contracts to be awarded by the Board, pursuant to the Board's Debarment Policy (08-1217-PO1), as may be amended.

The Board may elect not to declare Provider in default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the Board and that if the Board permits Provider to continue to supply the Services despite one or more Events of Default, Provider shall in no way be relieved of any responsibilities, duties or obligations under this Agreement nor shall the Board waive or relinquish any of its rights under this Agreement, at law, equity or statute, including the right to declare an Event of Default in the future.

The remedies under the terms of this Agreement are not intended to be exclusive of any other remedies provided, but each remedy shall be cumulative and shall be in addition to any other remedies, existing now or hereafter, at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall be construed as a waiver of any Event of Default or acquiescence thereto, and every such right and power may be exercised from time to time and as often as may be deemed by the Board to be expedient.

If the Board's election to terminate this agreement for default under this Section is determined by a court of competent jurisdiction to have been wrongful, then in that case the termination is to be considered an early termination pursuant the Early Termination provision above.

8.5. **Turnover of Documents and Records:** Upon demand of the Board after termination of the Agreement for any reason or the expiration of the Agreement by its terms, Provider shall turn over to the Board or its designee within five (5) days of demand, all materials, supplies, equipment owned or purchased by the Board, completed or partially completed work product or analyses, data, computer disks, documents and any other information relating in any way to this Agreement or the performance or furnishing of Services, except that Provider may keep a copy of such information necessary for its own records, subject to other restrictions contained in this Agreement regarding the retention and use of this information.

9. **Board Not Subject to Taxes:** The federal excise tax does not apply to the Board by virtue of Exemption Certificate No. 36-6000584, and the State of Illinois sales tax does not apply to the Board by virtue of Exemption No. E9997-7109-06. The amounts to be paid to Provider hereunder are inclusive of all other taxes that may be levied or based on this Agreement, including without limitation, sales, use, non-resident, value-added, excise, and similar taxes levied or imposed on the Services, but excluding taxes levied or imposed on the income or business privileges of Provider, which remain the responsibility of Provider.

10. **Confidential Information; Dissemination of Information; Ownership; Injunctive Relief; Survival:**

10.1. **Confidential Information:** In the performance of this Agreement, Provider may have access to or receive certain information that is not generally known to others ("Confidential Information"). Provider acknowledges that Confidential Information includes, but is not limited to, proprietary information, copyrighted material, business plans, financial data, educational records, student data, employee data, information relating to health records, and other information of a personal nature. It is understood that Confidential Information may also include confidential or proprietary information of third parties provided in the course of the performance of Services under this Agreement. Confidential Information will not include information that is: (i) or becomes part of the public domain through no fault of Provider; (ii) made available to Provider by an independent third party having the legal right to make such disclosure; and (iii) information that can be established and documented by Provider to have been independently developed or obtained by Provider without violating the confidentiality obligations of this Agreement and any other agreements with the Board.

10.2. **Use of Confidential Information:** Provider shall:

a. Only use Confidential Information and any finished or unfinished, documents, screens, reports, writings, procedural manuals, forms, source code, object code, work flow charts, methods, processes, data, data studies, drawings, maps, files, records, computer printouts, designs, equipment descriptions, or other materials prepared or generated as a result of this Agreement ("**Work Product**") for the sole purpose of delivering the Services to the Board hereunder, and shall not disclose the Confidential Information except to those of its officers, agents, employees, and subcontractors who have a need to access the Confidential Information for said purpose. Notwithstanding the foregoing, as described in the Compliance with Laws Section, it is understood and agreed that such protection of Confidential Information shall be subject to the special requirements of the Family Educational Rights and Privacy Act ("**FERPA**") and the Illinois School Student Records Act ("**ISSRA**").

b. Not copy or reproduce in any manner whatsoever the Confidential Information of the Board without the prior written consent of the Board, except where required for its own internal use strictly in accordance with this Agreement.

10.3. **Transmitting and Storing Confidential Information:** Provider shall:

a. When mailing physical copies of Confidential Information containing personally identifiable information ("**PII**"), send the PII in a tamper-proof, labeled container, with a tracking number and a delivery confirmation receipt;

b. Only electronically transmit or mail PII on electronic media, such as CDs, DVDs, electronic tape, etc., if the Confidential Information is encrypted. Encryption must utilize the Advanced Encryption Standard ("**AES**") algorithm with a key of 256 bits or greater ("**Encrypt**");

c. Not send, via mail or electronically, any password or other information sufficient to allow decryption of Confidential Information with the Encrypted Confidential Information;

d. Encrypt any and all Confidential Information stored on portable or removable electronic media, such as CDs, DVDs, tape, flash drives, etc. Provider shall not leave Confidential Information in any electronic format unsecured and unattended at any time;

e. Keep all physical copies (paper, portable or removable electronic media, or other physical representations) of Confidential Information under lock and key, or otherwise have sufficient physical access control measures to prevent unauthorized access. Provider shall not leave Confidential Information unsecured and unattended at any time;

f. Provider shall password protect any laptop or any other device that contains Confidential Information. Additionally, any laptop or other device that contains Confidential Information shall have its full hard drive Encrypted. Provider shall not leave any laptop or other device unattended without enabling a screen-lock or otherwise blocking access to the laptop or other device. Provider shall ensure that no password or other information sufficient to access a laptop or other device

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containing Confidential Information is attached to or located near the laptop or other device at any time.

g. Provider shall ensure the security of the Confidential Information stored on any servers by employing adequate security measures to prevent unauthorized access to that information. These measures include policies, procedures, and technical elements relating to data access controls. In addition, Provider shall use standard security protocols and mechanisms to protect the exchange and transmission of Confidential Information.

h. Confidential Information shall be stored, backed up and served only on servers based in the continental United States that are hosted by data centers and, where Provider may be storing, backing up or holding in any other way PII, the Board's ITS Program Manager or his/her designee of the hosting solution may be required in advance.

10.4. Dissemination of Information: Provider shall not disseminate any information obtained in performance of Services for the Board to a third party (other than Provider's subcontractors who are performing Services under this Agreement) without the prior written consent of the Board. Provider shall not issue publicity news releases or grant press interviews during or after the performance of the Services, except as may be required by law or with the prior written consent of the Board. If Provider is presented with a request for documents by any administrative agency or with a *subpoena duces tecum* regarding any Confidential Information and/or Work Product which may be in Provider's possession as a result of Services provided under this Agreement, Provider shall immediately give notice to the Board and its General Counsel with the understanding that the Board shall have the opportunity to contest such process by any means available to it prior to submission of any documents to a court or other third party. Provider shall not be obligated to withhold delivery of documents beyond the time ordered by a court of law or administrative agency, unless the request for production or subpoena is quashed or withdrawn, or the time to produce is otherwise extended. Provider shall cause its personnel, staff and subcontractors, if any, to undertake the same obligations regarding confidentiality and dissemination of information as agreed to by Provider under this Agreement.

10.5. Ownership of Confidential Information and the Board's Intellectual Property: All Confidential Information and any intellectual property derived from, developed with, or relying upon Confidential Information shall at all times be and remain the property of the Board. Provider shall execute all documents and perform all acts that the Board may request in order to assist the Board in perfecting or protecting its rights in and to the intellectual property rights derived from, developed with, or relying upon the Confidential Information.

10.6. Injunctive Relief: In the event of a breach or threatened breach of this Section, Provider acknowledges and agrees that the Board would suffer irreparable injury not compensable by money damages and would not have an adequate remedy at law. Accordingly, Provider agrees that the Board shall be entitled to immediate injunctive relief to prevent or curtail any such breach, threatened or actual. The foregoing shall be in addition and without prejudice to such rights that the Board may have in equity, by law or statute.

10.7. Press Releases; Publicity; Board Intellectual Property: Provider shall not issue publicity news releases, grant press interviews, or use any intellectual property belonging to the Board, including but not limited to the CPS logo or the logos of any schools, during or after the performance or the delivery of Services, nor may Provider photograph or film within any CPS school or facility without the express written consent of an authorized representative of the Board.

10.8. Return or Destruction of Confidential Information: Provider shall, at the Board's option, destroy or return all Confidential Information provided by the Board within ten (10) business days of demand, or if no demand is made, it shall destroy or return all Confidential Information, including any Work Product, to the Board within ten (10) business days of the expiration or termination of this Agreement unless Provider receives permission in writing from the Board's Chief Internal Auditor or his designee that Provider may retain certain Confidential Information or Work Product for a specific period of time. In the event the Board elects to have Provider destroy the Confidential Information, Provider shall execute an affidavit attesting to such destruction. If any of the above items are lost or damaged while in Provider's possession, such items shall be restored or replaced at Provider's expense. The parties acknowledge and agree that Provider may be required by certain professional standards to retain evidence of work performed and that such evidence may contain Confidential Information. Provider agrees that, in such an event, it shall exercise due care to minimize the Confidential

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Information that must be so retained and that the obligations regarding the treatment and disclosure of such Confidential Information shall survive the expiration or termination of this Agreement.

10.9. **Unauthorized Access, Use or Disclosure:** If Provider has knowledge of any unauthorized access, use or disclosure of Confidential Information, it shall: (i) notify the Board immediately, which in no event shall be longer than twenty four (24) hours from Provider receiving notice of the unauthorized access, use, or disclosure; (ii) take prompt and appropriate action to prevent further unauthorized access, use, or disclosure; (iii) cooperate with the Board and any government authorities with respect to the investigation and mitigation of any such unauthorized access, use, or disclosure, including the discharge of the Board's duties under the law; and (iv) take such other actions as the Board may reasonably direct to remedy such unauthorized access, use, or disclosure, including, if required under any federal or state law, providing notification to the affected persons. As set forth in Section 40 below, Provider shall bear the losses and expenses (including attorneys' fees) associated with a breach of Confidential Information including, without limitation, any costs of: (1) providing notices of a data breach to affected persons, and to regulatory bodies; and (2) remedying and otherwise mitigating any potential damage or harm of the data breach, including, without limitation, establishing call centers and providing credit monitoring or credit restoration services, as requested by the Board. Provider shall include this Unauthorized Access, Use or Disclosure provision in any and all agreements they execute with subcontractors under this Agreement.

