

**Oak Park and River Forest High School
201 N. Scoville
Oak Park, Illinois 60302**

**Special Board Meeting
Thursday, April 16, 2009
7:30 a.m.
Board Room**

AGENDA

- | | |
|--|-------------------|
| 1. Call to Order, Roll Call, and Introduction of Visitors | Jacques A. Conway |
| 2. Visitor Comments | |
| 3. Approval of 2008-2012 Collective Bargaining Agreement with SEIU Local 73 Buildings and Grounds | Action |
| 4. Consideration of motion to take from the table Items 5., 6., and 7. following | Action |
| 5. Consideration of Selection of Vendor to Provide Custodial Services (Tabled 3/26/09) | Action |
| 6. Consideration of Direction to Staff to Negotiate Agreement with Selected Vendor and Present Contract to Board of Education for Final Approval (Tabled 3/26/09) | Action |
| 7. Resolution of Reduction in Force of Custodial Employees (Tabled 3/26/09) | Action |
| 8. Motion to go into closed session for the purpose of discussing Collective Bargaining and/or Negotiations; Litigation; Student Discipline; and Appointment, Employment and/or Dismissal of Personnel | Action |
| 9. Consideration of Student Discipline | Action |
| 10. Motion to Adjourn | Action |

C: Board Members
Administrators

Oak Park and River Forest High School
District 200

201 North Scoville Avenue • Oak Park, IL 60302-2296

TO: Board of Education

FROM: Attila J. Weninger, Superintendent

DATE: April 16, 2009

RE: Motion to Take From Table

BACKGROUND

At the March 26, 2009, Regular Board of Education meeting, the following items were tabled:

Under Finance

- C. Consideration of Selection of Vendor to Provide Custodial Services
- D. Consideration of Direction to Staff to Negotiate Agreement with Selected Vendor and Present Contract to Board of Education for final approval

Under Human Resources

- A. Resolution of Reduction in Force of Custodial Employees

SUMMARY OF FINDINGS

Per Board request, the Thursday, April 16, 2009 Special Meeting of the Board of Education contains agenda items from the Regular March 26, 2009 Regular meeting as noted above.

RECOMMENDATION

Upon advice from legal counsel, if the Board wishes to take the previously tabled items from the table for purposes of discussion and action, then the following motion must be made.

MOTION:

I move to take from the table the following items tabled at the March 26 Board of Education meeting, as follows:

Under Finance

- C. Consideration of Selection of Vendor to Provide Custodial Services
- D. Consideration of Direction to Staff to Negotiate Agreement with Selected Vendor and Present Contract to Board of Education for final approval; and

Under Human Resources

- A. Resolution of Reduction in Force of Custodial Employees

***Oak Park and River Forest High School
District 200***

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TO: Board of Education

FROM: Jason Edgecombe, Cheryl Witham, Attila J. Weninger

DATE: April 14, 2009

RE: Consideration of Selection of Vendor to Provide Custodial Services

BACKGROUND

At the March Board Finance Committee meeting, the Board considered the RFPs for custodial services as submitted by four bidders: GCA, Sodexo, Alpha, and Perfect. In addition, at the Regular March Board of Education meeting, the Board reviewed the bids but tabled two additional items related to these RFPs. One of those items was the Consideration of Selection of Vendor to Provide Custodial Services. This item now appears on the Thursday, April 16 Special Board Meeting agenda.

SUMMARY OF FINDINGS

Attached, please find the following Tables on two separate pages:

1. **TABLE I. Technical (Non-Wage) Scoring Chart**
2. **TABLE II. Bid Wages and Other Non-Technical Items**
3. **TABLE III. Bidder Options**
4. **TABLE IV. RFP Total Bid Responses**
5. **TABLE V. Total Bidder Scoring Chart (Technical and Cost Scores)**

Table I. represents work done by staff in reviewing the bids received and is based on the scoring rubric identified as part of the bid process. It includes only the technical or non-wage scores.

Table II. represents other items staff believe the Board should consider in identifying an acceptable bidder/RFP. It includes, among other items, wages and total cost of the bids. Cells are left blank for the Board to determine a score and/or ranking for each item.

Table III. simply identifies the bidder and bid/RFP options available to the Board.

Table IV. is the total cost of each bid received for each year, as well as a total cost over 3 years for each. It also includes a table showing current OPRF custodial services assuming a 3% and 5% increase per year.

Table V. is the composite scoring chart for technical and cost scores for each bid/RFP option and bidder.

RECOMMENDATION

We recommend that the Board of Education review the attached information as it considers the selection of an acceptable third party vendor for custodial services.

TABLE I. Technical (Non-Wage) Scoring Chart

A. These items are taken from the scoring chart as found in the March 17 memo to the BOE regarding RFPs.

B. We are asking the BOE to concur with the staff's analysis.

Item	GCA Base	GCA Alt 1	GCA Alt 2	Sodexo	Alpha	Perfect
Benefit Package Comparable	Yes	Yes	Yes	Yes	No	No
Equipment quality	86	86	86	86	40	10
Equipment compliance with Green Cleaning Standards	86	86	86	80	40	10
Sufficient Staffing	80	80	80	83	65	5
Quality of Proposed Cleaning Procedure and Technique	86	86	86	72.5	25	20
Value-added goods or Services	69	69	69	77	0	0
Vendor Relations	84	84	84	78	72	73
Operational Relations	77	77	77	74	66	58
Total Points	568	568	568	551	308	176

TABLE II. Bid Wages and Other Non-Technical Items

We are asking the BOE to review several additional areas, which while included in the bids, are areas about which to reach agreement/consensus.

	GCA Base	GCA Alt 1	GCA Alt 2	Sodexo	Alpha	Perfect
Staff turnover						
Opportunity, advancement, and training						
Supervision of staff						
Stability and expertise of company						
Wages	\$20.00/hr	\$23.24/hr	\$13.00/hr	\$11.55/hr	\$23.24/hr	\$11.15/hr
Total Cost	\$6,008,699.65	\$6,718,471.44	\$4,971,504.80	\$4,645,332.00	\$6,163,425.16	\$3,571,812.00

TABLE III. Bidder Options

We are asking the BOE to select one viable option.

Options	GCA base	GCA Alt 1	GCA Alt 2	Sodexo	Alpha	Perfect
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Oak Park and River Forest High School District 200

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TO: Board of Education

FROM: Attila J. Weninger, Jason Edgecombe, Jack Lanenga, Cheryl L. Witham

DATE: March 26, 2009

RE: Review of responses for RFP for custodial services.

BACKGROUND

The Board of Education has requested additional information regarding the Response to RFP's received from vendors for contracted custodial services. Staff members have gathered the additional information and have included the documents for further review by the Board of Education. As requested, the minutes from the March 17, 2009 Finance Committee Meeting has also been included so that the Board of Education can review the minutes and so that the public will have information about the conversation.

SUMMARY OF FINDINGS

The minutes reflect that the Board of Education requested the following information.

1. A one for one comparison to information on Page 7, expense categorizations.
2. If someone left employment at OPRFHS, what would new employee hourly rates be?
3. What effect would transferring to another building have on wages and benefits?
4. What is the total number of custodians in their organizations and what is the turnover rate based on? What were the rates in the local community? Pull the administrators out of this equation.
5. What is the longevity of employees in the company?
6. What is the hiring policy on diversity, including gender, and to separate out the custodial staff?
7. Provide specific information for the 401 (k) and stock option plans.

A one for one comparison to information on Page 7, expense categorizations.

Board members will find a series of spreadsheets which provide the pricing by category compared to OPRFHS. An additional analysis has been included which provides the costs for OPRFHS with a 3% increase in salaries rather than a 5% increase in salaries. This additional analysis was a request of one of the Board members.

If someone left employment at OPRFHS, what would new employee hourly rates be?

Sodexo "guaranteed not to be below \$11.25/hour.

GCA's "intention is to retain the current staff, however, should they choose to leave or are dismissed for cause, a new hire would start at either \$10.00/hr or \$13.00/hr depending on which of the programs was chosen by the district. For the year 2009 – 2010, the base bid and alternate 1 would pay \$10.00/hr while Alternate 2 would pay \$13.00/hr to new workers. In the second year of the contract, the starting wage would increase by 3% to \$10.30/hr and in the third year, the starting wage would increase to \$10.61/hr. Conversely, if Alternate 2 were chosen, the wage in 2009- 2010 would be

Oak Park and River Forest High School District 200

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\$13.00/hr. In the second year of the contract, the starting wage would increase by 3% to \$13.39 and in the third year to \$13.79/hr.

What effect would transferring to another building have on wages and benefits?

Sodexo responded "we guarantee the employee's salary will remain the same or increase depending upon the position."

GCA responded "It is not a regular practice to transfer employees from one district to another, however, should a worker request a transfer that district's specification, wages and benefits would apply." GCA employees who are promoted to a Supervisory position may be transferred to another district. Wages and benefits would change accordingly. To date, workers who have voluntarily transferred have increased their wages and benefits. CGA's plan is to keep all current workers in the district. Our policy is to employ as many of the current workers as possible. It is the workers choice to seek employment with GCA. GCA believes in hiring locally. Current district employees can interview on site, at our Downers Grove office or apply by mail.

What is the total number of custodians in their organizations and what is the turnover rate based on? What were the rates in the local community? Pull the administrators out of this equation.

What is the longevity of employees in the company?

Please see the spreadsheet provided in the packet.

What is the hiring policy on diversity, including gender, and to separate out the custodial staff?

This information was already provided in the Sodexo and in the CGA proposal (Section II page 4 of the employee handbook). Please refer to the original documents.

Provide specific information for the 401 (k) and stock option plans.

Sodexo had already included information in the proposal but sent additional information. See the attached documents.

GCA's response: Employer match is 100% on the first 1% of deferral, then 50% on the next 2 – 6%. Maximum contribution is \$16,500 (federal limit) and catch up contribution of \$5,500 for employees 50 or older.

A Board member also inquired about management and/or supervisory cost savings if the District were to outsource the custodial services. The administration considered this question at length when reviewing the Response to RFP's before the Finance Committee Meeting. While it is true that the vendors would provide supervisory personnel, the administration did not believe it would be wise to eliminate the day and evening District supervisors. Rather, it may be beneficial to retain these individuals, at least during the transition period or longer, in order to provide a District employee to monitor the vendor performance and relationship. As requested by one of the Board members, the total salaries and benefits for the supervisory individuals is \$ 248,000. It is also true that less clerical time would be spent on payroll processing, tracking, check printing and ACH fees. However, the District would still need to employ the Payroll Coordinator and the Buildings and Grounds Secretary and therefore did not believe that it made sense to include part of these costs in the District's cost analysis. Potentially, there would also be less administrative time for the Director of Buildings and Grounds, the Assistant Superintendent of Human Resources and the Assistant Superintendent of

***Oak Park and River Forest High School
District 200***

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Operations. However, it is anticipated that these individuals would also continue to work full time and it did not seem to make sense to include a portion of their salaries in the District cost projections.

RECOMMENDATIONS

The Board of Education will review the Response to RFP's, and review the additional information provided by the vendors.

AGENDA ITEM V. B.

Oak Park and River Forest High School District 200
Three Year Total Cost Projection (based on 5% annual D200 salary increase)

Class	Category	OPRF Projection 3 Year Total	GCA		GCA		GCA		Sodexo		Alpha	
			Base 3 Year Total	Alternate 1 3 Year Total	Alternate 2 3 Year Total	Alternate 1 3 Year Total	Alternate 2 3 Year Total	Alternate 2 3 Year Total	3 Year Total	3 Year Total	3 Year Total	3 Year Total
Supplies/Equipment	Supplies	305,457.90	363,798.93	363,798.93	321,300.31	363,798.93	321,300.31	321,300.31	147,864.00	147,864.00	418,136.77	418,136.77
	Equipment	31,581.21	78,765.90	78,817.95	69,128.60	78,817.95	69,128.60	69,128.60	44,772.00	44,772.00	-	-
	Other	35,880.04	531,786.36	591,313.91	643,441.12	591,313.91	643,441.12	643,441.12	700,803.00	700,803.00	744,812.25	744,812.25
	Total	372,919.15	974,351.19	1,033,930.79	1,033,870.03	1,033,930.79	1,033,870.03	1,033,870.03	893,439.00	893,439.00	1,162,949.02	1,162,949.02
Salaries/Benefits	Salaries	4,859,144.76	4,093,709.40	4,561,562.84	3,105,025.88	4,561,562.84	3,105,025.88	3,105,025.88	2,897,676.00	2,897,676.00	4,004,652.09	4,004,652.09
	Social Security	301,266.98	481,420.22	548,199.79	365,151.04	548,199.79	365,151.04	365,151.04	309,030.00	309,030.00	504,586.44	504,586.44
	Medicare	70,457.60	-	-	(B)	-	(B)	(B)	-	-	-	(B)
	Other Fringe	1,007,588.99	347,051.20	347,051.20	385,980.14	347,051.20	385,980.14	385,980.14	386,469.00	386,469.00	253,727.64	253,727.64
	IMRF	529,311.73	N/A	N/A	(B)	N/A	(B)	(B)	N/A	N/A	N/A	N/A
	Life	7,826.63	-	-	-	-	-	-	-	-	-	-
	Total	6,775,596.67	4,922,180.82	5,556,813.83	3,856,157.06	5,556,813.83	3,856,157.06	3,856,157.06	3,593,175.00	3,593,175.00	4,762,966.17	4,762,966.17
Other Costs	Workers' Comp	329,003.79	112,167.64	127,726.82	85,077.71	127,726.82	85,077.71	85,077.71	158,718.00	158,718.00	74,086.06	74,086.06
Other Unidentified Expenses		-	-	-	-	-	-	-	-	-	163,423.89	163,423.89
Total Expenses		7,477,519.61	6,008,699.65	6,718,471.44	4,975,104.80	6,718,471.44	4,975,104.80	4,975,104.80	4,645,332.00	4,645,332.00	6,163,425.15	6,163,425.15

Note: The category "Other Fringe" includes costs for health, dental and any other insurances provided, 401(k) and other like benefits.

(A) - Amount is implied to include any and all employer taxes payable.

(B) - Individual costs for these items could not be derived from the information provided.

(C) - Represents costs not specifically provided by vendor in any category but which are included in total proposal cost.

Oak Park and River Forest High School District 200
Fiscal Year 2010 Cost Projection (based on 5% annual D200 salary increase)

Class	Category	OPRF Projection	GCA			Sodexo	Alpha
			Base	Alternate 1	Alternate 2		
Supplies/Equipment	Supplies	98,824.91	117,700.00	117,700.00	103,906.88	49,288.00	135,280.03
	Equipment	10,217.48	25,500.00	25,500.00	22,365.20	14,924.00	-
	Other	11,608.28	191,707.66	213,417.51	224,426.17	233,601.00	248,270.75
	Total	120,650.67	334,907.66	356,617.51	350,698.25	297,813.00	383,550.78
Salaries/Benefits	Salaries	1,541,362.33	1,324,400.00	1,508,017.28	1,004,608.00	965,892.00	1,334,884.03
	Social Security	95,564.46	155,749.44	177,342.83	118,141.90	103,010.00	168,195.48
	Medicare	22,349.75	-	-	-	-	-
	Other Fringe	304,407.55	112,281.60	112,281.60	124,876.80	128,823.00	84,575.88
	IMRF	142,421.88	N/A	N/A	N/A	N/A	N/A
	Life	2,482.67	-	-	-	-	-
	Total	2,108,588.65	1,592,431.04	1,797,641.71	1,247,626.70	1,197,725.00	1,587,655.39
Other Costs	Workers' Comp	94,331.37	36,288.56	41,319.67	27,526.26	52,906.00	24,695.35
Other Unidentified Expenses		-	-	-	-	-	-
Total Expenses		2,323,570.70	1,963,627.26	2,195,578.90	1,625,851.21	1,548,444.00	1,995,901.53

Note: The category "Other Fringe" includes costs for health, dental and any other insurances provided, 401(k) and other like benefits.

(A) - Amount is implied to include any and all employer taxes payable.

(B) - Individual costs for these items could not be derived from the information provided.

(C) - Represents costs not specifically provided by vendor in any category but which are included in total proposal cost.

Oak Park and River Forest High School District 200
Fiscal Year 2011 Cost Projection (based on 5% annual D200 salary increase)

Class	Category	OPRF Protection	GCA		GCA		GCA		Sodexo	Alpha
			Base	Alternate 1	Alternate 2	Alternate 1	Alternate 2	Alternate 2		
Supplies/Equipment	Supplies	101,789.65	121,231.00	121,231.00	107,024.08	121,231.00	107,024.08	49,288.00	139,338.60	
	Equipment	10,524.00	26,265.00	26,265.00	23,036.16	26,265.00	23,036.16	14,924.00	-	
	Other	11,956.53	167,569.31	186,217.97	206,411.30	186,217.97	206,411.30	233,601.00	248,270.75	
	Total	124,270.19	315,065.31	333,713.97	336,471.54	333,713.97	336,471.54	297,813.00	387,609.35	
Salaries/Benefits	Salaries	1,618,430.45	1,364,132.00	1,553,416.48	1,034,746.24	1,553,416.48	1,034,746.24	965,892.00	1,334,884.03	
	Social Security	100,342.69	160,421.92	182,681.78	(A)	182,681.78	(A)	103,010.00	168,195.48	(A)
	Medicare	23,467.24	-	-	(B)	-	(B)	-	-	(B)
	Other Fringe	334,848.30	115,650.05	115,650.05	128,622.64	115,650.05	128,622.64	128,823.00	84,575.88	
	IMRF	170,987.18	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
	Life	2,606.81	-	-	(B)	-	(B)	-	-	
	Total	2,250,682.67	1,640,203.97	1,851,748.31	1,285,055.04	1,851,748.31	1,285,055.04	1,197,725.00	1,587,655.39	
Other Costs	Workers' Comp	108,920.37	37,377.22	42,563.61	28,352.05	42,563.61	28,352.05	52,906.00	24,695.35	
Other Unidentified Expenses		-	-	-	-	-	-	-	55,818.40	(C)
Total Expenses		2,483,873.23	1,992,646.50	2,228,025.89	1,649,878.62	2,228,025.89	1,649,878.62	1,548,444.00	2,055,778.50	

Note: The category "Other Fringe" includes costs for health, dental and any other insurances provided, 401(k) and other like benefits.

(A) - Amount is implied to include any and all employer taxes payable.

(B) - Individual costs for these items could not be derived from the information provided.

(C) - Represents costs not specifically provided by vendor in any category but which are included in total proposal cost.

Oak Park and River Forest High School District 200
Fiscal Year 2012 Cost Projection (based on 5% annual D200 salary increase)

Class	Category	OPRF Projection	GCA		GCA		Sodexo	Alpha
			Base	Alternate 1	Alternate 1	Alternate 2		
Supplies/Equipment	Supplies	104,843.34	124,867.93	124,867.93	110,369.35	49,288.00	143,518.14	
	Equipment	10,839.72	27,000.90	27,052.95	23,727.24	14,924.00	-	
	Other	12,315.23	172,509.39	191,678.43	212,603.65	233,601.00	248,270.75	
	Total	127,998.29	324,378.22	343,599.31	346,700.24	297,813.00	391,788.89	
Salaries/Benefits	Salaries	1,699,351.97	1,405,177.40	1,600,129.08	1,065,671.64	965,892.00	1,334,884.03	
	Social Security	105,359.82	165,248.86	188,175.18	125,322.98	103,010.00	168,195.48	
	Medicare	24,640.60	-	-	-	-	-	
	Other Fringe	368,333.14	119,119.55	119,119.55	132,480.70	128,823.00	84,575.88	
	IMRF	215,902.67	N/A	N/A	N/A	N/A	N/A	
	Life	2,737.15	-	-	-	-	-	
	Total	2,416,325.35	1,689,545.81	1,907,423.81	1,323,475.32	1,197,725.00	1,587,655.39	
Other Costs	Workers' Comp	125,752.05	38,501.86	43,843.54	29,199.40	52,906.00	24,695.35	
Other Unidentified Expenses	-	-	-	-	-	-	107,605.49	
Total Expenses		2,670,075.69	2,052,425.89	2,294,866.66	1,699,374.97	1,548,444.00	2,111,745.13	

Note: The category "Other Fringe" includes costs for health, dental and any other insurances provided, 401(k) and other like benefits.

(A) - Amount is implied to include any and all employer taxes payable.

(B) - Individual costs for these items could not be derived from the information provided.

(C) - Represents costs not specifically provided by vendor in any category but which are included in total proposal cost.

OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200
BY EXPENSE CATEGORY (5% ANNUAL SALARY INCREASE)

<u>Class</u>	<u>Category</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Supplies/Equipment	Supplies	\$ 98,824.91	\$ 101,789.65	\$ 104,843.34
	Equipment	10,217.48	10,524.00	10,839.72
	Radios	1,743.75	1,796.06	1,849.95
	Radio Repairs	2,780.33	2,863.74	2,949.65
	Uniforms	7,084.20	7,296.73	7,515.63
	Total	<u>\$ 120,650.67</u>	<u>\$ 124,270.19</u>	<u>\$ 127,998.29</u>
Salaries/Benefits	Salaries	\$ 1,541,362.33	\$ 1,618,430.45	\$ 1,699,351.97
	Social Security	95,564.46	100,342.69	105,359.82
	Medicare	22,349.75	23,467.24	24,640.60
	Medical & Dental	304,407.55	334,848.30	368,333.14
	IMRF	142,421.88	170,987.18	215,902.67
	Life	2,482.67	2,606.81	2,737.15
	Total	<u>\$ 2,108,588.65</u>	<u>\$ 2,250,682.67</u>	<u>\$ 2,416,325.35</u>
Other Costs	Workers' Comp	<u>\$ 94,331.37</u>	<u>\$ 108,920.37</u>	<u>\$ 125,752.05</u>
Total Expenses		<u>\$ 2,323,570.70</u>	<u>\$ 2,483,873.23</u>	<u>\$ 2,670,075.69</u>

**GCA (BASE BID) COST PROPOSAL
BY EXPENSE CATEGORY**

<u>Class</u>	<u>Category</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Supplies/Equipment	Supplies	\$ 117,700.00	\$ 121,231.00	\$ 124,867.93
	Equipment	25,500.00	26,265.00	27,000.90
	Other	191,707.66	167,569.31	172,509.39
	Total	<u>\$ 334,907.66</u>	<u>\$ 315,065.31</u>	<u>\$ 324,378.22</u>
Salaries/Benefits	Salaries	\$ 1,324,400.00	\$ 1,364,132.00	\$ 1,405,177.40
	SS/Medicare/Etc!	155,749.44	160,421.92	165,248.86
	Medical & Dental*	112,281.60	115,650.05	119,119.55
	Total	<u>\$ 1,592,431.04</u>	<u>\$ 1,640,203.97</u>	<u>\$ 1,689,545.81</u>
Other Costs	Workers' Comp	<u>\$ 36,288.56</u>	<u>\$ 37,377.22</u>	<u>\$ 38,501.86</u>
Total Expenses		<u>\$ 1,963,627.26</u>	<u>\$ 1,992,646.50</u>	<u>\$ 2,052,425.89</u>

! Cost not broken out by category

*Includes 401k Costs

**GCA (ALT 1) COST PROPOSAL
BY EXPENSE CATEGORY**

<u>Class</u>	<u>Category</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Supplies/Equipment	Supplies	\$ 117,700.00	\$ 121,231.00	\$ 124,867.93
	Equipment	25,500.00	26,265.00	27,052.95
	Other	213,417.51	186,217.97	191,678.43
	Total	<u>\$ 356,617.51</u>	<u>\$ 333,713.97</u>	<u>\$ 343,599.31</u>
Salaries/Benefits	Salaries	\$ 1,508,017.28	\$ 1,553,416.48	\$ 1,600,129.08
	SS/Medicare/Etc!	177,342.83	182,681.78	188,175.18
	Medical & Dental*	112,281.60	115,650.05	119,119.55
	Total	<u>\$ 1,797,641.71</u>	<u>\$ 1,851,748.31</u>	<u>\$ 1,907,423.81</u>
Other Costs	Workers' Comp	<u>\$ 41,319.67</u>	<u>\$ 42,563.61</u>	<u>\$ 43,843.54</u>
Total Expenses		<u>\$ 2,195,578.90</u>	<u>\$ 2,228,025.89</u>	<u>\$ 2,294,866.66</u>

! Cost not broken out by category

*Includes 401k Costs

**GCA (ALT 2) COST PROPOSAL
BY EXPENSE CATEGORY**

<u>Class</u>	<u>Category</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Supplies/Equipment	Supplies	\$ 103,906.88	\$ 107,024.08	\$ 110,369.35
	Equipment	22,365.20	23,036.16	23,727.24
	Other	224,426.17	206,411.30	212,603.65
	Total	<u>\$ 350,698.25</u>	<u>\$ 336,471.54</u>	<u>\$ 346,700.24</u>
Salaries/Benefits	Salaries	\$ 1,004,608.00	\$ 1,034,746.24	\$ 1,065,671.64
	SS/Medicare/Etc!	118,141.90	121,686.16	125,322.98
	Medical & Dental*	124,876.80	128,622.64	132,480.70
	Total	<u>\$ 1,247,626.70</u>	<u>\$ 1,285,055.04</u>	<u>\$ 1,323,475.32</u>
Other Costs	Workers' Comp	<u>\$ 27,526.26</u>	<u>\$ 28,352.05</u>	<u>\$ 29,199.40</u>
Total Expenses		<u>\$ 1,625,851.21</u>	<u>\$ 1,649,878.62</u>	<u>\$ 1,699,374.97</u>

! Cost not broken out by category

*Includes 401k Costs

**SODEXO COST PROPOSAL
BY EXPENSE CATEGORY**

<u>Class</u>	<u>Category</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Supplies/Equipment	Supplies	\$ 49,288.00	\$ 49,288.00	\$ 49,288.00
	Equipment	14,924.00	14,924.00	14,924.00
	Other	233,601.00	233,601.00	233,601.00
	Total	<u>\$ 297,813.00</u>	<u>\$ 297,813.00</u>	<u>\$ 297,813.00</u>
Salaries/Benefits	Salaries	\$ 965,892.00	\$ 965,892.00	\$ 965,892.00
	SS/Medicare/Etc!	103,010.00	103,010.00	103,010.00
	Medical & Dental	109,101.00	109,101.00	109,101.00
	Retirement Plan	19,722.00	19,722.00	19,722.00
	Total	<u>\$ 1,197,725.00</u>	<u>\$ 1,197,725.00</u>	<u>\$ 1,197,725.00</u>
Other Costs	Workers' Comp	<u>\$ 52,906.00</u>	<u>\$ 52,906.00</u>	<u>\$ 52,906.00</u>
Total Expenses		<u>\$ 1,548,444.00</u>	<u>\$ 1,548,444.00</u>	<u>\$ 1,548,444.00</u>

! Cost not broken out by category

**ALPHA BUILDING MANAGEMENT COST PROPOSAL
BY EXPENSE CATEGORY**

<u>Class</u>	<u>Category</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Supplies/Equipment	Supplies/Equipment	\$ 135,280.03	\$ 139,338.60	\$ 143,518.14
	Other	248,270.75	248,270.75	248,270.75
		<u>\$ 383,550.78</u>	<u>\$ 387,609.35</u>	<u>\$ 391,788.89</u>
Salaries/Benefits	Salaries	\$ 1,334,884.03	\$ 1,334,884.03	\$ 1,334,884.03
	Social Security	168,195.48	168,195.48	168,195.48
	Medicare	-	-	-
	Medical & Dental	84,575.88	84,575.88	84,575.88
	Retirement Benefits	-	-	-
	Life	-	-	-
	Total	<u>\$ 1,587,655.39</u>	<u>\$ 1,587,655.39</u>	<u>\$ 1,587,655.39</u>
Other Costs	Workers' Comp	<u>24,695.35</u>	<u>24,695.35</u>	<u>24,695.35</u>
Other Unidentified Expenses		<u>\$ -</u>	<u>\$ 55,818.40</u>	<u>\$ 107,605.49</u>
Total Expenses		<u>\$ 1,995,901.53</u>	<u>\$ 2,055,778.50</u>	<u>\$ 2,111,745.13</u>

Oak Park and River Forest High School District 200
Three Year Total Cost Projection (based on 3% annual D200 salary increase)

Class	Category	OPRF Projection 3 Year Total	GCA Base 3 Year Total	GCA Alternate 1 3 Year Total	GCA Alternate 2 3 Year Total	Sodexo 3 Year Total	Alpha 3 Year Total
Supplies/Equipment	Supplies	305,457.90	363,798.93	363,798.93	321,300.31	147,864.00	418,136.77
	Equipment	31,581.21	78,765.90	78,817.95	69,128.60	44,772.00	
	Other	35,880.04	531,786.36	591,313.91	643,441.12	700,803.00	744,812.25
	Total	372,919.15	974,351.19	1,033,930.79	1,033,870.03	893,439.00	1,162,949.02
Salaries/Benefits	Salaries	4,673,450.23	4,093,709.40	4,661,562.84	3,105,025.88	2,897,676.00	4,004,652.09
	Social Security	289,753.91	481,420.22	548,199.79	365,151.04	309,030.00	504,586.44
	Medicare	67,765.03	-	-	-	-	-
	Other Fringe	1,007,588.99	347,051.20	347,051.20	385,980.14	386,469.00	253,727.64
	IMRF	508,043.38	N/A	N/A	N/A	N/A	N/A
	Life	7,527.53	-	-	-	-	-
	Total	6,554,129.07	4,922,180.82	5,556,813.83	3,856,157.06	3,593,175.00	4,762,966.17
Other Costs	Workers' Comp	316,047.35	112,167.64	127,726.82	85,077.71	158,718.00	74,086.06
Other Unidentified Expenses							163,423.89
Total Expenses		7,243,095.56	6,008,699.65	6,718,471.44	4,975,104.80	4,645,332.00	6,163,425.15

Note: The category "Other Fringe" includes costs for health, dental and any other insurances provided, 401(k) and other like benefits.

(A) - Amount is implied to include any and all employer taxes payable.

(B) - Individual costs for these items could not be derived from the information provided.

(C) - Represents costs not specifically provided by vendor in any category but which are included in total proposal cost.

Oak Park and River Forest High School District 200
Fiscal Year 2010 Cost Projection (based on 3% annual D200 salary increase)

Class	Category	OPRF Projection	GCA Base	GCA Alternate 1	GCA Alternate 2	Sodexo	Alpha
Supplies/Equipment	Supplies	98,824.91	117,700.00	117,700.00	103,906.88	49,288.00	135,280.03
	Equipment	10,217.48	25,500.00	25,500.00	22,365.20	14,924.00	-
	Other	11,608.28	191,707.66	213,417.51	224,426.17	233,601.00	248,270.75
	Total	120,650.67	334,907.66	356,617.51	350,698.25	297,813.00	383,550.78
Salaries/Benefits	Salaries	1,512,003.05	1,324,400.00	1,508,017.28	1,004,608.00	965,892.00	1,334,884.03
	Social Security	93,744.19	155,749.44	177,342.83	118,141.90	103,010.00	168,195.48
	Medicare	21,924.04	-	-	-	-	-
	Other Fringe	304,407.55	112,281.60	112,281.60	124,876.80	128,823.00	84,575.88
	IMRF	139,709.08	N/A	N/A	N/A	N/A	N/A
	Life	2,435.38	-	-	-	-	-
	Total	2,074,223.30	1,592,431.04	1,797,641.71	1,247,626.70	1,197,725.00	1,587,655.39
Other Costs	Workers' Comp	92,534.59	36,288.56	41,319.67	27,526.26	52,906.00	24,695.35
Other Unidentified Expenses		-	-	-	-	-	-
Total Expenses		2,287,408.55	1,963,627.26	2,195,578.90	1,625,851.21	1,548,444.00	1,995,901.53

Note: The category "Other Fringe" includes costs for health, dental and any other insurances provided, 401(k) and other like benefits.

(A) - Amount is implied to include any and all employer taxes payable.

(B) - Individual costs for these items could not be derived from the information provided.

(C) - Represents costs not specifically provided by vendor in any category but which are included in total proposal cost.

Oak Park and River Forest High School District 200
Fiscal Year 2011 Cost Projection (based on 3% annual D200 salary increase)

Class	Category	OPRF Projection	GCA Base	GCA Alternate 1	GCA Alternate 2	Sodexo	Alpha
Supplies/Equipment	Supplies	101,789.65	121,231.00	121,231.00	107,024.08	49,288.00	139,338.60
	Equipment	10,524.00	26,265.00	26,265.00	23,036.16	14,924.00	-
	Other	11,956.53	167,569.31	186,217.97	206,411.30	233,601.00	248,270.75
	Total	124,270.19	315,065.31	333,713.97	336,471.54	297,813.00	387,609.35
Salaries/Benefits	Salaries	1,557,363.14	1,364,132.00	1,553,416.48	1,034,746.24	965,892.00	1,334,884.03
	Social Security	96,556.51	160,421.92	182,681.78	121,686.16	103,010.00	168,195.48
	Medicare	22,581.77	-	-	-	-	-
	Other Fringe	334,848.30	115,650.05	115,650.05	128,622.64	128,823.00	84,575.88
	IMRF	164,535.42	N/A	N/A	N/A	N/A	N/A
	Life	2,508.45	-	-	-	-	-
	Total	2,178,393.59	1,640,203.97	1,851,748.31	1,285,055.04	1,197,725.00	1,587,655.39
Other Costs	Workers' Comp	104,810.54	37,377.22	42,563.61	28,352.05	52,906.00	24,695.35
Other Unidentified Expenses		-	-	-	-	-	55,818.40 (C)
Total Expenses		2,407,474.32	1,992,646.50	2,228,025.89	1,649,878.62	1,548,444.00	2,055,778.50

Note: The category "Other Fringe" includes costs for health, dental and any other insurances provided, 401(k) and other like benefits.

(A) - Amount is implied to include any and all employer taxes payable.

(B) - Individual costs for these items could not be derived from the information provided.

(C) - Represents costs not specifically provided by vendor in any category but which are included in total proposal cost.

Oak Park and River Forest High School District 200
Fiscal Year 2012 Cost Projection (based on 3% annual D200 salary increase)

Class	Category	OPRF Projection	GCA		GCA		GCA		Sodexo	Alpha
			Base		Alternate 1	Alternate 2				
Supplies/Equipment	Supplies	104,843.34	124,867.93	124,867.93	110,369.35	49,288.00	143,518.14			
	Equipment	10,839.72	27,000.90	27,052.95	23,727.24	14,924.00	-			
	Other	12,315.23	172,509.39	191,678.43	212,603.65	233,601.00	248,270.75			
	Total	127,998.29	324,378.22	343,599.31	346,700.24	297,813.00	391,788.89			
Salaries/Benefits	Salaries	1,604,084.04	1,405,177.40	1,600,129.08	1,065,671.64	965,892.00	1,334,884.03			
	Social Security	99,453.21	165,248.86	188,175.18	125,322.98	103,010.00	168,195.48	(A)		(A)
	Medicare	23,259.22	-	-	-	-	-	(B)		(B)
	Other Fringe	368,333.14	119,119.55	119,119.55	132,480.70	128,823.00	84,575.88			
	IMRF	203,798.88	N/A	N/A	N/A	N/A	N/A	N/A		
	Life	2,583.70	-	-	-	-	-	-	(B)	
	Total	2,301,512.18	1,689,545.81	1,907,423.81	1,323,475.32	1,197,725.00	1,587,655.39			
Other Costs	Workers' Comp	118,702.22	38,501.86	43,843.54	29,199.40	52,906.00	24,695.35			
Other Unidentified Expenses		-	-	-	-	-	107,605.49	(C)		
Total Expenses		2,548,212.69	2,052,425.89	2,294,866.66	1,699,374.97	1,548,444.00	2,111,745.13			

Note: The category "Other Fringe" includes costs for health, dental and any other insurances provided, 401(k) and other like benefits.

(A) - Amount is implied to include any and all employer taxes payable.

(B) - Individual costs for these items could not be derived from the information provided.

(C) - Represents costs not specifically provided by vendor in any category but which are included in total proposal cost.

OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200
BY EXPENSE CATEGORY (3% ANNUAL SALARY INCREASE)

<u>Class</u>	<u>Category</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Supplies/Equipment	Supplies	\$ 98,824.91	\$ 101,789.65	\$ 104,843.34
	Equipment	10,217.48	10,524.00	10,839.72
	Radios	1,743.75	1,796.06	1,849.95
	Radio Repairs	2,780.33	2,863.74	2,949.65
	Uniforms	7,084.20	7,296.73	7,515.63
	Total	<u>\$ 120,650.67</u>	<u>\$ 124,270.19</u>	<u>\$ 127,998.29</u>
Salaries/Benefits	Salaries	\$ 1,512,003.05	\$ 1,557,363.14	\$ 1,604,084.04
	Social Security	93,744.19	96,556.51	99,453.21
	Medicare	21,924.04	22,581.77	23,259.22
	Medical & Dental	304,407.55	334,848.30	368,333.14
	IMRF	139,709.08	164,535.42	203,798.88
	Life	2,435.38	2,508.45	2,583.70
	Total	<u>\$ 2,074,223.30</u>	<u>\$ 2,178,393.59</u>	<u>\$ 2,301,512.18</u>
Other Costs	Workers' Comp	<u>\$ 92,534.59</u>	<u>\$ 104,810.54</u>	<u>\$ 118,702.22</u>
Total Expenses		<u>\$ 2,287,408.55</u>	<u>\$ 2,407,474.32</u>	<u>\$ 2,548,212.69</u>

VENDOR TURNOVER RATES

Alpha

Note: "ND" = No Data. Some information was not provided by vendor. Other data not available due to vendor not being contracted with customer during specified time period.

<u>Zion #6</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	33.3%	25.0%	25.0%
Total Custodians	24	24	24
Total Replacements	8	6	6
Average Employee Tenure	ND	ND	ND

<u>Summit Hill #161</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	ND	0.0%	13.3%
Total Custodians	ND	15	15
Total Replacements	ND	0	2
Average Employee Tenure	ND	ND	ND

<u>Calumet #132</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	ND	22.2%	22.2%
Total Custodians	ND	18	18
Total Replacements	ND	4	4
Average Employee Tenure	ND	ND	ND

<u>Beach Park CCSD #3</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	0.0%	13.3%	0.0%
Total Custodians	15	15	15
Total Replacements	0	2	0
Average Employee Tenure	ND	ND	ND

<u>North American Operations</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	3.9%	6.4%	n/a
Total Custodians	360	360	n/a
Total Replacements	14	23	n/a
Average Employee Tenure	ND	ND	ND

Summary

GCA: Due to the time constraints of this request, GCA was only able to provide tenure data for the three years in this report. It seems as though the tenure of employees at these sites reflects a consistent staff. The average tenure of custodians in their North American operations seems in line with that of the original rates presented by all vendors.

Sodexo: It appears that of the four customer references, Stevenson High School is the most similar to District 200 in categories such as staff size, enrollment, and size of building. Turnover rates appear to be in line with GCA's and tenure of custodial employees is quite high. The high turnover rates seen at Mundelein HS and Lake Forest Academy may be the result of specific circumstances that are not captured in this analysis.

GCA

Note: Tenure figures reflect only statistics for the three-year period below and do not take into account service prior to this time period.

<u>Glenbard #87</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	15.4%	13.5%	13.5%
Total Custodians	52	52	52
Total Replacements	8	7	7
Average Employee Tenure*	2.75 years	2.75 years	2.75 years

<u>Wheaton #200</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	14.6%	12.2%	11.0%
Total Custodians	82	82	82
Total Replacements	12	10	9
Average Employee Tenure*	2.66 years	2.66 years	2.66 years

<u>Niles #219</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	13.6%	16.9%	15.3%
Total Custodians	59	59	59
Total Replacements	8	10	9
Average Employee Tenure*	2.83 years	2.83 years	2.83 years

<u>Lincoln-Way #210</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	15.4%	17.3%	13.5%
Total Custodians	52	52	52
Total Replacements	8	9	7
Average Employee Tenure*	2.92 years	2.92 years	2.92 years

<u>North American Operations</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	15.0%	12.0%	12.5%
Total Custodians	5800	7100	8200
Total Replacements	870	852	1025
Average Employee Tenure	3 years	3 years	3 years

Sodexo

Note: Turnover statistics for North American Operations includes all accounts and is not limited to K-12 customers.

<u>Stevenson HS</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	8.3%	12.5%	8.3%
Total Custodians	48	48	48
Total Replacements	4	6	4
Average Employee Tenure	10 years	10 years	10 years

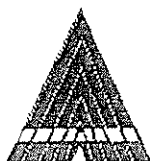
<u>Benedictine University</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	5.0%	10.0%	5.0%
Total Custodians	20	20	20
Total Replacements	1	2	1
Average Employee Tenure	3 years	3 years	3 years

<u>Lake Forest Academy</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	36.4%	172.7%	54.5%
Total Custodians	11	11	11
Total Replacements	4	19	6
Average Employee Tenure	7 years	7 years	7 years

<u>Mundelein HS</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	200.0%	108.3%	27.3%
Total Custodians	11	12	11
Total Replacements	22	13	3
Average Employee Tenure	2 years	2 years	2 years

<u>North American Operations</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	75.9%	71.0%	69.6%
Total Custodians	7634	7509	8920
Total Replacements	5795	5333	6211
Average Employee Tenure	3 years	3 years	3 years

<u>North American Midwest</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Turnover Rate	15.0%	13.0%	11.0%

**Alpha Building Maintenance Service, Inc.**

12713 Hadley Road, Homer Glen, Illinois 60491

Phone: (815) 485-8800 • Fax: (815) 485-9088

March 19, 2009

Oak Park and River Forest High School
201 North Scoville Avenue
Oak Park, Illinois 60302

In response to your letter dated March, 17, 2009, I am submitting the following answers:

(Item 1.)

- a. Supplies & equipment: \$83,410.20 – 1st year, \$85,912.50 – 2nd year, and \$88,489.36 – 3rd year.
Paper & plastic: \$51,870.00 – 1st year, \$53,426.10 – 2nd year, and \$55,028.78 – 3rd year.
 - b. Salary: \$23.40-day custodians, \$23.80 night custodians and \$23.85 night custodians.
Health Insurance: Full-time-\$146.64 to \$313.45 per person, per month.
Life Insurance: Equal to one times the base salary of each employee, rounded off to the next thousand. A double benefit in the case of accidental death, as well as special benefits in case of dismemberment.
Retirement Plan: Same as the one in Union Contract with Local 73.
Other Salary & Benefit Expenses not otherwise noted: Same as the one in Union Contract with Local 73.
Workers Compensation: Premiums will be paid by Garco, Inc./ Alpha, Inc. A Joint Venture.
Other Expenses not otherwise noted above: Same as the one in Union Contract with Local 73.
2. YES.
 3. Same as the one in Union Contract with Local 73.
 4. See Reference Sheet (submitted via fax).
 5. Turn over for rest of staff.
2006-4% 360 total 14
2007-6% 385 total 23
 8. We will match Social Security Benefits as in the practice in the commercial market place.

Hoping this will be acceptable to you evaluation.

Sincerely,

Wayne Baktrom
Alpha Building Maintenance Service, Inc.



Alpha Building Maintenance Service, Inc.

12713 Hadley Road, Homer Glen, Illinois 60491

Phone: (815) 485-8800 • Fax: (815) 485-9088

REFERENCES

CONFIDENTIAL

February 1, 2009

To Whom It May Concern:

The following is a list of eight references currently serviced by Alpha Building Maintenance Service, Inc.:

Name / Address

Triton College School District 504
2000 Fifth Avenue
River Grove, Illinois

2 Locations

Beach Park Consolidated School District 3
11315 West Wadsworth Road
Beach Park, Illinois

7 Locations

Zion Elementary School District #6
2200 Bethesda Blvd.
Zion, Illinois 60099

7 Locations

Calumet Public School District 132
1140 W. Vermont Street
Calumet Park, Illinois 60827

3 Locations

East Prairie School District #73
3907 Dobson St.
Skokie, Illinois 60076

1 Location

Summit Hill School District 161
20100 South Spruce Drive
Frankfort, Illinois 60423

4 Locations

Contact Name / Phone No.

Mr. John Lambrecht
708-456-0300

Mr. Chuck Bishop
847-599-5063

Mr. Richard Terhune
847-872-5455

Ms. Leonora Beck
708-388-8920 x-115

Mr. Jerry McDonald
847-673-1141

Mr. James Jakubowski
815-469-9103

Alpha Building Maintenance Service, Inc. & GARCO ENTERPRISE, Inc., A Joint Venture references.

University of Illinois at Chicago Microbiology Building
1140 S. Morgan St.
Chicago, Illinois

1 Location

University of Illinois at Chicago Tech Building 2000
900 South Ashland Avenue
Chicago, Illinois

1 Location

Ms. Bernie Greski
(312) 996-6963

Ms. Bernie Greski
(312) 996-6963

Tot

8/2006	107	-	085	
0	0	0	2	
0	2	0	15	
8	6	6	24	
4	4	18		
-	0	0	2	
-	0	2	15	
4	5	4	26	
0	0	0	4	

If you have any further questions regarding these accounts or any other aspects of Alpha's service, please contact me at the above number.

