

APPROVE EXERCISING THE SECOND OPTION TO RENEW THE AGREEMENT WITH INTEGRAL SOLUTIONS GROUP, INC. FOR CONSULTING SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the second option to renew the agreement with Integral Solutions Group, Inc. (ISG), to continue to provide systems development-consulting services to the Bureau of Risk and Benefits Management, at a cost not to exceed \$150,000.00 for the renewal period. A written renewal agreement for Consultant's services is currently being negotiated. No payment shall be made to Consultant during the renewal period prior to the execution of the written renewal agreement. The authority granted herein shall automatically rescind in the event a written renewal document is not executed within 90 days of the date of this Board Report. Information pertinent to this renewal is stated below:

Specification No.:00-250596

CONSULTANT: Integral Solutions Group, Inc.
4221 Saratoga Avenue, Suite 202
Downers Grove, IL. 60515
(847) 571-4741
Todd Schwingle
Vendor No. 24379

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

ORIGINAL AGREEMENT: The original Consulting Agreement in the amount of \$75,000 (authorized by Board Report 00-0726-PR20) is for a term commencing October 23, 2000 and ending October 22, 2001 with the Board having the option to renew the Agreement for two consecutive one-year periods. The agreement was renewed (authorized by Board Report 01-0627-PR40) in the amount of \$150,000.00 for a term commencing October 23, 2001 and ending October 22, 2002. The original Agreement was awarded on a non-competitive basis.

OPTION PERIOD: The term of this agreement is being extended for a term commencing October 23, 2002 and ending October 22, 2003.

OPTION PERIODS REMAINING: There are no option periods remaining.

SCOPE OF SERVICES: ISG shall continue to provide consulting services to enhance the administration of employee benefits and risk management programs, to improve data access, to increase data integrity for both internal and external users and to increase accuracy, while reducing manual effort through automation.

DELIVERABLES: During the renewal term, ISG shall design and upgrade the following Programs:

- Upgrade of Enrollment system to be interactive from a WEB based platform
- Develop a PC based certificate tracking application for bus vendor compliance
- Develop an automated interface with Illinois Department of Employment Security
- Develop Systems to Improve workflow for the Bureau via Forms, Reports, and Interfaces

OUTCOMES: Consultant's services shall result in continued improvement in data accuracy, customer service and communications for all Board employees and their dependents.

COMPENSATION: Consultant shall be paid as follows: Hourly Rate of \$120.00 not to exceed \$150,000.00.

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

AFFIRMATIVE ACTION: The vendor for this contract is an independent consultant (100% non-minority).

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

FINANCIAL: Charge to Risk and Benefits Management \$150,000.00 Fiscal Year: 2002-2003
Budget Classification: #0230-210-000-1634-5410 - \$75,000.00-F'Y 2003
#0230-210-000-1634-5410 - \$75,000.00-F'Y 2004

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 Board of Trustees 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).

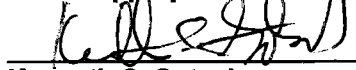
Approved for Consideration:


Anita Rocha
Acting Chief Purchasing Officer

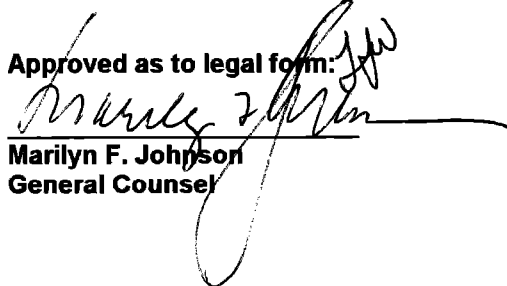
Approved:


Arne Duncan
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:


Marilyn F. Johnson
General Counsel