10.10. **Employees, Agents and Subcontractors:** Provider agrees to cause its employees, agents and subcontractors to undertake the same obligations as agreed to herein by Provider.

10.11. **Survival:** The provisions of this Section shall survive the termination or expiration of this Agreement.

11. **Provider's Intellectual Property and Materials:** Provider may use ideas, concepts, methodologies, data, software, designs, utilities, tools, models, techniques, systems or other know-how that it develops, owns, or licenses ("Materials") in performing the Services. Provider retains all intellectual property, including but not limited to any trademarks, trade dress, copyrights, patents, and any other protectable intellectual property rights ("Provider's intellectual property") in the Materials (including any improvements or knowledge developed while performing the Services) and in any other Materials possessed by or developed by Provider prior to or during performance of Services under this Agreement provided that said intellectual property and Materials were not developed and do not incorporate Confidential Information. Provider grants to the Board a perpetual, royalty-free, non-transferable license to use Provider's intellectual property and Materials to the extent necessary in order for the Board to receive and use the Services provided under this Agreement.

12. **Freedom of Information Act:** Provider acknowledges that this Agreement and all documents submitted to the Board related to this contract award are a matter of public record and are subject to the Illinois Freedom of Information Act (5 ILCS 140/1) and any other comparable state and federal laws and that this Agreement is subject to reporting requirements under 105 ILCS 5/10-20.44. Provider further acknowledges that this Agreement shall be posted on the Board's website at www.cps.edu.

13. **License, Implementation, and Support:** To the extent that the use of or access to any software is necessary for or a part of the Services received by the Board, regardless of means of delivery including direct distribution, downloadable media, or through access to a website (collectively "Software"), Provider shall assure that the following will apply to such Software:

13.1. **License:** Provider hereby grants to the Board a non-exclusive, worldwide, nontransferable, royalty-free (except for fees specified in this Agreement) license to use the Software to the extent necessary to receive or use the Services performed pursuant to this Agreement. The Board shall not sell, lease, license or otherwise transfer, use or dispose of the Software outside of the CPS except as expressly provided herein. The Software and any accompanying documentation shall at all times remain the sole and exclusive property of Provider or, alternatively, the sole and exclusive property of a third party from whom Provider has obtained all necessary rights and permissions to sub-license the Software to the Board. The Board shall not copy or knowingly permit the copying by any third party of the Software (other than for a reasonable number of back-up copies) or distribute, market, sell, rent, lease, license, transfer, sublicense or assign to any third party any portion of the Software except as permitted under this Agreement. The Board shall not make any alterations, additions or modifications, create derivative works, decompile, disassemble or reverse engineer the Software without the prior written consent of Provider.

This Agreement shall be posted on the CPS website.

13.2. Permissible Board Actions: Nothing in this Section shall prevent the Board, its employees and representatives from sharing reports and data generated from Provider's Services with other vendors of the Board.

13.3. Implementation of the Software: Provider shall perform any necessary installation, configuration, and implementation Services for the Software so that it is accessible through the Board's computer systems.

13.4. Licensed Users: Provider shall supply a username and password for each licensed user of the Software, if applicable. "Licensed Users" or "Board Users" means those departments, schools, administrators, and other identified individuals licensed to access the Software. If the number of Licensed Users is not fixed in this Agreement, then the number of Licensed Users shall be identified in the applicable PO(s).

13.5. Software Maintenance: During the term of this Agreement, Provider shall be solely responsible for maintenance of the Software and its accessibility to the Board.

13.6. Software Support: Provider shall provide the maintenance and support for the Software to the Board as described in Agreement.

13.7. Controlling Agreement: The Board shall not be bound by the terms and conditions contained in any clickwrap agreement, clickwrap license, clickthrough agreement, clickthrough license, end user license agreement or any other agreement or license contained or referenced in the Software or any quote provided by Provider. Even if a Board user agrees to any agreement or license contained or referenced in the Software or a quote from Provider, Provider acknowledges and agrees that those terms and conditions are null and void and are not binding on the Board. Rather, Provider acknowledges and agrees that the terms and conditions of this Agreement represent the entire agreement of the parties for the Services. No additional terms or conditions shall apply to the Board unless a written amendment to this Agreement is made and signed by the authorized representatives of both parties and the Board's General Counsel.

13.8. Compatibility and Data Flow: Provider shall ensure that the Software and Services allows data to flow properly between the Board's systems, Provider, and such other third party environments as may be necessary for the Board's requirements. Provider must ensure that any other resources that are provided by, approved or recommended by Provider for use by the Board in connection with the Software and Services, be fully compatible with, and must not materially and adversely affect, or be materially and adversely affected by, each other or the other hardware, software, equipment, network components, systems, services, and other resources that are owned or leased by, or licensed to, the Board (collectively, the "Board Resources"). At all times, Provider must cooperate and work as requested with the other service providers of the Board to coordinate the development and the provision of Services with the services and systems of such other service providers. Such coordination shall include:

- a. Facilitating with such other relevant service providers the timely resolution of all problems that may arise and impact the Software and Services, regardless of the actual or suspected root-cause of such problems, and using all commercially reasonable efforts to obtain and maintain the active participation, cooperation, and involvement of such other service providers as is required for such problem resolution;
- b. Providing information concerning the Software, Services, data, computing environment, and technology direction used in implementing and the Software and Services;
- c. Working with the Board's other service providers in the implementation and integration of the Software and Services with the Board Resources in the Board's environment and the integration and interfacing of the services of such other service providers with the Software and Services;
- d. Providing reasonable access to and use of the Software and Services; and
- e. Performing other reasonably necessary tasks in connection with the Software and Services in order to accomplish the foregoing activities described in this section.

In the event of any dispute between the parties as to whether a particular service or function falls within the scope of services to be provided by the Board's third-party service providers (or by the Board itself), or within the scope of Software and Services, such particular service or function shall be considered to be a part of the Software and Services hereunder if it is consistent with, and reasonably inferable to be within, the scope of

Provider's Services, as set forth in this Agreement, and it more reasonably would be associated with the scope of Provider's Services than with the scope of the services to be provided by such other service providers. If any of the foregoing requires the disclosure of any proprietary information or confidential information of Provider to any third party, such third party shall be required to enter into a reasonable confidentiality agreement with Board, with terms substantially equivalent to those of this Agreement regarding the protection of Confidential Information.

Provider shall have no obligation under this section to ensure that the Board maintains an active internet connection. Any unavailability of the Software or Services due to the Board's lack of an internet connection, unless such lack of an internet connection is caused by Provider or Provider's Software or Services, shall be the sole responsibility of the Board.

14. **Representations and Warranties of Provider:** Provider represents and warrants that the following shall be true and correct as of the effective date of this Agreement and shall continue to be true and correct during the Term of this Agreement:

14.1. **Licensed Professionals:** Provider is appropriately licensed under Illinois law to perform Services required under this Agreement and shall perform no Services for which a professional license is required by law and for which Provider, its employees, agents, or subcontractors, as applicable, are not appropriately licensed.

14.2. **Compliance with Laws:** Provider is and shall remain in compliance with all applicable federal, state, county, and municipal, statutes, laws, ordinances, and regulations relating to this Agreement and the performance of Services in effect now or later and as amended from time to time, including but not limited to the Prevailing Wage Act, 820 ILCS 130/1 et seq., the Drug-Free Workplace, the Illinois School Student Records Act, the Family Educational Rights and Privacy Act, the Protection of Pupil Rights Amendment and any others relating to non-discrimination. Further, Provider is and shall remain in compliance with all Board policies and rules. Board policies and rules are available at <http://www.cps.edu/>.

14.3. **Good Standing:** Provider is not in default and has not been deemed by the Board to be in default under any other Agreement with the Board during the five (5) year period immediately preceding the effective date of this Agreement.

14.4. **Authorization:** In the event Provider is an entity other than a sole proprietorship, Provider represents that it has taken all action necessary for the approval and execution of this Agreement, and execution by the person signing on behalf of Provider is duly authorized by Provider and has been made with complete and full authority to commit Provider to all terms and conditions of this Agreement which shall constitute valid, binding obligations of Provider.

14.5. **Financially Solvent:** Provider warrants that it is financially solvent, is able to pay all debts as they mature and is possessed of sufficient working capital to complete all Services and perform all obligations under this Agreement.

14.6. **Gratuities:** No payment, gratuity or offer of employment was made by or to Provider, any of its members if a joint venture or, to the best of Provider's knowledge after due inquiry, by any of its subcontractors, in relation to this Agreement or as an inducement for award of this Agreement. Provider is and shall remain in compliance with all applicable anti-kickback laws and regulations.

14.7. **Contractor's Disclosure Form:** The disclosures in the Contractor Disclosure Form, previously submitted by Provider, are true and correct. Provider shall promptly notify Board in writing of any material change in information set forth therein, including but not limited to change in ownership or control, and any such change shall be subject to Board approval which shall not be unreasonably withheld.

14.8. **Criminal History Records Check:** Provider represents and warrants that, at its own cost and expense, it shall have a complete fingerprint-based criminal history records check conducted on all employees, agents, and subcontractors who may have contact with CPS students (collectively "Staff") in accordance with the *Illinois School Code* (105 ILCS 5/34-18.5); the *Sex Offender and Child Murderer Community Notification Law* (730 ILCS 152/101 et seq.); and the *Murderer and Violent Offender Against Youth Registration Act* (730 ILCS 154/1 et seq.) ("Records Check"). It is understood and acknowledged that contact via text messages, live chats, emails or through any other means shall be considered "contact" for the purposes of this Section. A complete Records Check includes the following:

This Agreement shall be posted on the CPS website.