Sincerely,

Lorraine Grab

Lorraine Grab
President



GCA Services Group™

March 18, 2009

Mr. Tim Keeley
Purchasing Coordinator
Oak Park & River Forest HSD 200
201 North Scoville Avenue
Oak Park, IL 60302-2296

Dear Mr. Keeley;

This letter is in response to the District 200 Board of Education Finance Committee request for clarification.

Item 1: An itemization of each expenditure category and account encompassed within the Total Cost of Services proposed in Section P, Pricing Schedule, for each of the three years including: Supplies/Equipment, Salaries, Benefits, worker's compensation premiums, and any other expenses not otherwise noted above.

Response: Attached to this response are itemized costing for all 3 years and all 3 submissions.

Item 2: If a former District 200 custodial employee hired by your firm voluntarily transfers to a different site serviced by your firm, would his/her salary change?

Response: GCA employees who are promoted to a Supervisory position may be transferred to another district. Wages and Benefits would change accordingly. To date, workers who have voluntarily transferred have increased their wages and benefits.

It is not a regular practice to transfer workers from one district to another. However, should a worker request a transfer that districts specification, wages, and benefits would apply.

GCA's plan is to keep all current workers in the district. Our policy is to employ as many of the current workers as possible. It is the workers choice to seek employment with GCA. GCA believes in hiring locally. Current district employees can interview on site, at our Downers Grove office or apply by mail.

Item 3: What wage will any new hires (hired by your firm after the initial transition period) earn?

Response: GCA's intention is to retain the current staff, however, should they choose to leave or are dismissed for cause a new hire would start at either \$10.00/hr or \$13.00/hr depending on which of the programs was chosen by the district. For the year 2009-2010, the base bid and Alternate 1 would pay \$10.00/hr while Alternate 2 would pay \$13.00/hr to new workers. In the second year of the contract, the starting wage would increase by 3% to \$10.30/hr and in the third year, the starting wage would increase to \$10.61/hr. Conversely, if Alternate 2 were chosen, the wage in 2009-2010 would be \$13.00/hr. In the second year of the contract, the starting wage would increase by 3% to \$13.39 and in the third year to \$13.79/hr.



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Item 4: Four each of the four references listed in Section S from your proposal submission, the turnover rate of custodial staff for each specific customer account over the last three complete years (2006,2007,2008) including percentage, total number of custodians at each account, total number of custodians turned-over at each account.

Response: Information is based on calendar year. There is a higher turnover rate during the initial start up or when new buildings are brought on line.

Glenbard Township HSD #87

2006: 15.3%, 52 total custodians, 8 custodians replaced

2007: 13.4%, 52 total custodians, 7 custodians replaced

2008: 13.4%, 52 total custodians, 7custodians replaced

Average tenure for this district: 52 employees for 3 years – 2 years – 9 months

Wheaton Community Unit SD #200

2006: 14.6%, 82 total custodians, 12 custodians replaced

2007: 12.2%, 82 total custodians, 10 custodians replaced

2008: 11.0%, 82 total custodians, 9 custodians replaced

Average tenure for this district: 82 employees for 3 years – 2 years – 8 months

Niles High School District 219

2006: 13.5%, 59 total custodians, 8 custodians replaced

2007: 16.9%, 59 total custodians, 10 custodians replaced

2008: 15.2%, 59 total custodians, 9 custodians replaced

Average tenure for this district: 37 employees for 3 years - 2 years – 10 months

Lincoln-Way C.H.S.D. #210

2006: 15.3%, 52 total custodians, 8 custodians replaced

2007: 17.3%, 52 total custodians, 9 custodians replaced

2008: 13.4%, 52 total custodians, 7 custodians replaced

Average tenure for this district: 52 employees for 3 years – 2 years – 11 months

Item 5: The same information requested in item 4 for entire custodial staff employed in North America.

Response: Education Division Custodial Turnover

2006: 15%, 5,800 custodians, 870 custodians were replaced nationwide

2007: 12%, 7,100 custodians, 852 custodians were replaced nationwide

2008: 12.5%, 8,200 custodians, 1025 custodians were replaced nationwide.

These numbers include start-ups, districts cuts in services, voluntary and involuntary separation.



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Please note that GCA considers a listing of all of their accounts as proprietary. Therefore, only the overall percentage for all custodial staff is stated. Previous turnover rates include custodians in all divisions.

Item 6: What is the average length of tenure for all custodial employees working for your firm in North America?

Response: 3 years (GCA was founded five (5) years ago). GCA purchased SBM Maintenance 4 years ago. SBM's longest relationship with a district is 26 years. At that account, our longest tenure is 20 years.

Item 7: Diversity Policy hiring for Custodial Staff

Response: GCA is an Equal Opportunity Employer. Our policy can be found in Section II page 4 of our employee handbook.

Item 8: Provide specific information for the 401K (employer match, employee maximum contribution, etc.) and/or stock option plan listed in the proposal.

Response: Employer match: 100% on first 1% of deferral, then 50% on the next 2-6%. Maximum contribution: \$16,500 (federal limit) and catch up contribution of \$5,500 for employees 50 or older.

Please let me know if the Board of Education Finance Committee would like further clarification on any of the responses.

Respectfully Submitted,

Ruthann Kosma
Senior Sales Director

OAK PARK AND RIVER FOREST HIGH SCHOOL

201 NORTH SCOVILLE AVENUE • OAK PARK, IL 60302-2296

March 17, 2009

Sodexo School Services
2578 Capitol Avenue
Aurora, IL 60504
Attn: Greg Johnson

Dear Mr. Johnson:

Thank you for your proposal submission for District 200 Cleaning Services. The District 200 Board of Education Finance Committee met this morning to initiate the review of proposals, as required by PA-095-0241. The following clarifications were requested by the Board of Education to assist with this process. Your timely response is appreciated, as the responses are to be included in next week's Board of Education Monthly meeting packets, to be published later this week.

All four vendors are asked to provide the following information electronically by March 19, 2009 at 12:00PM CST, with a hard-copy backup to follow by mail.

1. An itemization of each expenditure category and account encompassed within the Total Cost of Services proposed in Section P, Pricing Schedule, for each of the three years. Itemization should include, but is not limited to:
 - a) Supplies \$ 49,288 and equipment \$14,294 Total \$64,212
 - b) Salaries and benefits
 - i. Salary \$965,892
 - ii. Health insurance \$109,101
 - iii. Life insurance Unknown
 - iv. Retirement plan expenses \$19,722
 - v. Other salary and benefit expenses not otherwise noted above \$103,010 includes FICA, SUI, FUI, payroll costs
 - c) Worker's compensation premiums \$52,906
 - d) Other expenses not otherwise noted above. \$233,601, includes margin, start up expenses, general liability, regional and division support charges, uniforms, hardware and software, office costs, etc.
2. If a former District 200 custodial employee hired by your firm voluntarily transfers to a different site serviced by your firm, would his/her salary change? If an employee were to transfer to another educational facility, we guarantee them employee's salary will remain the same or increase depending upon the position.
3. What wage will any new hires (hired by your firm after the initial transition period) earn? Guaranteed not to be below \$11.25/hour.

OAK PARK AND RIVER FOREST HIGH SCHOOL

201 NORTH SCOVILLE AVENUE • OAK PARK, IL 60302-2296

4. For each of the four references listed in Section S (List of References) from your proposal submission, the turnover rate of custodial staff for each specific customer account over for the last three complete years (2006, 2007, 2008).
 - a) Percentage;
 - b) total number of custodians at each account; and
 - c) total number of custodians turned-over at each account;For example
 - i. District 123. 2006: 3%, 100 total custodians, 3 custodians replaced; 2006: x%, xxx total custodians, x custodians replaced; 2007: x%, xxx total custodians, x custodians replaced; 2008: x%, xxx total custodians, x custodians replaced; average custodian tenure for this group: x years.
 - ii. District 321. 2006: 3%, 100 total custodians, 3 custodians replaced; 2006: x%, xxx total custodians, x custodians replaced; 2007: x%, xxx total custodians, x custodians replaced; 2008: x%, xxx total custodians, x custodians replaced; average custodian tenure for this group: x years
5. The same information requested in item#4 above for your entire custodial staff employed in North America.
6. What is the average length of tenure for all custodial employees working for your firm in North America?
7. Your company's policy on diversity (ethnic and gender, if applicable) hiring for custodial staff
8. Provide specific information for the 401k (employer match, employee maximum contribution, etc.) and/or stock option plan listed in your proposal.

Thank you in advance for your timely response to this request.

Sincerely.

Tim Keeley
Purchasing Coordinator

OAK PARK AND RIVER FOREST HIGH SCHOOL

201 NORTH SCOVILLE AVENUE • OAK PARK, IL 60302-2296

CC: Paul Keller, Ancel, Glink, Diamond, Bush, Dicianni & Rolek, P.C.; District 200 Board of Education; District 200 Leadership Team

OAK PARK RIVER FOREST HS DISTRICT 200
Cost Schedule and Proposed Contract Price
MANAGEMENT AND CUSTODIAL SERVICES
GCA'S BASE BID for 2009-2010

GCA'S BASE BID FOR 2009-2010			Cost
Cost Category I: On-Site Management			
Cost Item (1)	<u>On-Site Management Salary</u> 1 - MANAGER 1 - NIGHT CUSTODIAL SUPERVISOR	2,080 2,080	\$60,000 \$50,000
Cost Item (2)	<u>Administrative Salaries</u> Administrative Assistant		
Sub-Total:			\$110,000
Cost Item (3)	<u>Benefits and Wage Associated Taxes</u> FICA, FUTA, SUTA, General Liability Workers Compensation Family Medical, Dental & Life Insurance, 401(k) All inclusive costing for benefits - 401(k) is employee contribution		\$12,936.00 \$3,014.00 \$11,520.00
Total Cost Category I:			\$137,470
Cost Category II: Productive Labor		Hours	Cost
Cost Item (4)	<u>Housekeeping Staff and Supervision</u> 4 - DAY CUSTODIANS (\$20.00/Hr.) 24 - NIGHT CUSTODIANS (\$20.00/Hr.) 4 - Additional NIGHT CUSTODIANS (\$10.00/Hr.) 32 FTE'S at an average wage of \$18.75	8,096 48,576 8,096 64,768	\$ 161,920.00 \$ 971,520.00 \$ 80,960.00 \$ 1,214,400.00
Cost Item (5)	<u>Benefits and Wage Associated Taxes</u> FICA, FUTA, SUTA, Workers Compensation and General Liability Workers Compensation SINGLE Medical, Dental & Life Insurance, 401(k) All inclusive pricing for benefits - 401(k) is employee contribution		\$ 142,813.44 \$ 33,274.56 \$ 100,761.60
Total Cost Category II:		64,768	\$1,491,249.60
Cost Category III: Other Operating Costs			Cost
Cost Item (6)	Employee Screening, Retention (Employee Events), Uniforms, PPE		\$4,420.00
Cost Item (7)	Housekeeping Supplies, Floor Finishes		\$61,400.00
Cost Item (8)	Maintenance & Housekeeping Equipment (\$127,500.00 depreciated over 5 years)		\$25,500.00
Cost Item (9)	Start Up Costs and Assessments Depreciated over 5 Years		\$3,500.00
Cost Item (10)	Disposable Supplies		\$56,300.00
Cost Item (11)	<u>Contribution to GCA's Overhead Costs includes:</u> RVP and Regional Manager Support Legal and Audits Purchasing Accounting Training Support Research & Developmen Human Resource:		\$103,696.00
Total Cost Category III:			\$254,816.00
Total Costs Categories I, II, & III			\$1,883,535.60
Cost Category IV: Contribution to Pre-Tax Profit			
Cost Item (12)	<u>Contribution to Pre-Tax Profit</u>		\$51,072.66
Total Cost Category IV:			\$51,072.66
ANNUAL CONTRACT PRICE			\$1,934,608.26

Cost per square foot \$1.93

OAK PARK RIVER FOREST HS DISTRICT 200
Cost Schedule and Proposed Contract Price
MANAGEMENT AND CUSTODIAL SERVICES
GCA'S BASE BID for 2010-2011

Cost Category I: On-Site Management			Cost
Cost Item (1)	<u>On-Site Management Salary</u>		
	1 - MANAGER	2,080	\$61,800
	1 - NIGHT CUSTODIAL SUPERVISOR	2,080	\$51,500
Cost Item (2)	<u>Administrative Salaries</u>		
	Administrative Assistant		
Sub-Total:			\$113,300
Cost Item (3)	<u>Benefits and Wage Associated Taxes</u>		
	FICA, FUTA, SUTA, General Liability		\$13,324.08
	Workers Compensation		\$3,104.42
	Family Medical, Dental & Life Insurance, 401(k)		\$11,865.60
	All inclusive costing for benefits - 401(k) is employee contribution		
Total Cost Category I:			\$141,594.10
Cost Category II: Productive Labor		Hours	Cost
Cost Item (4)	<u>Housekeeping Staff and Supervision</u>		
	4 - DAY CUSTODIANS (\$20.60/Hr.)	8,096	\$ 166,777.60
	24 - NIGHT CUSTODIANS (\$20.60/Hr.)	48,576	\$ 1,000,665.60
	4 - Additional NIGHT CUSTODIANS (\$10.30/Hr.)	8,096	\$ 83,388.80
32 FTE'S at an average wage of \$18.75		64,768	\$ 1,250,832.00
Cost Item (5)	<u>Benefits and Wage Associated Taxes</u>		
	FICA, FUTA, SUTA, Workers Compensation and General Liability		\$ 147,097.84
	Workers Compensation		\$ 34,272.80
	SINGLE Medical, Dental & Life Insurance, 401(k)		\$ 103,784.45
	All inclusive costing for benefits - 401(k) is employee contribution		
Total Cost Category II:		64,768	\$1,535,987.09
Cost Category III: Other Operating Costs			Cost
Cost Item (6)	Employee Screening, Retention (Employee Events), Uniforms, PPE		\$4,552.60
Cost Item (7)	Housekeeping Supplies, Floor Finishes		\$63,242.00
Cost Item (8)	Maintenance & Housekeeping Equipment (\$127,500.00 depreciated over 5 years)		\$26,265.00
Cost Item (9)	Start Up Costs and Assessments Depreciated over 5 Years		\$3,605.00
Cost Item (10)	Disposable Supplies		\$57,989.00
Cost Item (11)	<u>Contribution to GCA's Overhead Costs includes:</u>		
	RVP and Regional Manager Support	Training Support	\$106,806.87
	Legal and Audits	Research & Development	
	Purchasing	Human Resource	
	Accounting		
Total Cost Category III:			\$262,460.47
Total Costs Categories I, II, & III			\$1,940,041.66
Cost Category IV: Contribution to Pre-Tax Profit			
Cost Item (12)	<u>Contribution to Pre-Tax Profit</u>		\$52,604.84
Total Cost Category IV:			\$52,604.84
ANNUAL CONTRACT PRICE			\$1,992,646.50

Cost per square foot \$1.99

OAK PARK RIVER FOREST HS DISTRICT 200
Cost Schedule and Proposed Contract Price
MANAGEMENT AND CUSTODIAL SERVICES
GCA'S BASE BID for 2011-2012

Cost Category I: On-Site Management			Cost
Cost Item (1)	<u>On-Site Management Salary</u>		
	1 - MANAGER	2,080	\$63,654
	1 - NIGHT CUSTODIAL SUPERVISOR	2,080	\$53,045
Cost Item (2)	<u>Administrative Salaries</u>		
	Administrative Assistant		
Sub-Total:			\$116,699
Cost Item (3)	<u>Benefits and Wage Associated Taxes</u>		
	FICA, FUTA, SUTA, General Liability		\$13,723.80
	Workers Compensation		\$3,197.55
	Family Medical, Dental & Life Insurance, 401(k)		\$12,221.57
	All inclusive costing for benefits - 401(k) is employee contribution		
Total Cost Category I:			\$145,841.93
Cost Category II: Productive Labor		Hours	Cost
Cost Item (4)	<u>Housekeeping Staff and Supervision</u>		
	4 - DAY CUSTODIANS (\$21.22)/Hr.)	8,096	\$ 171,797.12
	24 - NIGHT CUSTODIANS (\$21.22/Hr.)	48,576	\$ 1,030,782.72
	4 - Additional NIGHT CUSTODIANS (\$10.61/Hr.)	8,096	\$ 85,898.56
32 FTE'S at an average wage of \$18.75		64,768	\$ 1,288,478.40
Cost Item (5)	<u>Benefits and Wage Associated Taxes</u>		
	FICA, FUTA, SUTA, Workers Compensation and General Liability		\$ 151,525.06
	Workers Compensation		\$ 35,304.31
	SINGLE Medical, Dental & Life Insurance, 401(k)		\$ 106,897.98
	All inclusive costing for benefits - 401(k) is employee contribution		
Total Cost Category II:		64,768	\$1,582,205.75
Cost Category III: Other Operating Costs			Cost
Cost Item (6)	Employee Screening, Retention (Employee Events), Uniforms, PPE		\$4,602.18
Cost Item (7)	Housekeeping Supplies, Floor Finishes		\$65,139.26
Cost Item (8)	Maintenance & Housekeeping Equipment (\$127,500.00 depreciated over 5 years)		\$27,000.90
Cost Item (9)	Start Up Costs and Assessments Depreciated over 5 Years		\$3,713.15
Cost Item (10)	Disposable Supplies		\$59,728.67
Cost Item (11)	<u>Contribution to GCA's Overhead Costs includes:</u>		
	RVP and Regional Manager Support	Training Support	\$110,011.07
	Legal and Audits	Research & Development	
	Purchasing	Human Resource	
	Accounting		
Total Cost Category III:			\$270,195.23
Total Costs Categories I, II, & III			\$1,998,242.90
Cost Category IV: Contribution to Pre-Tax Profit			
Cost Item (12)	<u>Contribution to Pre-Tax Profit</u>		\$54,182.99
Total Cost Category IV:			\$54,182.99
ANNUAL CONTRACT PRICE			\$2,052,425.89

Cost per square foot \$1.99

OAK PARK RIVER FOREST HS DISTRICT 200
Cost Schedule and Proposed Contract Price
MANAGEMENT AND CUSTODIAL SERVICES
GCA ALTERNATE 1 2009 - 2010

GCA ALTERNATE 1 2009 - 2010			Cost	
Cost Category I: On-Site Management				
Cost Item (1)	<u>On-Site Management Salary</u> 1 - MANAGER 1 - NIGHT CUSTODIAL SUPERVISOR	2,080 2,080	\$60,000 \$50,000	
Cost Item (2)	<u>Administrative Salaries</u> Administrative Assistant			
Sub-Total:			\$110,000	
Cost Item (3)	<u>Benefits and Wage Associated Taxes</u> FICA, FUTA, SUTA, and General Liability Workers Compensation Family Medical, Dental & Life Insurance, 401(k) Benefits are all inclusive costing. 401(k) is employee contribution		\$12,936.00 \$3,014.00 \$11,520.00	
Total Cost Category I:			\$137,470	
Cost Category II: Productive Labor		Hours	Cost	
Cost Item (4)	<u>Housekeeping Staff and Supervision</u> 4 - DAY CUSTODIANS (\$23.24/Hr.) 24 - NIGHT CUSTODIANS (\$23.24/Hr.) 4 - Additional NIGHT CUSTODIANS (\$10.00/Hr.) 32 FTE'S at an average wage of \$21.59	8,096 48,576 8,096 64,768	\$ \$ \$ \$	188,151.04 1,128,906.24 80,960.00 1,398,017.28
Cost Item (5)	<u>Benefits and Wage Associated Taxes</u> FICA, FUTA, SUTA, Workers Compensation and General Liability Workers Compensation SINGLE Medical, Dental & Life Insurance, 401(k) Benefits are all inclusive pricing. 401(k) is employee contribution		\$ \$ \$	164,406.83 38,305.67 100,761.60
Total Cost Category II:		64,768	\$1,701,491.39	
Cost Category III: Other Operating Costs			Cost	
Cost Item (6)	Employee Screening, Retention (Employee Events), Uniforms, PPE		\$4,420.00	
Cost Item (7)	Housekeeping Supplies, Floor Finishes		\$61,400.00	
Cost Item (8)	Maintenance & Housekeeping Equipment (\$127,500.00 depreciated over 5 years)		\$25,500.00	
Cost Item (9)	Start Up Costs and Assessments Depreciated over 5 Years		\$3,500.00	
Cost Item (10)	Disposable Supplies		\$56,300.00	
Cost Item (11)	<u>Contribution to GCA's Overhead Costs includes:</u> RVP and Regional Manager Support Legal and Audits Purchasing Accounting Training Support Research & Developmen Human Resource:		\$115,943.88	
Total Cost Category III:			\$267,063.88	
Total Costs Categories I, II, & III			\$2,106,025.27	
Cost Category IV: Contribution to Pre-Tax Profit				
Cost Item (12)	<u>Contribution to Pre-Tax Profit</u>		\$57,106.68	
Total Cost Category IV:			\$57,106.68	
ANNUAL CONTRACT PRICE (without Performance bond)			\$2,163,131.95	

Cost per square foot \$2.16

OAK PARK RIVER FOREST HS DISTRICT 200
Cost Schedule and Proposed Contract Price
MANAGEMENT AND CUSTODIAL SERVICES
GCA ALTERNATE 1 2010-2011

