

**APPROVE ENTERING INTO AN AGREEMENT WITH CAPITAL H GROUP, LLC
FOR CONSULTING SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Capital H Group to provide consulting services to the Department of Human Resources at a cost not to exceed \$300,000.00. Consult was selected on a non-competitive basis based on the unique nature of this project. A written agreement for Consultant's services is currently being negotiated. No services shall be provided by Consultant and no payment shall be made to Consultant prior to the execution of the 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.

CONSULTANT: Capital H Group, LLC
225 West Washington Street, Suite 1100
Chicago, IL 60606
Contact: Amy Dordek
Client Relationship Manager
Phone No.: 312-416-0718
Vendor No.: 90039

USER: Department of Human Resources
125 S. Clark Street
Chicago, IL 60603
Contact: Monica Rosen
Phone No.: 773-553-1076

TERM: The term of this agreement shall commence on February 1, 2009 and shall end January 31, 2010. This agreement shall have 2 options to renew for periods of 12 months each with an expected cost of \$300,000 per year.

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

SCOPE OF SERVICES: Consultant will provide the following Principal and Central Office talent Management services:

The Capital H Group will recruit and identify strong leaders for our schools, and to support Local School Councils at every stage of the hiring process by giving them tools and information to make the most informed and best possible hiring decision for their students.

In addition, Capital H will help the district create a process within Central and Area Offices to support individual development and performance. Through this project, CPS will be better able to identify and develop high performers, build a strong pipeline of future Central Office leaders, mitigate risks associated with losing key leaders, consistently and proactively select the right people for leadership roles, and improve supervisors' skill at goal setting and providing feedback to their direct reports.

This project was initiated with the support of the Chicago Public Education Fund (The Fund) and The Broad Foundation, and the Capital H Group is in a unique position to perform the work that is outlined below due to the coordination of work between the Capital H Group, Chicago Public Schools and The Fund.

DELIVERABLES: The Consultant will provide the following:

Principal Talent Management

- Support CPS in developing long-term recruitment strategy for Principal candidates
- Deliver a proposed process for supporting Local School Councils during principal selection
- Propose recommendations on organization structure, roles and resources to ensure effective and efficient implementation of revised processes

Central Office Talent Management

- Deliver talent summary of findings based on completed talent review of Officers and Senior Managers
- Revise Central office leadership talent review process for implementation at manager level
- Provide recommendations on Central Office professional development priorities for Executive Officer, Officer, Senior Manager and AIO populations
- Deliver individual coaching to select group of executive officers to drive improved performance for the district
- Facilitate 4-hour large group talent review session for senior leadership.
- Document Central office succession planning process
- Conduct 2 4-hour working sessions with CPS Human Resources to discuss alignment of performance management process with new Central Office leadership competency model
- Support CPS in the selection of professional development on performance management for managers

OUTCOMES: Consultant's services will result in the following:

Principal Work Stream:

In the short term the district will produce a higher caliber pool of principal leaders being placed in our schools. We will have richer information about newly hired principal's strengths and deficiencies, which will support targeted professional development. We will have a service-driven relationship with AIO's and LSC's that results in principals placed in schools who are the right fit for the school, which means ultimately better student achievement results and improved school performance in the long term (i.e., within 3 to 5 years).

Central Office Work Stream:

CPS leadership will have a clear understanding of performance levels of our staff. Individuals identified as high potential, high performers will be considered for promotional opportunities and all staff will have one-on-one feedback conversations with their supervisors about development opportunities. CPS will be better prepared for unexpected leadership turnover and managers will be better at engaging in difficult conversations with staff. Individuals will understand what they need to do to improve their own performance, and will have access to development to meet those goals.

COMPENSATION: Consultant shall be paid upon completion of approved deliverables as set forth in the agreement; total not to exceed \$300,000.

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

AFFIRMATIVE ACTION: The M/WBE goals for this contract are 25% total MBE and 5% total WBE participation. However, the Office of Business Diversity recommends granting a partial waiver of the M/WBE goals outlined in the Remedial Program for Minority and Women Owned Business Participation in Goods and Services contracts due to the vendor's commitment to work with the Education to Careers program and to utilize M/WBE's in a direct manner during its CPS contract period.

The vendor has scheduled the following:

Total WBE – 6%

Beth Williams
1372 East Madison Park
Chicago, Illinois 60615
Independent Consultant

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

FINANCIAL: Charge to the Department of Human Resources: \$300,000.00 Fiscal Year: 2009
Budget Classification: 11070-115-54125-264217-000000 Source of Funds: General

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.

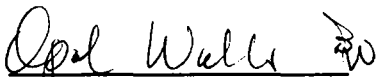
Conflicts – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their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




Opal L. Walls
Chief Purchasing Officer

Within Appropriation:



Pedro Martinez
Chief Financial Officer

Approved as to legal form: 



Patrick J. Rocks
General Counsel 