- (a) Fingerprint-based checks through the Illinois State Police and the FBI;
- (b) A check of the Illinois Sex Offender Registry; and
- (c) A check of the Violent Offender Against Youth Database.

The purpose of the Records Check is to confirm that none of these persons have been convicted of any of the criminal or drug offenses enumerated in subsection (c) of 105 ILCS 5/34-18.5 or any offenses enumerated under the *Sex Offender and Child Murderer Community Notification Law* or the *Murderer and Violent Offender Against Youth Registration Act*, or have been convicted within the past seven (7) years of any other felony under the laws of Illinois or of any offense committed or attempted in any other state or against the laws of the United States that, if committed or attempted in the State of Illinois, would have been punishable as a felony under the laws of Illinois.

Provider shall not allow any of its Staff to have contact with a CPS student until a Records Check has been conducted for that person and the results of the Records Check satisfy the requirements of 105 ILCS 5/34-18.5 and the requirements of all other Acts and Laws referenced in this Section, as may be amended. Within fifteen (15) business days before any Staff has contact with any CPS students and on or before the Agreement's anniversary date(s) during the Term, Provider shall submit a written report to CPS's Chief Officer of Safety & Security and/or its Deputy Chief of Network Security ("CPS Safety Officer"). The report shall include at least the following information:

- 1) the specific method of completing the Records Check;
- 2) the names of each Staff member who satisfactorily passed the Records Check within the quarter before s/he has any contact with a CPS student; and
- 3) the procedure to update each Staff member's Records Check through the Term of the Agreement (intervals between each Staff member's updates shall not be less than annually).

On a quarterly basis thereafter, Provider shall: i) periodically check the Illinois Violent Offender Against Youth Registry and the Illinois Sex Offender Registry for each Staff member who has contact with students and shall immediately remove any Staff member who may be identified on either registry; ii) provide a written report to CPS's Safety Officer listing the names of all new Staff members who have contact with CPS students and certifying that Records Checks were satisfactorily completed for those individuals before s/he had any contact with CPS students; and iii) provide any other information requested by the Board.

If Provider fails to comply with this Section, in whole or in part, then, in addition to the Remedies set forth in this Agreement, the Board may exercise additional remedies, including but not limited to: (i) withholding payments due under this Agreement and any others that Provider may have with the Board; (ii) immediately terminating this Agreement, in whole or in part, without any further obligation by the Board of any kind; or (iii) seeking liquidated damages.

14.9. Research Activities and Data Requests: Provider acknowledges and agrees that in the event Provider seeks to conduct research activities in the Chicago Public Schools or use Confidential Information for research purposes in connection with this Agreement, Provider shall comply with the Board's Research Study and Data Policy adopted on July 28, 2010, as may be amended from time to time. Provider acknowledges and agrees that it may not begin any research activities or obtain data for research purposes without the prior written consent of the Officer of Planning and Data or his or her designee.

14.10. Intellectual Property: In performing and delivering the Services under this Agreement, Provider shall not violate or infringe upon any patent, copyright, trademark, trade secret or other proprietary or intellectual property right of any third party and will not improperly use any third party's confidential information. Provider shall have, without encumbrance, all ownership, licensing, marketing, and other rights required to furnish all materials and products that it furnishes to the Board under the Agreement and can grant or assign all rights granted or assigned to the Board pursuant to this Agreement.

14.11. Assignment of Warranties: Provider has the right, title and ability to assign and shall assign to the Board any third-party warranties concerning the Services provided under this Agreement to the Board.

14.12. Ownership: Provider is the owner of the Services and, to the extent applicable, any Software supplied as part of the Services or otherwise has the right to grant to the Board any licenses without violating any rights of any third party, and there is currently no actual or threatened suit by any such third party based on an alleged violation of such right by Provider.

This Agreement shall be posted on the CPS website.

14.13. Services Warranty: Provider has carefully examined and analyzed the provisions of this Agreement, including but not limited to all exhibits attached and incorporated into it, and can and will perform, or cause, the Services to be performed in strict accordance with the provisions and requirements of the Agreement. Services will be performed in a timely, professional and workmanlike manner in accordance with all applicable industry and professional standards. If the Board notifies Provider, or if Provider becomes aware, of any non-performance, error or defect covered by the warranties contained in this Agreement, Provider shall, at its own cost and expense, promptly (but in no event later than thirty (30) days after written notification by the Board) correct such non-performance, error or defect. Any repair or replacement of Services or any portions thereof will be automatically warranted as provided herein.

14.14. Software Performance. During the Term of the Agreement, any Software, which may be licensed for use or to which the Board is provided access as part of the Services, shall (i) be free from defects in material and workmanship under normal use and remain in good working order, and (ii) function properly and in conformity with the warranties herein and in accordance with this Agreement and with the description, specifications and documentation on the Board computer systems including updates or new releases to such systems, and interface with other programs as required, and the documentation shall completely and accurately reflect the operation of the Software. Provider shall promptly correct any failure of the Software to perform in accordance with the current published specifications and documentation, but in no case shall the failure be fixed in less than five (5) business days.

14.15. Free of Computer Viruses. Provider shall use commercially reasonable best efforts to ensure that the Services and any software, programs, and devices used in Provider's performance of its Services is free of malicious code, malware, Trojan horses, worms, and other computer viruses.

14.16. Not Alter Program. To the extent applicable, Provider shall not, directly or through a third party, knowingly remove, alter, change or interface with the Software or any other program for the purpose of preventing the Board from utilizing the Software or any other program.

14.17. No Disabling Code. To the extent applicable, Provider shall not knowingly cause any disabling code to be incorporated into any software, programs or devices used in Provider's performance of Services.

14.18. Prohibited Acts: Within the three (3) years prior to the effective date of this Agreement, Provider or any of its members if a joint venture or a limited liability company, or any of its or their respective officers, directors, shareholders, members, managers, other officials, agents or employees (i) have not been convicted of bribery or attempting to bribe a public officer or employee of any public entity and (ii) have not been convicted of agreeing or colluding among contractors or prospective contractors in the restraint of trade, including bid-rigging or bid-rotating, as those terms are defined under the Illinois Criminal Code.

14.19. Debarment and Suspension: Provider certifies that it, each of its joint venture members if a joint venture, and each of its subcontractors, if any, is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency or any unit of State or local government. Provider acknowledges that in performing the Services for the Board, Provider shall not utilize any firms that have been debarred from doing business with the Board under the Board's Debarment Policy (08-1217-PO1), as amended.

14.20. Warranty of Title: The Services are free and clear from all liens, contracts, chattel mortgages or other encumbrances; Provider has the lawful right to dispose of and sell the Services; and Provider shall warrant and defend its title against all claims.

All warranties in this Section shall survive inspection, acceptance, payment, expiration, and termination of this Agreement. Nothing in the foregoing warranties shall be construed to limit any other rights or remedies available to the Board under the law and this Agreement.

15. Independent Contractor: It is understood and agreed that the relationship of Provider to the Board is and shall continue to be that of an independent contractor and neither Provider nor any of Provider's employees shall be entitled to receive Board employee benefits. Provider is the common law employer of the individuals who perform Services for the Board. As an independent contractor, Provider is responsible for the payment of all taxes and withholdings specified by law which may be due in regard to compensation paid by the Board. To the extent that Provider is subject to taxes under Section 4980H of the Internal Revenue Code, Provider shall be solely responsible for paying such taxes. Provider agrees that Provider, including its employees, staff, and subcontractors shall not represent

themselves as employees or agents of the Board. Provider shall provide the Board with a valid taxpayer identification number as defined by the United States Internal Revenue Code, including but not limited to, a social security number or federal employer identification number.

16. **Indemnification:**

16.1. Provider agrees to defend, indemnify, and hold harmless the Board, its members, employees, agents, officers and officials from and against liabilities, losses, penalties, damages, and expenses, including costs and attorney fees, arising out of all claims, liens, damages, obligations, actions, suits, judgments or settlements, or causes of action, of every kind, nature, and character ("Claims") for: (i) bodily injury and death; (ii) damage to tangible property; or (iii) infringement, misappropriation or any other violation of any confidentiality, proprietary, or intellectual property of a third party ("Infringement Claims") as a result of Provider's performance of the Services under this Agreement or the Work Product. Provider shall not have any indemnification obligation to the extent that the Infringement Claim arises out of or results from: (i) data, materials, or other content provided by, from or through the Board; (ii) the Board's use of the Work Product other than as contemplated herein, including as may be described in an applicable Statement of Work; or (iii) any modification or alteration to, or of, the Work Product by anyone other than Provider or at Provider's direction. Should an Infringement Claim be or likely to be at issue, and without limiting Provider's obligations above, Provider shall procure for the Board: (i) the right to continue to use the subject of the Infringement Claim, or (ii) replace or modify it to make it non-infringing, provided that the replacement or modification performs the same functions and matches or exceeds the performance and functionality of the original subject of the Infringement Claim.

16.2. Provider agrees to defend, indemnify, and hold harmless the Board, its members, employees, agents, officers and officials from and against any and all Claims arising or alleged to arise out of negligence, gross negligence or willful misconduct of the Provider, its officials, agents, employees and subcontractors in the performance of the Services under this Agreement.

16.3. In the event that the Board is determined to be liable for taxes under Section 4980H of the Internal Revenue Code as a result of its use of Provider's employees under this Agreement, Provider shall indemnify the Board for any such liability.

16.4. As stated in Section 10.9, in the event of unauthorized access, use, or disclosure of the Board's Confidential Information arising or alleged to arise from a breach of the obligations regarding Confidential Information by Provider, its employees, agents, or subcontractors, in addition to the obligations provided in this Section, Provider shall cover any costs or fees associated with (i) providing notices of a data breach to affected persons and to regulatory bodies and (ii) remedying and otherwise mitigating any potential damages or harm from the data breach, including but not limited to call centers and providing credit monitoring or credit restoration services as may be requested by the Board.