GCA ALTERNATE 1 2016 2017			Cost
<u>Cost Category I: On-Site Management</u>			
Cost Item (1)	<u>On-Site Management Salary</u> 1 - MANAGER 1 - NIGHT CUSTODIAL SUPERVISOR	2,080 2,080	\$61,800 \$51,500
Cost Item (2)	<u>Administrative Salaries</u> Administrative Assistant		
Sub-Total:			\$113,300
Cost Item (3)	<u>Benefits and Wage Associated Taxes</u> FICA, FUTA, SUTA, and General Liability Workers Compensation Family Medical, Dental & Life Insurance, 401(k) Benefits are all inclusive costing. 401(k) is employee contribution		\$13,324.08 \$3,104.42 \$11,865.60
Total Cost Category I:			\$141,594
<u>Cost Category II: Productive Labor</u>			Hours Cost
Cost Item (4)	<u>Housekeeping Staff and Supervision</u> 4 - DAY CUSTODIANS (\$23.94/Hr.) 24 - NIGHT CUSTODIANS (\$23.94/Hr.) 4 - Additional NIGHT CUSTODIANS (\$10.30/Hr.) 32 FTE'S at an average wage of \$21.59	8,096 48,576 8,096 64,768	\$ 193,818.24 1,162,909.44 83,388.80 \$ 1,440,116.48
Cost Item (5)	<u>Benefits and Wage Associated Taxes</u> FICA, FUTA, SUTA, Workers Compensation and General Liability Workers Compensation SINGLE Medical, Dental & Life Insurance, 401(k) Benefits are all inclusive pricing. 401(k) is employee contribution.		\$ 169,357.70 \$ 39,459.19 \$ 103,784.45
Total Cost Category II:			64,768 \$1,752,717.82
<u>Cost Category III: Other Operating Costs</u>			Cost
Cost Item (6)	Employee Screening, Retention.(Employee Events), Uniforms, PPE		\$4,370.89
Cost Item (7)	Housekeeping Supplies, Floor Finishes		\$63,242.00
Cost Item (8)	Maintenance & Housekeeping Equipment (\$127,500.00 depreciated over 5 years)		\$26,265.00
Cost Item (9)	Start Up Costs and Assessments Depreciated over 5 Years		\$3,605.00
Cost Item (10)	Disposable Supplies		\$57,989.00
Cost Item (11)	<u>Contribution to GCA's Overhead Costs includes:</u> RVP and Regional Manager Support Training Support Legal and Audits Research & Developmen Purchasing Human Resource Accounting		\$119,422.20
Total Cost Category III:			\$274,894.09
Total Costs Categories I, II, & III			\$2,169,206.01
<u>Cost Category IV: Contribution to Pre-Tax Profit</u>			
Cost Item (12)	<u>Contribution to Pre-Tax Profit</u>		\$58,819.88
Total Cost Category IV:			\$58,819.88
ANNUAL CONTRACT PRICE (without Performance bond)			\$2,228,025.89

Cost per square foot \$2.23

OAK PARK RIVER FOREST HS DISTRICT 200
Cost Schedule and Proposed Contract Price
MANAGEMENT AND CUSTODIAL SERVICES
GCA ALTERNATE 1 2011-2012

GCA ALTERNATE 1 2011-2012			Cost	
Cost Category I: On-Site Management				
Cost Item (1)	<u>On-Site Management Salary</u> 1 - MANAGER 1 - NIGHT CUSTODIAL SUPERVISOR	2,080 2,080	\$63,654 \$53,045	
Cost Item (2)	<u>Administrative Salaries</u> Administrative Assistant			
Sub-Total:			\$116,699	
Cost Item (3)	<u>Benefits and Wage Associated Taxes</u> FICA, FUTA, SUTA, and General Liability Workers Compensation Family Medical, Dental & Life Insurance, 401(k) Benefits are all inclusive costing. 401(k) is employee contribution		\$13,723.80 \$3,197.55 \$12,221.57	
Total Cost Category I:			\$145,842	
Cost Category II: Productive Labor			Hours	Cost
Cost Item (4)	<u>Housekeeping Staff and Supervision</u> 4 - DAY CUSTODIANS (\$24.66/Hr.) 24 - NIGHT CUSTODIANS (\$24.66/Hr.) 4 - Additional NIGHT CUSTODIANS (\$10.61/Hr.) 32 FTE'S at an average wage of \$21.59	8,096 48,576 8,096 64,768	\$ \$ \$ \$	199,647.36 1,197,884.16 85,898.56 1,483,430.08
Cost Item (5)	<u>Benefits and Wage Associated Taxes</u> FICA, FUTA, SUTA, Workers Compensation and General Liability Workers Compensation SINGLE Medical, Dental & Life Insurance, 401(k) Benefits are all inclusive costing - 401(k) is employee contribution		\$ \$ \$	174,451.38 40,645.98 106,897.98
Total Cost Category II:			64,768	\$1,805,425.42
Cost Category III: Other Operating Costs			Cost	
Cost Item (6)	Employee Screening, Retention (Employee Events), Uniforms, PPE			\$4,375.94
Cost Item (7)	Housekeeping Supplies, Floor Finishes			\$65,139.26
Cost Item (8)	Maintenance & Housekeeping Equipment (\$127,500.00 depreciated over 5 years)			\$27,052.95
Cost Item (9)	Start Up Costs and Assessments Depreciated over 5 Years			\$3,713.15
Cost Item (10)	Disposable Supplies			\$59,728.67
Cost Item (11)	<u>Contribution to GCA's Overhead Costs includes:</u> RVP and Regional Manager Support Legal and Audits Purchasing Accounting Training Support Research & Developmen Human Resource			\$123,004.86
Total Cost Category III:				\$283,014.83
Total Costs Categories I, II, & III			\$2,234,282.18	
Cost Category IV: Contribution to Pre-Tax Profit				
Cost Item (12)	<u>Contribution to Pre-Tax Profit</u>			\$60,584.48
Total Cost Category IV:			\$60,584.48	
ANNUAL CONTRACT PRICE (without Performance bond)			\$2,294,866.66	

Cost per square foot \$2.29

OAK PARK RIVER FOREST HS DISTRICT 200
Cost Schedule and Proposed Contract Price
MANAGEMENT AND CUSTODIAL SERVICES
GCA ALTERNATE 2 2009 - 2010

GCA ALTERNATE 2 2009 2010			Cost	
Cost Category I: On-Site Management				
Cost Item (1)	<u>On-Site Management Salary</u>			
	1 - MANAGER	2,080		\$60,000
	1 - NIGHT CUSTODIAL SUPERVISOR	2,080		\$50,000
Cost Item (2)	<u>Administrative Salaries</u>			
	Administrative Assistant			
Sub-Total:				\$110,000
Cost Item (3)	<u>Benefits and Wage Associated Taxes</u>			
	FICA, FUTA, SUTA, and General Liability			\$12,936.00
	Workers Compensation			\$3,014.00
	Family Medical, Dental & Life Insurance, 401(k)			\$11,520.00
	All inclusive costing for benefits. 401(k) is employee contribution			
Total Cost Category I:				\$137,470
Cost Category II: Productive Labor			Hours	Cost
Cost Item (4)	<u>Housekeeping Staff and Supervision</u>			
	4 - DAY CUSTODIANS (\$13.00/Hr.)	8,096	\$	105,248.00
	30 - NIGHT CUSTODIANS (\$13.00/Hr.)	60,720	\$	789,360.00
	34 FTE'S at an average wage of \$13.00	68,816	\$	894,608.00
Cost Item (5)	<u>Benefits and Wage Associated Taxes</u>			
	FICA, FUTA, SUTA, and General Liability		\$	105,205.90
	Workers Compensation		\$	24,512.26
	SINGLE Medical, Dental & Life Insurance, 401(k)		\$	113,356.80
	All inclusive costing for benefits. 510(k) is employee contribution			
Total Cost Category II:			68,816	\$1,137,682.96
Cost Category III: Other Operating Costs			Cost	
Cost Item (6)	Employee Screening, Retention (Employee Events), Uniforms, PPE			\$4,680.00
Cost Item (7)	Housekeeping Supplies, Floor Finishes			\$53,676.48
Cost Item (8)	Maintenance & Housekeeping Equipment (\$111,826.00 depreciated over 5 years)			\$22,365.20
Cost Item (9)	Start Up Costs and Assessments Depreciated over 5 Years			\$3,500.00
Cost Item (10)	Disposable Supplies			\$50,230.40
Cost Item (11)	<u>Contribution to GCA's Overhead Costs includes:</u>			
	RVP and Regional Manager Support	Training Support		\$128,786.64
	Legal and Audits	Research & Developmen		
	Purchasing	Human Resource:		
	Accounting			
Total Cost Category III:				\$263,238.72
Total Costs Categories I, II, & III				\$1,538,391.68
Cost Category IV: Contribution to Pre-Tax Profit				
Cost Item (12)	<u>Contribution to Pre-Tax Profit</u>			\$63,432.23
Total Cost Category IV:				\$63,432.23
ANNUAL CONTRACT PRICE (without Performance bond)				\$1,601,823.91

Cost per square foot \$1.60

OAK PARK RIVER FOREST HS DISTRICT 200
Cost Schedule and Proposed Contract Price
MANAGEMENT AND CUSTODIAL SERVICES
GCA ALTERNATE 2 2010 - 2011

<u>Cost Category I: On-Site Management</u>			<u>Cost</u>
Cost Item (1)	<u>On-Site Management Salary</u> 1 - MANAGER 1 - NIGHT CUSTODIAL SUPERVISOR	2,080 2,080	\$61,800 \$51,500
Cost Item (2)	<u>Administrative Salaries</u> Administrative Assistant		
Sub-Total:			\$113,300
Cost Item (3)	<u>Benefits and Wage Associated Taxes</u> FICA, FUTA, SUTA, and General Liability Workers Compensation Family Medical, Dental & Life Insurance, 401(k) All inclusive costing for benefits. 401(k) employee contribution		\$13,324.08 \$3,104.42 \$11,865.60
Total Cost Category I:			\$141,594
<u>Cost Category II: Productive Labor</u>		<u>Hours</u>	<u>Cost</u>
Cost Item (4)	<u>Housekeeping Staff and Supervision</u> 4 - DAY CUSTODIANS (\$13.39/Hr.) 30 - NIGHT CUSTODIANS (\$13.39/Hr.) 34 FTE'S at an average wage of \$13.00	8,096 60,720 68,816	\$ 108,405.44 \$ 813,040.80 \$ 921,446.24
Cost Item (5)	<u>Benefits and Wage Associated Taxes</u> FICA, FUTA, SUTA, and General Liability Workers Compensation SINGLE Medical, Dental & Life Insurance, 401(k) All inclusive costing for benefits. 401(k) is employee contribution		\$ 108,362.08 \$ 25,247.63 \$ 116,757.04
Total Cost Category II:		68,816	\$1,171,812.98
<u>Cost Category III: Other Operating Costs</u>			<u>Cost</u>
Cost Item (6)	Employee Screening, Retention (Employee Events), Uniforms, PPE		\$4,820.86
Cost Item (7)	Housekeeping Supplies, Floor Finishes		\$55,286.77
Cost Item (8)	Maintenance & Housekeeping Equipment (\$111,826.00 depreciated over 5 years)		\$23,036.16
Cost Item (9)	Start Up Costs and Assessments Depreciated over 5 Years		\$3,605.00
Cost Item (10)	Disposable Supplies		\$51,737.31
Cost Item (11)	<u>Contribution to GCA's Overhead Costs includes:</u> RVP and Regional Manager Support Legal and Audits Purchasing Accounting Training Support Research & Development Human Resource:		\$132,650.24
Total Cost Category III:			\$271,136.34
Total Costs Categories I, II, & III			\$1,584,543.42
<u>Cost Category IV: Contribution to Pre-Tax Profit</u>			
Cost Item (12)	<u>Contribution to Pre-Tax Profit</u>		\$65,335.20
Total Cost Category IV:			\$65,335.20
ANNUAL CONTRACT PRICE (without Performance bond)			\$1,649,878.62

Cost per square foot \$1.65

OAK PARK RIVER FOREST HS DISTRICT 200
Cost Schedule and Proposed Contract Price
MANAGEMENT AND CUSTODIAL SERVICES
GCA ALTERNATE 2 2011 - 2012

Cost Category I: On-Site Management			Cost
Cost Item (1)	<u>On-Site Management Salary</u>		
	1 - MANAGER	2,080	\$63,654
	1 - NIGHT CUSTODIAL SUPERVISOR	2,080	\$53,045
Cost Item (2)	<u>Administrative Salaries</u>		
	Administrative Assistant		
Sub-Total:			\$116,699
Cost Item (3)	<u>Benefits and Wage Associated Taxes</u>		
	FICA, FUTA, SUTA, and General Liability		\$13,723.80
	Workers Compensation		\$3,197.55
	Family Medical, Dental & Life Insurance, 401(k)		\$12,220.95
	All inclusive costing for benefits. 401(k) employee contribution		
Total Cost Category I:			\$145,841
Cost Category II: Productive Labor		Hours	Cost
Cost Item (4)	<u>Housekeeping Staff and Supervision</u>		
	4 - DAY CUSTODIANS (\$13.79/Hr.)	8,096	\$ 111,643.84
	30 - NIGHT CUSTODIANS (\$13.79/Hr.)	60,720	\$ 837,328.80
	34 FTE'S at an average wage of \$13.00	68,816	\$ 948,972.64
Cost Item (5)	<u>Benefits and Wage Associated Taxes</u>		
	FICA, FUTA, SUTA, and General Liability		\$ 111,599.18
	Workers Compensation		\$ 26,001.85
	SINGLE Medical, Dental & Life Insurance, 401(k)		\$ 120,259.75
	All inclusive costing for benefits. 401(k) is employee contribution		
Total Cost Category II:		68,816	\$1,206,833.42
Cost Category III: Other Operating Costs			Cost
Cost Item (6)	Employee Screening, Retention (Employee Events), Uniforms, PPE		\$4,965.49
Cost Item (7)	Housekeeping Supplies, Floor Finishes		\$56,945.37
Cost Item (8)	Maintenance & Housekeeping Equipment (\$111,826.00 depreciated over 5 years)		\$23,727.24
Cost Item (9)	Start Up Costs and Assessments Depreciated over 5 Years		\$3,713.15
Cost Item (10)	Disposable Supplies		\$53,423.98
Cost Item (11)	<u>Contribution to GCA's Overhead Costs includes:</u>		
	RVP and Regional Manager Support	Training Support	\$136,629.75
	Legal and Audits	Research & Development	
	Purchasing	Human Resource	
	Accounting		
Total Cost Category III:			\$279,404.98
Total Costs Categories I, II, & III			\$1,632,079.71
Cost Category IV: Contribution to Pre-Tax Profit			
Cost Item (12)	<u>Contribution to Pre-Tax Profit</u>		\$67,295.26
Total Cost Category IV:			\$67,295.26
ANNUAL CONTRACT PRICE (without Performance bond)			\$1,699,374.97

Cost per square foot \$1.70

Chapter 10: Sodexo 401(k) Employees' Retirement Savings Plan and Trust

[Print Friendly Version](#) 61Kb.pdf

sodexo 401(k) Employees' Retirement Savings Plan and Trust

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Did you know?

- You could spend 25% of your life in retirement
- Almost 7 in 10 workers (68%) expect to work into retirement but 4 in 10 retirees end up having to leave the workforce earlier than expected due to health problems, disability, or company downsizing
- You may need 60-80% of your current working income for each year in retirement
- 1 in 5 Americans have saved nothing for retirement

Source: Employee Benefit Research Institute

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Overview

The Savings Plan is a long-term savings plan offered to sodexo employees. Participation in the plan is voluntary, but should be encouraged.

Eligibility

Employees are generally eligible to join the Savings Plan if they are:

- A full-time employee,
- Have completed 1 year of service (with a minimum of 1,000 hours worked during an anniversary year),
- Are at least 21 years old, and
- Are employed at a unit eligible for the Savings Plan.

Eligible employees can enroll in the Savings Plan by calling the Savings Plan Information Line at 1-866-7MY-PLAN (1-866-769-7526) or logging on to www.mySodexoSavingsPlan.com. Employees will be sent enrollment information and a PIN when they become eligible.

Payroll Deduction, Company Contribution, and Vesting

Participants may save between 1% and 25% of their weekly base pay. Deductions can be on a before-tax or after-tax basis, or a combination of the two. Under no circumstances can a participant contribute more than 25% of their weekly pay. Savings up to 6% are matchable. Savings over 6% are considered additional savings and are not eligible for matching contributions.

Sodexo may make a company contribution to the Savings Plan. Participants will receive a portion of the company contribution determined by their savings that are matchable. The company contribution is made quarterly and generally a participant must be employed by the company on the last business day of the quarter in order to receive the company's quarterly contribution.

Participants begin to vest in, or gain ownership of, a percentage of their company contributions at the end of 2 years of service with the company. After 4 years of service, they own 100% of the company contributions. Participants are always 100% vested in their own contributions (including rollover contributions) made to the Savings Plan as well as gains and losses, if any, on these contributions.

Plan participants can choose any mix of funds in 1% increments, totaling 100%. Fund selections may be changed daily. Changes to fund selections can be made by calling the Savings Plan Information Line at 1-866-7MY-PLAN (1-866-769-7526) or logging on to www.mySodexoSavingsPlan.com. Investment changes placed before 4 p.m. (ET) on any business day are processed the same day except on stock market holidays or on days the stock market closes early. Changes received after 4 p.m. (ET) are processed the next business day.

Manager's Resources

Your Role

Your role is to educate your employees about the importance of saving for retirement but never advise employees about their investments. Explain that this plan is designed for long-term savings and retirement. Familiarize yourself with the Savings Plan and its basic provisions. Use the following information to assist you in promoting the Savings Plan to your eligible employees on **401K Day** and throughout the year. Note: Some employees who may not be eligible for the 401(k) Savings Plan. If you are unsure whether your employees are eligible, contact your Human Resources office.

Promote the Program

You can promote the Savings Plan to eligible employees by:

- Holding a short meeting or a one-on-one meeting to teach eligible employees about the Savings Plan
- Passing out flyers and/or distributing paycheck stuffers with eligible employee paychecks (samples included below)
- Display posters (samples included below) on your bulletin board

Manager's Toolkit

Print Entire Toolkit (includes flyers, stuffers, and posters) - [Word](#) or [PDF](#)

Print Separate Chapters and Resources About the Savings Plan

- An Overview [Word](#) [PDF](#)
- Resources and Tools [Word](#) [Adobe PDF](#)
- Flyer - Top 10 Reasons to Join the Savings Plan [Word](#) [Adobe PDF](#)
- Flyer - Join the 401(k) Savings Plan Today - No More Excuses! [Word](#) [Adobe PDF](#)
- Flyer - Getting Started - Steps to Enroll in the Savings Plan [Word](#) [Adobe PDF](#)
- Paycheck Stuffers - Save for Your Future Today [Word](#) [Adobe PDF](#)
- Poster - For Your Financial Well-Being [Word](#) [Adobe PDF](#)
- Savings Plan - ING Web site or 1-866-769-7526
- [Summary Plan Description](#) - Book that contains plan details.

Savings Web site and Information Line

The Savings Plan Information Line and Web site offer many services for employees interested in joining the Savings Plan. Participants can also call or log on to obtain up-to-date information on their accounts and make investment and payroll deduction changes.

Web site

The Web site, www.mySodexoSavingsPlan.com, provides up-to-date fund performance information, account balances, and forms. It also allows you to change fund choices, make fund transfers, view contribution elections, request a loan, change fund choices and amount of contributions, walk through savings exercises, use a plan calculator, read about saving and investing, and watch savings-related videos.

Web site features also include:

- **Contribution Rate Escalator** - Access through the home page www.SodexoSavingsPlan.com and select *Contributions*. The Escalator lets employees control settings for automatic contribution increases and the frequency of those increases.
- **Creating a Username** - Employees can select a username other than their Social Security number - Select *Preferences* at the top of the page of the Web site and *Username Preferences*.
- **Resetting a Password** - Employees can reset a password by selecting security questions. Go to *My Preferences* on the Web site and select *Security Questions*. After setting the questions, if employees forget their PIN, they will be able to answer the questions and reset their PIN with a new 6-digit number.
- **Naming a Beneficiary** - Under the *Personal Information* section on the Web site, employees can name a beneficiary online without using a beneficiary form.
- **Personal Online Advisor Service**, powered by Financial Engines, is a FREE online service to plan participants. Employees can obtain personalized savings investment forecasts, risk assessments, and step-by-step savings and investment recommendations online. To access this service, employees choose the *ING Advisor Service* link from the home page of the Web site.

Information Line

The Information Line, 1-866-7MYPLAN (1-866-769-7526), lets you get up-to-date fund performance information, account balances, change fund choices and contribution amounts, make fund transfers, request a loan, withdraw money from the plan, obtain forms, and

- Talk to a Participant Services Representative (8 a.m. to 8 p.m. Eastern Time, Monday through Friday, except on stock market holidays) The Savings Plan Information Line offers touch-tone services 24 hours a day, 7 days a week and is also available in Spanish. Additionally, employees can speak to a Participant Services Representative from 8 a.m. to 8 p.m. Eastern Time, Monday through Friday (except on stock market holidays). For TTY access, call 1-877-705-6680.
- Access the **Professional Account Manager Service**

The **Professional Account Manager Service**, available for a nominal monthly fee, provides a personalized review of the employees' existing retirement savings and investments by ING's professional Financial Advisors. The Advisors provide employees with investment recommendations, ongoing account management, progress reports, and automatic account rebalancing. Employees can call 1-866-7MY-PLAN (1-866-769-7526) and speak with an Advisor about this service.

Savings Plan Investment Funds Overview

Plan participants have the right and responsibility to decide how all their Savings Plan money will be invested. There are 16 investment options from which to choose. Each fund has its own level of investment risk and reward over the long term.

LIFESTYLE FUNDS

SSgA Strategic Balanced Fund — Conservative

Provides income from fixed securities and some growth of principal from stock funds. The Fund's risk profile is somewhat conservative due to an emphasis on bond holdings. The Conservative Strategic Balanced Fund has an asset allocation target of 25% equities and 75% fixed income securities.

SSgA Strategic Balanced Fund — Moderate

Provides income from fixed securities and growth of principal from stock funds. The Fund's risk profile is moderate due to the presence of well-diversified stock and bond holdings. The Moderate Strategic Balanced Fund has an asset allocation target of 55% equities and 45% fixed income securities.

SSgA Strategic Balanced Fund — Aggressive

Provides growth of principal from stock funds and some income from fixed securities. The Fund's risk profile is somewhat aggressive due to its emphasis on stock holdings. The Aggressive Strategic Balanced Fund has an asset allocation target of 85% equities and 15% fixed income securities.

INDEX FUNDS**SSgA LB Aggregate Bond Index Fund**

The Fund seeks to match the returns of the Lehman Brothers Aggregate Bond Index. The Fund invests primarily in government, corporate, mortgage-backed, and asset-backed securities. The Fund invests in a well-diversified portfolio that is representative of the broad domestic bond market.

SSgA S&P® 500 Index Fund

The Fund seeks to match the performance of the Standard & Poor's 500 Index. The Fund invests in all 500 stocks in the S&P 500 Index in the proportion to their weighting in the Index. The Fund may also hold 2–5% of its value in futures contracts (an agreement to buy or sell a specific security by a specific date at an agreed-upon price). The strategy of investing in the same stocks as the Index minimizes the need for trading and therefore results in lower expenses.

SSgA Russell® 2000 Index Strategy

The Fund seeks to match the performance of the Russell 2000 Index. The Fund attempts to invest in all 2,000 stocks in the Russell 2000 Index in proportion to their weighting in the Index. The Fund may also hold 2–5% of its value in futures contracts (an agreement to buy or sell a specific security by a specific date at an agreed-upon price). The strategy of investing in the same stocks as the Index minimizes the need for trading and therefore results in lower expenses.

