

21097

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
County of Cook and State of Illinois

ADOPTED
BOARD OF TRUSTEES OF
COMMUNITY COLLEGE DISTRICT NO. 508

FEB 4 1999

COUNTY OF COOK
AND STATE OF ILLINOIS

PROFESSIONAL CONSULTANT SERVICES
HEALTH CARE & INSURANCE SERVICES
OFFICE OF HUMAN RESOURCES & STAFF DEVELOPMENT
DISTRICT OFFICE

THE CHANCELLOR

REPORTS

that there is a need to retain the services of a professional consultant to provide services to the Office of Human Resources and Staff Development; and

that these services will:

- * Assist HR in preparing Requests for Proposals (RFPs) for health care and insurance services,
- * Assist HR in reviewing responses to any RFPs solicited by the District,
- * Provide advice and guidance on benefit plan contract renewals,
- * Periodical competitive review of the District's benefit plans,
- * Attend meetings with service providers when requested,
- * Prepare a redesign of the District's medical plans,
- * Attend bargaining negotiations as a benefits consultant when required,
- * Research and provide information regarding feasibility and costs of benefit plans,
- * Provide other HR consulting services as required.

that the fee for these services will be for an amount not to exceed \$25,000.00 for services beginning February 4, 1999 and terminating August 6, 1999, and

that these professional services are exempt from competitive bid requirements.

RECOMMENDS

that the Board of Trustees approves the issuance of a purchase order in the total amount of \$25,000.00 to Molloy Consulting Inc., 20 East Jackson Boulevard #1050, Chicago for provision of the required consulting services; and authorizes the Chairman and Assistant Secretary to execute an agreement with Molloy Consulting Inc. on behalf of the Board.

FINANCIAL

\$25,000.00 -- Educational Fund

Respectfully submitted:

Wayne D. Watson
Chancellor

February 4, 1999

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CITY COLLEGES OF CHICAGO

WAIVER OF COMPETITIVE PROCEDURE REQUIREMENT

Board rules state that it is the general policy of the District to use competitive procedures to select professional service consultants. Section 4(a) 1-4 of Board Rule -- list situations in which a waiver of competitive procedure requirement is possible. In order to retain a consultant without competitive procedures, this waiver form must be completed and approved by the College President, the appropriate Vice Chancellor or the Chancellor.

1. Type of consultant/services required:

Consulting Services relating to health and benefit plans.

2. Brief description of the need for a professional services consultant:

Assist HR in preparing Requests for Proposals (RFP) for health care and insurance services; Assist HR in reviewing responses to any RFPs solicited by the District; Provide advice and guidance on benefit plan contract renewals; Periodical competitive review of the District's benefit plan; Attend meetings with service providers when requested; Prepare redesign of the District's medical plans; Attend bargaining negotiations as a benefits consultant when required; Research and provide information regarding feasibility and costs of benefit plans; and Provide other HR consulting services as required.

3. Reason that competitive procedures are not appropriate in this situation:

Professional Services are exempt from competitive bidding.

4. Basis for selecting the recommended individual or firm:

Molloy Consulting, Inc. has extensive experience in health and medical plan design, vendor negotiation and census control activities related to benefit plans.

Person initiating request

Department

Approved by

Title

AGREEMENT BETWEEN
MOLLOY CONSULTING, INC.
AND
BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
COUNTY OF COOK AND STATE OF ILLINOIS

This Agreement is made between Board of Trustees of Community College District No. 508, County of Cook and State of Illinois on behalf of the City Colleges of Chicago ("Institution") and Molloy Consulting, Inc. ("Consultant").

RECITALS

- A. Institution desires to obtain the services of Consultant; and
- B. Consultant claims to have expertise and experience to provide such services for Institution.

