

November 18, 2015

**AUTHORIZE THE FIRST RENEWAL AGREEMENT WITH AMERICAN HEALTHWAYS SERVICES,
LLC FOR PROFESSIONAL SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize the first renewal agreement with American Healthways Services, LLC to provide professional services to the Talent Office at an estimated annual cost set forth in the Compensation Section of this report. This report is part of an overall, long-term, cost savings strategy in alignment with the City of Chicago's Employee Wellness Program. The estimated cost savings to the District is \$8.1M over two years. A written document exercising this option is currently being negotiated. No payment shall be made to Vendor during the option period prior to execution of their written document. The authority granted herein shall automatically rescind in the event their written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-3295

VENDOR:

- 1) Vendor # 64873
AMERICAN HEALTHWAYS SERVICES,
LLC
701 COOL SPRINGS BLVD.
FRANKLIN, TN 37067
Charlie Moore
615 614-4431

Ownership: Limited Liability Company -
Healthways, Inc. - 100%

USER INFORMATION :

Project
Manager: 11010 - Talent Office

42 West Madison Street

Chicago, IL 60602

Fairhall, Ms. Gail A

773-553-3807

ORIGINAL AGREEMENT:

The original agreement (authorized by Board Report #12-0425-PR19) in the amount of \$2,460,120.00 was for a term commencing May 1, 2012 and ending December 15, 2015 with the Board having two (2) options to renew for one (1) year terms. This agreement was amended (authorized by Board Report #12-0627-PR40) to increase the amount to \$7,716,844.14 and to change the term end date to December 31, 2015. This agreement was amended again (authorized by Board Report #12-1024-PR13) to increase the amount to \$22,644,514.11. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2 based on a competitive process conducted by the City of Chicago.

OPTION PERIOD:

The term of this agreement is being renewed for eighteen (18) months by agreement of the parties. The renewal agreement shall commence on January 1, 2016 and end on June 30, 2017.

OPTION PERIODS REMAINING:

There is one (1) option period remaining for six (6) months.

SCOPE OF SERVICES:

The Vendor shall manage and administer an employee wellness program in alignment with the City of Chicago's Employee Wellness Program. These services include, but are not limited to: web portal communications and technical support, well-being assessments, biometric health screens, health-risk coaching and reporting.

DELIVERABLES:

Deliverables shall include, but are not limited to all aspects of the City of Chicago's employee wellness plan including: health screening, well-being assessments, health-risk coaching, communication toolkits and an employee web-portal.

OUTCOMES:

As a result of this work, CPS employees will have access to services aligned to the City of Chicago's wellness program that strives to improve employee health outcomes.

COMPENSATION:

Vendor shall be paid during this option period according to the terms of the agreement. Estimated annual costs for this option period are set forth below:

\$1,366,666.67, FY16

\$2,733,333.33, FY17

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

AFFIRMATIVE ACTION:

This agreement shall be bound by the MBE/WBE requirements set by the Department of Procurement Services at the City of Chicago; as services are offered through an agreement conducted by The City of Chicago.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Budget Classification: Expense as allocated to all positions through account number 57305 (Hospitalization and Dental Insurance) across all operating funds, units, programs, and grants.

\$1,366,666.67, FY16

\$2,733,333.33, FY17

Not to exceed \$4,100,000.00 for the eighteen (18) month term. Future year funding is contingent upon budget appropriation and approval.

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.

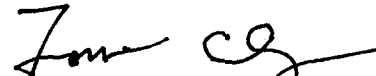
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



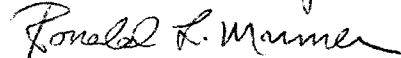
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



FORREST CLAYPOOL
Chief Executive Officer

Approved as to Legal Form:



RONALD L. MARMER
General Counsel