

33003

**ADOPTED – BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
JULY 7, 2016**

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

**INSURANCE BROKERAGE SERVICES
MESIROW INSURANCE SERVICES
OFFICE OF RISK MANAGEMENT
DISTRICT WIDE
(RATIFICATION)**

THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chair to execute an agreement with Mesirow Insurance Services to provide Insurance Brokerage Services for a three year period from July 1, 2016 through June 30, 2019 at an annual cost of \$75,000 and a total cost not to exceed \$225,000 for the contract term.

VENDOR: Mesirow Insurance Services
353 North Clark Street
Chicago, Illinois 60654

USER: District Wide

TERM:

The original term of the agreement shall commence on July 1, 2016 and end on June 30, 2019.

SCOPE OF SERVICES:

The District seeks to engage Mesirow Insurance Services to provide a full range of insurance related services, which include access to commercial insurance carriers specializing in higher education and providing comprehensive coverage at the least possible cost. In addition, the District expects to receive a broad range of services which include a certificate management system, risk management consulting services, and a supplement to the services provided by the underwriters.

BENEFIT TO CITY COLLEGES OF CHICAGO:

The District elects to procure several Commercial Insurance Policies to insure certain operational risks. Access to strategic insurance markets is achieved through an Insurance Broker delivering such services and providing comprehensive coverage at the least possible cost as well as the delivery of risk management administrative service designed to enhance the Office of Risk Management operations.

VENDOR SELECTION CRITERIA:

Specifications were prepared by District Procurement Staff and a Request for Proposal (RFP) #SJ 1601 was publicly advertised on April 14, 2016. Sixteen (16) companies were contacted. Six (6) responded to the RFP on May 3, 2016: 1) Arthur J. Gallagher & Co; 2) Assurance Agency;

3) CS Insurance; 4) Lambent Risk Management Services, Inc; 5) Marsh USA and 6) Mesirow Insurance Services.

All qualifications were reviewed, evaluated and ranked by staff which included the Office of Finance, Office of Administrative Services, Office of Human Resources, the Office of the General Counsel and the Office of Risk Management.

The evaluation criteria included:

1. Qualifications and experience of the Proposer (including assigned team), past performance of the firm(s) on other contracts in terms of size, scope and quality of services (Specifically Higher Education clients/experience)
2. Market Access
3. Commission Disclosure
4. Risk Management Consulting Services
5. Certificate Management System
6. Enterprise Management Consulting Services
7. Fees in relation to the Scope of Services
8. MBE/WBE Compliance plan.

The top three highest ranking firms were invited to present an oral presentation on June 7, 2016. Based on the composite overall evaluation scoring, staff recommends the acceptance of the proposal from Mesirow Insurance Services to provide insurance brokerage services for the District based upon its broad market access, full compliance with the District's MBE/WBE plan and submission of the lowest best and final cost proposal.

Firm	Initial Proposal	Clarification of Pricing	Best and Final Offer (Top 3 Firms Only)
Arthur J. Gallagher & Company	\$95,000	\$95,000	\$90,000
Assurance Agency, Ltd.	\$47,750	\$47,750	█
CS Insurance Strategies, Inc.	\$76,000	\$76,000	█
Lambent Risk Management Services, Inc.	\$65,000	\$65,000	█
Marsh USA, Inc.	\$80,000	\$80,000 +1.25 per vendor , per month for Outgoing Certificate Management Services	\$75,000 + \$1.25 per vendor for the Outgoing Certificate Management Services
Mesirow Insurance Services, Inc.	\$75,000	\$75,000	\$75,000

The contract will be based on the lowest cost shown for Mesirow Insurance Service.

MBE/WBE COMPLIANCE:

The Office of Contract Compliance has reviewed the proposed agreement and has determined the Vendor is in compliance with the Board Approved Participation Plan:

Vendor	MBE/WBE	%	Participation	Certification Agency
CS Insurance Strategies, Inc. 542 S. Dearborn Chicago, IL 60605	MBE	25	Direct	City of Chicago
EagleOne Case Management Solutions, Inc. 80 Burr Ridge Parkway Burr Ridge, IL 60527	WBE	7	Direct	City of Chicago

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: \$225,000 (\$75,000 annually)

Charge To: Office of Risk Management

Source of Funds: Tort Fund

FY17: 560000-05001-0022502-80000

Respectfully submitted,

**Cheryl L. Hyman
Chancellor**

July 7, 2016 - Office of Risk Management