

AUTHORIZE A NEW AGREEMENT WITH AON CONSULTING, INC. FOR ACTUARIAL SERVICES**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize a new agreement with Aon Consulting, Inc. to provide Actuarial Services to the Finance Department at an estimated annual cost set forth in the Compensation Section of this report. 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 the execution of their written agreement. The authority granted herein shall automatically rescind in the event their written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Contract Administrator : Sinnema, Mr. Ethan Cedric / 773-553-5180
CPOR Number : 17-0609-CPOR-1854

VENDOR:

- 1) Vendor # 97631
AON CONSULTING, INC.
200 EAST RANDOLPH
CHICAGO, IL 60601

Ken Lining
312 381-4184

Ownership: Aon Plc -100% - Publicly
Traded Firm

USER INFORMATION :

Project
Manager: 12610 - Budget & Management Office

42 West Madison Street

Chicago, IL 60602

Mock, Mr. Cameron S.

773-553-1571

TERM:

The term of this agreement shall commence on July 1, 2017 and shall end on June 30, 2018. This agreement shall have three (3) options to renew for periods of one (1) year each.

EARLY TERMINATION RIGHT:

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

SCOPE OF SERVICES:

Vendor will provide actuarial services for the Department of Finance. Services include alerting CPS to developments and potential changes to the Chicago Teachers' Pension Fund (CTPF) with meaningful financial impact on the District, providing estimates on the financial impact of legislative and/or administrative pension changes to CTPF upon request, and diagnosing annual changes to CTPF assets and liabilities.

DELIVERABLES:

Emails with developing events, analysis of legislative and/or administrative changes (averages 1-3 months), annual reconciliation of Underfunded Actuarial Accrued Liability (UAAL), and reviews of pension information in CPS bond disclosure documents.

OUTCOMES:

Vendor will provide a timely and high quality analysis of legislative, legal, administrative, business, political actions and proposals that could have a financial impact on CPS through changes to the required contributions to the CTPF. The analysis shall include a forecast comparison to baseline, including a comparison of employer contributions, UAAL, and funding percentages under such changes. Annual UAAL reconciliation shall diagnose changes in liabilities and assets year-over-year, including the proportion of variables' impact on the UAAL.

COMPENSATION:

Vendor shall be paid according to the terms of the agreement. Estimated annual costs for the one (1) year term are set forth below:

\$125,000.00, FY18

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 the Budget Director to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION:

The M/WBE goals for this agreement include 25% total MBE and 5% total WBE participation. However, the Office of Business Diversity recommends a full waiver as scope of services is not further divisible.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 115, Department of Finance, Unit 12610
\$125,000.00 FY18

Future year funding is contingent upon budget approval and appropriation.

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.

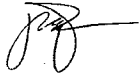
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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



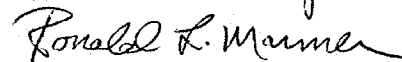
JONATHAN MAPLES
Chief Procurement Officer

Approved:



FORREST CLAYPOOL
Chief Executive Officer

Approved as to Legal Form:



RONALD L. MARMER
General Counsel