16.5. Provider shall, at its own cost and expense, appear, defend and pay all attorney fees and other costs and expenses arising hereunder. In addition, if any judgment shall be rendered against the Board in any such action, the Provider shall, at its own expense, satisfy and discharge such obligation of the Board. The Board shall have the right, at its own expense, to participate in the defense of any suit, without relieving the Provider of any of its obligations hereunder. The Board retains final approval of any and all settlements or legal strategies which involve the interest of the Board.

16.6. However, if Provider, after receiving notice of any such proceeding, fails to immediately begin the defense of such claim or action, the Board may (without further notice to Provider) retain counsel and undertake the defense, compromise, or settlement of such claim or action at the expense of Provider, subject to the right of Provider to assume the defense of such claim or action at any time prior to settlement, compromise or final determination thereof. The cost and expense of counsel retained by the Board in these circumstances shall be borne by Provider and Provider shall be bound by, and shall pay the amount of, any settlement, compromise, final determination or judgment reached while the Board was represented by counsel retained by the Board pursuant to this paragraph, or while Provider was conducting the defense.

16.7. To the extent permissible by law, Provider waives any limits to the amount of its obligations to defend, indemnify, hold harmless, or contribute to any sums due under any losses, including any claim by any employee of Provider that may be subject to the Workers Compensation Act, 820 ILCS 305/1 *et seq.* or any other related law or judicial decision (such as *Korecki v. Cyclops Welding Corp.*, 146 Ill.2d 155 (1991)). The Board,

This Agreement shall be posted on the CPS website.

however, does not waive any limitations it may have on its liability under the Illinois Workers Compensation Act, the Illinois Pension Code, or any other statute or judicial decision.

16.8. The indemnities set forth herein shall survive the expiration or termination of this Agreement.

17. **Non-Liability of Board Officials:** Provider agrees that no Board member, employee, agent, officer or official shall be personally charged by Provider, its members if a joint venture, or any subcontractors with any liability or expense under the Agreement or be held personally liable under this Agreement to Provider, its members if a joint venture, or any subcontractors.

18. **Notices:** All notices, requests, consents, approvals, acknowledgements and waivers under this Agreement will be in writing and delivered to the applicable party, addressed to the designee for notification purposes set forth below:

To Provider, at:

Navigant Consulting Inc.
30 S. Wacker Drive
Chicago, IL 60606

and if to the Board, at:

Board of Education of City of Chicago
Attention: Chief Internal Auditor
42 W. Madison
Chicago, IL 60602

with a copy to:

Board of Education of City of Chicago
Law Department
Attention: General Counsel
One North Dearborn, 9th Floor
Chicago, IL 60602

Notice will be deemed given: (A) when verified by written receipt if sent by personal courier, overnight courier, or when received if sent by mail without verification of receipt; or (B) when verified by automated receipt or electronic logs if sent by facsimile or email. A party may change its address, facsimile number or designee for notification purposes by giving the other party written notice of the new address, facsimile number or designee and the date upon which it will become effective.

19. **Governing Law:** This Agreement shall be governed as to performance and interpretation in accordance with the laws of the State of Illinois. Provider irrevocably submits itself to the original jurisdiction of those courts located in the County of Cook, State of Illinois, with regard to any controversy arising out, or relating to, or in any way concerning the execution or performance of this Agreement. Provider agrees that service of process on Provider may be made, at the option of the Board, by either registered or certified mail in accordance with the Notice Section of this Agreement by registered or certified mail addressed to the office actually maintained by Provider, or by personal delivery on any officer, director, or managing or general agent of Provider. If any action is brought by Provider against the Board concerning this Agreement, the action shall only be brought in those courts located within the County of Cook, State of Illinois.

20. **Binding Nature and Assignment:** This Agreement will be binding upon and inure to the benefit of the parties and their respective successors and assigns, provided, however, that Provider may not assign this Agreement or any obligations imposed hereunder without the prior written consent of the Board, which consent shall not be unreasonably withheld.

21. **Insurance.** Provider, at Provider's own expense, shall procure and maintain insurance for all operations under this Agreement, whether performed by Provider or by subcontractors. All insurers shall be licensed by the State of Illinois and rated A-VII or better by A.M. Best or a comparable rating service. Provider shall submit to the Board satisfactory evidence of insurance coverage prior to commencement of Services. Minimum insurance requirements include the coverage set forth below and any additional coverage which may be specified by the Board:

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21.1. Workers' Compensation and Employers' Liability Insurance: Workers' Compensation Insurance affording workers' compensation benefits for all employees as required by Illinois law and Employers' Liability Insurance covering all employees who are to provide Services under this Agreement with limits of not less than Five Hundred Thousand Dollars (\$500,000.00) per occurrence.

21.2. Commercial General Liability Insurance: Commercial General Liability Insurance or equivalent with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the aggregate for bodily injury, personal injury and property damage liability. Coverage shall include, but not be limited to: all premises and operations, contractual liability, independent contractors, separation of insureds, defense, and products/completed operations for a minimum of two (2) years following completion. General liability insurance may not exclude coverage for sexual abuse and/or molestation.

21.3. Automobile Liability Insurance: Automobile Liability Insurance when any motor vehicle (whether owned, non-owned or hired) is used in connection with Services to be performed, with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.

21.4. Professional Liability / Errors and Omissions: When any professionals perform Services in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions in conjunction with the professional services must be maintained with limits of not less than Two Million Dollars (\$2,000,000.00) each claim and Three Million Dollars (\$3,000,000.00) in the aggregate. Coverage must include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with or precede start of Services under this Agreement. A claims-made policy, which is not renewed or replaced, must have an extended reporting period of two (2) years following completion of professional services.

21.5. Cyber and Privacy and Security Insurance: Coverage for damages arising from a failure of computer security, and/or wrongful release of private information including expenses for notification as required by local, state or federal guidelines with limits of liability of at least One Million Dollars (\$1,000,000.00) per claim and Two Million Dollars (\$2,000,000.00) in the aggregate. Coverage shall include failure to prevent transmission of malicious code. The policy will be a claims-made program with any prior acts exclusion predating both the Effective Date of this Agreement and any earlier commencement of Services. Such coverage shall either be maintained continuously for a period of two (2) years after expiration or termination of this Agreement or Provider must secure a two-year extended reporting provision.

21.6. Fidelity Bond. Fidelity bond coverage in the amount of at least One Million Dollars (\$1,000,000) with a responsible surety company with respect to all of Provider's employees as may be necessary to protect against losses including, without limitation, those arising from theft, embezzlement, fraud, or misplacement of funds, money, or documents. Coverage must extend to any losses incurred by the Board due to theft, embezzlement or fraud by Provider's subcontractors. The bond shall name the Board as a third party. Provider shall notify the Board in writing within five (5) days of filing a claim under such coverage and to assign to the Board, as the case may be, the proceeds of such coverage allocable to losses suffered with respect to the property of the Board.

21.7. Additional Insured: Provider shall have its General and Automobile Liability Insurance policies endorsed to provide that "the Board of Education of the City of Chicago, a body politic and corporate, and its members, employees and agents, and any other entity as may be designated by the Board are named as additional insured on a primary basis without recourse or right of contribution from the Board".

The insurance company, or its representative, shall submit an insurance certificate evidencing all coverage as required hereunder and indicating the Additional Insured status as required above. The Board will not pay the Provider for any Services if satisfactory proof of insurance is not provided by Provider prior to the performance of any Services. Provider must provide thirty (30) days prior written notice of material change resulting in a breach of any of the requirements in this Section, cancellation, or non-renewal be given to:

Risk Management
Board of Education of the City of Chicago
42 W. Madison

This Agreement shall be posted on the CPS website.

Chicago, IL 60602

Any failure of the Board to demand or receive proof of insurance coverage shall not constitute a waiver of Provider's obligation to obtain the required insurance. The receipt of any certificate does not constitute an agreement by the Board that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. Provider's failure to carry or document required insurance shall constitute a breach of the Provider's agreement with the Board. In the event Provider fails to fulfill the insurance requirements of this Agreement, the Board reserves the right to stop the Services until proper evidence of insurance is provided, or this Agreement may be terminated.

Any deductibles or self-insured retentions on referenced insurance coverage must be borne by Provider. Any insurance or self-insurance programs maintained by the Board of Education do not contribute with insurance provided by the Provider under the Agreement.

All subcontractors are subject to the same insurance requirements of Provider unless otherwise specified in this Agreement. Provider shall require any subcontractors under this Agreement to maintain comparable insurance naming the Provider, the Board inclusive of its members, employees and agents, and any other entity designated by the Board, as Additional Insureds. Provider will maintain a file of subcontractor's insurance certificates evidencing compliance with these requirements.

The coverages and limits furnished by Provider in no way limit the Provider's liabilities and responsibilities specified within the Agreement or by law. The required insurance is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

Provider agrees that insurers waive their rights of subrogation against the Board.

Provider must register with the insurance certificate monitoring company designated by the Board stated below, and must maintain a current insurance certificate on file during the entire time of providing services to the Board. Provider must register and pay the initial annual monitoring fee to the insurance certificate monitoring company prior to performing services for the Board. The initial annual monitoring fee is currently Twelve Dollars (\$12.00) per year, but is subject to change.

Each year, Provider will be notified 30 to 45 days prior to the expiration date of their required insurance coverage (highlighted on their latest submitted insurance certificate on file) that they must submit an updated insurance certificate with the insurance certificate monitoring company. Insurance certificate submissions and related annual fees are required to be made online at the dedicated website established by the certificate monitoring company identified below. Questions on submissions and payment options should be directed to the certificate monitoring company.

