

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

THIRD PARTY ADMINISTRATION SERVICES
RISK MANAGEMENT
DISTRICT OFFICE

THE CHANCELLOR

REPORTS

that the District continues to require Third Party Administrator Services (TPA) which includes participation in the District's Workers' Compensation Program, the General Liability Program and the Student Athlete Injury Program along with a range of comprehensive services including claims management and administration, reporting, consultation and ongoing cooperation with District Risk Management and Legal staff, settlement management, and training services to District staff, etc; and

that the specifications were prepared by District Procurement staff, publicly advertised on February 23, 2009, a Request for Proposal (RFP) DT0902 was sent to twenty-three (23) firms and a mandatory pre-proposal conference was held on March 2, 2009, and

that two (2) firms submitted proposals on March 20, 2009, Cannon Cochran Management Services-Chicago, IL and Intercare Insurance Services-Rosemont, IL, proposals were evaluated and qualified by staff which included Risk Management, Treasury, Human Resources, Office of General Counsel, Procurement and MBE/WBE Contract Compliance; and

that based on the evaluation criteria, (experience, assigned vendor team, performance standards, quality of implementation plan, references, overall response quality, proposed fees and expenses), staff recommends acceptance of the proposal from Cannon Cochran Management Services, the highest ranked firm; and

that the Office of M/WBE contract Compliance has reviewed the above proposed agreement and, Cannon Cochran Management Services-Chicago, IL, subcontracting to certified MBE firms Paradigm Risk Management, Excel Answering Service and Boye Janitorial and the certified WBE firm of Risk Innovations, is in compliance with the Board Approved Participation plan.

THE CHANCELLOR

RECOMMENDS

that the Board of Trustees authorizes the Chairman to enter into an agreement with Cannon Cochran Management Services-Chicago, IL to provide TPA services for the District for an estimated annual cost of \$49,925.04, with an estimated annual Escrow Deposit in the amount of \$720,000 for an initial term of thirty (36) month commencing on July 1, 2009 and expiring on June 30, 2012 with the option to renew on an annual basis under the same terms and conditions for two (2) additional terms at one (1) year each or until issuance of a 60 days notice of cancellation by either party; according to specifications on RFP DT0901 dated February 13, 2009.

FINANCIAL

\$769,925.04
\$49,925.00 – Administrative Fee –Ed. Funds- 00003-0022502-00084-01000-0000000-522100
\$720,000.00 – Escrow Deposit –Ed. Funds-00003-0022502-00084-01000-0000000-522100

Respectfully Submitted:

Wayne D. Watson
Chancellor