

**APPROVE ENTERING INTO AN AGREEMENT WITH WILLIS OF ILLINOIS, INC
FOR CONSULTING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Willis of Illinois, Inc. to provide employee benefits consulting services to the Talent Office at a total cost not to exceed \$150,000.00. The Vendor was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to 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.

Specification Number : 12-250056

Contract Administrator : Seanior, Miss Pamela Dorcas / 773-553-2254

VENDOR:

- 1) Vendor # 98715
WILLIS OF ILLINOIS, INC
233 S. WACKER DRIVE., STE 2000
CHICAGO, IL 60606
Brian Stratton
312 288-7070

USER INFORMATION:

Contact: 11010 - Office of Human Capital
125 S Clark St - 2nd Floor
Chicago, IL 60603
Wolter, Mr. William R.
773-553-3807

TERM:

The term of this agreement shall commence on March 1, 2013 and shall end February 28, 2014. This agreement shall have two options to renew for periods of 12 months each. Cost of any renewal option shall be negotiated prior to exercise of the option.

EARLY TERMINATION RIGHT:

The Board shall have the right to terminate this agreement with 30 days written notice.

SCOPE OF SERVICES:

Vendor will provide comprehensive health and welfare benefits plan consulting as follows:

* Provide research, benchmarking, data analysis, expense and contributions projections, evaluation, and design recommendations for total rewards and benefits offerings.

- * Advise and consult with the Board throughout the benefits vendor selection process including assisting in drafting of RFP content, evaluating proposals, estimating all applicable proposer costs, and negotiating fees and other relevant terms.
- * Provide contract renewal and negotiation services of the Board's current benefit plans vendors.
- * Advise and assist in reviewing contracts, plan documents, insurance policies, and other documents for applicability, accuracy, and consistency.
- * Monitor compliance of benefit plans with applicable laws and regulations and recommend changes and enhancements to comply with all applicable laws and regulations.
- * Provide a quarterly plan funding analysis.
- * Provide subject matter expertise in drafting total rewards communications materials.
- * Participate in monthly Labor Management Cooperation Committee meetings.
- * Participate in audits of benefits vendors and internal benefits plan audits.

DELIVERABLES:

Vendor will deliver the services noted in the Scope of Services and provide monthly reports including a healthcare dashboard report, activity logs, and ad-hoc reporting as requested.

OUTCOMES:

Vendor services will result in benefits plan savings for CPS and professional oversight and monitoring of total rewards benefits programs.

COMPENSATION:

Vendor shall invoice the Board monthly and be compensated a base service fee not to exceed \$150,000.00 for the initial contract term, which may be payable in equal monthly installments. In addition to the base service fee, Vendor is authorized to receive commissions directly from CPS benefits carriers with the total commissions paid to the Vendor not to exceed \$270,000.00 for services provided during the initial contract term. Commission is based on negotiated administrative fees and insurance rates with plan vendors. The total compensation to the Vendor shall not exceed \$420,000.00 for the initial contract term; the total cost to the Board shall not exceed \$150,000.

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 Chief Talent Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION:

This agreement is in full compliance with the goals required by the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts. The MBE/WBE goals for this agreement include: 25% total MBE and 5% total WBE participation.

The Vendor has identified the following participation:

Total MBE - 25%

Lambent Risk Management
1 North LaSalle Street, 35th Floor
Chicago, IL 60602
Contact: Shirley Evans-Wolford

Beaman Incorporated
401 North Michigan Avenue, Suite 1301
Chicago, IL 60611
Contact: Robin Beaman

Total WBE - 5%

Ovation Global Strategies
30 South Wacker Dr., Suite 2200
Chicago, IL 60606
Contact: Daniella Levitt

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 115, Talent Office, Unit 11010, for a total not-to-exceed amount of \$150,000 in FY13

CFDA#: Not Applicable

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 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 May 25, 2011 (11-0525-PO2), 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:




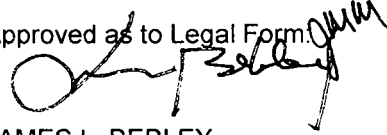
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



BARBARA BYRD-BENNETT
Chief Executive Officer

Approved as to Legal Form 



JAMES L. BEBLEY
General Counsel