Certificate Monitoring Company:

Topiary Communications, Inc.
676 N. LaSalle – Suite 230
Chicago, Illinois 60654
Phone – (312) 494-5709
Email – dans@topiarycomm.net

Website for online registration, insurance certificate submissions and annual fee payments:
<http://www.cpsvendorcert.com>

22. **Audit and Document Retention:** Provider shall permit and cooperate in good faith in any audits by the Board, including its Department of Procurement and Contracts, or its agents for compliance by the Provider with this Agreement. Provider shall furnish the Board with such information, supporting documentation and reports as may be requested relative to the progress, execution and costs of the Services and compliance with applicable MBE/WBE requirements. Failure of the Provider to comply in full and cooperate with the requests of the Board or its agents shall give the Board, in addition to all other rights and remedies hereunder, the right to charge the Provider for the cost of

This Agreement shall be posted on the CPS website.

such audit. Provider shall maintain all records, correspondence, receipts, vouchers, memoranda and other data relating to Provider's Services provided under this Agreement. All records referenced above shall be retained for seven (7) years after the termination or expiration of this Agreement and shall be subject to inspection and audit by the Board. If any audit, litigation or other action involving the records is being conducted or has not been resolved, all applicable records must be retained until that proceeding is closed. Provider shall require all of its subcontractors to maintain the above-described records and allow the Board the same right to inspect and audit said records as set forth herein.

23. **Minimum Wage:** Provider must comply with the Board's Minimum Wage Resolution (14-1217-RS2) and any applicable regulations issued by the Board's CPO. The Board's resolution adopts Chicago Mayoral Executive Order 2014-1. As of December 17, 2014 the minimum wage to be paid pursuant to the Resolution is \$13.00 per hour (the "Minimum Wage"). A copy of the Mayoral Order may be downloaded from the Chicago City Clerk's website at: <http://chicityclerk.com/wp-content/uploads/2014/09/Executive-Order-No.-2014-1.pdf>; the Board's Resolution may be downloaded from the Chicago Public School's website at: http://www.cpsboe.org/content/actions/2014_12/14-1217-RS2.pdf. In the event of any discrepancy between the summary below and the Resolution and Order, the Resolution and Order shall control.

Provider must: (i) pay its employees no less than the Minimum Wage for work performed under the Agreement; and (ii) require any subcontractors, sublicensees, or subtenants, to pay their employees no less than the Minimum Wage for work performed under the Agreement.

The Minimum Wage must be paid to: 1) All employees regularly performing work on property owned or controlled by the Board or at a Board jobsite and 2) All employees whose regular work entails performing a service for the Board under a Board contract.

Beginning on July 1, 2015, and every July 1 thereafter, the Minimum Wage shall increase in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor, and shall remain in effect until any subsequent adjustment is made. On or before June 1, 2015, and on or before every June 1 thereafter, the City of Chicago may issue bulletins announcing adjustments to the Minimum Wage for the upcoming year.

The Minimum Wage is not required to be paid to employees whose work is performed in general support of Provider's operations, does not directly relate to the Services provided to the Board under the Agreement, and is included in the contract price as overhead, unless that employee's regularly assigned work location is on property owned or controlled by the Board. It is also not required to be paid by employers that are 501(c)(3) not-for-profits.

The term 'employee' as used herein does not include persons subject to subsection 4(a)(2), subsection 4(a)(3), subsection 4(d), subsection 4(e), or Section 6 of the Illinois Minimum Wage Law, 820 ILCS 105/1 et seq., in force as of the date of this Agreement or as amended. Nevertheless, the Minimum Wage is required to be paid to those workers described in subsections 4(a)(2)(A) and 4(a)(2)(B) of the Illinois Minimum Wage Law.

The Minimum Wage is not required to be paid to employees subject to a collective bargaining agreement that provides for different wages than those required by the Board's Resolution, if that collective bargaining agreement was in force prior to December 17, 2014 or if that collective bargaining agreement clearly and specifically waives the requirements of the Resolution.

If the payment of a prevailing wage is required and the prevailing wage is higher than the Minimum Wage, then Provider must pay the prevailing wage.

24. **M/WBE Program:** Provider acknowledges that it is familiar with the requirements of the Board's "*Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts*", which is incorporated by reference as if fully set forth herein. Provider agrees to adhere to the minimum participation goals and to all other applicable MBE/WBE requirements as set forth in the plan. Provider agrees to submit such documentation in connection with the plan as may be requested by the Board.

25. **Assignment:** This Agreement shall be binding on the parties and their respective successors and assigns, provided however, that Provider may not assign this Agreement or any obligations imposed hereunder without the prior written consent of the Board.

26. **Right of Entry:** Provider and any of its officers, employees, subcontractors or agents, performing Services hereunder shall be permitted to enter upon Board property in connection with the performance of the Services hereunder, subject to the terms and conditions contained herein and those rules established by the Board and, where applicable, the school principal. Provider shall provide advance notice to the Board whenever applicable, of any such intended entry. Consent to enter upon a site given by the Board shall not create, nor be deemed to imply, the creation of any additional responsibilities on the part of the Board. Provider shall use, and shall cause each of its officers, employees and agents to use, the highest degree of care when entering upon any property owned by the Board in connection with the Services. Any and all claims, suits or judgments, costs, or expenses, including reasonable attorney fees, arising from, by reason of, or in connection with any such entries shall be treated in accordance with the applicable terms and conditions of this Agreement, including without limitation, the indemnification provisions contained in this Agreement.

27. **Non-Discrimination:** It shall be an unlawful employment practice for Provider or any of its subcontractors to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to compensation, or other terms, conditions, or privileges of employment, because of such individual's race, color, national origin, religion, sex, gender identity/expression, sexual orientation, age or disability; or to limit, segregate, or classify employees or applicants for employment in any way that would deprive or tend to deprive any individual from equal employment opportunities or otherwise adversely affect an individual's status as an employee because of such individual's race, color, national origin, religion, sex, gender identity/expression, sexual orientation, age, or disability. Provider shall particularly remain in compliance at all times with: the Civil Rights Act of 1964, 42 U.S.C.A. § 2000a, *et seq.*; the Age Discrimination in Employment Act, 29 U.S.C.A. § 621, *et seq.*; Section 504 of the Rehabilitation Act of 1973, 29 U.S.C.A. § 701, *et seq.*; the Americans with Disabilities Act, 42 U.S.C.A. § 12101, *et seq.*; the Individuals with Disabilities Education Act, 20 U.S.C.A. § 1400 *et seq.*; the Illinois Human Rights Act, 775 ILCS 5/1-101, *et seq.*; the Illinois School Code, 105 ILCS 5/1-1 *et seq.*; the Illinois Public Works Employment Discrimination Act, 775 ILCS 10/0.01 *et seq.*; and the Chicago Human Rights Ordinance, ch. 2-160 of the Municipal Code of Chicago, all as may be amended, and all other applicable federal, state, county, and municipal statutes, regulations, ordinances and other laws. Nothing in this paragraph is intended nor shall be construed to create a private right of action against the Board or any of its employees. Furthermore, no part of this paragraph shall be construed to create contractual or other rights or expectations for the Provider's employees or the Provider's subcontractors' employees.

28. **Entire Agreement and Amendment; Order of Precedence:** This Agreement, including all exhibits attached to it and incorporated into it, constitutes the entire agreement of the parties with respect to the matters contained herein. No modification of or amendment to this Agreement shall be effective unless such modification or amendment is in writing and signed by the authorized representatives of both parties. Any prior agreements or representations, either written or oral, relating to the subject matter of this Agreement are of no force or effect. In the event of a conflict between the terms of this Agreement and any other documents, the terms of this Agreement shall supersede and prevail. The order of precedence in which the Agreement's documents shall be reviewed and apply to the performance of Services are as follows: first the Agreement itself without exhibits, as may be amended; followed by the Scope of Services and Schedule of Pricing; and then any applicable, properly executed Statement of Work, as may be amended by an authorized and properly executed Change Request and Authorization or any applicable properly executed Staff Augmentation Request.

29. **Continuing Obligation to Perform:** In the event of any dispute between Provider and Board, Provider shall expeditiously and diligently proceed with the performance of all its obligations under this Agreement with a reservation of all rights and remedies it may have under or pursuant to this Agreement at law or in equity.

30. **Transition Services:** Provider will provide to the Board and/or to the service provider selected by the Board ("successor service provider") assistance reasonably requested by the Board to effect the orderly transition of the Services, in whole or in part, to the Board or to successor service provider(s) (such assistance shall be known as the "Transition Services") following the termination or expiration of this Agreement, in whole or in part. The Transition Services shall be provided on a time and material basis unless the parties agree otherwise and may include: (a) developing a plan for the orderly transition of the terminated services from Provider to the Board or successor service provider(s); (b) if required, transferring the Board data to the successor service provider(s); (c) using commercially reasonable efforts to assist the Board in acquiring any necessary rights to legally and physically access and use any third-party technologies, documentation, or other property then being used by Provider in connection with the Services; (d) using commercially reasonable efforts to make available to the Board, pursuant to mutually agreeable terms and conditions, any third-party services then being used by Provider in connection with the Services; and (e) such other activities upon which the parties may agree. All applicable terms and conditions of this Agreement shall apply to the transition services. This section shall survive expiration or termination of this Agreement.