TERMS

Consultant agrees to perform such professional services, with the standard of professional care and skill customarily provided in the performance of such services as are set forth in this Agreement, and Institution agrees to pay Consultant such amounts as are specified in this Agreement, all upon the following terms and conditions:

- 1. Scope of Service.
 - a. Consultant agrees to provide the services described as follows [and on Attachment A appended to and incorporated into this Agreement]: Molloy Consulting, Inc. Proposal, dated November 4, 1998. ("Consulting Services").
 - b. Consultant agrees to perform the Consulting Services to the satisfaction of Institution from time to time during the term of this Agreement.
- 2. Institution's liaison overseeing the Consulting Services provided under this Agreement is Dr. Wayne D. Watson, Chancellor, who is located at 226 W. Jackson Blvd., 14th Floor, Chicago, Illinois, (312) 553-2513.
- 3. Fees and Expenses.
 - a. Institution agrees to pay Consultant a fee of an amount not to exceed \$25,000.00 at the hourly rates as listed in Attachment A of Consulting Services.
 - b. Consultant agrees to perform Consulting Services as listed in Attachment A.

- c. The total fee, and incidentals if any, shall be payable on a monthly basis upon submission of an invoice.
 - d. Consultant agrees that Consultant is solely responsible for payment of income, social security, and other employment taxes due to the proper taxing authorities, and that Institution will not deduct such taxes from any payments to Consultant hereunder.
 - e. Consultant shall submit an invoice and adequate receipts and documentation as requested by Institution to support reimbursement of all reimbursable out-of-pocket expenses.
4. Term. The Consulting Services to be rendered by Consultant under this Agreement shall commence not later than February 4, 1999 and be completed by August 6, 1999. Time is of the essence in this Agreement. This term may be extended beyond such completion date if Institution agrees to the extension in writing.
5. Contractor's Capacity and Responsibilities.
- a. It is expressly understood that Consultant is an independent contractor and not the agent, partner, or employee of Institution. Consultant and Consultant's workers are not employees of Institution and are not entitled to tax withholding, Workers' Compensation, unemployment compensation, or any employee benefits, statutory or otherwise.
 - b. Consultant shall not have the authority to enter into any contract or agreement to bind Institution and shall not represent to anyone that Consultant has such authority.
 - c. Contractor represents and warrants to Institution that in performing the Consulting Services Consultant will not be in breach of any agreement with a third party.
 - d. Consultant declares that he/she is not a Legislator, elected or appointed officer, or that his/her firm is not owned or controlled by any Legislator, elected or appointed officer, compensated or uncompensated, member of a State board or commission, or other employee of the State of Illinois; and
 - e. Consultant further declares that he/she has not participated in a State capacity, or that his/her firm has not been assisted or represented in this matter by an individual who has been involved in a State capacity, in the subject matter of this Contract.
6. Confidentiality of Information.
- a. Consultant agrees to keep confidential and not to disclose to third parties any information provided by Institution pursuant to this Agreement unless Consultant has

received prior written consent of Institution to make such disclosure. This obligation of confidentiality does not extend to any information that:

- i. Was in the possession of Consultant at the time of disclosure by Institution, directly or indirectly;
 - ii. Is or shall become, through no fault of Consultant, available to the general public, or
 - iii. Is independently developed and hereafter supplied to Consultant by a third party without restriction or disclosure.
- b. This provision shall survive expiration and termination of this Agreement.

7. Property Rights and Reports.

- a. Consultant agrees that any computer programs, software, documentation, copyrightable work, discoveries, inventions, or improvements developed by Consultant solely, or with others, resulting from the performance of Consulting Services pursuant to this Agreement are the property of Institution, and Consultant agrees to assign all rights therein to Institution. Consultant further agrees to provide Institution with any assistance which Institution may require to obtain patents or copyright registrations, including the execution of any documents submitted by Institution.
- b. Consultant shall provide 5 copies of a written report within 30 days after the completion of the Consulting Services required by this Agreement; also the parties agree that the report was specifically ordered and commissioned by Institution, and is a work for hire as such term is used and defined in the Copyright Act. Accordingly, Institution shall be considered the author thereof, and the sole and exclusive owner throughout the world forever of all rights existing therein, including all manuscripts, reports, sketches, drafts, notes, maps, memoranda, etc., relating to the work, and all revisions, editions, and versions thereof in all languages, forms, and media now or hereafter known and developed.
- c. This provision shall survive expiration and termination of this Agreement.

8. Suspension or Termination of Contract. Institution reserves the right to suspend indefinitely or terminate the contract and the Consulting Services to be rendered by Consultant upon oral or written notice to Consultant for any reason upon 30 days' notice. In the event of termination prior to completion of all stop work described in Section 1.0, the amount of the total fee to be paid Consultant shall be determined by Institution on the basis of the portion of the total work actually completed up to the time of such termination.

