

APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH R.V. KUHNS AND ASSOCIATES, INC. FOR CONSULTING SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with R.V. Kuhns and Associates, Inc. to provide 403 (b) and 457 retirement savings plan services to the Talent Office, Compensation and Benefits Management at a total cost for the option period not to exceed \$145,000.00. A written document exercising this option is currently being negotiated. No payment shall be made to R.V. Kuhns and Associates, Inc. during the option period prior to 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.

VENDOR:

- 1) Vendor # 81262
R.V. KUHNS & ASSOCIATES, INC
111 SW NAITO PARKWAY
PORTLAND, OR 97204-3512
Allison Gebe Lee
503 221-4200

Director Of Business Development

USER INFORMATION :

Contact:

11010 - Office of Human Capital

125 S Clark St - 2nd Floor

Chicago, IL 60603

Ashley, Mr. Daniel J

773-553-1070

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 11-0824-PR13) in the amount of \$145,000.00 is for a term commencing October 1, 2011 and ending September 30, 2012, with the Board having 4 options to renew for periods of 12 months each. The original agreement was awarded on a competitive basis pursuant to Board Rule 7-2.

OPTION PERIOD:

The term of this agreement is being extended for one year commencing October 1, 2012 and ending September 30, 2013.

OPTION PERIODS REMAINING:

There are 3 option periods for 12 months each remaining.

SCOPE OF SERVICES:

R.V. Kuhns and Associates, Inc. will continue to provide the following services:

Perform quarterly evaluations of investment funds offered within the Board's 403 (b) and 457 retirement plans;

Identify issues related to the investment governance of the funds, and make recommendation as needed to ensure appropriate practices have been adopted and are effective;
 Examine the appropriateness of the investment benchmarks used to assess the funds investment performance, measure their quality and describe their strengths and weakness;
 Perform specialized studies of specific investment matters, as may be requested;
 Assist the Board in fulfilling fiduciary responsibilities with proper oversight, governance and monitoring of investment funds;
 Provide insight into and detailed investment analysis on investment managers in publicly traded asset classes, and affirm the process used to retain and terminate investment managers; and,
 Provide recommendations on investment related issues, including but not limited to, providing recommendations as to the selection of investment funds.

DELIVERABLES:

R.V. Kuhns will continue to provide financial analysis of the retirement savings plans, advise the Board regarding compliance with IRS regulations, review vendor contracts and program related documents for compliance with IRS regulations, review vendor contracts and program related documents for compliance with program provisions and IRS regulations, provide recommendations on how to enhance the 403 (b) and 457 plans, and make recommendations on investment related issues, including but not limited to recommendations as to the selection of investment funds.

OUTCOMES:

R.V. Kuhns services shall result in effective retirement savings for participating Chicago Public Schools employees.

COMPENSATION:

Consultant shall be compensated during this one year option term as follows; as monthly invoices are submitted and verified in accordance with the prices set forth in the written agreement; total not to exceed \$145,000.

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

AFFIRMATIVE ACTION:

The M/WBE goals for this agreement include: 25% total MBE and 5% total WBE participation. However, the Waiver Review Committee recommends a waiver of the goals required by the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, be granted due to the scope of services being not further divisible.

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Charge to Talent Office: \$145,000.00
 Fiscal Year 2013-2014
 Source of Funds: General

11010-115-54125-231602-000000-2013

\$145,000.00

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:



SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



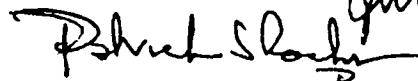
JEAN-CLAUDE BRIZARD
Chief Executive Officer

Within Appropriation:



DAVID G. WATKINS
Chief Financial Officer

Approved as to Legal Form:



PATRICK J. ROCKS
General Counsel