

**APPROVE EXERCISING THE SECOND AND FINAL OPTION TO RENEW THE AGREEMENT
WITH VISION SERVICE PLAN TO PROVIDE VISION CARE SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the second option to renew the agreement with Vision Service Pan (VSP) to provide vision services on behalf Chicago Public School employees at a cost for the option period not to exceed \$1,000,000.00. A written document exercising this option is currently being negotiated. No payment shall be made to Consultant during the option period prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification No.: 03-250287

VENDOR: Vision Service Plan
3333 Quality Road
Rancho Cordova, CA 95670
Contact: Jan Napolitano
(312) 466-1733
Vendor No.: 23342

USER: Department of Human Resources
Compensation and Benefits Managements
125 S. Clark Street
Chicago, IL 60603
Contact: Dale Moyer, Director
(773) 553-2818

ORIGINAL AGREEMENT: The original Agreement (authorized by Board Report 04-0324-PR24) in the amount of \$3,000,000.00 is for a term commencing July 1, 2004 and ending December 31, 2006, with the Board having two options to renew for one year terms. The agreement was renewed (authorized by Board Report 06-1115-PR20) for a period commencing January 1, 2007 and ending December 31, 2007. The original agreement was awarded on a competitive basis pursuant to Board Rule 5-4.1.

OPTION PERIOD: The term of this agreement is being extended for one year commencing January 1, 2008 and ending December 31, 2008.

OPTION PERIODS REMAINING: There are no option periods remaining.

SCOPE OF SERVICES: VSP will continue to provide vision care services (including all administrative, utilization review and vision care network access) for employees and their dependents that elect to participate in the vision program. VSP's network includes optometrists, ophthalmologist and other licensed vision care professionals who will provide services and materials to their dependents in offices throughout the Chicago Area.

DELIVERABLES: VSP will continue to provide all necessary tasks to properly administer the vision care program send communications, brochures, pamphlets and materials to the Board's employees, respond to telephone inquires and direct employees to appropriate use of vision benefits and services, provide management reports to ensure that all services are rendered in a prompt and fair manner to all eligible employees and their dependents, and ensure that all claims are accurately processed according the contract.

OUTCOMES: VSP's services will result in an efficient and successful vision care program.

COMPENSATION: VSP shall be paid during this option period as follows: a fixed rate per member per month, not to exceed the sum of \$1,000,000.00.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the written option document. Authorize the President and Secretary to execute the option document. Authorize the Chief Human Resources Officer to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION: The M/WBE goals for this contract include: 35% total MBE and 5% total WBE.

The vendor has identified the following percentages:

Total MBE 35%

Haniel Roby, OD. – AA
134 Ogden Ave.
Downers Grove, IL 60615

John A. Rangel, OD – H
111 N. Washington, Ste 1911
Chicago, IL 60602

Sumi Lee, OD - A
1412 Butterfield
Downers Grove, IL 60615

Total WBE – 5%

Susan Taub, MD
104 S. Michigan Ave. – Ste 410
Chicago, IL 60603

The Office of Business Diversity will work with the vendor to increase the pool of minority and women doctors for this contract in Fiscal Year 2008.

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

FINANCIAL: Charge to the Department of Human Resources: \$1,000,000.00 Fiscal Year: 2008-2009
Budget Classification: Budget Classification: Charge to sundry units, all operating funds, sundry programs, hospital insurance (account 57305)

GENERAL CONDITIONS:

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

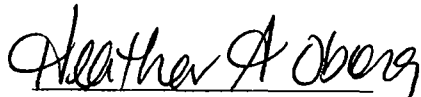
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board member during the one year period following expiration or other termination of their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

Indebtedness – The Board’s Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board’s Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

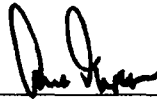
Contingent Liability – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



**Heather A. Obora
Chief Purchasing Officer**

Approved:



**Arne Duncan
Chief Executive Officer**

Within Appropriation:



**Pedro Martinez
Chief Financial Officer**

Approved as to legal form:



**Patrick J. Rocks
General Counsel**