9. Insurance. Consultant shall at its own expense obtain and maintain its insurance with an insurance company, including Workers' Compensation, authorized to do business in the State of Illinois to the extent applicable by law and in adequate coverages. Consultant shall, upon reasonable request, supply a certificate of insurance evidencing such coverage and certifying that the coverage shall not be materially altered without at least thirty (30) days' advance written notice to Institution.
10. Indemnification and Hold Harmless.
- a. Consultant agrees that any personal injury to Consultant or third parties or any property damage incurred in the course of performance of the Consulting Services shall be the responsibility of Consultant.
 - b. Consultant agrees to indemnify Institution, its governing board, officers, employees, agents, and students from and against any and all costs, losses, damages, liabilities, expenses, demands, and judgments, including court costs and attorney's fees, which may arise out of Consultant's performance of the Consulting Services, except to the extent such are caused by the sole fault or negligence of Institution.
11. Notice. Any notice to either party hereunder must be in writing signed by the party giving it, and shall be served either personally or by registered or certified mail addressed as follows:

To Institution:

Board of Trustees of Community College
District No. 508, County of Cook
and State of Illinois

Ronald J. Gidwitz
Chairman
Board of Trustees
226 W. Jackson Blvd.
14th Floor
Chicago, Illinois 60606

and

Wayne D. Watson

Chancellor
City Colleges of Chicago
226 W. Jackson Blvd.
14th Floor
Chicago, Illinois 60606

To Consultant:

Barbara Molloy
Molloy Consulting, Inc.
20 East Jackson Blvd.
Suite 1050
Chicago, IL 60604

or to such other addressee as may be hereafter designated by written notice. All such notices shall be effective only when received by the addressee.


12. Entire Agreement; Modification. This Agreement (and its attachments, if any) constitutes the entire understanding between the parties with respect to the subject matter hereof and may not be amended except by an agreement signed by Consultant and an authorized representative of Institution.
13. Severability. The terms of this Agreement are severable such that if any term or provision is declared by a court of competent jurisdiction to be illegal, void, or unenforceable, the remainder of the provisions shall continue to be valid and enforceable.
14. Governing Law; Forum. This Agreement shall be governed by and construed under the laws of the State of Illinois, which shall be the forum for any lawsuits arising from or incident to this Agreement.
15. Paragraph Headings. The paragraph headings in this Agreement are inserted for convenience only and shall not be construed to limit or modify the scope of any provision of this Agreement.
16. Non-Waiver. The delay or failure of either party to exercise any of its rights under this Agreement for a breach thereof shall not be deemed to be a waiver of such rights, nor shall the same be deemed to be a waiver of any subsequent breach, either of the same provision or otherwise.
17. Assignment. Consultant may not assign the rights or obligations under this Agreement without Institution's prior written consent.

- 18. Tax Clearance. In compliance with applicable state and federal statutes, final payment in settlement of the Contract will not be made by Institution until Consultant submits to Institution a Tax Department Clearance certifying that all delinquent taxes levied or accrued under State statutes against Consultant have been paid, or that Consultant is exempt from such tax.
- 19. M/WBE Compliance. Consultant shall comply with Institution's Minority and Women Business Enterprise Contract Participation Plan ("M/WBE Plan").
- 20. Ethics Policy Compliance. Consultant shall comply with Institution's Ethics Policy with any amendments adopted after the execution and during the pendency of this Agreement.

IN WITNESS WHEREOF, the authorized representatives of the parties have executed this Agreement on this 4th day February of 1999.

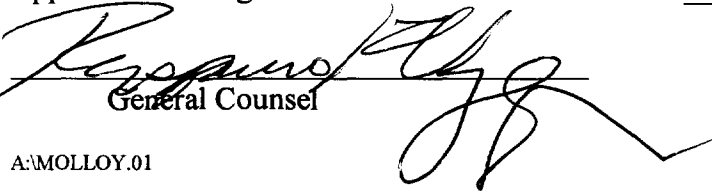
INSTITUTION:

Board of Trustees of Community
College District No. 508, County of
Cook and State of Illinois


Chairman FEB 4 1999

Attested by: 
Secretary

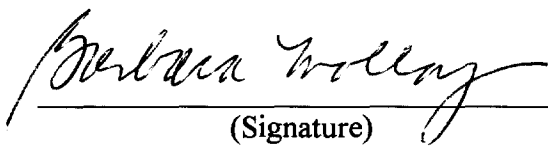
Approved as to legal form:


General Counsel

A:MOLLOY.01

CONSULTANT:

Molloy Consulting, Inc.


