

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT  
WITH VISION SERVICE PLAN TO PROVIDE VISION CARE SERVICES**

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

Approve exercising the first option to renew the agreement with Vision Service Plan (VSP) to provide vision care services on behalf of Chicago Public School employees at a cost for the option period not to exceed \$1,000,000.00. A written document exercising this option is currently being negotiated. No payment shall be made to Vendor during the option period prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

**Specification No.: 03-250287**

**VENDOR:** Vision Service Plan  
3333 Quality Road  
Rancho Cordova, CA 95670  
Contact: Jan Napolitano  
(312) 466-1733  
Vendor No.: 23342

**USER:** Department of Human Resources  
Compensation and Benefits Managements  
125 S. Clark Street  
Chicago, IL 60603  
Contact: Dale Moyer, Director  
(773) 553-2818

**ORIGINAL AGREEMENT:** The original Agreement (authorized by Board Report 04-0324-PR24) in the amount of \$3,000,000.00 is for a term commencing July 1, 2004 and ending December 31, 2006, with the Board having two options to renew for one year terms. The original agreement was awarded on a competitive basis pursuant to Board Rule 5-4.1.

**OPTION PERIOD:** The term of this agreement is being extended for one year commencing January 1, 2007 and ending December 31, 2007.

**OPTION PERIODS REMAINING:** There is one option period for one year remaining.

**SCOPE OF SERVICES:** VSP will continue to provide vision care services (including all administrative, utilization review and vision care network access) for employees and their dependents that elect to participate in the vision program. VSP's network includes optometrists, ophthalmologist and other licensed vision care professionals who will provide services and materials to their dependents in offices throughout the Chicago Area.

**DELIVERABLES:** VSP will continue to provide all necessary tasks to properly administer the vision care program send communications, brochures, pamphlets and materials to the Board's employees, respond to telephone inquires and direct employees to appropriate use of vision benefits and services, provide management reports to ensure that all services are rendered in a prompt and fair manner to all eligible employees and their dependents, and ensure that all claims are accurately processed according the contract.

**OUTCOMES:** VSP's services will result in an efficient and successful vision care program.

**COMPENSATION:** VSP shall be paid during this option period as follows: a fixed rate per member per month, not to exceed the sum of \$1,000,000.00.

**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 Human Resources Officer to execute all ancillary documents required to administer or effectuate this option agreement.

**AFFIRMATIVE ACTION:** The M/WBE goals for this contract include: 35% total MBE and 5% total WBE. Pursuant to Section 6.2 of the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan), the Per Contract and Category Goals method for M/WBE participation will be utilized. Aggregated compliance of the doctors in the pool will be reported on a monthly basis.

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

**FINANCIAL:** Charge to the Department of Human Resources: \$1,000,000.00 Fiscal Years: 2007-2008  
Budget Classification: Charge to sundry units, all operating funds, sundry programs, hospital insurance (account 57305)

**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 member 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.

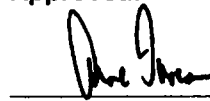
Ethics – The Board’s Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.

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:**

  
Heather A. Obora  
Chief Purchasing Officer


**Approved:**

  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
John Malorca  
Chief Financial Officer

**Approved as to legal form:** 

  
Patrick J. Rocks  
General Counsel