

APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH INTEGRAL SOLUTIONS GROUP INC. FOR CONSULTANT SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with Integral Solutions Group (ISG), Inc. to continue to provide systems development-consulting services to the Bureau of Risk and Benefits Management, at a cost not to exceed \$150,000.00 for the renewal period. A written renewal agreement for Consultant's services is currently being negotiated. No payment shall be made to Consultant during the renewal period prior to the execution of the written renewal agreement. The authority granted herein shall automatically rescind in the event a written renewal document is not executed within 90 days of the date of this Board Report. Information pertinent to this renewal is stated below:

Specification No.:00-250596

CONSULTANT: Integral Solutions Group, Inc.
4221 Saratoga Avenue, Suite 202
Downers Grove, IL. 60515
(847) 571-4741
Todd Schwingle
Vendor No. 24379

USER: Bureau of Risk and Benefits Management
125 South Clark -14th Floor
Chicago, IL. 60603
Georgette Hampton, Director
(773) 553-2818

ORIGINAL AGREEMENT: The original Consulting Agreement in the amount of \$75,000 (authorized by Board Report 00-0726-PR20) is for a term commencing October 23, 2000 and ending October 22, 2001 with the Board having the option to renew the Agreement for two consecutive one-year periods. The original Agreement was awarded on a non-competitive basis.

OPTION PERIOD: The term of this agreement shall be extended for a term commencing October 23, 2001 and ending October 22, 2002.

OPTION PERIODS REMAINING: There is one 12 month option period remaining.

SCOPE OF SERVICES: Integral Solutions Group shall continue to provide consulting services to enhance the administration of employee benefits programs, to improve data access, increase data integrity for both internal and external users and to increase accuracy, while reducing manual effort through automation.

DELIVERABLES: During the renewal term, Integral Solution shall design and upgrade the following Employee Benefit Programs:

- Upgrade of Enrollment system to interface with IVR and PC Based application for New Hire Open Enrollment
- Design and Develop the Risk and Benefits Department Web Site
- Automate Long Term Disability (LTD) Process for Standard Insurance
- Develop COBRA interface to Medical/Dental Vendors
- Provide Technical Advisory for Risk and Benefits on the Oracle Project
- Enhance Direct Pay application for Medical Benefit
- Develop Systems to Improve workflow with the Department via Forms, Reports, and Interfaces

Deliverables outlined above will result in an increase in current time commitment from 2-3 days per week to 3-4 days a week.

OUTCOMES: Consultant services shall result in continued improvement in data accuracy, customer service and communications for all Board employees and their dependents.

COMPENSATION: Consultant shall be paid as follows: Hourly Rate of \$110.00 not to exceed \$150,000.00. ISG commits to a rate of \$120/hour for the contract period beginning October 23, 2002 and ending October 22, 2003.

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 Director of Risk and Benefits Management to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION: M/WBE participation for Independent Contractors is determined on an aggregated basis and reported in the M/WBE Monthly Report. M/WBE participation: 0% Black, 0% Hispanic, 0% Asian,

LSC REVIEW: Local School Council approval is not applicable to this report.

FINANCIAL: Charge to Risk and Benefits Management \$150,000.00 Fiscal Year: 2000-2001
Budget Classification: #0963-210-000-1634-5410

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 Board of Trustees 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 July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), 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:


Natalye Paquin
Chief Purchasing Officer

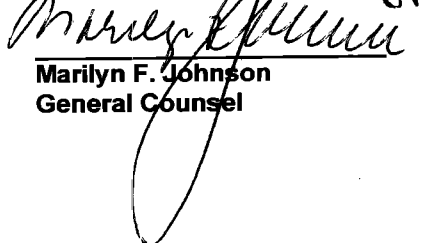
Approved:


Paul G. Vallas
Chief Executive Officer

Within Appropriation:


Kenneth C. Gotsch
Chief Fiscal Officer

Approved as to legal form:


Marilyn F. Johnson
General Counsel