(Signature)

Barbara Molloy
(Printed Name)

President
(Title)



MOLLOY CONSULTING INCORPORATED

November 4, 1998

Ms. Maritza Marrero
Vice Chancellor
Human Resources & Staff Development
City Colleges of Chicago
226 West Jackson Boulevard
Chicago, IL 60606-6998

Dear Maritza:

Thank you for considering Molloy Consulting Incorporated as a consultant to the City Colleges of Chicago. We appreciate the opportunity to provide service to such a significant employer as the City Colleges.

Our clients include the City of Chicago, the Chicago Public Schools, and a variety of smaller employers. We have been able to achieve significant savings for clients through plan design, vendor negotiation and census control activities.

Molloy Consulting Incorporated is unique in that it creates economic, achievable, client oriented solutions.

Solutions are *economic* when:

- ✓ They do no harm. Molloy Consulting Incorporated considers the legal, cultural and business environment in which a firm operates as an integrated whole. Solutions in one employee benefit plan must not have a negative, unintended consequence on another benefit plan or upon the larger, long-term benefits strategy.
- ✓ They optimize the combination of cost and value for the client. Consideration of either cost or value in isolation can create harmful long-term results from a financial and/or employee relations perspective. Optimal solutions create financial stability.
- ✓ They respect the future and consider the past. The employee benefits arena is in flux. Solutions to benefit problems must be flexible and anticipate the direction of change in the market.
- ✓ Service providers are clear on the client's goals and how they can help the client meet them. Through the RFP process the client will come to understand how the provider does business and at what cost. Subsequent negotiations on service and price are then improved by the client's in-depth understanding of the provider.

Solutions are *achievable* when:

- ✓ They build on existing relationships, skills and people. Solutions that fail to incorporate core capabilities and resources are more likely to fail.
- ✓ They appropriately combine human and technological resources. The systems must work for the staff rather than the staff for the systems.



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Solutions are *client-oriented* when:

- ✓ An understanding of the political, legal and business environment of the client influences the solutions. To be effective, solutions must be consistent with the environment of the employer and its relationship with its employees. A solution for a manufacturing employer may not work for a public entity.
- ✓ They are consistent with the technological skills and abilities of the client.
- ✓ They meet the spending goals of the client now and in the future. Cost must be evaluated from the perspective of the benefit plans as a whole rather than in a piecemeal, plan by plan, fashion.

We would enjoy working with you and your staff to help you achieve economic, achievable, custom-tailored solutions to the benefit challenges that you face. Attached to this letter is a schedule of hourly rates for our services. We would bill based on time and expenses. We bill in increments of one-tenth of an hour. Expenses would be pre-approved by you and would be expected to be minimal, as we are both located in Chicago. We can provide services on a project by project basis or can supplement your staff should you decide to pursue an audit and feel additional professional or system support is needed.

Please let me know if there is any other information we can provide to support our selection by the City Colleges to provide employee benefit consulting services. Also enclosed with this letter is a copy of our current certification from the City of Chicago as a Women's Business Enterprise (WBE). I look forward to working with you.

Sincerely,

Barbara Molloy
President

CC: Beverly Schwiesow
Executive Director, Benefits

Schedule of Professional Fees and Expenses

Service: **Employee Benefits Consulting**

	<u>STANDARD HOURLY RATES</u>	<u>QUOTED HOURLY RATES</u>	
		<u>PEAK</u>	<u>NON-PEAK</u>
PARTNER	\$250.00	\$200.00	\$200.00
STAFF	\$150.00	\$110.00	\$110.00
SYSTEM CONSULTANT	\$150.00	\$110.00	\$110.00
CLERICAL SUPPORT	\$ 60.00	\$ 40.00	\$40.00