

**AMEND THE AGREEMENT WITH RHOMBUS SOFTWARE PRODUCTS INC DBA JAT SOFTWARE
FOR W-2 AND AFFORDABLE CARE ACT 1095-C PROCESSING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Amend the agreement with Rhombus Software Products, Inc. d/b/a JAT Software, Inc. (JAT) to provide Affordable Care Act 1095-C Processing services to the Payroll Department and increase the compensation amount by \$50,000 for these additional services. Vendor was selected on a competitive basis pursuant to Board Rule 7-2. The current agreement with JAT (authorized by CPOR 15-0624-CPOR-1704) in the amount of \$75,000.00 is for Form W-2 processing services. This amendment is to increase the compensation amount for additional Form 1095-C Processing services required by the Affordable Care Act.

A written amendment is currently being negotiated. No payment above the previously authorized amount shall be made prior to execution of the written amendment. The authority granted herein shall automatically rescind in the event the amendment is not executed within 90 days of the date of this Board Report. Information pertinent to this amendment is stated below.

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-3295
CPOR Number : 15-0624-CPOR-1704

VENDOR:

- 1) Vendor # 34365
RHOMBUS SOFTWARE PRODUCTS INC
DBA JAT SOFTWARE
440 ROUTE 22 EAST
BRIDGEWATER, NJ 08807
Scott Armstrong
908 725-9748

Ownership: Jack Felicio - 100%

USER INFORMATION :

Project
Manager: 12450 - Payroll Services

501 West 35th Street

Chicago, IL 60616

Miller, Mr. Thomas M.

773-553-2666

TERM:

This agreement is for a term commencing on July 1, 2015 and ending on June 30, 2016, with three (3) options to renew for periods of one (1) year each.

EARLY TERMINATION RIGHT:

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

SCOPE OF SERVICES:

Vendor will accept and process files from the Board in order to produce form 1095-C for all current employees as well as employees that worked any portion of the calendar year. This is required by IRS regulations in connection with the Affordable Care Act. Scope includes processing Board data and storing this data on Vendor's website with access through the CPS portal as well as through a stand-alone system located in the Payroll Services department.

DELIVERABLES:

Vendor will provide access to its e-Printview Online Internet Application for 1095-Cs. This access will be controlled by the Board and will be tied to our current access for on-line W2s. JAT will also provide a database which will be owned by the Board and administered and secured in the Payroll Services Department. This database will also be loaded with the 1095-C forms produced by the Vendor. Additionally, Vendor will provide hard copies of 1095-C forms for all employees/former employees that do not elect to receive their 1095-C form electronically. These printed forms will be mailed by the Vendor prior to the January 31st IRS deadline each year the Board uses Vendor's service. Vendor will allow online access to the form for all CPS active employees that have consented for that form of delivery.

OUTCOMES:

As a result of the Affordable Care Act, all large employers, including the Board, are required to supply all full-time employees working in the previous year with a 1095-C form, demonstrating that the employer offered adequate health care coverage. This form is to be filed by the employee with his or her individual tax returns each year. The IRS penalty for non-compliance is approximately \$250.00 per employee, up to \$3,000,000.00, if the Board does not conform to regulation timelines.

COMPENSATION:

Vendor shall be paid according to the terms in their agreement.
Estimated annual costs for the one (1) year term are set forth below:
\$125,000.00, FY16

REIMBURSABLE EXPENSES:

None.

AUTHORIZATION:

Authorize the General Counsel to amend other relevant terms and conditions in the written amendment. Authorize the President and Secretary to execute the amendment. Authorize the Chief Financial Officer to execute all ancillary documents required to administer or effectuate the agreement and amendment.

AFFIRMATIVE ACTION:

This agreement is exempt from MBE/WBE Compliance Review, as it was awarded under the District's CPOR process and was not assigned any MBE/WBE goal requirements.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 115, Payroll Services, Unit 12450
\$125,000.00, FY16

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:



FORREST CLAYPOOL
Chief Executive Officer

Approved as to Legal Form: *garcia*



CHERYL J. COLSTON
Acting General Counsel