

# 33036

ADOPTED – BOARD OF TRUSTEES  
COMMUNITY COLLEGE DISTRICT NO. 508  
AUGUST 4, 2016

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

AGREEMENT FOR GROUP LIFE AND GROUP SHORT TERM DISABILITY INSURANCE PLANS  
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA  
OFFICE OF HUMAN RESOURCES AND STAFF DEVELOPMENT  
DISTRICT WIDE

**THE CHANCELLOR RECOMMENDS:**

that the Board of Trustees authorizes the Chair to execute an agreement with the Prudential Insurance Company of America (Prudential) for the Group Term Life and Accidental Death Insurance Plan and the Group Short Term Disability Insurance Plan, previously administered by Metropolitan Life Insurance Company (“MetLife”), for a fifteen-month period commencing October 1, 2016 through December 31, 2017 at a total cost not to exceed \$965,000.

**VENDOR:** The Prudential Insurance Company of America (“Prudential”)  
751 Broad Street  
Newark, NJ 07102

**USER:** All eligible full-time active employees and retirees (Group Life Plan)  
Local 1708 full-time employees (Group Short Term Disability Plan)

**TERM:**  
The term of the agreement will commence on October 1, 2016 and shall end on December 31, 2017 with an option to renew for two (2) one-year periods.

**SCOPE OF SERVICES:**  
Prudential provides employer-paid group term life insurance to all eligible full-time active employees and retirees. Additionally, Prudential provides employer-paid group short-term disability (STD) coverage to Local 1708 full-time employees.

**BENEFIT TO CITY COLLEGE OF CHICAGO:**  
The new vendor monthly rates will enable the City Colleges to provide competitive marketplace benefits to attract and retain employees and satisfy the terms of union collective bargaining agreements. Below are the new vendor rates for eligible full-time active employees Life & AD& D coverage, eligible retiree Life coverage, and Local 1708 full-time employee STD coverage as follows:

Full-time, Active  
Employee Coverage: \$.115/\$1,000 of life coverage

Local 1600 Retiree  
Coverage: \$1.220/\$1000 of life and accident death & disability coverage

Other  
Retiree Coverage: \$0.949/\$1,000 of life coverage

Local 1708 Full-time

STD Coverage: \$0.13/\$10 of disability benefit

**VENDOR SELECTION CRITERIA:**

The contract being utilized is a part of the joint purchasing agreement that has been advertised and awarded in accordance with the procurement procedures of the City of Chicago through Contract PO# 63909 modification awarded 2-3-16. Pursuant to State law, contracts for goods and services procured from another governmental entity are exempt from the District's competitive bidding requirements.

**MBE/WBE COMPLIANCE:**

The Office of Contract Compliance has reviewed the proposed agreement resulting from a joint purchase and recommends a waiver of the Board Approved Participation Plan because the lead agency (City of Chicago) did not include a Participation Plan.

**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 2, Section 2.7.4(b) of the Board Bylaws.

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.

Contingent Liability – Pursuant to Section 7-14 of the Illinois Public Community College Act, all agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year.

**FINANCIAL:**

**Total:** \$965,000

**Charge to:** Office of Human Resource and Staff Development, Benefits

**Source of Funds:** Educational Fund

**FY17:** 00003-0025006-00084-00000

**Respectfully submitted,**

**Cheryl L. Hyman  
Chancellor**

**August 4, 2016- Office of Human Resources and Staff Development**