CORE FUNDS**SSgA PAR Fund**

The Fund seeks to preserve principal while maintaining a rate of return comparable to other similar fixed income investments without market value fluctuations. The Fund is a commingled fund that is comprised of high quality investment contracts issued by insurance companies, banks, and other financial institutions, as well as short-term investment products. Investment contracts pay a fixed or variable interest rate over the life of the contract.

MetWest Total Return Bond Fund

The Total Return Bond Fund seeks to maximize long-term total return. The Total Return Bond Fund is a core bond fund that seeks to outperform the Lehman Brothers Aggregate Index on a consistent basis, while maintaining overall risk similar to the index.

Dodge & Cox Stock Fund

The Fund seeks long-term growth of principal and income. A secondary objective is to achieve a reasonable current income. The Fund invests primarily in a broadly diversified portfolio of common stocks. In selecting investments, the Fund invests in companies that, in Dodge & Cox's opinion, appear to be temporarily undervalued by the stock market but have a favorable outlook for long-term growth. The Fund focuses on the underlying financial condition and prospects of individual companies, including future earnings, cash flow, and dividends. Companies are also selected with an emphasis on financial strength and sound economic condition.

Smith Barney Large Cap Growth Fund

The Fund seeks long-term capital growth by investing at least 80% of its net assets in securities of companies with large-market capitalizations (defined as companies with total market capitalizations of \$5 billion or more at the time of investment).

Prudential Jennison Equity Opportunity Fund

The Fund seeks long-term growth of capital. The Fund may invest in foreign securities, which are subject to the risks of currency fluctuation and the impact of social, political, and economic change. The Fund may also invest in derivative securities, as well as invest up to 10% in high yield or "junk" bonds, which are subject to greater credit, liquidity, and market risks. An investment in the Fund is not a deposit of any bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency and may lose value. These risks may result in greater share price volatility.

Artisan Mid-Cap Fund

Artisan Mid-Cap Fund pursues long-term capital growth through a diversified portfolio of stocks and medium-sized companies that exhibit franchise characteristics. The Fund is typically benchmarked against the Russell Midcap® Growth and Russell Midcap® indices over a full market cycle.

Wells Fargo Advantage Small Cap Value Fund

The Fund seeks capital growth by investing primarily in undervalued stocks of companies that have small market capitalizations and whose share prices do not fully reflect the values of the companies. Because smaller companies often have narrower markets and limited financial resources, investments in these stocks present more risk than investments in those of larger, more established companies.

AIM Small Cap Growth Fund

The Fund seeks long-term capital growth by investing in U.S. small-cap companies.

Morgan Stanley Institutional International Equity Fund

The Fund seeks long-term capital appreciation. The fund invests primarily in equity securities of non-U.S. issuers that they believe to be undervalued. The Fund invests in developed markets, but may invest in emerging markets as well.

Investment Materials

Sodexo Savings Plan materials are designed to encourage eligible employees to enroll, provide current participants with information to help them make investment choices, and comply with IRS and DOL regulations. When an employee first becomes eligible, the plan will send him an Enrollment Kit and, under separate cover, a PIN letter containing his personal identification number. For security purposes, the PIN is sent under separate cover. In addition, the employee's name will now appear on the eligibility report. Additional materials may be obtained at any time by calling ING.

Rollover

Employees may be eligible to roll over into the plan the taxable portion of any payments they received from a former employer's pension, 401(k), or other tax-qualified retirement plan, or from a rollover IRA before they are eligible to participate in the Savings Plan. For more information on making a rollover contribution to the Savings Plan, call the Savings Plan Information Line at 1-866-7MY-PLAN (1-866-769-7526) or log on to [SodexoSavingsPlan](#).

Loans

The Savings Plan may provide loans to participants for any reason. Participants may have only one loan outstanding at any time. There is a 30 day waiting period between loans. For example, after an employee pays off one loan, he must wait 30 days before requesting a new loan.

Loan Amounts

The minimum loan amount is \$400. Loan amounts cannot exceed the lesser of \$50,000 or one half of the participant's vested account balance (less the highest outstanding loan balance in the prior 12-month period). Loans can be deposited directly to the employee's bank account. Employees must establish their bank account information prior to requesting the loan. Call the Savings Plan Information Line for more information.

Applying for a Loan

Participants apply for loans by calling the Savings Plan Information Line or logging on to [SodexoSavingsPlan](#).

General Loans

A general loan can be taken for any reason. Once a loan is approved, a loan check will usually be mailed within three business days. The back of the check represents the Promissory Note. Endorsing the back of the loan check will acknowledge loan acceptance. The participant will also receive a confirmation with a truth-in-lending statement. The loan repayment period for a general loan is 1–4 years.

Residential Loans

A residential loan can be taken for the purchase of a primary residence. Once the employee initiates the loan, a Promissory Note and the truth-in-lending statement will be mailed to the participant. The statement must be signed and received by ING within 30 days, along with all of the appropriate documentation. Once the loan is

approved, the loan check and disclosure statement will be mailed to the participant within two business days after processing. For a loan to purchase a primary residence, the maximum loan repayment period is 10 years.

Administration Fee

There is a one-time non-refundable administrative fee of \$50 to offset the costs of processing the loan. The plan will subtract this fee from the participant's account when the loan is taken.

Default of Loan/Tax Liability

If a participant defaults on a loan, his Savings Plan account will be reduced by the amount of the unpaid loan balance in accordance with uniform and nondiscriminatory plan procedures and to the extent permitted by law. The defaulted amount may be subject to federal and state income tax and an additional 10% tax penalty. Employees with a defaulted loan cannot take out another loan unless the original loan is paid back. For loans taken after 1/1/02, the defaulted loan will continue to accrue interest after the default until it is paid off. The accrued interest will be part of the outstanding amount.

Hardship Withdrawals

The Sodexo Savings Plan may grant a Hardship Withdrawal to a participant if that participant has an *immediate and heavy financial need* and the Hardship Withdrawal is *necessary to satisfy the financial need*. A participant who has withdrawn all after-tax and rollover contributions from the plan and has either received or does not qualify for a loan under the Savings Plan may apply for a Hardship Withdrawal.

Requests for Hardship Withdrawals

A participant must exhaust all loan options and withdrawal options before requesting a hardship withdrawal. A participant must submit a completed Hardship Withdrawal Form and Hardship Withdrawal Checklist, along with all of the documentation and information required to document the reason for which the Hardship Withdrawal is requested.

If the plan approves a Hardship Withdrawal, the participant may not exercise any company stock options, make before-tax or after-tax contributions to the Plan, or contribute to the company's Executive Deferred Compensation Plan for the twelve months following the Hardship Withdrawal.

Reasons for Hardship Withdrawals and Documentation Requirements

The plan may grant a request for a Hardship Withdrawal for any of the following *safe harbor* reasons if accompanied by the required documentation.

- Non-reimbursed medical expenses incurred by the participant, spouse, or dependents. **Documentation:** Medical bills incurred by you, your spouse, or your dependents that specify what portion was not reimbursed by insurance.
- Costs directly related to the purchase of a principal residence. (This includes down payment and closing costs, but not mortgage payments.) **Documentation:** Sales agreement signed by the buyer and seller and containing the purchase price, a future closing date, and property location. Proof of financing must also be provided.
- Payment of tuition, related educational fees, and room and board expenses for the next twelve months of post secondary education for participant, spouse, or dependents. **Documentation:** Bill or letter from post-secondary educational institution that includes student's name, detail of charges, date due, applicable semester(s).
- Amount necessary to prevent either eviction from or the foreclosure of principal residence. **Documentation:** Court order of eviction or foreclosure notice that includes amount and future due date.

The plan may also grant a request for a Hardship Withdrawal for the following *facts and circumstances* reasons if accompanied by the required documentation.

- Expenses related to the death of your spouse or dependent. **Documentation:** Bills documenting the expenses incurred and the date due, and a certified copy of the death certificate.

- Payment necessary to prevent bankruptcy. **Documentation:** Letter from bankruptcy attorney indicating amount needed to prevent bankruptcy.
- Back taxes (including property and income taxes) owed by you or your spouse. **Documentation:** Tax lien or notice from government agency that shows the amount due, the year the debt was incurred, and the due date.
- Payments necessary to repair the basic structure of a principal residence because of progressive deterioration or natural disaster. **Documentation:** Contractor estimate(s) specifying the extent and cause of the damage, cost of repairs, expiration date of estimate, and property address. A confirmation from the insurance company of the non-reimbursed portion must also be provided.
- Amount necessary to prevent loss of a vehicle that is the primary means of transportation to a Sodexo workplace (includes repairs and repossession notices). **Documentation:** Repossession notice from lien holder; or a car repair estimate(s), the amount due, and date due (if applicable).

For complete details of the Savings Plan Hardship Withdrawal Procedures, please see the Hardship Withdrawal Instructions in the Hardship package available through the Savings Plan Information Line and Web site. Participants may also speak to a Participant Services Representative.

Eligibility Report

Once a period, you will receive a Savings Plan Eligibility Report listing for current plan participants' percentage levels and newly-eligible employees. Notify all appropriate employees of their eligibility to join the plan.

For an employee separating from service, immediately process through separation through ADP to notify ING that the employee has separated from service. Once ING has this information, the participant can call the Savings Plan Information Line to initiate distribution of his account.

If the plan participant's account balance is less than \$1,000 and no other distribution option is elected, the participant will receive an automatic distribution from the plan approximately 90 days after separation. Taxes will be withheld from the taxable portion of this payment at a rate of 20%. Other taxes may apply for the early withdrawal. If the participant does not want this payment issued automatically, he must call the Savings Plan Information Line at CitiStree at 1-866-7MY-PLAN (1-866-769-7526) to initiate a rollover.

If the participant's account balance is greater than \$1,000, he can leave it in the plan until age 70 ½ (at such time, the IRS generally requires that plan participants start receiving minimum payments). Participants can request information about their account or request a transaction be processed through the Savings Plan Information Line or website. If a participant would like to request a distribution, direct him to the Savings Plan Information Line at 1-866-7MY-PLAN (1-866-769-7526) or the Web site at www.SodexoSavingsPlan.com

Participants who wish to withdraw their account balance may do so by calling the Savings Plan Information Line at 1-866-7-MY-PLAN (1-866-769-7526). Distribution requests are processed daily. Checks are usually mailed out within five business days.

Payments cannot be made if the separation date has not been transmitted to ING. Separation dates are transmitted from ADP to ING every Friday following the week ending date they are processed online.

Designating a Beneficiary

It's important for participants to designate a beneficiary for their Savings Plan account. Beneficiary designation forms are available through the Savings Plan Information Line and Web site. A beneficiary form must be on file with the Plan Administrator to be considered valid. Employees can also name or change their beneficiary on The Savings Plan Web site without any forms to fill out. Employees log into their account at www.SodexoSavingsPlan.com and click on Personal Information. For employees that are married, their spouse must be their primary beneficiary unless waived by the spouse in writing through a notarized form.

For More Information

For more information on the Savings Plan, refer to the following resources.

- www.SodexoSavingsPlan.com

- The Savings Plan Information Line at 1-866-7MY-PLAN (1-866-769-7526)

— For TDD access, call 1-866-705-6680

— Participants who are overseas can call 1-617-847-1032

Questions and Answers

If I forget my personal identification number (PIN), how can I find out what it is?

You can request a PIN reminder letter by calling the Savings Plan Information Line at 1-866-7MY-PLAN (1-866-769-7526) or by logging on to www.SodexoSavingsPlan.com. OR employees can set up the PIN Reset feature in **My Preferences** and select 2 security questions to answer. If this feature is set up and an employee forgets his/her PIN, by answering the 2 security questions and providing the employee's date of birth, the system will prompt the employee to create a new 6-digit PIN. When employees change a PIN online, it will also change the PIN used on the phone.

How do I learn more about the plan's investment funds?

You may request fund literature, including a prospectus, through the Savings Plan Information Line and Web site.

What is the difference between before-tax and after-tax savings?

When saving on a before-tax basis, your savings are deducted from your pay before income tax is computed. Thus, you delay paying taxes on this money until you withdraw it from the Savings Plan. Saving on a before-tax basis may be advantageous because it reduces the amount of taxes deducted from each paycheck. However, the IRS specifies that under most circumstances employees who make before-tax contributions cannot withdraw this money from the plan until they terminate their employment or reach age 59½.

With after-tax savings, your income tax deduction is calculated on your gross pay, and then your savings are deducted. You may withdraw after-tax savings at any time, though a withdrawal of after-tax basic contributions will result in a 6-month suspension of contributions. When you withdraw after-tax savings, you will pay taxes only on the investment gains, not the original savings contribution.

Highly compensated employees (according to IRS regulations) may be restricted from or limited in making before-tax contributions **and** are prohibited from making after-tax contributions to the Savings Plan.

How and when can I withdraw my money from the plan?

There are several ways you can get your savings out of the plan:

- When you reach age 59½.
- When you leave the company. If you make an early withdrawal from the plan (before age 55 if you retire, or before you reach age 59½, or due to certain financial hardships), you will be subject to federal income tax on all taxable money you receive. There is an additional 10% penalty for all early withdrawals.
- If you stop working for Sodexo because of a total and permanent disability.
- If you die money goes to your beneficiary or estate.
- If you take a plan loan.
- If you take a Hardship Withdrawal under certain circumstances.

I am the beneficiary of a former Sodexo employee. How do I receive my plan benefits?

Upon the death of a Savings Plan participant, the designated beneficiary or executor of the estate should send his name and address and a certified copy of the participant's death certificate to:

Sodexo
Savings Plans Department
9801 Washingtonian Blvd., Suite 123A
Gaithersburg, MD 20878.

I am terminating my employment with Sodexo and my account balance is below \$1,000. Do I need to do anything to receive my balance?

If you do not call the Savings Plan Information Line to request distribution of your account balance, you will be

sent a taxable lump sum distribution. You will be sent a notification letter giving you the opportunity to request your payment before an automatic distribution. Automatic distributions of amounts less than \$1,000 occur at least 90 days after the date of termination and have certain tax implications.

Do I have to withdraw my Savings Plan money from my account when I separate or retire from Sodexo?

Not if the account balance is greater than \$1,000. Upon leaving the company, the total amount of your Savings Account will continue to be invested at your direction until paid to you. You may keep all of your money in the plan until you reach age 70½. At that time, federal law generally requires that you begin receiving minimum payments.

If I request payment, when will I get my check?

You must request a distribution from your account by calling the Savings Plan Information Line. Once you make your request, your check will be mailed within two business days after your request is processed.

One of our employees died. A member of his family would like to learn the name of the beneficiary of the employee's Savings Plan Account. Also, to assist the family member in expediting a claim for the Savings Plan benefits, what process should the workplace follow?

When an employee passes away, the Savings Plan department must receive a certified copy of the death certificate. The Savings Plan Department will then determine the participant's beneficiary and send the appropriate forms and instructions. Information regarding a participant's account is confidential and will only be furnished to the participant's designated beneficiary(ies) or the executor of the estate. Exceptions to this rule are court documents requiring the plan to release information to specific individuals.

I am 59½, still employed, and would like to withdraw money from the Savings Plan. Are there any restrictions?

You may receive all of your vested balance excluding money in the Seiler source. All money except after-tax contributions will be taxable with no penalty. You may continue to make contributions to the plan.

Do I own my company contributions immediately?

No. All plan participants follow a four-year vesting schedule. After two years of service, participants own 50% of their company contribution accounts. Ownership increases 25% each year until the participant is 100% vested after four years of service. Your ownership of company contributions depends on your age and length of service with the company. Hourly-paid participants age 45 and older, and salaried employees or hourly-paid employees with management benefits age 55 and older will automatically own 100% of their company contributions when they retire.

I have an employee who is 23 years old and has worked at least 1,000 hours, but he does not show up on the Savings Plan Eligibility Report. What should I do to make him eligible?

Verify that the employee has completed twelve consecutive months of service, has worked at least 1,000 hours during an anniversary year, and has experienced no accidental breaks in service during that period of service. If all eligibility criteria are met, you must send written verification to the Savings Plans Department for processing. Fax documentation to 301-987-4161. An eligibility date will be provided and the employee will be able to enroll in one to two weeks through the Savings Plan Information Line or website.

How often can I make Savings Plan investment changes?

Changes can be made daily by calling the Savings Plan Information Line at 1-866-7MY-PLAN (1-866-769-7526) or logging on to www.SodexoSavingsPlan.com. For TYY access, call 1-877-705-6680. Participants who are overseas can call 1-617-847-1032.

If I cancel my participation in the Savings Plan, how soon can I re-enroll?

Immediately, with two exceptions:

- If you took an after-tax savings withdrawal of matchable contributions, there is a six-month waiting period before re-enrollment. Participation will automatically resume.
- If you requested and received a hardship withdrawal, you must wait twelve months before you can resume participation in the Savings Plan. Participation will automatically resume.

I was rehired by the company. Can I participate in the plan?

Eligibility to participate in the plan for a rehired employee requires verification of prior service and determination of eligibility. If you have been rehired by the company, you should contact the Savings Plan Information Line at 1-866-7MY-PLAN (1-866-769-7526).

Forms

[Savings Plan Rollover Form \(English\)](#)

[Savings Plan Rollover Form \(Spanish\)](#)

[Savings Plan Beneficiary Form \(English\)](#) or use the Web at www.SodexoSavingsPlan.com and click on **Personal Information tab** to name or change a beneficiary.

[Savings Plan Beneficiary Form \(Spanish\)](#)

Last updated 8/08

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Chapter 21: Employee Stock Purchase Plan

[Print Friendly Version](#) 61Kb.pdf

Employee Stock Purchase Plan

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Overview

By focusing on our people, Sodexo offers the Employee Stock Purchase Plan (ESPP) to allow the opportunity to own part of the Company and share in its growth and success. Through the ESPP, employees may purchase shares* of Sodexo at a 10% discount through payroll deductions.

*Shares mean Ordinary Shares or Common Shares of Sodexo listed on the Euronext Paris First Market Stock Exchange.

Plan Details

Eligibility

Employees are eligible to participate if they are in active service with the Company on the first day of the enrollment period and are an employee of Sodexo in the U.S. or Canada.

Those units under a Collective Bargaining Agreement (CBA) are also eligible to participate. However, the union does have the opportunity to not allow this Plan to be offered.

Enrollment

Enrollment will be conducted August 1 through August 31. Once enrolled, employees are enrolled for 2 offering periods.

- September 1 - February 15 - first offering period
- March 1 - August 15 - second offering period

Offering periods are the times when employee contributions are accumulated prior to purchasing shares. At the end of the offering period, all employees' contributions are used to allocate shares, which are then held in an individual account in each employee's name.

Contributions

Employees can contribute between 1% and 8% of their pay. Employees cannot obtain more than \$10,000 (market value) in shares in any calendar year.

Purchases

Share prices are determined by the closing price of shares set on the last day of the offering period and is based on the closing price of shares on the Euronext. Ordinary Shares are valued in euros. Shares are allocated to participant accounts by dividing the sum of the participants' contributions by the price set for shares less a 10% discount.

Withdrawing from the Plan

Employees can cancel participation in the ESPP at any time and receive a refund--up to 6 weeks before the end of an offering period. Employees cannot cancel within the last 6 weeks of an offering period.

Leaving the Company or Retiring

If an employee leaves Sodexo prior to the last 6 weeks of the offering period, he/she would receive a refund of contributions for the current offering period. If he/she leaves the company after the 6 weeks but before the start of the next offering period, shares would be purchased for the employee and placed in his/her account.

Sales of Shares

The Annual Enrollment period for the ESPP will begin on August 1. In order to facilitate the administration involved with the enrollment period, no sales of shares will be permitted beginning July 1st through July 29th. Sales requests will be accepted beginning on July 30th via the SGVestia Web site or IVR. *Note: If shares are sold before the 2-year holding period ends, the 10% discount needs to be paid back, and the sale will be recognized as ordinary income on tax returns.*

Additional information about the plan is contained in the Plan Information Guide below.

Resources - Stock Purchase Materials

Enrollments Materials - August 1 - August 31

2008 Enrollment Posters - [English](#), [French](#), and [Spanish](#)

Enrollment Brochures

- [English](#)
- [French](#)
- [Spanish](#)

Employee Stock Purchase Plan [PowerPoint](#)

Plan Information Guide (Updated August 26, 2008)

- [English](#)
- [French](#)
- [Spanish](#)

[Plan Document](#)

For More Information

For questions about the Plan, contact:	SG Vestia Systems Inc. 1-888-580-0007 www.sgvestia.com/sodexo Language line is available in 140 languages.
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4/07

Excerpt on Finance Committee Meeting on RFP Custodial Services March 17, 2009

Ms. Witham reviewed the background information in the packet highlighting the following. The Board of Education and the administration have been working to identify and implement cost saving initiatives that sustain instructional programs, while improving operational efficiencies. In January 2009, the Board of Education approved a financial resolution indicating its “determination to take every available opportunity over the next ten years to contain costs in ways that balance both the District’s ability to sustain its financial health and deliver the highest quality of educational services.”

She continued that a determination to avoid the need for a referendum in 2018 requires the identification and implementation of significant and sustainable cost savings over the next ten years. With the current level of spending in the Education Fund, the District will begin deficit spending in the 2013–2014 school year. This deficit spending will increase through 2018 and is currently expected to be in excess of \$8 million per year by the 2017–2018 school year. Sustainable cost savings realized in the Operation and Maintenance Fund (O & M) would allow the District to reduce the O & M Levy and increase the Education Fund Levy in order to support the educational programs and reduce the deficit spending.

Another area of cost savings initiatives or areas the administration investigated was that of contractual services. Recent legislation, specifically Illinois Public Act 095-0241, requires certain objectives to be met in consideration and award of contractual services with private vendors. With the help of legal representation, the District has carefully evaluated the requirements of the Act and has diligently met each one. Ms. Witham reviewed the timeline in the Act. The Board of Education and administration will carefully review the RFP’s at two public meetings, the March Finance Committee Meeting, and the March Board of Education Meeting. The District’s attorney’s, Paul Keller, attendance at these meetings will assist the Board of Education in this important and difficult review of RFP’s. She provided the Board of Education with specific RFP documents to aid in the cross reference of the law to the bid results. In addition, the administration requested of all three of its law firms to provide opinions on the interpretation of PA 095-0241, which were attached.

Ms. Witham continued that the RFP specifications included green cleaning supplies, paper supplies, cleaning equipment, equipment repairs, communication devices, supervision, uniforms, employee training program, workers compensation and custodial services wages and benefits for a minimum of three shifts. This totals 28 custodial positions during the day and 20 in the evening.

