

**APPROVE ENTERING INTO AN EXTENSION OF THE EXISTING AGREEMENT
WITH TRUSTMARK INSURANCE COMPANY
AND ROLEI FINANCIAL SERVICES
TO SERVICE EXISTING TRUSTMARK UNIVERSAL LIFE INSURANCE POLICYHOLDERS**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an extension of the existing agreement with Rolei Financial Services to service CPS employees and dependents that are existing Trustmark Universal Life Insurance policyholders. This is a voluntary group universal life insurance program which has no direct cost to the Board. A written renewal agreement for these services is currently being negotiated. The authority granted herein shall automatically rescind in the event a written renewal agreement is not executed within 120 days of the date of this Board Report. Information pertinent to this renewal agreement is stated below.

SPECIFICATION NO.: 02-250213

PARTIES: Rolei Financial Services 737 North Michigan Avenue Suite 1300 Chicago, Illinois 60611 (312) 654-8200 Contact Person: Jamie Rojkind, Partner	USER: Bureau of Risk and Benefits Management 125 South Clark Street-14 th Floor Chicago IL 60603 Georgette Hampton, Director (773) 553-2818
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ORIGINAL AGREEMENT: The original agreement (authorized by Board Report 02-1120-PR12) was for a 12 month term commencing January 1, 2003 and ending December 31, 2003. The original agreement was renewed (authorized by Board Report 03-1022-PR38) for a term commencing January 1, 2004 and ending June 30, 2004. The original agreement was awarded on a competitive basis pursuant to a Request for Proposals.

RENEWAL TERM: This agreement shall be renewed for a term commencing July 1, 2004 and ending December 31, 2006. This renewal agreement shall provide for (2) two options to renew for 12 months each.

SCOPE OF SERVICES: Services shall include explanation of policy provisions, terms and costs and assistance in processing claims and other related services. Existing policyholders will be allowed to increase premium amounts and add new dependents. No on-site marketing or solicitation shall be conducted by Rolei or Trustmark. No new contracts shall be written.

DELIVERABLES: Timely provision of policy documents to enrollees through and efficient processing of claims, quarterly and annual reports.

OUTCOMES: These services shall provide Universal Life coverage to existing policyholders with the convenience of payroll deductions.

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.

COMPENSATION: The Board shall be paid a per contract fee to cover its administrative expenses. Trustmark will remit to the Board on an annual basis \$7.50 per active policyholder.

AFFIRMATIVE ACTION: Pursuant to section 3.7 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan), this contract is exempt from review because it's for a unique transaction. There will be no payment of Chicago Public Schools funds to the vendor for its services.

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

FINANCIAL: No cost to the Board of Education.

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.

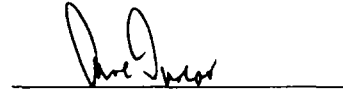
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:

Approved:



Heather A. Obora
Chief Purchasing Officer




Arne Duncan
Chief Executive Officer

Within Appropriation:



John Maiorca
Chief Financial Officer

Approved as to legal form: 



Ruth Moscovitch
General Counsel