

WITHDRAWN

DRAFT

01-0124-PR24

January 24, 2001

**APPROVE ENTERING INTO AN AGREEMENT WITH NEAR NORTH NATIONAL GROUP
FOR LOSS CONTROL CONSULTING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Near North National Group (Near North) to provide loss control consulting services to the Bureau of Risk and Benefits Management at a cost not to exceed \$215,000.00. Consultant was selected on a non-competitive basis because Consultant has demonstrated its expertise in performing these services and possesses a high degree of competency in this area. A written agreement for Consultant's services is currently being negotiated. No payment shall be made to Consultant prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

CONSULTANT: Near North National Group
875 North Michigan Avenue, Suite 1900
Chicago, IL 60611
Contact Person: Michael Segal
(312) 380-5600
Vendor #:

USER: Bureau of Risk and Benefits Management
125 South Clark, 14th Floor
Chicago, IL 60603
Contact Person: Georgette Hampton
(773) 553-2818

TERM: The term of this agreement shall commence on February 1, 2001 and shall end January 31, 2003.

SCOPE OF SERVICES: Consultant shall develop for the Board a customized Property Management Database System which will facilitate automation of risk management data associated with the Board's property portfolio. These services will be rendered by Consultant in three phases as follows: (i) Phase One: Meet with Board personnel, review overall risk management needs and outline the overall scope of the database project; (ii) Phase Two: Incorporate the Board's needs into the database design; and (iii) Phase Three: Organize and conduct site inspections, as directed by the Bureau of Risk and Benefits Management, to obtain underwriting and loss control data needed to complete the database into final user format. Consultant shall facilitate the data entry into the database and shall provide all upgrades and maintenance of the database system during the term of the agreement.

DELIVERABLES: Consultant shall deliver to the Board a customized Property Management Database System.

OUTCOMES: Consultant's services shall result in the Board having a comprehensive and complete Property Management Database System which will facilitate automation of risk management data associated with the Board's property portfolio. The database developed by Consultant will result in a risk management tool directly attributable to loss prevention and loss reduction.

COMPENSATION: Consultant shall be paid as follows: The sum of \$37,500.00 upon signing of the agreement, the sum of \$37,500.00 upon satisfactory completion of Phase Two services, and the sum of \$200.00 per site inspection (700 site inspections) as such inspections are rendered, not to exceed the sum of \$215,000.00 in the aggregate.

REIMBURSABLE EXPENSES: None.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize the Director of Risk and Benefits Management to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: Consultant agrees to comply with and be bound by the provisions of the Board's Revised Remedial Plan for Minority and Women Business Enterprise Economic Participation.

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

FINANCIAL: Charge to Risk and Benefits Management: \$215,000.00 Fiscal Year: 01
Budget Classification: 0963-215-000-7068-5490 Source of Funds: Property Insurance
And Inspections

GENERAL CONDITIONS:

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

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

Indebtedness – The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

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

Approved for Consideration:

Approved:

Natalye Paquin
Chief Purchasing Officer

Paul G. Vallas
Chief Executive Officer

Within Appropriation:

Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:

Marilyn F. Johnson
General Counsel