Part of the review process requires assessing if the RFP submitted by each contractor had met the requirements of the law. The consistent interpretation of the law from the District’s attorneys reflects an opinion that the District is required to assess if benefits are comparable, although salaries are not required to be comparable. The benefit package is not required to be exactly equal, rather it should be comparable. Some areas may offer greater benefits and others not. The

question of comparability in the law lacks clarity and it is up to the Board and the administration to determine what comparability means by reviewing the proposals.

The staff provided a chart for the Board of Education in summary of the responses from the vendors. Each vendor had to provide a 1-, 2-, and 3-year cost comparison. Fourteen (14) vendors attended the pre-bid opening. A bid opening occurred and the District received four proposals. The Board of Education members received copies of the proposals and they were posted on the OPRFHS website. A rating system was used, references were called, equipment and supplies were rated, and the comparison of the ratings was included in the packet. All vendors were asked the same questions. Ms. Witham personally spoke with the Calumet School District, which had gone through this process after the enactment of this law. She offered that the individuals who checked references were in attendance at this meeting to answer Board of Education questions.

Ms. Patchak-Layman asked for clarification about the Board of Education summary in the packet. She asked if the projection of deficit spending by \$8 million dollars by 2017-2018 was based on PMA's projected 3 percent yearly increase, in general, for expenditures. Ms. Witham stated that it was based on the 3 percent but the proposal does not reflect that the District's revenue will be down, as the CPA was only .1 percent. The PMA model has nothing to do with this paper; and by taking in the revenue side and the expenditure side, it is different from that presented. Ms. Patchak-Layman reiterated that the project was for a 3 percent increase in expenses, unless a contract was in place that would state otherwise.

Ms. Patchak-Layman then asked where the information requested in the law on page 14 (D) was in the proposal. Two bidders did provide some of the required information, e.g., "a minimum 3-year cost projection, using generally accepted accounting principles and which the third party is prohibited from increasing if the bid is accepted by the school board, for each and every expenditure category and account for performing the non-instructional services." While she saw two bidders who put in two sets of data for themselves for one year, she did not see data for years two and three. Two bidders did not provide this breakdown, and she interpreted it as being a line item analysis, even though Mr. Keller said this was appropriate. She asked how this requirement of the bill had been met. Mr. Keller stated that the data was gathered in response to the RFP in the pricing form in Section P, which asks for three (3) years of total services. The instructions to the vendors included the requirement to provide three-year cost projections. They received a copy of the state law itself and the pricing form, which asks for the sum total of all of the projections in one number. The District did not ask, because it is not required to ask for the projections to be itemized. State law does not specify that cost projections have to be itemized by category or account but rather that the cost projections take into account or include the expenditures for each category and account. In the District's view, the cumulative total of the projections rolled into one number meets the requirements of that section of the law. He understood that some vendors had gone beyond what the law requires and what they were asked to provide by providing a line item breakdown of those projects. This was not asked for nor is it required under the terms of the statute.

Ms. Patchak-Layman stated that under Number 4 on page 14, the same words were repeated and thus the District has that responsibility. The District has interpreted those words each and every

category to be a line item. Therefore, if the requirement is not to increase the bid in any category, the categories are still unknown in years two and three, how would the District be able to judge whether in fact they match what is in place? In addition, if a company wins the bid and next year says that the District requested additional things to be done and the vendor asked for an increase, what would the District's reference point if there were no list to start. Mr. Keller stated that the statute says it is the 3-year cost projection from which the vendors would be prohibited from increasing the costs with the cumulative total within the bid price for each of the three years. However, within that total amount for each year of the contract, there is no rigid prohibition on making adjustments for each line item. If there were change orders to the terms of the contract, during the life of the contract then the cumulative total would have to change. Ms. Patchak-Layman knows that the laws passed in Springfield were made by lawyers and everyone has his/her hands in the pot, but individuals should be able to read the laws and make an interpretation of them. When she reads, "a minimum 3-year cost projection...for each and every expenditure category and account for performing the non-instructional services," she wanted to know how one would say that the three-year cost projection is just a general figure, pulling everything in, without having it broken down. What is the comparability of the dollars spent if the line item is not available? She used the example of the 401K and said she did not know what that figure was. Ms. Witham clarified that it was 3 percent of the salary.

Another question Ms. Patchak-Layman asked related to managers/supervisors on site; two bidders addressed that issue and two did not. Mr. Keller stated that was an operational issue as to how the vendors would organize the staff and provide the services. That does not factor into the expenditure category except in so far as it affects the bottom line in any given year. Ms. Witham stated that the Board of Education could explore the staffing levels as each proposal is reviewed to see if it were part of it. Ms. Patchak-Layman noted that the District listed every expenditure category and she wanted to know the same for the vendors in order to be able to compare apples to apples.

Mr. Rigas, assuming Mr. Keller's interpretation was accurate, when comparing apples to apples, asked if one would be more interested in the total cost rather than what each vendor has? Ms. Patchak-Layman responded negatively, as one must look at comparability and know the dollar amounts attached to it. Mr. Rigas used the hypothetical example of building a pool where the new tennis courts are now. If four different bids were received, would she look at individual items, such as the roof, rather than look at the lowest bidder who met the requirements of the bid. Ms. Patchak-Layman stated that the requirements listed in the bid would be cost, technical, and references. For every category, one would make a decision on how one wants those numbers as they relate to the category. If there were six parts, the Board of Education would look at each of these, put a composite together, and, perhaps, include an amendment or addendum. Mr. Rigas stated that if all of the specifications were met, why disaggregate the information. She stated that if there were a state law guiding this, she would look at the law. Mr. Rigas started the conversation assuming that there was agreement on the law. Ms. Patchak-Layman stated that in order to understand comparability, OPRFHS needs to know what it is doing and what the vendors are offering in terms of dollars. One could say that the District offers health benefits and that is it. Ms. Witham noted that in the example given, if the vendors paid less for premium for less coverage that would appear to be better than if the District paid more for the benefit. Ms.

Patchak-Layman felt it was in relationship to other things, e.g., social security would be less in the package because the District would be paying less, and thus that benefit would be less.

Dr. Lee felt that Ms. Patchak-Layman did not agree with Mr. Keller firm's interpretation of the requirements of the law, its interpretation of what the law requires the vendors to do and that her concerns emanated from her disagreement with that interpretation. Ms. Patchak-Layman disagreed that the District was not just to look at the cumulative of the bidding companies; the vendor need to match what the District is required to provide to the community and to itself. Mr. Keller stated that the language in the statute, which requires the three-year cost projections, is identical by the cost projections by the vendors and the school board. He read Section 3(D): "a minimum 3-year cost projection, using generally accepted accounting principles and which the third party is prohibited from increasing if the bid is accepted by the school board, for each and every expenditure category and account for performing the non-instructional services"; and Section 4 states, "The contract must not be entered into unless the school board using generally accepted accounting principles, of each and every expenditure category and account that the school board projects it would incur over the term of the contract if it continued to perform the non-instructional services using its own employees with each and every expenditure category and account that is projected a third party would incur if a third party performed the non-instructional services." The language is parallel. Thus, the data is comparable to that of the vendor and the school board is required to provide. The fact that the Finance Department has provided the Board of Education with an itemized list of those projections goes beyond the strict language of the statute; the statute only requires a cost comparison of the expenditures. The fact that the Board of Education has chosen to compile the data in that fashion does not mean the vendors are required to provide the information in that fashion. The Finance Department could have provided a bottom line. Ms. Patchak-Layman's statement that the vendors are required to do the same thing as the District is true, but what the District has done is more than what the statute requires. Ms. Patchak-Layman disagreed with that statement.

Ms. Witham asked if the Board of Education would like the data gathered and compared. Dr. Lee did not want to see the staff spend any more time in gathering more details, but if the staff felt the need for more detail, then it should do that. Ms. Fisher concurred with Dr. Lee. Mr. Allen did not have a fully formed opinion. When Ms. Witham informed Mr. Rigas that it would take only a few hours of staff time in asking them to mirror the categories provided by the Finance Committee, he then wanted to see the information.

In addition to the categories provided, Ms. Patchak-Layman asked to see breakdown on the other staff, i.e., support total categories.

Ms. Witham reiterated for Mr. Rigas that this meeting was for the Board of Education members to review the proposals only, one at a time, and to gather any additional questions or clarifications. No decisions were to be made today and the administration was making no recommendations. The March 26 Board of Education would be another opportunity to review the proposal and the Board of Education was scheduled to take a vote.

Ms. Patchak-Layman commented that usually the administration makes a recommendation to the Board of Education and then it takes a vote. This process was missing the recommendation step.

Ms. Witham noted that if the Board of Education wanted the administration to make a recommendation for the March 26 meeting, it could do so, but the process that was being followed was the law. Ms. Patchak-Layman noted that seldom does the Board of Education make a recommendation and then vote on the issue in the same meeting, other than in emergencies. Mr. Rigas concurred and explained that when this format has occurred in the past it has been on significant issues, e.g., the lights, and the phase-in, etc., because the perception was that it had a high enough priority so that the Board of Education should make the decision. Even though there has been heavy discussion already, significant discussion should occur at the regular Board of Education meeting as well. This format is used for high profile issues, as the community is interested in seeing the debate on this issue. Typically, when the administration makes a recommendation and discussion has occurred, that item is placed on the consent agenda. As the format is presently proposed, it would have greater discussion and more visibility for the public. Ms. Patchak-Layman felt it was important to have the discussion at the Board of Education table, but noted that often the conversations and testimony that comes forward is not always included in the discussion at the Board of Education level. Board of Education members will say they cannot make a decision at that point.

Dr. Millard was unsure what recommendation she would expect from the staff on this issue, as the District is continuing a two-pronged approach with mediation as well as information relative to outsourcing and it has not made a decision to outsource custodial services. She was unsure of what recommendation could be made at this time. Ms. Patchak-Layman noted that her concern was not about receiving a recommendation, only that the process of discussing and voting in the same meeting was different.

Dr. Lee noted his frustration on how the time was being spent at this meeting. He wanted to finish the entire overview of the proposals and leave appropriate time for the PEG Committee and the Special Board meeting. He asked everyone to be aware of the constraints on his/her time.

Thus, the Committee members moved into a review of the proposals.

Review of Proposals

GCA Services Group

Ms. Witham highlighted the information on GCA Services Group (GCA). GCA is a national firm with a local presence providing services to over 1,400 K-12 schools and 36 colleges/universities in the United States and Puerto Rico. Over 300 of these institutions are in Illinois. GCA's average client relationship is 10 plus years and it has a 99 percent retention rate in their public education sector. GCA employs 20,000 people and cleans over 650 million square feet daily. A regional office is located in the Chicago area. GCA provides its employees an impressive training and evaluation program. It also provided a very detailed timeline for a transition program and received very good references regarding the transition program. GCA will also provide a recycling program for the District, which would be an enhancement to the current situation, and it would offer an energy savings program at no additional cost to the District. GCA received the highest scores in reference checking of the group and the highest technical scores.

GCA uses the KaiVac system, which is a mechanized cleaning system providing higher quality cleaning and higher efficiency cleaning in restrooms and other hard surfaces. OPRFHS also uses this system. GCA focuses its services on safety and accident prevention, which would also be a valuable addition to OPRFHS's program. The J-Fill Green program is compatible with OPRFHS's current dispensers. The District has highly rated the proposed cleaning equipment, and products, and they meet District guidelines. GCA provides an excellent quality control program utilizing GCAware software that collects data about inspections and client feedback. Virtually anyone in the building or community with internet access can provide feedback to OPRFHS and GCA using this tool. It also tracks employee progress and performance.

GCA provided a basic proposal and two alternate proposals. All of the proposals provide the same employee benefit package. The differences were the staffing proposals and the wages proposed. Three opinions were received from OPRFHS's law firms about the wages that says the law speaks clearly about the benefits but not the wages. GCA also provides a broader opportunity for employee advancement and transfer to other sites. The employee training and safety program is superior to the District program.

GCA provides greater health benefits than OPRFHS has, e.g., vision care, hearing aids, MediCall and MaterniCall nursing assistance. In addition, the co-pays are lower and some deductibles are lower. The mental health coverage is expanded, and so is the chemical dependency coverage. The retirement benefit is a 401 (k) plan with an employer match. The employer match is an added benefit not currently available to employees. It does not offer tuition reimbursement, but its employee training program and advancement opportunities is much greater. The vacation days are less, and the employer provided life insurance is less, but GCA offers supplemental life insurance. Taken as a whole, the District deems the benefits package to be comparable. The District benefit package with some things better and some things less.

The difference in the base proposal and Alternate 1 and 2 concern staffing design and salaries paid. The District is free to choose either of these options if it deems the benefit package to be comparable. The base bid provides four (4) day custodians at \$20.00 per hour, twenty-four (24) night custodians at \$20.00 per hour, four (4) additional night custodians at \$10.00 per hour, one manager, and one night custodial supervisor. The Alternate 1 bid provides four (4) day custodians at \$23.24 per hour, twenty-four (24) night custodians at \$23.24 per hour, four additional night custodians at \$10.00 per hour, one manager, and one night custodian. Alternate II provides thirty (30) night custodians and four (4) day custodians at \$13.00 per hour, one (1) manager, and one (1) night custodial supervisor.

The estimated three year savings of the GCA proposals for the District range from \$759,050 - \$2,506,015.

Mr. Lanenga reported that the references affirmed that GCA did a great job during the transition process, and in one district, it brought in ninety (90) employees in one month. Subsequently, there was no turnover of personnel in the second year. Both lower-level and district-level management employees were very pleased with the communication with GCA. All references had wished they had outsourced sooner because it made their jobs easier, as they no longer have

to supervise the employees. Mr. Lanenga continued that one of the districts had gone to outsourcing two (2) years ago, one had gone three (3) years ago, and one had gone twelve (12) years ago.

Dr. Millard asked for clarification on the staffing levels GCA provided in its proposals, she wanted the GCA to tell the District what was needed. Ms. Witham stated that operationally there are many ways to clean the building and different organizations find efficiencies at having staff work at different times, thus, limiting overtime. The District assumes that they do this work full time and national firms do it well; they know there are several ways to do it in different cost structures. The Board of Education does not have to decide which staffing is efficient for that organization; the bigger decision is regarding the benefit levels and whether the Board of Education was comfortable with that and the savings received. Every Board of Education member will focus on something different in the proposal. Mr. Rigas remarked that these vendors have expertise in doing this in hundreds of buildings across the country. OPRFHS gains its experience from inside only one building and each of these firms has more collective experience than OPRFHS, which is a side benefit to this process. After reviewing the numbers, Mr. Lanenga pointed out that the staffing numbers in each of the proposals was similar.

Ms. Patchak-Layman agreed with Mr. Rigas' statement about these companies experience, as all of the things that have been admirable about them were their management responsibilities, not the employee responsibilities. As she reads the contracts, OPRFHS employees have little control over the things for which GSA is noted. These are management activities. There are two parts of this bid: 1) the management function of it and 2) the employee function in terms of salary and benefits. Regarding the comparison, yesterday she asked Ms. Witham about the salaries and benefits to the District's comparison group and it was pointed out that for FY 2010, 2011 and 2012, the basis of salary comparison is an increase of 5 percent in salaries per year, which was built in to comparison model. The FY 09 salaries should be the same as the FY 08 salaries. Ms. Witham pointed out that there was a 4 percent increase in the cost of medical benefits because the District had open enrollment in January and there was a migration to the family plan. Even with no salary increase, the actual cost for 2009 was higher. Ms. Patchak-Layman noted that it looked like a \$60,000 salary increase, but she wanted to see the assumptions that were built into it. Ms. Witham noted that the Board of Education was being presented with the best information available, and as more information was received or if the Board of Education wanted the assumptions changed, she would definitely do that. Mr. Rigas suggested that SEIU tell the Board of Education what assumption to use. Ms. Patchak-Layman stated that the comparison should be no increase this year, because the District is holding the salaries currently in place. Mr. Rigas cautioned her about contract offers at the table. Ms. Witham responded that just because this is the current reality, it might not continue to be the reality. She asked the Board of Education for direction as to what to provide. Ms. Patchak-Layman noted that the current reality was zero and that, theoretically, the District could operate that way for years under the contract that ended in 2008. She stated that 5 percent was fiction as there had been no discussion; the PMA model is 3 percent. Mr. Rigas asked her to be specific about what percentage to use and to ask SEIU what percentages it would suggest be used so that an apples-to-apples comparison could be made. Dr. Lee stated that the District has no way to know what the costs will be in the second or third year and the Board of Education must make decisions as best it can. Dr. Millard asked Ms. Patchak-Layman if she wanted different percentages. Ms. Patchak-Layman wanted to

see a range of percentages and assumptions about the deficit in 2017. Ms. Patchak-Layman provided no parameters.

Ms. Patchak-Layman asked what vacation pay would be located in the management and custodial cost schedule and proposed contract places of the base bid. She asked because when one multiplies 2080, the full-time equivalent for a year of service, it is a higher figure than what is listed in the column. She asked where it was. Ms. Witham noted that either the vendor made a mathematical error or it added the vacation into that figure.

Ms. Patchak-Layman stated that when comparing GCA's health benefits to the OPRFHS benefits, HMO payments would increase \$787 per year. When the salaries are \$24 per hour, that is not such an increase, but when the salaries are \$13 per hour, that makes a bigger difference to an employee. When one looks at comparables, one has to look at the salary. If the salary increases and medical care goes up that is different and less comparable in her mind than when salaries remain the same and medical care increases.

Ms. Patchak-Layman noted that the contract would be for whatever wages were chosen; every employee that comes in the building will be making those hourly wages. If the contract is for \$20 per hour as is the base contract, whether it is OPRFHS employees or new hires, will all be making \$20 per hour if they were part of the 24 night custodians. Ms. Witham did not know the answer to that question. It is clear that OPRFHS currently has twenty-eight (28) employees and twenty-eight (28) going forward, and they would be making \$20 per hour. When asked if the vendor decided to increase staff, would it be required to pay the same wage, Ms. Witham noted that the law does not speak to wages and a guarantee of wages. That would be a question for the Board of Education as to how it wanted the contract worded. Ms. Patchak-Layman asked if the employees who were given the option of going to work at another location would have this same salary. Ms. Witham responded that it would be at the discretion of the company. Some of Ms. Patchak-Layman's interest in this is was that if the Board of Education were approving a contract based on the idea that these were the salaries going forward, where the savings would be. In fact, one vendor talked about savings by attrition. Should 28 employees decide not to remain at this building and 28 new employees were hired, what would they be paid? Would any person who had not been an OPRFHS employee revert to another dollar amount and would the taxpayers be getting really good value or supplementing the profit margins of the other company? Mr. Rigas noted that he had no need for that information if the taxpayers were saving money. Ms. Patchak-Layman responded that she has an obligation to see that the employees in this building were treated fairly and justly. Ms. Patchak-Layman added that if the Board of Education were going to accept the contract, it would be agreeing to that contract because of the documents it now has. She wanted to know how "good and fast" was that rule. Does that mean all 28 employees will make the wage that is part of this bid? Dr. Millard responded that even if the wages remained the same, an employee could get far more health benefits and come out ahead. It is difficult for the Board of Education to ensure that the overall comparables should be similar, but individually it will vary, just as it does now. Dr. Millard asked what additional information Ms. Patchak-Layman needed to determine if GCA benefits were comparable.

As Ms. Patchak-Layman looked at a \$780 increase in medical expenses and compares that to whatever salary amount, she knows that one would have to go to the doctor 150 times to make

up that difference. Dr. Millard said that would depend upon the individual's needs. Ms. Patchak-Layman concurred and asked if this conversation was mostly on the base bid? Ms. Witham stated that the Board of Education just needed to look at the benefits. Ms. Patchak-Layman did not believe that the benefits on Alternate 2 were comparable. If a person receives \$13 hour and has to pay higher medical expenses, that is not comparable. It is a matter of determining what the benefit offered is and what the cost of that benefit is to the employee. Mr. Rigas stated that one has to look at the comparability of the benefit not in relationship to the salary. Mr. Keller concurred and went on to add, "The comparability analysis is a pass/fail test. Either the proposals from the vendors are comparable to what the current employees were receiving or they were not. That is a judgment for the Board of Education to make. Once the Board of Education determines that the benefits are comparable, then the Board of Education can analyze the cost savings to the District from each of the proposals; wages are not part of the analysis of the comparable benefits. There is a distinction between wages and benefits. The comparability analysis only pertains to fringe benefits, not to wages. The Board of Education only needs to make the initial decision as to whether Vendor A's benefits are or are not comparable. If they are, then put that proposal into the mix for consideration."

After this explanation, the Board of Education members individually indicated their decision on the comparability of each of the four vendors.

GCA

Ms. Patchak-Layman believed that the health, vacation, and retirement benefits were not comparable. She wanted to know what the vendors would provide toward the employees' retirement account. Presently the school puts money into IMRF and Social Security for these employees. Health, vacation, and the contribution to the 401(k) retirement account are not comparable. While the District funds IMRF, Ms. Witham noted that this was a state program. The 401(k) is what industry offers as it cannot offer a 403(b) Program. Most companies offer a defined contribution plan and not a defined benefit plan.

Ms. Fisher stated her understanding of the comparable benefits to be that one would be looking at comparing the overall array of benefits from one institution to the other. If the legislature had intended that each benefit be equal, there would have been no ability to switch vendors without having an identical set of benefits. She noted that Ms. Patchak-Layman had pointed out that some of the benefits were less advantageous than OPRFHS's benefits, but some benefits OPRFHS did not even offer. In order to make determination of comparability, the Board of Education would look at the overall comparability. OPRFHS does not presently provide vision and hearing aids in its benefits. Someone may not consider it advantageous to have the benefit of having hearing aid coverage, but some with a hearing problem would and an employee faced that just recently; it was a huge concern. She asked if that was an accurate view of comparable benefits. Paul Keller responded that it was; the Act requires that the vendor provide a benefits package that is comparable to that offered by the school district, not that it is identical to the school district's and that it would be impossible to do, as a private vendor cannot offer IMRF benefit; those benefits are only available to governmental employees. A private vendor can offer a comparable retirement benefit in terms of cost to the employer or a benefit to the employee. Clearly, it does not require identical benefits in each and every category.

Dr. Millard felt GCA's benefits were comparable but she asked if an individual could challenge its comparability even if it were comparable for the rest of the group. Mr. Keller did not think the question would arise, as an employee would either take the job or not take the job. Mr. Rigas rephrased her question. He stated that the Board of Education is required to make a finding of fact. That could be challenged. If one looks at the benefits of a group as whole, they could be deemed comparable. One person may show individually that it would cost that person more money, but for the group of the whole, the benefits would be comparable.

Mr. Allen, Ms. Fisher, Mr. Rigas, Dr. Lee, and Dr. Millard felt that the benefits of GCA were comparable. Ms. Patchak-Layman did not.