31. **Conflict of Interest:** This Agreement is not 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 within a one year period following expiration or other termination of their office.
32. **Indebtedness:** Provider agrees to comply with the Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, which policy is hereby incorporated by reference into and made a part of this Agreement as fully set forth herein.
33. **Ethics:** No officer, agent or employee of the Board is or shall be employed by Provider or has or shall have a financial interest, directly, or indirectly, in this Agreement or the compensation to be paid hereunder except as may be permitted in writing by the Board's Code of Ethics adopted May 25, 2011 (11-0525-PO2), as amended from time to time, which policy is hereby incorporated by reference into and made a part of this Agreement as fully set forth herein.
34. **Information Security Policy:** If at any time, Provider has access to the Board's computer network, Provider warrants that it is and shall remain in compliance with the Board's Information Security Policy, adopted September 25, 2013 (13-0925-PO1), as amended.
35. **Inspector General:** Each party to this Agreement hereby acknowledges that in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Board of Education of the City of Chicago 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.
36. **Waiver:** No delay or omission by the Board to exercise any right hereunder shall be construed as a waiver of any such right and the Board reserves the right to exercise any such right from time to time as often and as may be deemed expedient.
37. **Survival/Severability:** All express representations or indemnifications made or given in this Agreement shall survive the completion of Services or the termination of this Agreement for any reason. If any provision or part of this Agreement is held to be unenforceable, the Agreement shall be considered divisible and such provision shall be deemed inoperative to the extent it is deemed unenforceable, and in all other respects the Agreement shall remain in full force and effect, provided, however, that if any such provision may be made enforceable by limitation thereof, then such provision shall be deemed to be so limited and shall be enforceable to the maximum extent permitted by applicable law.
38. **Joint and Several Liability:** In the event that Provider, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination thereof, then and in that event, each and every obligation or undertaking herein stated to be fulfilled or performed by Provider shall be the joint and several obligation or undertaking of each such individual or other legal entity.
39. **Counterparts and Facsimiles:** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one instrument. A signature delivered by facsimile or electronic means shall be considered binding for both parties.
40. **Limitation of Liability:** Unless specifically provided for in this Agreement, neither party shall be liable to the other for any indirect, consequential or punitive damages arising out of, or in any way connected, with the Services or this Agreement. Except as specifically set forth in this Section, Provider's aggregate liability under any theory or for any reason shall not exceed the greater of: (a) the equivalent of three times the maximum compensation amount provided for in any associated Statement of Work or Staff Augmentation Request, or (b) One Million Dollars (\$1,000,000.00). The aforesaid limitation shall not apply to the following: (i) those indemnity obligations set forth in Section 16; (ii) the insurance coverage that may be available to the Board pursuant to the terms of this Agreement; (iii) those instances where death, bodily injury, or damage to tangible property are involved; and (iv) those instances where Provider's acts or omissions are finally determined by a court of competent jurisdiction to be gross negligence or willful misconduct. Except to the extent finally determined to have resulted from Provider's gross negligence or intentional misconduct, Provider's aggregate liability for breach of the obligations set forth in the Confidential Information Section (Section 10) of this Agreement shall not exceed Three Million Dollars (\$3,000,000.00). The Board reserves its right to require that the limitation of liability be increased (but never decreased) in any specific Statement of Work or Staff Augmentation Request. Such a deviation from the standard limitation of liability shall be considered automatically a material revision as

This Agreement shall be posted on the CPS website.

defined in this Agreement, requiring the written approval of the Board's General Counsel as well as the signatures of the authorized Board representative and Provider.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers as of the latest date set forth below.

BOARD OF EDUCATION OF THE ^{gun}
CITY OF CHICAGO

By: Frank M. Clark
Frank M. Clark
President

Attest: Estela G. Beltran 4/11/16
Estela G. Beltran
Secretary

Effective Date: 4/11/16

By: Forrest Claypool
Forrest Claypool
Chief Executive Officer

NAVIGANT CONSULTING INC.

By: [Signature]
Name: Kevin J. McHugh
Title: Managing Director

Attest: Ellen Mortimer
Name: ELLEN MORTIMER
Title: NOTARY PUBLIC

ELLEN MORTIMER
NOTARY PUBLIC-STATE OF NEW YORK
No. 01MO6288336
Qualified in New York County
My Commission Expires September 03, 2017

Board Report No: 16-0127-PR3-42

Approved as to legal form: [Signature]
Ronald L. Mariner
Ronald L. Mariner
General Counsel

Attachments:

Exhibit A – Scope of Services
Exhibit B – Schedule of Pricing

EXHIBIT A
SCOPE OF SERVICES
(Navigant Consulting Inc.)

Program: Professional Services

Provider's Program Manager: Sean Davis

Manager's Email: sean.davis@navigant.com

Period of Performance: Effective Date of Agreement to October 31, 2018

This Scope of Services ("**Scope**") shall be conducted pursuant to the terms and conditions of the Professional Services Agreement (the "**Agreement**") by and between and the Board of Education of the City of Chicago, commonly known as Chicago Public Schools (the "**Board**" or "**CPS**") and Navigant Consulting Inc. ("**Provider**" or "**Navigant**"). Defined terms used in this Scope shall have the same meaning as those ascribed to such terms in the Agreement unless otherwise defined within this Scope.

I. BACKGROUND

The Board from time to time may need consulting services or additional temporary staff to perform projects for various departments. Provider has been qualified to perform such certain services as set forth below. "Services" includes collectively the services, deliverables, duties and responsibilities described in this Agreement, including this Scope. As described within this Scope, the Board will enter into Statements of Work ("**SOW**") and Staff Augmentation Requests with Provider when its Services are needed. Any services provided by Provider shall be provided in accordance with the terms and conditions of the Agreement. In the event of any conflict between the Agreement, a Statement of Work, an Staff Augmentation Request, or a Change Request and Authorization, the Agreement shall supersede and prevail over any other document.

II. DETAILED SCOPE OF SERVICES

A. GENERAL PROFESSIONAL EXPECTATIONS

1. Key Personnel

Provider shall assign Key Personnel appropriately to perform Services pursuant to one or more Statement(s) of Work or Staff Augmentation Request(s) as described in this Scope based on the categories for pre-qualified services that the Board approved Provider to supply. Key Personnel assigned to perform Services shall have experience, training, and expertise equal to personnel with similar responsibilities in the business in which Provider is engaged and shall have sufficient knowledge of the Board's practices and areas of expertise, to enable them to perform their duties and responsibilities. Provider is required to complete the assigned projects according to any timelines set forth within the individual project requirements. Provider shall notify the Board promptly, in writing, after any Key Personnel resigns or is dismissed or upon loss/removal of Key Personnel due to illness, disability, death or misconduct.

The Board requires resumes for all Key Personnel assigned to the Board, and the Board reserves the right to interview all of Provider's Key Personnel who are assigned to perform the Services. Provider shall supply back-up Key Personnel to prevent gaps in Service caused by assigned Key Personnel absences. The education and experience of back-up Key Personnel must match or exceed assigned Key Personnel who perform normal Service functions and shall be billed at the same hourly rate of the assigned Key Personnel being substituted. Any changes in skill sets of Key Personnel must occur at no additional cost to the Board. Provider shall, upon the Board's written request, remove any Key Personnel assigned to the Board's account within five (5) business days of receipt of notice. In its sole discretion, the Board reserves the right to remove any assigned Key Personnel for failing to possess the desired skills and certifications specified in a Statement of Work or Staff Augmentation Request or in the event that the individual negatively affects the health, safety or welfare of CPS employees or students.

2. Subcontractors

If Provider subcontracts with any other party to perform any part of the Services, Provider must provide to the Board, in advance, a list of subcontractors that will be used, including a complete description of the work to be subcontracted. The Board reserves its right to approve subcontractors and to require Provider to replace subcontractors found to be unacceptable. Provider remains financially and legally responsible for any Services performed under this Agreement, whether actually performed by Provider's employees, agents, independent contractors, or subcontractors.

3. Services Performed at CPS Sites

In the event that the Services are performed in Board offices, schools, or other facilities, Provider shall ensure that all of its employees, agents, and subcontractors observe and comply with all rules and regulations relating to each site. Provider must not, without the prior written consent of the Board's Program Manager, use any Board facilities or access any information systems provided for use, or to which Provider otherwise gains access in the course of performing the Services, for any purpose other than providing the Services to the Board.

4. Quality Assurance

Provider will be responsible for ensuring that the quality of Services meets or exceeds the expectations of Board's management team and clients calling for Services. Quality assurance practices should be included in all support initiatives. Quality assurance activities could include:

- Performance Monitoring
- Customer Satisfaction Surveys
- Training Initiatives

5. Miscellaneous:

- a. Provider shall make available follow-up services (e.g. training, tools and resources that support implementation and/or transfer of learning to stakeholders);
- b. Provider shall be responsible for supplying necessary equipment for Services;
- c. Specific work schedules may be provided in a Statement of Work or Staff Augmentation Request. No overtime will be authorized or paid by the Board. Provider will not be compensated for holiday pay. Provider will not be reimbursed for travel expenses or travel time.

B. CATEGORIES OF PRE-QUALIFIED SERVICES

1. Construction and Facilities Management

Provider shall provide professional services and staff augmentation related to capital construction, facility condition assessments, transportation systems and equipment assessments, capital budget/program and planning assessments, asset maintenance, and inventory management. This includes processes such as (but not limited to) strategy, planning, management reporting, performance measurement, materials and costs, and inventory levels. Scope of work will include performing consulting engagements to assess current state, providing recommendations, designing future state, creating implementation strategies, and/or assisting in implementation of changes and strategies.

2. Data Analytics

Provider shall provide professional services and staff augmentation related to data strategy assessment, setting, and implementation, data architecture assessment including controls around data security and quality, and data analysis, modeling, and aggregation to help define, drive, or monitor organizational objectives.

3. Finance

Provider shall provide professional services related to treasury, investment, cash management, budgeting, financial reporting, finance transformation, cost allocation, and grant management. Scope of work will include performing consulting engagements to assess current state, providing recommendations, designing future state, creating implementation strategies, and/or assisting in implementation of changes and strategies.

4. Intentionally Omitted

5. **Intentionally Omitted**

6. **Organization and Management Consulting**

Provider shall provide professional services related to business process effectiveness and transformation, strategy planning, organizational assessment, project management, change management, and department reorganization. Scope of work will include performing consulting engagements to assess current state, providing recommendations, designing future state, creating implementation strategies, and/or assisting in implementation of changes and strategies.

7. **Project Management**

Provider shall provide professional services and staff augmentation related to project management and governance. This includes assisting in the development and implementation of a standardized process for project management and performing project management activities as needed.

