

January 24, 2018

AUTHORIZE A NEW AGREEMENT WITH MESIROW INSURANCE SERVICES, INC FOR INSURANCE BROKERAGE AND CONSULTING SERVICES**THE ACTING CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize a new agreement with Mesirow Insurance Services, Inc (Mesirow) to provide insurance brokerage and consulting services to the Department of Finance/Bureau of Risk Management 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 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 : 17-350048

Contract Administrator : Landeros, Mr. Luke / 773-553-2280

VENDOR:

- 1) Vendor # 84715
MESIROW INSURANCE SERVICES, INC
353 NORTH CLARK ST.
CHICAGO, IL 60654
Linda Price
312 595-7260
Ownership: Alliant Insurance Services, Inc. -
100%

USER INFORMATION :

Project
Manager: 12460 - Risk Management
42 West Madison Street
Chicago, IL 60602
Lorden, Ms. Ellen C
773-553-2210

TERM:

The term of this agreement shall commence on March 1, 2018 and shall end February 29, 2020. This agreement shall have one (1) option to renew for a two (2) year period.

EARLY TERMINATION RIGHT:

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

SCOPE OF SERVICES:

Mesirow will provide insurance brokerage services, including placement of the following: excess property and casualty (liability), boiler and machinery, special events, fiduciary, student catastrophic insurance programs, and additional coverage as requested. Mesirow will analyze Board operations and claims' loss experience, develop insurance specifications, prepare marketing submissions, seek quotes from viable

insurance markets, negotiate modifications, bind and place insurance programs. Mesirow will support Risk Management with loss trending and forecasting services, contractual risk transfer assistance, certificate of insurance issuance, loss control consulting upon request, actuarial services upon request, and other insurance broker services as needed.

DELIVERABLES:

Mesirow will:

1. Prepare strategic analysis prior to entering the insurance market annually.
2. Submit underwriting proposals within timeframe to meet Board deadlines.
3. Bind and place insurance coverage upon Board approval.
4. Place insurance program on a fixed-fee basis without commission.
5. Identify entities that may benefit from the placement of each program, as well as any commissions, contingencies, wholesale commissions, reinsurance, etc.
6. Validate invoices and premium adjustments with negotiated insurance wording.
7. Review binders, policies and endorsements to verify compliance with specifications as well as accuracy and provide written statement of accuracy to the Board.
8. Issue endorsements and insurance certificates as required.
9. Provide annual stewardship report.
10. Provide access to Succeed System at no additional cost.
11. Prepare actuarial reports upon request.
12. Establish written claims reporting procedures.
13. Provide annual report for Charter School insurance analysis.
14. Provide loss control services, upon request, for an additional cost.

OUTCOMES:

Vendor's services will result in the most comprehensive, cost-effective insurance program available.

COMPENSATION:

Mesirow Insurance Services, Inc shall be paid annual brokerage administrative fee that will not exceed \$150,000 per year, which includes brokerage services fees and loss control services, upon request.

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

AFFIRMATIVE ACTION:

Pursuant to the Remedial Program for Minority and Women - Owned Business Enterprise Participation in Goods and Services contracts, (M/WBE Program), this contract is in full compliance with the goals. The M/WBE goals assigned to this agreement include 30% MBE participation and 7% WBE participation. The vendor has scheduled the following firms:

Total MBE: 30%
CS Insurance Strategies, Inc.
150 N. Michigan Ave., #2400
Chicago, IL 60601
Ownership: Charles Smith

Insurers Review Services, Inc.
225 N. Michigan Ave. #902
Chicago, IL 60601
Ownership: Alvin J. Robinson

Total WBE: 7%
LPR Services, Inc
3009 Oaksbury Court, suite 110
Rolling Meadows, IL 60008
Ownership: Patricia LePenske

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 210
Risk Management - Unit 12460
FY18, \$60,000
FY19, \$150,000
FY20, \$ 90,000
Not to exceed \$300,000 for the two (2) year 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.

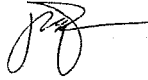
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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

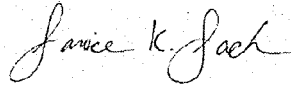
Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



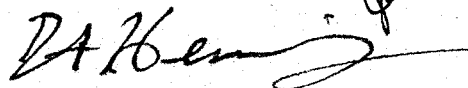
JONATHAN MAPLES
Chief Procurement Officer

Approved:



JANICE K. JACKSON
Acting Chief Executive Officer

Approved as to Legal Form:



DOUGLAS A. HENNING
Acting General Counsel