Sodexo

Ms. Witham summarized what Sodexo offers in benefits. It includes more health insurance options with lower co-pays, enhanced mental illness services, and vision care. Sodexo will waive the 90-day waiting period for current District employees. The tuition reimbursement is larger. It also offers eldercare reimbursement, savings bonds, stock options, and a credit union. The 401(k) plan is comparable to the District 403 (b) plan. The employer match and the addition of the stock option plan enhance this benefit. Sodexo provides employees with an excellent training program and an advancement program within the firm.

Ms. Patchak-Layman felt that someone making \$22,000 would not take advantage of stock options. Mr. Rigas clarified for her they would not have to pay for the stock option. HMO coverage will cost \$1400 more per year because OPRFHS charges is \$900 and it has an unusual \$500 annual deductible. Ms. Patchak-Layman noted that the life insurance is the same as GCA's, and, in this case, it would come closer to matching the annual salary, as it was so low. Although more sick and vacation days were added, the benefits were not comparable. While Mr. Rigas felt the conversation should focus on the benefits comparability and talk about salary later, Ms. Patchak-Layman stated that salary could not be removed from the discussion.

Mr. Allen, Ms. Fisher, Mr. Rigas, Dr. Lee, and Dr. Millard felt that the benefits of Sodexo were comparable. Ms. Patchak-Layman did not.

Mr. Allen, Ms. Fisher, Mr. Rigas, Dr. Lee, Ms. Patchak-Layman, and Dr. Millard did not feel that the benefits of Perfect Cleaning were comparable.

Mr. Allen, Ms. Fisher, Mr. Rigas, Dr. Lee and Dr. Millard did not feel that the benefits of ALPHA Cleaning were comparable. Ms. Patchak-Layman did feel that ALPHA's benefits were comparable.

Ms. Patchak-Layman noted that the benefits listed by ALPHA were comparable to what OPRFHS has in place. Dr. Millard pointed out that it has no PPO option and it did not offer training. Ms. Patchak-Layman felt that presentation was comparable.

Ms. Witham concluded that the District would now concentrate on GCA and Sodexo as to what they have to offer and their pros and cons. She asked Board of Education members for the questions/information they wanted from the vendors.

- A one for one comparison to information is on Page 7, Expense Categorization.
- If someone left, what would the new rates be?
- What effect would transferring to another building have on wages and benefits?
- What would new hires receive in salary?
- What is the total number of custodians in their organizations and what is the turnover rate based on? What were the rates in the local community? Pull the administrations out of this equation. (It was noted that they had not been included.)
- What is the longevity of employees in the company?
- What is the hiring policy on diversity, including gender, and to separate out the custodial staff?

Ms. Patchak-Layman questioned the definition of accepting a proposal either in whole or in part. What were the parameters, as there were no addendums with the bid package? When it is a full package like this, what would the Board of Education envision in whole or in part? Many items were management related that involved supervision, ways of tracking surveys, how people view the service, how training is conducted, etc. Is it possible to separate those things out from the proposal? She suggested that the Board of Education could implement the management part and keep the employees the same. Alternatively, it could separate the class of activities, including supplies. Mr. Rigas did not believe the proposal would include just getting the supplies, etc. Mr. Keller concurred. If Ms. Patchak-Layman meant accepting the Sodexo supervisory component and yet keep the District's current employees, Mr. Keller felt a different bid would be needed. If the District wanted to hire an independent contractor to supervise District employees, it would be a different issue. Ms. Patchak-Layman noted that many of the positives in the application were management in nature and the employees do not have control over them. There are costs contributed to them in the contract.

While Ms. Patchak-Layman also asked what kinds of administrative costs does the District have and expect that it will not have if the bid packages are accepted. What other cost savings or additional costs would the District incur if one of these contracts were accepted? Can the District eliminate another type of person other than soft costs? Ms. Witham asked for clarification, noting that the District would not release a payroll person but asked if Ms. Patchak-Layman was referring to what savings would be incurred because Mr. Lanenga or Mr. Zummallen would not have to do them.

Ms. Patchak-Layman offered that the Board of Education have additional discussion before the Thursday, March 26, Board of Education meeting, but scheduling was an issue. While Mr. Rigas was willing to convene a Finance Committee at 6:00 p.m. on Thursday, March 26, Ms. Patchak-Layman felt that might not be enough time for discussion. Ms. Patchak-Layman asked that minutes of the Finance Committee meeting be included in the Board of Education packet for review prior to its discussion.

A summary of the questions for the administration to explore with the vendors before the March 26 Board of Education meeting is as follows:

1. An itemization of each expenditure category and account encompassed within the Total Cost of Services proposed in Section P, Pricing Schedule, for each of the three years. Itemization should include, but is not limited to:
 - a) Supplies and equipment
 - b) Salaries and benefits
 - i. Salary
 - ii. Health insurance
 - iii. Life insurance
 - iv. Retirement plan expenses
 - v. Other salary and benefit expenses not otherwise noted above
 - c) Worker's compensation premiums
 - d) Other expenses not otherwise noted above.
2. If a former District 200 custodial employee hired by your firm voluntarily transfers to a different site serviced by your firm, would his/her salary change?
3. What wage will any new hires (hired by your firm after the initial transition period) earn?
4. For each of the four references listed in Section S (List of References) from your proposal submission, the turnover rate of custodial staff for each specific customer account over for the last three complete years (2006, 2007, 2008).
 - a) Percentage;
 - b) total number of custodians at each account; and
 - c) total number of custodians turned-over at each account;

For example

 - i. District 123. 2006: 3%, 100 total custodians, 3 custodians replaced; 2006: x%, xxx total custodians, x custodians replaced; 2007: x%, xxx total custodians, x custodians replaced; 2008: x%, xxx total custodians, x custodians replaced; average custodian tenure for this group: x years.
 - ii. District 321. 2006: 3%, 100 total custodians, 3 custodians replaced; 2006: x%, xxx total custodians, x custodians replaced; 2007: x%, xxx total custodians, x custodians replaced; 2008: x%, xxx total custodians, x custodians replaced; average custodian tenure for this group: x years
5. The same information requested in item #4 above for your entire custodial staff employed in North America.
6. What is the average length of tenure for all custodial employees working for your firm in North America?
7. Your company's policy on diversity (ethnic and gender, if applicable) hiring for custodial staff
8. Provide specific information for the 401(k) (employer match, employee maximum contribution, etc.) and/or stock option plan listed in your proposal.

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TO: Board of Education

FROM: Attila J. Weninger, Jason Edgecombe, Jack Lanenga, Cheryl L. Witham

DATE: March 17, 2009

RE: RFP for Custodial Services

BACKGROUND

Over the past several years, the Board of Education and the Administrative staff have been working together to identify and implement cost saving initiatives that sustain instructional programs, while improving operational efficiencies. In addition, in January 2009, the Board of Education approved a financial resolution indicating its “determination to take every available opportunity over the next ten years to contain costs in ways that balance both the District’s ability to sustain its financial health and deliver the highest quality of educational services.”

A determination to avoid the need for a referendum in 2018 requires the identification and implementation of significant and sustainable cost savings over the next ten years. With the current level of spending in the Education Fund, the District will begin deficit spending in the 2013 – 2014 school year. This deficit spending will increase through 2018 and is currently expected to be in excess of \$8,000,000 per year by the 2017 – 2018 school year. Sustainable cost savings realized in the Operation and Maintenance Fund (O & M) will allow the District to reduce the O & M Levy and increase the Education Fund Levy in order to support the educational programs and reduce the deficit spending.

One of the cost savings initiatives or areas that the administration investigated was contractual services. Recent legislation, specifically Illinois Public Act 095-0241, require certain objectives to be met in consideration and award of contractual services contracts with private vendors. With the help of legal representation, the District has carefully evaluated the requirements of the Act and has diligently met each requirement. The Board of Education and administration will carefully review the RFP’s at two public meetings, the March Finance Committee Meeting and the March Board of Education Meeting. The District’s attorney, Paul Keller, will attend the meetings to assist the Board of Education in this important and difficult review of RFP’s. A copy of PA 095-0241 has been provided for your review. A reference to specific RFP documents has been provided to aid in the cross reference of the law to the bid results. The Administrative staff requested the three District law firms to provide opinions on the interpretation of PA 095-0241. The opinions are also attached for your review.

RFP specifications included green cleaning supplies, paper supplies, cleaning equipment, equipment repairs, communication devices, supervision, uniforms, employee training program, workers compensation and custodial services wages and benefits for a minimum of three shifts.

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The District administrative staff acknowledges that cost saving initiatives of this magnitude, which involve District staff, are very painful to consider and to implement. It is important for all concerned parties to remember that PA 095-0241 has addressed the issue by requiring the contractor to provide comparable benefits as well as offering employment to existing qualified staff. A part of the review process is assessing if the RFP submitted by each contractor has met the requirements of the law. The consistent interpretation of the law from the District's attorneys reflects an opinion that the District is required to assess if benefits are comparable although salaries are not required to be comparable. The benefit package is not required to be exactly equal, rather it should be comparable. Some areas may offer greater benefits and others not. The question of comparability in the law lacks clarity and it is up to the Board and Administration to determine what comparability means.

We will walk through this process together in the meetings.

SUMMARY OF FINDINGS

The District held a mandatory pre-proposal conference on February 10, 2009. Fourteen vendors attended the meeting, three additional vendors were delayed in traffic, arrived late to the meeting and were not permitted to attend. On February 26, 2009, the District held the RFP opening. Four vendors presented written responses; one additional vendor was delayed in traffic and did not arrive to the meeting on time. The staff has summarized the four proposals for BOE review. The four vendors are GCA Services Group, Sodexo, Alpha Building Maintenance Services, Inc. and Perfect Cleaning Service, Inc. These four vendors have met the proposal submittal requirements and are available for BOE review.

The Vendors provided the following three year cost proposals. In addition, cost of OPRFHS services are illustrated immediately below the RFP responses.

<i>RFP Responses</i>				
Vendor	Year 1	Year 2	Year 3	Total Contract Value
GCA	\$ 1,963,627.26	\$ 1,992,646.50	\$ 2,052,425.89	\$ 6,008,699.65
GCA Alt 1	\$ 2,195,578.89	\$ 2,228,025.89	\$ 2,294,866.66	\$ 6,718,471.44
GCA Alt 2	\$ 1,622,251.21	\$ 1,649,878.62	\$ 1,699,374.97	\$ 4,971,504.80
Sodexo	\$ 1,548,444.00	\$ 1,548,444.00	\$ 1,548,444.00	\$ 4,645,332.00
Alpha	\$ 1,995,901.53	\$ 2,055,778.50	\$ 2,111,745.13	\$ 6,163,425.16
Perfect Clean	\$ 1,182,720.00	\$ 1,182,720.00	\$ 1,206,372.00	\$ 3,571,812.00
OPRFHS	\$ 2,328,570.70	\$ 2,483,873.32	\$ 2,670,075.69	\$ 7,477,519.61

There are significant variations between the three year costs in the individual proposals. Each proposal must be reviewed and compared to PA 095-0241 for compliance with the law. In addition, we have developed a ranking system to evaluate certain aspects of the services provided. We will review each proposal separately.

The following table identifies the objective scores for each RFP bidder based on the criteria set forth within the RFP specification document.

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Scoring Chart							
Section 1, Technical Score							
<u>Item</u>		<u>Max. Points</u>	<u>Alpha</u>	<u>GCA</u>	<u>Perfect</u>	<u>Sodexo</u>	<u>GCA</u> <u>Alt 1</u> <u>Alt 2</u>
Equipment Quality	(A)	86	40	86	10	86	86 86
Equipment Compliance with <i>Green Cleaning Standards</i>	(A)	86	40	86	10	80	86 86
Sufficient Staffing	(A)	86	65	80	5	83	80 80
Quality of Proposed <i>Cleaning Procedure and Techniques</i>	(A)	86	25	86	20	72.5	86 86
Value-Added Goods or Services	(A)	86	0	69	0	77	69 69
Vendor Relations	(B)	85	72	84	73	78	84 84
Operational Relations	(B)	85	66	77	58	74	77 77
		<u>600</u>	<u>308</u>	<u>568</u>	<u>176</u>	<u>551</u>	<u>568</u> <u>568</u>
Section 2, Cost Score							
<u>Item</u>		<u>Max. Points</u>	<u>Alpha</u>	<u>GCA</u>	<u>Perfect</u>	<u>Sodexo</u>	<u>GCA ALT1</u> <u>GCA ALT2</u>
Cost		400	<u>109.77</u>	<u>127.10</u>	<u>400</u>	<u>279.78</u>	<u>51.25</u> <u>245.54</u>
Total		<u>1000.00</u>	<u>417.77</u>	<u>695.10</u>	<u>576.00</u>	<u>830.28</u>	<u>619.25</u> <u>813.54</u>
(A) Reviewed and rated by District Evaluation Team							
(B) Determined by standardized vendor reference rating, as provided by vendor clients							

REVIEW OF PROPOSALS

GCA Services Group

GCA Services Group (GCA) is a national firm with a local presence providing services to over 1,400 K-12 schools and 36 colleges/universities in the United States and Puerto Rico, over 300 of these institutions are in Illinois. GCA's average client relationship is 10 + years and they have a 99% retention rate in their public education sector. GCA employs 20,000 people and cleans over 650 million square feet daily. A regional office is located in the Chicago area. GCA provides its employees an impressive training and evaluation program. It also provided a very detailed timeline for a transition program and received very good references regarding the transition program. GCA will also provide a recycling program for the District, which would be an enhancement to our current situation, and it would offer an energy savings program at no additional cost to the District. GCA received the highest scores in reference checking of the group and the highest technical scores.

GCA will use the KaiVac system, which is a mechanized cleaning system providing higher quality cleaning and higher efficiency cleaning in restrooms and other hard surfaces. GCA focuses its services on safety and accident prevention, which would also be a valuable addition to our program. The J-Fill Green program is compatible with our current dispensers. The District has highly rated the proposed cleaning equipment, and products and they meet District guidelines. GCA provides an

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excellent quality control program utilizing GCAware software that collects data about inspections and client feedback. Virtually anyone in the building or community with internet access can provide feedback to OPRFHS and GCA using this tool. It also tracks employee progress and performance.

GCA provided a basic proposal and two alternate proposals. All of the proposals provide the same employee benefit package. GCA also provides a broader opportunity for employee advancement and transfer to other sites. The employee training and safety program is superior to the District program.

The health insurance plan provides additional benefits that the employees do not currently receive, such as vision care, hearing aids, MediCall and MaterniCall nursing assistance. In addition, the co-pays are lower and some deductibles are lower. The mental health coverage is expanded, and so is the chemical dependency coverage. The retirement benefit is a 401 (k) plan with an employer match. The employer match is an added benefit not currently available to employees. It does not offer tuition reimbursement, but its employee training program and advancement opportunities is much greater. The vacation days are less, and the employer provided life insurance is less, but GCA offers supplemental life insurance. Taken as a whole, the District deems the benefits package to be comparable to the District benefit package.

The difference in the base proposal and Alternate 1 and 2 concern staffing design and salaries paid. The District is free to choose either of these options. The base bid provides 4 day custodians at \$20.00 per hour, 24 night custodians at \$20.00 per hour, 4 additional night custodians at \$10.00 per hour, one manager and one night custodial supervisor. The Alternate 1 bid provides 4 day custodians at \$23.24 per hour, 24 night custodians at \$23.24 per hour, 4 additional night custodians at \$10.00 per hour, one manager, and one night custodian. Alternate 2 provides 30 night custodians and 4 day custodians at \$13.00 per hour, one manager, and one night custodial supervisor.

The estimated three year savings of the GCA proposals for the District range from \$759,050 - \$2,506,015.

Sodexo, Inc.

Sodexo, Inc. (Sodexo) is an international firm with over 355,000 employees around the world. Sodexo serves 900 education clients in North America, with an average partnership life of 20 years. The international purchasing power Sodexo offers is a significant advantage in cost savings. Sodexo offers an excellent cleaning program, a quality control program, plus safety and energy conservation programs. The supplies and equipment are excellent. It also offers a green program with a focus on maintaining a healthy and safe environment. Sodexo's reference scores and technical scores were ranked second of the four vendors, but were close to GCA's score.

Sodexo offers several enhanced programs that the District does not currently have access to. The first is a Facilities Capital Action Plan. The District has been considering this type of plan and has received one quote of \$80,000 from the current construction management firm. The District has seriously considered this program in order to move to a proactive maintenance program and to gather and archive data on facility and equipment maintenance. The second is an ADA compliance plan, which would be a value of \$40,000 to the District.

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Sodexo has proposed a reconfiguration of staffing for efficiency and cost savings. The staffing would include an on-site custodial manager and an on-site custodial supervisor, one custodial lead, one on-site administrative assistant, 24 full-time routine custodians, 5 full-time floor technicians, and 4 full-time daily custodians. The average hourly wage for custodians would be \$11.55 per hour.

The benefits package offered by Sodexo offers some enhancements for the employees. Sodexo offers more health insurance options with lower co-pays, enhanced mental illness services, and vision care. Sodexo will waive the 90 day waiting period for current District employees. The tuition reimbursement is larger. It also offers eldercare reimbursement, savings bonds, stock options, and a credit union. The 401(k) plan is comparable to the District 403 (b) plan. The employer match and the addition of the stock option plan enhances this benefit. Sodexo provides employees with an excellent training program and an advancement program within the firm. also offers an opportunity for employees to request a transfer to a more convenient site. We deem this benefit package to be comparable to the District benefit package.

The estimated three year savings of the Sodexo proposal for the District would be approximately \$2,832,188.

Alpha Building Maintenance Services, Inc.

Alpha Building Maintenance Services, Inc. (Alpha) is a firm with an Illinois client base. Alpha's proposal is presented as a joint venture with Garco Enterprises but no data was presented regarding employees of Garco. Alpha also did not offer very much information about their experience, employee training, and quality control programs. The employer turnover rates are reported to be low and confirmed during reference checking. References were reported to be rather low compared to the other vendors. Alpha would provide monthly credits for unused supplies. We have not included this benefit in the cost analysis since there is an uncertain likelihood of occurrence. The bid documents reflect a lack of attention to details, and we have noticed that on-site supervision appears to be missing from the quote. The quote also lacks an in-depth discussion of cleaning products or methods; however, it did provide the supply and equipment listings and the green cleaning certificates. The equipment is adequate, and it will provide a credit of \$2,143 per month for the use of our existing equipment and then replace and repair the equipment as needed.

Alpha proposes staffing of one night utility person, 4 day custodians, 5 night custodians, and 19 evening custodians for a total of 29 employees. The employee salaries would match the current salaries paid to employees. The employee benefit plan matches the District benefit plan. Alpha does not offer a 401(k) plan as the District offers a 403(b) plan. Alpha asserts that Social Security is a comparable plan to the District 403(b) plan. This is a question for the Administration and the Board of Education to address together and to reach a decision about.

The estimated three year savings of the Alpha proposal for the District would be approximately \$1,314,094.

Perfect Cleaning Services, Inc.

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Perfect Cleaning Services, Inc. (Perfect) is a local firm with approximately 20 years of experience in commercial cleaning. The equipment listing is weak, the references were not as strong as CGA and Sodexo, and the company appears to be rather small.

The employee benefit package does not appear to be comparable to the District benefit package. The Board of Education and the Administration will review the benefit package together and make a decision about its comparability.

The estimated three year savings of the Alpha proposal for the District would be approximately \$3,905,708.

RECOMMENDATIONS

The Board of Education and the Administration will perform a thorough review of all aspects of the RFP documents and discuss the findings. An additional review of the documents will occur at the Regular March Board of Education Meeting.

Oak Park and River Forest High School
Custodial Service RFP
District Three Year Costs Comparisons

<u>Class</u>	<u>Category</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>
Supplies/Equipment	Supplies	\$ 95,946.51	\$ 98,824.91	\$ 101,789.65	\$ 104,843.34
	Equipment	9,919.88	10,217.48	10,524.00	10,839.72
	Radios	1,692.96	1,743.75	1,796.06	1,849.95
	Radio Repairs	2,699.34	2,780.33	2,863.74	2,949.65
	Uniforms	6,877.87	7,084.20	7,296.73	7,515.63
	Total	\$ 117,136.57	\$ 120,650.67	\$ 124,270.19	\$ 127,998.29
Salaries and Benefits	Salaries	\$ 1,467,964.13	\$ 1,541,362.33	\$ 1,618,430.45	\$ 1,699,351.97
	Social Security	91,013.81	95,564.46	100,342.69	105,359.82
	Medicare	21,285.45	22,349.75	23,467.24	24,640.60
	Medical & Dental	276,734.14	304,407.55	334,848.30	368,333.14
	IMRF	128,887.33	142,421.88	170,987.18	215,902.67
	Life	2,364.45	2,482.67	2,606.81	2,737.15
	Total	\$ 1,988,249.30	\$ 2,108,588.65	\$ 2,250,682.67	\$ 2,416,325.35
Other Costs	Workers' Comp	\$ 81,618.81	\$ 94,331.37	\$ 108,920.37	\$ 125,752.05
Total Expenses		\$ 2,187,004.68	\$ 2,323,570.70	\$ 2,483,873.23	\$ 2,670,075.69
GCA		\$ 1,963,627.26	\$ 1,992,646.50	\$ 2,052,425.89	\$ 2,146,819.96
GCA Alt 1		\$ 2,195,578.89	\$ 2,228,025.89	\$ 2,294,866.66	\$ 2,359,048.17
GCA Alt 2		\$ 1,622,251.21	\$ 1,649,878.62	\$ 1,699,374.97	\$ 1,750,014.81
Sodexo		\$ 1,548,444.00	\$ 1,548,444.00	\$ 1,548,444.00	\$ 1,548,444.00
Alpha		\$ 1,995,901.53	\$ 2,055,778.50	\$ 2,111,745.13	\$ 2,174,094.45
Perfect Clean		\$ 1,182,720.00	\$ 1,182,720.00	\$ 1,206,372.00	\$ 1,231,812.00

\$ 6,008,699.65
\$ 6,718,471.44
\$ 4,971,504.80
\$ 4,645,332.00
\$ 6,163,425.16
\$ 3,571,812.00

MEMORANDUM

To: Dr. Attila Weninger
CC: Ms. Cheryl Witham
From: Paul N. Keller
Subject: Third Party Custodial Contract Issues
Date: March 4, 2009

You have requested an opinion of counsel regarding interpretation of provisions of the School Code dealing with third party vendor contracts as they pertain to the proposed contract for custodial services.

