

**AUTHORIZE THE SECOND RENEWAL AGREEMENT WITH PAYFLEX SYSTEMS USA, INC FOR  
COBRA ADMINISTRATION SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Authorize the second renewal agreement with Payflex Systems USA, Inc. to provide COBRA Administration Services to the Talent Office at an estimated annual cost set forth in the Compensation Section of this report. A written document exercising this option is currently being negotiated. No payment shall be made to the 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 : Washington, Ms. Nealean T / 773-553-2273  
CPOR Number : 16-0627-CPOR-1778

**VENDOR:**

- 1) Vendor # 96731  
PAYFLEX SYSTEMS USA, INC  
10802 FARNAM DRIVE., STE 100  
OMAHA, NE 68154

Shay Butler  
630 892-7550

Ownership: Aetna Life Insurance-100%

**USER INFORMATION :**

Project  
Manager: 11010 - Talent Office  
  
42 West Madison Street  
  
Chicago, IL 60602  
  
Jordan, Ms. Christina  
  
.773-553-1044

**ORIGINAL AGREEMENT:**

The original Agreement (authorized by Board Report #16-0727-PR14) in the amount of \$125,000.00 is for a term commencing August 1, 2016 and ending July 31, 2017, with the Board having three (3) options to renew for one (1) year terms. The agreement was renewed (authorized by Board Report #17-0426-PR21) in the amount of \$125,000.00 for the term commencing August 1, 2017 and ending July 31, 2018. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.

**OPTION PERIOD:**

The term of this agreement is being renewed for one (1) year commencing on August 1, 2018 and ending on July 31, 2019.

**OPTION PERIODS REMAINING:**

There is one (1) option period for one (1) year each remaining.

**SCOPE OF SERVICES:**

Vendor will continue to provide comprehensive COBRA and Direct Benefits Billing administrative services.

**DELIVERABLES:**

Vendor will continue to provide regular COBRA and Direct Benefits Billing activity reports including, but not limited to, reports detailing quantity and types of all notices distributed, enrolled/eligibility reports, reconciliation reports for all premiums collected, and other ad-hoc reports as requested. Vendor will provide CPS staff access to an online portal where reporting information can be accessed on demand.

**OUTCOMES:**

Vendor's services will result in best-practice administration and higher COBRA and Direct Benefits Billing service levels for the Board, qualified beneficiaries, and employees utilizing these services.

**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:

\$125,000.00, FY19

**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:**

Pursuant to the Remedial Program for Minority and Women-Owned Business Enterprise Participation in Goods and Services contracts (M/WBE Program), there are no M/WBE goals set for this agreement because this contract is for proprietary software.

**LSC REVIEW:**

Local School Council approval is not applicable to this report.

**FINANCIAL:**

Fund 115, Talent Office, Unit 11010

\$125,000.00 FY19

Not to exceed \$125,000.00 for the one (1) 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

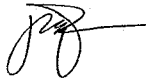
Board members during the one year period following expiration or other termination of their terms of office.

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:



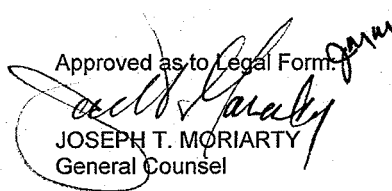
JONATHAN MAPLES  
Chief Procurement Officer

Approved:



JANICE K. JACKSON  
Chief Executive Officer

Approved as to Legal Form:



JOSEPH T. MORIARTY  
General Counsel