

35098
ADOPTED –BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
MAY 3, 2024

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

ACTUARIAL SERVICES
MILLIMAN, INC.
THE OFFICE OF FINANCE
THE OFFICE OF HUMAN RESOURCES & STAFF DEVELOPMENT
DISTRICT WIDE
(RENEWALS)

THE CHANCELLOR RECOMMENDS:

That the Board of Trustees authorizes the Chair, upon final approval of the General Counsel of the legal form of such agreements, to exercise the option to renew the agreements with Milliman, Inc. to provide actuarial services for a period beginning June 4, 2024, through June 3, 2025, at a total cost not to exceed \$18,500 for the Finance renewal terms and not to exceed \$4,300 for the Human Resources and Staff Development renewal terms for a combined total not to exceed of \$22,800.

VENDOR: Milliman, Inc.
200 Great Pond Drive, Suite 110
Windsor, CT 06095

USER: Office of Finance & Office of Human Resources & Staff Development District Wide

ORIGINAL TERMS:

Office of Finance – In accordance with board report 33984 the term of the agreement commenced no sooner than June 4, 2020, and will continue through June 3, 2024, with two (2) options to renew for one (1) year each.

Office of Human Resources & Staff Development – In accordance with board report 34076, amended under board report 34136, the term of the agreement commenced no sooner than October 2, 2020, and will continue through June 3, 2024, with two (2) options to renew for one (1) year each.

FIRST RENEWAL TERMS:

The renewal terms shall commence no sooner than June 4, 2024, and will continue through June 3, 2025.

SCOPE OF SERVICES:

Office of Finance:

The Office of Finance will utilize Milliman, Inc to provide actuarial services to the District including

but not limited to analyzing the District's Early Retirement Medical and Life Insurance Plans and Healthcare IBNP Plans, healthcare cost projections and provide actuarial report for fiscal years 2024-2025. The services provided must be in accordance with the actuarial standards of the American Academy of Actuaries and the Governmental Accounting Standards Board (GASB). The Early Retirement Medical or OPEB data (Other Post-Employment Benefits) should include but not limited to the number of participants as of the end of each fiscal year, the average age, average salary, and the liability will be broken out for medical, vision, dental and life insurance. Services for the medical healthcare cost and IBNP (Incurred but Not Paid) plans should include a description of the calculations, method used, data, multiple models and various actuarial assumptions used to estimate these costs for a total year-end liability.

Office of Human Resources & Staff Development:

Milliman, Inc. reviews organizational employee benefit plans and pharmaceutical data of retirees to determine the value of a subsidy issued by the federal government for retirees. Milliman, Inc. will provide actuarial analysis based on various assumptions and data submitted related to the District's Retirement Drug Subsidy (RDS) Plan as part of the federal government's mandatory actuarial attestation process.

BENEFIT TO CITY COLLEGES OF CHICAGO:

Milliman, Inc. will provide actuarial analysis based on various assumptions related to the District's Early Retirement Medical and Life Insurance plans and the Healthcare IBNP plans. Milliman will analyze and attest to the District's Retirement Drug Subsidy (RDS) Plan. The RDS process is completed online through the federal government and earns City Colleges a subsidy of approximately \$500,000 annually.

VENDOR SELECTION CRITERIA:

Milliman, Inc. was selected based upon the high degree of professional skill necessary for these services and is therefore, pursuant to State law, exempt from the District's competitive bidding requirements.

MBE/WBE COMPLIANCE:

The Office of Procurement Services has reviewed the proposed compliance plan and recommends a full waiver of the Board Approved MBE/WBE Contract Participation Plan due to the nature of the agreement (actuarial services).

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: \$18,500

Charge to: Office of Finance

Source of Funds: Audit Fund

FY24: 530000-04001-0010105-80000

FINANCIAL

Total: \$4,300

Charge to: Office of Human Resources and Staff Development

Source of Funds: Education Fund

FY24: 530000-00003-0025006-80000

Respectfully submitted,

**Juan Salgado,
Chancellor**

MAY 2, 2024 – The Office of Finance & The Office of Human Resources & Staff Development