8. **Risk Management**

Provider shall provide professional services related to risk management programs such as evaluating existing and proposed insurance programs, presenting alternative coverage and cost sharing models, conditions and procedures to determine methods for treatment of loss exposures, review of insurance bids, and other related needs as deemed necessary by management.

C. STATEMENTS OF WORK

1. **Creation of Statements of Work**

The Board may assign jobs and projects to Provider in the following manner: The Chief Executive Officer's Chief of Staff, Chief Internal Auditor, Chief Administrative Officer, or Senior Vice President of Finance (or their equivalents) will write an individual Statement of Work describing a project or work to be completed. The Board shall exercise its discretion in determining if the Statement of Work will be advertised to providers pre-qualified in the appropriate category or if the job or project will be performed by a provider with proven ability to perform the necessary tasks for an agreed amount of compensation. The proposed Statement of Work will include a timeline with due dates for questions and responses from the Provider. In many cases, the Board will expect Provider to perform the Services to complete a Statement of Work in exchange for a fixed compensation. In any event, pricing proposed in response to a Statement of Work shall not exceed that provided in the Schedule of Pricing, attached and incorporated in to this Agreement as Exhibit B.

Provider agrees not to accept any work or supply requests unless it is evidenced by a Statement of Work issued by an authorized Board representative. The Board representative issuing the Statement of Work will have the discretion and authority to award a job or project to a Provider by executing a Statement of Work as described below.

A SOW may not be used as a means to amend the legal terms and conditions of the Agreement, to expand the overall Scope of Services, or to shift the risks and liabilities between the parties without the prior written approval of the Board's General Counsel. The Board, in its sole discretion, may deem any Statement of Work to be null and void to the extent that it amends the legal terms and conditions, expands the overall Scope of Services, or shifts the risks and liabilities between the parties. A template of the SOW to be used pursuant to this Agreement is included in this Exhibit as Attachment 1.

2. **Execution of Statements of Work**

As stated in the Agreement, SOWs must be signed by one of the following individuals or his/her designee before it is deemed effective: Senior Vice President of Finance, Chief Administrative Officer, Chief Internal Auditor, or Chief of Staff to the Chief Executive Officer and may require the approval of the Board's General Counsel. In the event that the SOW anticipates an expenditure exceeding Seven Hundred Fifty Thousand Dollars (\$750,000), the Board President's signature shall also be required before the SOW is deemed effective. No work may begin on any job until Provider receives a SOW signed by one of the afore-mentioned officers. A final Statement of Work is expected to detail at a minimum the specifics of such job, the fees and costs for completion of the Statement of Work, and the anticipated date of completion. No work shall transpire without a Board issued Purchase Order. Prices shall be based on the hourly rates for labor and costs in the response to the relevant proposal(s) for the Statement of Work.

3. Parameters of Services under Statement of Work

Provider shall not solicit work or engage in work activities outside of the agreed-upon work assignment areas or designations included in a Statement of Work unless otherwise approved by an authorized representative of the Board in writing.

D. PROJECT CHANGE REQUEST

The Board reserves the right to request, from time to time, changes to the requirements and specifications of an SOW and the work to be performed pursuant to a SOW ("Change"). Any Changes to the Statement of Work of an assigned project can be made only in writing and signed by authorized representatives of the Provider and an authorized representative of the Board in order to then become part of the individual agreed-upon Statement of Work. Any such Changes may increase/decrease the price estimate or lengthen/shorten the schedule for the project. In certain circumstances, to be determined by the Board, a Change may require the written approval of the Board's General Counsel in order to be effective. In the event that a Change to an SOW is necessary, the parties agree that the following process shall be followed:

1. A Project Change Request ("PCR") will be the vehicle for communicating change. The PCR must describe the change, the rationale for the change, and the effect the change will have on the project. A template of a PCR is included in this Exhibit as Attachment 2.
2. The designated Project Manager (or other authorized representative) of the requesting party will study the proposed change and determine whether to submit the request to the other party.
3. Representatives from the Board and Provider will study the proposed change and approve it, negotiate it further with the other party, or reject it. Provider shall supply to the Board an outline of all work to be done, including tasks necessary to accomplish the services/deliverables, timeframes, listing of Key Personnel assigned, estimated hours of each individual per task, and a complete and detailed cost justification. If the Provider does not supply this information to the Board, Provider has no right to claim later that it is entitled to additional compensation for performing services associated with the Change Request.
4. Should the parties agree on carrying out a Change, a PCR must be prepared and signed by the authorized representatives of each party. Any Services performed pursuant to a PCR are subject to the terms of the Agreement, then the applicable SOW, and then the PCR, in that order of precedence.

E. STAFF AUGMENTATION

The Board may ask Provider to assign personnel to supply staff augmentation services to the Board on a temporary basis in the categories pre-qualified by the Board as noted above. In such an event, the Board shall issue a Staff Augmentation Request, similar to the form included in this Exhibit as Attachment 3. The Board shall exercise its sole discretion to determine if a Staff Augmentation Request will be submitted to one pre-qualified provider or to a pool of providers pre-qualified in the applicable category.

The Board reserves the right to approve any and all assigned personnel offered by Provider prior to acceptance. When determining the qualifications of any such assigned personnel, the Board may request a resume, references that the Board may contact, and one or more interviews with the personnel assigned.

The Board reserves the right to reassign Provider's assigned personnel to other duties as needed during a project's duration. With mutual agreement, the Board also reserves the right to require Provider's assigned personnel to perform related tasks in the administrative, educational and technical environment. The Board relies on the Provider to use its best judgment in providing staff qualified to the level defined by the general position description for the skill levels listed in the Staff Augmentation Request.

The Board reserves the right to remove any of Provider's assigned personnel at any time with written notice. If the Board removes such personnel, Provider will be provided with a ten (10) day period to provide candidates to replace the person that has been removed. The Board reserves the right to not accept replacement personnel that Provider supplies to the Board.

Assigned personnel are expected to work a 40-hour week. Assigned personnel's agreed upon hourly rate shall apply to every hour worked, including hours above 40 hours per week as well as hours worked during evenings and weekends. The Board will not pay a special or "over-time" rate for any hours worked.

The assigned personnel's attire is expected to be appropriate for the skill level being provided when providing Services at a CPS site. This should be consistent with the expectations of a business office environment.

Assigned personnel shall track their hours and activities for the duration of the assignment on timesheets either approved or provided by the Board. Assigned personnel shall also utilize the Kronos time keeping system, i.e., they must "swipe in" upon arrival and departure from the specified site. The Board may audit the time periods recorded by the Kronos time keeping system against the timesheets provided by the assigned personnel or Provider. Assigned personnel or Provider shall submit these timesheets signed by the assigned personnel and Provider's Project Manager for approval and signature on a weekly basis. These timesheets shall accompany each invoice submitted by Provider.

For those personnel providing "manager-level" services, Provider shall agree that such personnel assigned shall be reachable (by telephone and/or email) twenty-four (24) hours per day, seven (7) days per week, during the Staff Augmentation Request.

Provider shall make every effort to provide staff within no more than two (2) business days of the Board's request.

Assigned personnel will be issued identification cards. Identification cards must be returned upon completion of the project or termination or expiration of the Services.

Any vacation time shall be approved by the Board in advance. If any assigned personnel are sick for more than one week, Provider shall identify additional assigned personnel as needed.

Provider is solely responsible for the recruitment, hiring, and employment of assigned personnel. Assigned personnel shall at all times be considered employees of Provider and shall not be considered the Board's employees for any purposes.

In the event that the Board should hire an assigned personnel supplied by Provider, the parties shall determine what, if any, fee should be paid by the Board to Provider for the conversion in employment status. The maximum fee that the Board shall pay is equal to one percent per thousand dollars of the employee's proposed annual salary (calculated based on 2,080 hours per year) with a maximum of 18%. No fee shall be charged or paid if the assigned personnel has worked under this Agreement for more than 450 hours.

F. INVOICES

Each invoice submitted by Provider must show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the Board's accounting and audit requirements. Invoices for Services performed on a time and materials basis must show, for each individual, the number of hours of Services performed during the billing period, the billable skill/labor category for such person and the applicable hourly billing rate.

The Board may make progress payments to Provider when requested as work progresses, but not more frequently than monthly, in amounts approved by the Board, after negotiation. Provider must show verification of measurable progress at the time of requesting progress payments.

G. REPORTS

Provider shall submit bi-weekly reports to the Chief Executive Officer's Chief of Staff, Chief Internal Auditor, Chief Administrative Officer, or Senior Vice President of Finance (or their equivalents). Reports are to include: outline of work accomplished during the reporting period; work to be accomplished during the subsequent reporting period; problems, real or anticipated; status on milestones and deliverables; key issues, challenges, or constraints; amount incurred to date for the SOW; and notification of any significant deviation from previously agreed-upon work plans.

Reports regarding staff augmentation: Provider shall report to the Chief Executive Officer's Chief of Staff, Chief Internal Auditor, Chief Administrative Officer, or Senior Vice President of Finance (or their equivalents) on a bi-weekly basis at least the following information:

1. Placement count, hours and grand total amount.
2. Department/office where assigned personnel working.
3. Name of Board's Project Manager for Staff Augmentation Request.
4. Job title.

5. Number of personnel provided.
6. Cumulative placement hours for each staff person.



Attachment 1
CPS Professional Services
Statement of Work Template
_____

This Statement of Work ("SOW") is attached to and incorporated into that certain Professional Services Agreement (the "Agreement") by and between the Board of Education of the City of Chicago (the "Board" or "CPS") and Navigant Consulting Inc. (the "Provider"). All terms and conditions of the Agreement are applicable and remain in effect for any services performed pursuant to this SOW. No attempt to alter the terms and conditions of the Agreement through this SOW will be effective. The Board may, in its sole discretion, determine that any modification or addition to the legal terms and conditions of the Agreement through this SOW to be null and void.

