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ADOPTED – BOARD OF TRUSTEES COMMUNITY
COLLEGE DISTRICT NO. 508
AUGUST 4, 2011

BOARD OF TRUSTEES OF COMMUNITY COLLEGES DISTRICT NO. 508
COUNTY OF COOK AND STATE OF ILLINOIS

ACTUARIAL SERVICES
GOLDSTEIN AND ASSOCIATES

THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chairman to enter into an agreement with Goldstein & Associates to provide actuarial services to the Office of Finance for a three (3) year period from August 4, 2011 through August 4, 2014 for a total amount not to exceed \$60,000.00.

VENDOR: Goldstein & Associates
29 S. LaSalle Street, Suite 735
Chicago, IL 60603

USER: Office of Finance

TERM:

The term of the agreement shall commence on August 4, 2011 and end on August 4, 2014, with an option to extend for an additional two one-year periods.

SCOPE OF SERVICES:

Goldstein & Associates will provide actuarial services for the calculation annually of the following liabilities, in accordance with the actuarial standards of the American Academy of Actuaries and the Government Accounting Standards Board (GASB):

- Other post employment benefits (OPEB)
- Sick leave benefits
- Workers' compensation

Tasks related to the above include establishing the reasonableness of assumptions and analyzing the integrity of data used in the calculations. The vendor also will provide guidance in interpreting and implementing new accounting standards that may affect the calculations.

BENEFIT TO CITY COLLEGES OF CHICAGO:

GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions," requires that City Colleges measure and disclose an amount for annual OPEB cost on the accrual basis of accounting. An actuarial valuation is required for OPEB

plans with a total membership of 200 or more, with the selection of actuarial assumptions guided by applicable actuarial standards. Rather than create the capacity within the Office of Finance or Human Resources, it is more cost effective for City Colleges to hire an actuarial firm specializing in this type of analysis that is only needed once per year.

DELIVERABLES:

The vendor will provide published reports that include:

- A description of benefits included in City College of Chicago’s plan(s);
- Assumptions used in the calculations;
- Changes in assumptions from those used in prior years, an explanation for the changes and a description of the effect the changes have on the current calculations; and
- A description of the components of the calculation

VENDOR SELECTION CRITERIA:

A public bid, #MWJ1108, was prepared and publicly advertised on June 16, 2011. 10 companies were contacted. One company responded to the bid on June 30, 2011, Goldstein & Associates.

The bid was reviewed by the Office of Finance staff. Based on the bid submitted, staff recommends the acceptance of the bid from Goldstein & Associates.

MBE/WBE COMPLIANCE:

The Office of M/WBE Contract Compliance has reviewed the above agreement request and Goldstein and Associates is in compliance with the Board Approved Participation Plan.

MBE Vendor: Kopico, Inc 1444 W. 37 th St. Chicago, IL 60609 \$5,000/ 25%	Direct Participation Printing, copy and binding services	City Certification
WBE Vendor: Clarity, in Numbers, LLC 125 S. Wacker Dr. Chicago, IL 60606 \$1,400/ 7%	Direct Participation Peer review	WBDC

GENERAL CONDITIONS:

Inspector General- It shall be the duty of each party to the agreement to cooperate with the Inspector General for City Colleges of Chicago in any investigation conducted pursuant to the Inspector General’s authority under Article II, Section 2.6.4(b) of the Board Rules for Management and Government.

Ethics – It shall be the duty of each party to the agreement to comply with the applicable provisions of the Board’s Ethics Policy adopted January 7, 1993, and as amended by the Board.

FINANCIAL:

Total: \$60,000.00

Charge to: Office of Finance

Source of Funds: Education Fund

Unrestricted Fund

FY12: 00003-0010104-80000-00000-0000000-530000:\$20,000.00

FY13: 00003-0010104-80000-00000-0000000-530000:\$20,000.00

FY14: 00003-0010104-80000-00000-0000000-530000:\$20,000.00

Respectfully submitted,

**Cheryl L. Hyman
Chancellor**

August 4, 2011 – Office of Finance