

APPROVE ENTERING INTO A TOLLING AGREEMENT (“AGREEMENT”) WITH THE BOARD OF TRUSTEES (“BOARD OF TRUSTEES”) OF THE PUBLIC SCHOOL TEACHERS’ PENSION AND RETIREMENT FUND OF CHICAGO (“FUND”)

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into a tolling agreement (“Agreement”) with the Board of Trustees (“Board of Trustees”) of the Public School Teachers’ Pension and Retirement Fund of Chicago (“Fund”). A written Agreement has been negotiated. The authority granted herein shall automatically rescind in the event a written agreement is not executed within thirty (30) days of the date of this Board Report. Information pertinent to this Agreement is stated below.

PARTIES: Board of Education of the City of Chicago, Law Department One N. Dearborn Street, Suite 900 Chicago, IL 60602 Attn: Joseph T. Moriarty, General Counsel Email: jtmoriarty@cps.edu Facsimile: (773)553-1701	Public School Teachers’ Pension and Retirement Fund of Chicago 425 S. Financial Place, Suite 1400 Chicago, IL 60605 Attn: Charles A. Burbridge, Executive Director Email: burbridgec@ctpf.org Facsimile: (312) 641-718
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TERM: The term of the Agreement shall be effective as of June 25, 2020 and shall end upon completion of the Audit (described below) and through any negotiations to resolve any potential claims resulting from the Audit and/or upon termination by either party as set forth in the proposed Agreement. (the “Tolling Period”).

BASE TERMS OF THE AGREEMENT: The Fund intends to conduct a payroll audit of the Board of Education’s payroll and personnel records for July 1, 2015 through June 30, 2019. (“Audit” and “Audit Period”). The Agreement shall toll, postpone or suspend through the end of the Tolling Period, any action brought by the Fund against the Board of Education under the Illinois Pension Code for non-payment of employee contributions, and any statutory fees, interest or liquidated damages due to the Fund related to the proposed (“Agreement”). The agreement shall also toll, postpone or suspend through the end of the Tolling Period, any claims by the Board of Education against the fund for overpayment of employee or employer contributions and including, but not limited to, cross-claims and/or counterclaims brought by the Board of Education against the fund arising out of or related to any action brought by the Fund against the Board of Education and subject to the Agreement. The Tolling Period is to be used by the parties for conducting the Audit and addressing the findings of the Audit.

AUTHORIZATION: Authorize the General Counsel to include other relevant terms and conditions in the Agreement and any ancillary agreements or amendments thereto, and to execute the Agreement and any ancillary agreements and amendments thereto.

AFFIRMATIVE ACTION: Exempt.

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

FINANCIAL: No cost to the Board.

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:

Approved:

DocuSigned by:
Arnaldo Rivera
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Arnaldo Rivera
Chief Operating Officer

DocuSigned by:
Janice K. Jackson
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Janice K. Jackson
Chief Executive Officer

Approved for Consideration:

DocuSigned by:
Lenny Moore
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Lenny Moore
Controller

Approved as to legal form:

DocuSigned by:
Joseph T. Moriarty
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Joseph T. Moriarty
General Counsel

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MSW