Requesting Board departments must complete this SOW with Provider and submit it to a CPS authorized representative for signature and approval before work commences.

| General Information | | | |
|---|---|--|-------|
| Provider (Firm) | TBD | Project Name | TBD |
| Board Report Number | 15-1028-PR3 | PO Number | TBD |
| Performance Period | MM/DD/YY through MM/DD/YY | Estimated Fees* | \$TBD |
| SOW Date: | MM/DD/YY | Category | TBD |
| Detailed SOW Background | | | |
| Project Objectives | <ul style="list-style-type: none"> TBD TBD TBD TBD | | |
| Project Scope | Statement of processes, transactions, contracts, locations, and/or timeframes (MM/DD/YY to MM/DD/YY) | | |
| Expected Outcomes | Statement of expected outcomes such as findings, observations, recommendations, documents, analysis, flowcharts, etc. | | |
| Project Approach / Methodology | Detailed information on the approach or methodology to achieve the project objectives and outcomes. | | |
| CPS Project Lead: | Name, Title, Department, Email, Telephone | | |
| Provider Lead: | Name, Title, Email, Telephone | | |
| Performance Milestones | | Deliverables | |
| <ul style="list-style-type: none"> Description, Estimated Date MM/DD/YY Description, Estimated Date MM/DD/YY Description, Estimated Date MM/DD/YY | | <ul style="list-style-type: none"> Description, Estimated Date MM/DD/YY Description, Estimated Date MM/DD/YY Description, Estimated Date MM/DD/YY | |
| Estimated Fees | | | |
| <ul style="list-style-type: none"> The fees stated below are for this SOW only and on a not to exceed basis. Hourly rates of the professionals included in this SOW may not exceed the rates in Exhibit B to the Agreement. The fee schedule breakdown is agreed upon based on an estimate of hours expected to be incurred by Provider and the personnel required to perform the SOW multiplied by the hourly rates for such personnel. The estimated amount stated above will be the basis for billings assuming performance milestones and deliverables are met. | | | |



Attachment 1
CPS Professional Services
Statement of Work Template
 # ____

- The estimated amount will not be exceeded without a formally documented and executed amendment to this SOW.

Fee Breakdown Schedule

| Title / Level | Team Member Name | SOW Hourly Rate | Estimated Hours | Estimated Fees |
|---------------------|-------------------------|-----------------|-----------------|----------------|
| Partner | Last Name, First | \$0 | 0 | \$0 |
| Manager | Last Name, First | \$0 | 0 | \$0 |
| Senior Staff | Last Name, First | \$0 | 0 | \$0 |
| Staff | Last Name, First | \$0 | 0 | \$0 |
| Totals | | | 0 | \$0 |

Confirmation of Statement of Work to be Performed and Fees

I, on behalf of Provider and the Board, respectively, have reviewed the Statement of Work including scope of work, project description, performance milestones, deliverables, and fees outlined on the prior pages of this Statement of Work, and agree that such work is subject to the terms and conditions set forth in that certain Professional Services Agreement by and between the Board and Provider.

| Entity | Name | Signature | Date |
|--|---|-----------|------|
| Name of Provider | Authorized Signatory and Title (Printed) | | |
| Board of Education of the City of Chicago | Authorized CPS Representative (CEO, Chief of Staff, CAO, Internal Auditor, Sr. VP Finance, designee) | | |

Attachment 2
CPS Professional Services
Change Request and Authorization Form

| CHANGE REQUEST AND AUTHORIZATION FORM | | | |
|---|--|---|---------------|
| Date | | Statement of Work # ____ Change Order # ____ | Provider Name |
| <p>This Change Request and Authorization is entered into by the Board of Education of City of Chicago ("Board" or "CPS") and <u>Navigant Consulting Inc.</u> ("Provider") pursuant to the Professional Services Agreement entered into between the parties ("Agreement"), and more specifically Statement of Work # ____ entered into between the parties pursuant to the Agreement. All terms and conditions of the Agreement and the Statement of Work are incorporated by reference and the SOW is only changed as specifically set forth below. No attempt to alter the terms and conditions of the Agreement through this Change Request and Authorization will be effective. The Board may, in its sole discretion, determine that any modification or addition to the terms and conditions of the Agreement through this Change Request and Authorization to be null and void.</p> | | | |
| Change Request: | | | |
| <p>SOW # ____ is modified as follows:</p> <p>All other description of the services to be performed under the SOW remains otherwise accurate and in effect for the duration of the applicable project.</p> | | | |
| Cause of Change Request: | | | |
| | | | |
| Comments/ Additional Information: | | | |
| | | | |
| Effective Date of Change | | | |
| Authorizations (Must be signed by authorized representatives of both parties before Change is effective) | | | |
| Board's Authorized Officer/designee (CEO Chief of Staff, CAO, Internal Auditor, Sr. VP Finance) | | Provider's Authorized Representative | |
| | | | |
| Name: | | Name: | |
| Date: | | Date: | |

Attachment 2
CPS Professional Services
Change Request and Authorization Form

This Staff Augmentation Request is attached to and incorporated into that certain Professional Services Agreement (the "Agreement") by and between the Board of Education of City of Chicago ("Board" or "CPS") and Navigant Consulting Inc. ("Provider"). All terms and conditions of the Agreement are applicable and remain in effect for any services performed pursuant to this Staff Augmentation Request. No attempt to alter the terms and conditions of the Agreement through this Staff Augmentation Request will be effective without the proper approval as set forth in the Agreement. The Board may, in its sole discretion, determine that any modification or addition to the terms and conditions of the Agreement through this Staff Augmentation Request to be null and void.

An authorized representative of the Board (CEO Chief of Staff, CAO, Internal Auditor, Sr. VP Finance) will complete this form with Provider. The signature from the CPS authorized representative on the final form that has been accepted by Provider in writing is required before work commences.

Board Representative/Designee placing request: _____

Phone _____ Email _____

Position Information:

Equivalent CPS Job Title: _____ Number of Personnel needed _____

Department Name: _____

Projected Start Date: _____ Estimated End Date: _____

Job Location: _____

Brief Description of Job Duties (attach additional sheets as necessary):

Skills required:

Experience required:

Education required:

Provider Confirmation (This Section to be Completed by Provider)

Provider Name: _____

Printed Name/Position (attach additional sheets as necessary) of individuals filling requested positions:

Provider's Authorized Signature:

CPS Authorized Signature (CEO Chief of Staff, CAO, Internal Auditor, Sr. VP Finance)

By: _____

By: _____

Name: _____

Name: _____

Date: _____

Date: _____

Exhibit B | Schedule of Pricing

Navigant Consulting Inc.

Categories 1,2,3,6,7,8

All rates listed below constitute ceiling pricing at which the cost per hour may not exceed. Hourly rates will be negotiated on a project-by-project basis.

Category 1 | Construction and Facilities Management

| Personnel Title | Take Home Rate/Hour (\$) | Mark up (%) | Total Cost/Hour (\$) |
|--|--------------------------|-------------|----------------------|
| Analyst / Staff Equivalent | \$240.00 | | \$240.00 |
| Senior Analyst / Staff Equivalent | \$305.00 | | \$305.00 |
| Project Manager / Staff Equivalent | \$400.00 | | \$400.00 |
| Managing Director/Partner / Staff Equivalent | \$580.00 | | \$580.00 |

Category 2 | Data Analytics

| Personnel Title | Take Home Rate/Hour (\$) | Mark up (%) | Total Cost/Hour (\$) |
|--|--------------------------|-------------|----------------------|
| Analyst / Staff Equivalent | \$240.00 | | \$240.00 |
| Senior Analyst / Staff Equivalent | \$305.00 | | \$305.00 |
| Project Manager / Staff Equivalent | \$400.00 | | \$400.00 |
| Managing Director/Partner / Staff Equivalent | \$580.00 | | \$580.00 |

Category 3 | Finance

| Personnel Title | Take Home Rate/Hour (\$) | Mark up (%) | Total Cost/Hour (\$) |
|--|--------------------------|-------------|----------------------|
| Analyst / Staff Equivalent | \$240.00 | | \$240.00 |
| Senior Analyst / Staff Equivalent | \$305.00 | | \$305.00 |
| Project Manager / Staff Equivalent | \$400.00 | | \$400.00 |
| Managing Director/Partner / Staff Equivalent | \$580.00 | | \$580.00 |

Category 6 | Organization and Management Consulting

| Personnel Title | Take Home Rate/Hour (\$) | Mark up (%) | Total Cost/Hour (\$) |
|--|--------------------------|-------------|----------------------|
| Analyst / Staff Equivalent | \$240.00 | | \$240.00 |
| Senior Analyst / Staff Equivalent | \$305.00 | | \$305.00 |
| Project Manager / Staff Equivalent | \$400.00 | | \$400.00 |
| Managing Director/Partner / Staff Equivalent | \$580.00 | | \$580.00 |

Category 7 | Project Management

| Personnel Title | Take Home Rate/Hour (\$) | Mark up (%) | Total Cost/Hour (\$) |
|--|--------------------------|-------------|----------------------|
| Analyst / Staff Equivalent | \$240.00 | | \$240.00 |
| Senior Analyst / Staff Equivalent | \$305.00 | | \$305.00 |
| Project Manager / Staff Equivalent | \$400.00 | | \$400.00 |
| Managing Director/Partner / Staff Equivalent | \$580.00 | | \$580.00 |
| | | | |

Category 8 | Risk Management

| Personnel Title | Take Home Rate/Hour (\$) | Mark up (%) | Total Cost/Hour (\$) |
|--|--------------------------|-------------|----------------------|
| Analyst / Staff Equivalent | \$240.00 | | \$240.00 |
| Senior Analyst / Staff Equivalent | \$305.00 | | \$305.00 |
| Project Manager / Staff Equivalent | \$400.00 | | \$400.00 |
| Managing Director/Partner / Staff Equivalent | \$580.00 | | \$580.00 |
| | | | |