Section 10-22.34(c)(3) of the Code provides that

Any third party that submits a bid to perform the non-instructional services shall provide the following:

(B) a *benefits* package for the third party's employees who will perform the non-instructional services comparable to the *benefits* package provided to school board employees who perform those services; (*Emphasis added*)

You have asked whether the term "benefits" as used above includes wages, or refers only to fringe benefits, above and beyond hourly wages, such as health insurance, vacation time, sick leave, etc.

The term "benefits" is synonymous with "fringe benefits" and commonly refers to everything of a compensatory nature *except* wages. A fringe benefit is anything "other than direct salary or compensation received by an employee from an employer, such as insurance, a company car, or a tuition allowance - Often shortened (esp. in pl.) to *benefit*." Black's Law Dictionary. This interpretation is supported by reference, in the next section (§10-22.34(c)(3)(C)), to "wages:"

(C) a list of the ... *wages* the third party will pay those employees;

The legislature seems to have deliberately made the normal distinction between *benefits* in paragraph (B) and *wages* in paragraph (C), thus indicating that the terms refer to different categories of compensation.

Therefore, it is our opinion that, in evaluating the third party vendor bids for custodial services, the School District is required to assess the comparability of *non-wage* compensation provided by the vendor to its employees, and the non-wage compensation provided to current school employees who will be displaced by the outsourcing of custodial services.

From: Zuehl, James J. [mailto:JZ@franczek.com]
Sent: Tuesday, March 03, 2009 5:38 PM
To: Edgecombe, Jason
Cc: Schlueter, Patricia A.
Subject: Subcontracting Bids

Confidential/Attorney-Client Privileged

Jason: You asked me whether wages are included in the term "benefits package" in the part of the statute that requires third party bidders to provide a benefits package similar to the one provided by the District. Our opinion in this situation must be tentative. Although we think the evidence leans in the direction of the conclusion that wages are not included in the term "benefits package," the evidence is mixed.

Generally, the term "benefits" is used to include financial aspects of a compensation package separate and distinct from wages. The term typically refers to insurance, pension and other items that have financial value for the employee that go above and beyond wages. The term "compensation" usually encompasses both wages and benefits. In terms of common usage, reference to a "benefits package" would not connote wages.

That this common usage was intended by the legislature receives some support from the reference in the next paragraph of the statute to the subcontractor's obligation to provide a list of job classifications and wages these jobs would receive under the subcontractor. By referring to "wages" in this context, the statute seems to be recognizing a distinction between wages and benefits. Moreover, if wages were part of the "benefits package" which had to be similar to what the District provides, there would be little value in listing the wages. This paragraph is more consistent with the idea that although the "benefits package" must be similar, wages could vary.

Part of the legislative history supports this interpretation. In the House, the sponsor was asked about "comparable benefits" several times, and he said:

I think what we would say is that when you look at the package of benefits, if the school district offers a pension plan and the privatization, the private company offers a pension plan that's generally comparable in dollars and if they offer health care in the school district and the private form offers health care. Again, those are comparable things.

Several times the House sponsor referred to "benefits" as including pensions and health insurance. No reference was made in the House to "benefits" as including wages.

Unfortunately, the same was not true in the Senate. There, Senator Harmon referred to the bill as follows:

It preserves the right of school districts to enter into contracts for third-party services for non-instructional services, provided that those contracts capture the efficiencies of better management and leaner operations while prohibiting the exploitation of those workers by a fairly simple mechanisms -- requiring that comparable wages and benefits be paid. (emphasis added).

If the language of a statute is clear on its face, a court will not look to its legislative history. We would argue that the term "benefits" is clearly distinct from the term "wages" and that they mean two different things. "Benefits" does not include wages. Sometimes, however, courts are reluctant to find that language is clear if the parties dispute its meaning. If a court deems the language unclear and looks at the legislative history, it will find mixed messages. It is difficult, in that event to predict how a court would come out.

We think the argument that "benefits package" does not include wages is somewhat stronger on balance than the argument that wages are included, but for the reasons discussed this conclusion is far from certain. Please let me know if you have further questions.

You inquired whether the reference to employment “benefits” in Section 10-22.34c(a)(3)(B) of the Illinois School Code (“Section B”), 105 ILCS 5/10-22.34c(a)(3)(B), includes “benefits, wages and other items” or simply “benefits”. Based on the language of the statute and various definitions of the words “benefits” and “wages”, we believe the word “benefits”, as used in Section B of the Code, *does not* include wages but *does* include other non-wage items of compensation.

DISCUSSION

A. General Rules of Statutory Construction

Pursuant to settled law, statutes must be interpreted in a manner that gives effect to the legislature’s intent and, as courts repeatedly find, the best indication of the legislature’s intent are the words of a statute. *See e.g., DeRose v. City of Highland Park*, 2008 Ill. App. LEXIS 1081 at * 5, 898 N.E.2d 1115 (2nd Dist. 2008). Indeed, when a statute’s words are unambiguous, the words are effectively controlling, requiring that the statute be interpreted in accordance with their plain and ordinary meanings. *See e.g., Solon v. Midwest Medical Records Ass’n*, 2008 Ill. App. LEXIS 1079 at * 11, 386 Ill. App. 3d 78, 898 N.E.2d 207 (1st Dist. 2008) (finding that “unless the meaning of the statute is ambiguous, we may not look beyond the statutory language to statements regarding the purpose of the law, the evils it was intended to remedy, or the legislative history of the statute to aid in our determination of legislative intent”).

B. The Meaning of “Benefits” As Used in Section B of the Code

The relevant provisions of the Code state:

(a) A board of education may enter into a contract with a third party for non-instructional services . . . , provided that:

....

(3) any third party that submits a bid to perform the non-instructional services shall provide the following:

(B) a benefits package for the third party’s employees who will perform the non-instructional services comparable to the benefits package provided to school board employees who perform those services; [and]

(C) a list of the number of employees who will provide the non-instructional services, the job classifications of those employees, and the wages the third party will pay those employees

105 ILCS 5/10-22.34c(a)(3)(B) and (C).

Neither “benefits” nor “wages” are defined in Article 10 of the Code, and they do not appear to be defined in any of the Code’s other articles. *See* 105 ILCS 5/10; *see generally* 105 ILCS 5/1 *et seq.* Accordingly, their plain and ordinary meanings must be gleaned from other sources. *See e.g., Wolters v. Johnson*, 114 Ill.App.3d 546, 449 N.E.2d 216 (1st Dist. 1983) (noting the well-established rule of construction that the plain and ordinary meaning of words used in a statute may be determined by

reference to the words' common usage, previous judicial constructions or legislative intent). As discussed below, such sources indicate that "benefits" and "wages" are distinct, leading to the conclusion that "benefits" does not include "wages".

The Merriam-Webster Dictionary defines "benefit" to mean "material aid or service provided or due (as in sickness or unemployment) as a right *in addition to regular pay*". Merriam-Webster Dictionary (2004) at p. 65 (emphasis added). On the other hand, "wages" is defined to mean "payment for labor or services". See Merriam-Webster Dictionary (2004) at p. 814. Similarly, the New Oxford American Dictionary defines "benefit" to mean "a payment or gift made by any employer . . . welfare benefits | wages and benefits, and defines "wage" to mean "a fixed regular payment, typically paid on a daily or weekly basis, made by an employer to an employee". New Oxford American Dictionary (2001) at pps. 154 and 1896. These definitions suggest that benefits and other items of compensation are distinct from wages.

Statutory definitions of the word "wages" further support the conclusion that "benefits" are distinct from and do not include "wages". For example, the Illinois Wage Payment and Collection Act ("WPCA"), 820 ILCS 115/1 *et seq.*, distinguishes "wages" from other payments and benefits due an employee, stating:

wages shall be defined as any compensation owed an employee by an employer pursuant to an employment contract or agreement between the 2 parties, whether the amount is determined on a time, task, piece, or any other basis of calculation. Payments to separated employees shall be termed "final compensation" and shall be defined as wages, salaries, earned commissions, earned bonuses, and the monetary equivalent of earned vacation and earned holidays, and any other compensation owed the employee by the employer pursuant to an employment contract or agreement between the 2 parties. Where an employer is legally committed through a collective bargaining agreement or otherwise to make contributions to an employee benefit, trust or fund on the basis of a certain amount per hour, day, week or other period of time, the amount due from the employer to such employee benefit, trust, or fund shall be defined as "wage supplements", subject to the wage collection provisions of this Act.

820 ILCS 115/2.1[1] As set forth above, the WPCA specifically defines non-wage employer payments as "wage supplements", which are treated as "wages" solely for purposes of making the provisions of the WPCA applicable to such benefits. See 820 ILCS 115/2 and 8 (providing that "[w]here an employer is legally committed through a collective bargaining agreement, or otherwise to make contributions to an employee benefit, trust or fund on the basis of a certain amount per hour, day, week or other period of time, the amount due from the employer to such employee benefit, trust or fund shall be treated as wages, subject to the wage payment provisions of this Act.").

Consistent with the foregoing, the Minimum Wage law, 820 ILCS 105/3(b), defines "wages" to mean:

compensation due to an employee by reason of his employment, including allowances determined by the Director in accordance with the provisions of this

1[1] The WPCA applies to "all employers and employees in this State, including employees of units of local government and school districts, but excepting employees of the State or Federal governments." 820 ILCS 115/1.

Act for gratuities and, when furnished by the employer, for meals and lodging actually used by the employee.

See also the Illinois Educational Labor Relations Act, 115 ILCS 5/2(j) (defining “wages” as “salaries or other forms of compensation for services rendered”).

Code provisions relevant to the payment of wages to teachers are also instructive. In relevant part, the Code states:

[t]he directors shall pay the wages of teachers in a manner agreed upon by the board, but at least 1 payment shall be made during each school month. The directors shall issue and deliver to the teacher an order on the school treasurer for the amount of salary due. The order shall state the rate and time for which the teacher is paid.

105 ILCS 5/24-21. Taken together, the foregoing demonstrate that the word “wages” generally is used to refer to an employee’s salary, *i.e.*, periodic monetary payments of compensation, as opposed to any other employment benefits.

Finally, the language of Sections B and C of the Code also supports the conclusion that “benefits” and “wages” are distinct, and the former does not include the latter. *See* 105 ILCS 5/10-22.34c(a)(3)(B) and (C). Section B requires a third-party bidder to provide its employees with a benefits package comparable to the benefits package provided to school board employees. 105 ILCS 5/10-22.34c(a)(3)(B). Section C requires a third-party bidder to list, among other things, the wages it will pay its employees. If the benefits package referenced in Section B were interpreted to include the “wages” a third-party bidder would pay its employees, there would be no need for Section C to require the third-party bidder to list such wages. In other words, interpreting “benefits”, as used in Section B, to include “wages” would render the cited portion of Section C superfluous, which contravenes established rules of statutory construction.

Additionally, interpreting Section B’s reference to “benefits” to include “wages” would frustrate the potential cost-savings benefit the legislature sought to confer on school boards by authorizing them to contract with third-party providers. In particular, if “benefits” included “wages”, both the benefits package and the wages a third-party bidder provided its employees would have to be comparable to the benefits and wages provided by a school board, which likely would preclude such bidders from providing services more economically than the services could be provided by board employees.

If you have any questions or comments regarding this information, please feel free to contact me.

Regards,

Kathleen R. Pasulka-Brown
Pugh, Jones, Johnson & Quandt, P.C.
180 North LaSalle Street
Suite 3400
Chicago, IL 60601
312.768.7862

Section U

Illinois Public Act 095-0241

Public Act 095-0241

HB1347 Enrolled

LRB095 09063 NHT 29254 b

AN ACT concerning education.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The School Code is amended by changing Section 10-22.34c as follows:

(105 ILCS 5/10-22.34c)

Sec. 10-22.34c. Third party non-instructional services.

(a) ~~A Notwithstanding any other law of this State, nothing in this Code prevents~~ a board of education may enter from entering into a contract with a third party for non-instructional services currently performed by any employee or bargaining unit member or ~~lay from laying~~ off those educational support personnel employees upon ~~90~~ 30 days written notice to the affected employees, provided that:

(1) a contract must not be entered into and become effective during the term of a collective bargaining agreement, as that term is set forth in the agreement, covering any employees who perform the non-instructional services;

(2) a contract may only take effect upon the expiration of an existing collective bargaining agreement;

(3) any third party that submits a bid to perform the non-instructional services shall provide the following:

(A) evidence of liability insurance in scope and amount equivalent to the liability insurance provided by the school board pursuant to Section 10-22.3 of this Code;

(B) a benefits package for the third party's

Board meeting
3/26/09

Contract expired
6/30/08

Section B

employees who will perform the non-instructional services comparable to the benefits package provided to school board employees who perform those services;

Section 6

(C) a list of the number of employees who will provide the non-instructional services, the job classifications of those employees, and the wages the third party will pay those employees;

Section 6 and
Section 7

(D) a minimum 3-year cost projection, using generally accepted accounting principles and which the third party is prohibited from increasing if the bid is accepted by the school board, for each and every expenditure category and account for performing the non-instructional services;

Section 8 and
District Cost analysis
Spread Sheet

(E) composite information about the criminal and disciplinary records, including alcohol or other substance abuse, Department of Children and Family Services complaints and investigations, traffic violations, and license revocations or any other licensure problems, of any employees who may perform the non-instructional services, provided that the individual names and other identifying information of employees need not be provided with the submission of the bid, but must be made available upon request of the school board; and

Section I

(4) a contract must not be entered into unless the school board provides a cost comparison, using generally accepted accounting principles, of each and every expenditure category and account that the school board projects it would incur over the term of the contract if it continued to perform the non-instructional services using its own employees with each and every expenditure category and account that is projected a third party would incur if a third party performed the non-instructional services;

District Cost
analysis Spread Sheet

(5) review and consideration of all bids by third parties to perform the non-instructional services shall take place in open session of a regularly scheduled school board meeting, unless the exclusive bargaining representative of the employees who perform the

March 26, 2009
and

March 17, 2009

non-instructional services, if any such exclusive bargaining representative exists, agrees in writing that such review and consideration can take place in open session at a specially scheduled school board meeting;

(6) a minimum of one public hearing, conducted by the school board prior to a regularly scheduled school board meeting, to discuss the school board's proposal to contract with a third party to perform the non-instructional services must be held before the school board may enter into such a contract; the school board must provide notice to the public of the date, time, and location of the first public hearing on or before the initial date that bids to provide the non-instructional services are solicited or a minimum of 30 days prior to entering into such a contract, whichever provides a greater period of notice;

(7) a contract shall contain provisions requiring the Vendor to offer available employee positions pursuant to the contract to qualified school district employees whose employment is terminated because of the contract; and

(8) a contract shall contain provisions requiring the Vendor to comply with a policy of nondiscrimination and equal employment opportunity for all persons and to take affirmative steps to provide equal opportunity for all persons.

(b) Notwithstanding subsection (a) of this Section, a board of education may enter into a contract, of no longer than 3 months in duration, with a third party for non-instructional services currently performed by an employee or bargaining unit member for the purpose of augmenting the current workforce in an emergency situation that threatens the safety or health of the school district's students or staff, provided that the school board meets all of its obligations under the Illinois Educational Labor Relations Act.

(c) The changes to this Section made by this amendatory Act of the 95th General Assembly are not applicable to non-instructional services of a school district that on the effective date of this amendatory Act of the 95th General Assembly are performed for the school district by a third party.

(Source: P.A. 90-548, eff. 1-1-98.)

2 public Hearings

January and
March Board Meetings

Section A-S and
Copy of PA-095-0241

Section D

Section 90. The State Mandates Act is amended by adding
Section 8.31 as follows:

(30 ILCS 805/8.31 new)

Sec. 8.31. Exempt mandate. Notwithstanding Sections 6 and 8
of this Act, no reimbursement by the State is required for the
implementation of any mandate created by this amendatory Act of
the 95th General Assembly.

Section 99. Effective date. This Act takes effect upon
becoming law.

Effective Date: 8/17/2007

GCA Services Group

Section Q

Employee Wage and Benefits Proposal

SUMMARY OF PLANS ARE INCLUDED

	District 200	Vendor Proposal
Hourly Wage	\$23.24 /hour	28 @ \$23.24/Hour and 4 @ \$10/Hr
Prescription Drug Program	\$10/\$20/\$60	generic \$10/\$15 depending on plan
Dental Insurance	Single paid by employer, family paid by employee	80/20 split
Ortho Coverage	Yes	Yes
PPO Plan		
Annual Deductable	\$500 in/\$1500 out \$1000 in/\$3000 out	Ind \$500-1500 Family \$1500-4500 yr non PP
Preventive Coverage	\$25 copay	\$15 / \$25 copay
Basic Services	\$25 copay	\$15 / \$25 copay
Major Services	deductable/coinsurance apply	most services 100% coverage in plan
Emergency room	\$50 copay	\$75 copay
Mental health	inpatient 14 days and deductible out patient 20 days and deductible	inpatient 45 days outpatient 60 visits Non PP \$250 copay
Chemical Dependency	same as mental health	same as mental health
Coinsurance	90/10in 60/40 out	100% coverage w/PP
HMO Plan		
Annual Deductable	NA	NA
Preventive Coverage	\$25 copay	\$20 copay
Basic Services	\$25 Copay	\$20 copay
Major Services	\$0 copay	coinsurance apply
Emergency room	\$75 copay	\$75 copay
Mental health	in patient \$0 copay 20 day max out patient \$20 copay 20 visits	In Patient \$250 copay p/adm 45 day max Out patient \$20 copay 20 visits
Chemical Dependency	same as mental health	OP \$20 copay 20 visits IP 30 day max \$250 adm
Coinsurance	NA	see above
Life Insurance	1X annual salary	\$10,000.00
Deferred Compensation Plan	403 (b) /457 with no employer contribution	401k employer contribution
Tuition Reimbursement	\$750/year after 3 years of service from a total pool of \$3,000 annually.	NA
Annual Paid Sick days	13 days	3 days
Annual Paid Vacation Days	10 - 20 days based on years of service	5-10 days based on years of service
Annual Paid Personal days	2 days	2 days
Bereavement Leave	5 days (spouse death), 3 days (immediate family member death)	3 days
Section 125 plan offered?	Yes	yes
Retirement Separation Benefit	15 yrs of service and age 55 \$700 - \$2000 based on age at time of retirement	401k retirement plan

Employee Monthly Premium costs

	District 200		Vendor Proposal *	
	HMO	PPO	HMO	PPO
Single	\$ 32.34	\$ 40.34	\$65.60	\$137.69
Employee+Child	\$ 96.44	\$ 105.20	\$131.56	\$274.04
Employee+Spouse	\$ 124.41	\$ 133.69	\$131.56	\$274.04
Family	\$ 165.69	\$ 179.76	\$182.15	\$386.20

* includes the cost of dental and vision programs.
Proposal cost is based on an 80/20 split. This may be adjusted should the district choose a different contribution level.

Sodexo, Inc

Section Q Employee Wage and Benefits

Proposal

	District 200	Vendor Proposal
Hourly Wage	\$23.24 /hour	\$11.55 average hourly wage
Prescription Drug Program	\$10/\$20/\$60	\$10 (generic), \$20 plus 10% coinsurance (brand name) or \$35 plus 10% coinsurance (non-formulary brand name) Mail order available
Dental Insurance	Single paid by employer, family paid by employee	Provider - MetLife Monthly Cost Single 15.34 Employee + one 30.68 Employee + Family 51.70
Ortho Coverage	Yes	Plan pays 50%
PPO Plan		
Annual Deductable	\$500 in/\$1500 out \$1000 in/\$3000 out	\$500 in/\$1000 out \$1500 in/\$3000 out
Preventive Coverage	\$25 copay	\$20 copay
Basic Services	\$25 copay	\$20 copay
Major Services	deductable/coinsurance apply	Deductable/coinsurance apply
Emergency room	\$50 copay	\$75 per ER visit then 70% after deductible
Mental health	inpatient 14 days and deductible out patient 20 days and deductible	Inpatient In-network deductible the 70%. Out 60% after deductible. Limit 30 days per plan year. Lifetime limit 60 days Outpatient In-network \$20 per visit. Out 60% covered after deductible. Limit 30 visits per plan year. Lifetime limit 200 visits
Chemical Dependency	same as mental health	Same as mental health
Coinsurance	90/10in 60/40 out	70/30 in 60/40 out buy up options available
HMO Plan		
Annual Deductable	NA	\$500 individual/\$1500 family
Preventive Coverage	\$25 copay	\$15 per primary visit/ \$25 per specialist visit
Basic Services	\$25 copay	\$15 per primary visit/ \$25 per specialist visit
Major Services	\$0 copay	Hospital care 80% covered after deductible.
Emergency room	\$75 copay	\$75 per ER visit
Mental health	in patient \$0 copay 20 day max out patient \$20 copay 20 visits	Inpatient 80% covered after deductible. Limit 30 days per calendar year. Outpatient \$25 per visit. Limit 30 visits per calendar year.
Chemical Dependency	same as mental health	Same as mental health
Coinsurance	NA	
Life Insurance	1X annual Salary	\$10,000 Free Basic Life paid by company GTL 1-4 X annual salary employee paid
Deferred Compensation Plan	403(b)/457 with no employer contribution	401(k) Employer contribution 50% on first 6%
Tuition Reimbursement	\$750/year after 3 years of service from a total pool of \$3,000 annually.	\$2,500 annual max after one year service
Annual Paid Sick Days	13 days	7
Annual Paid Vacation Days	10-20 days based on years of service	Months of Service Days Earned 0-60 10 61-120 15 121+ 20
Annual Paid Personal Days	2 days	2 Days
Bereavement Leave	5 days (spouse death), 3 days (immediate family member death)	3 Days
Section 125 plan offered?	Yes	Flexible Spending accounts available
Retirement Separation Benefit	15 yrs of service and age 55 \$700-\$2000 based on age at time of retirement	N/A
Employee Monthly Premium costs		
	District 200	Vendor Proposal
	HMO	PPO
Single	32.34 \$	40.34 \$
Employee+Child	96.44 \$	105.20 \$
Employee+Spouse	124.41 \$	133.69 \$
Family	165.99 \$	179.76 \$



Karen Lauer
Senior Director, Human Resources

March 12, 2009

Tim Keeley
Purchasing Coordinator
Oak Park and River Forest High School
201 North Scoville Ave
Oak Park IL 60302

Mr. Keeley,

This letter will serve as notice that it is the intent of Sodexo to waive the 90 day waiting period for health and welfare benefits for current District 200 custodial staff that transition to Sodexo at the start of the contract. For those employees that transition to Sodexo we will provide them with their original hire date information and process benefit enrollments for immediate coverage.

Regards,

A handwritten signature in black ink, appearing to read "Karen Lauer". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Karen Lauer
Sr Director Human Resources



Section Q

Employee Wage and Benefits Proposal

	District 200	Vendor Proposal
Hourly Wage	\$23.24 /hour	\$ 23.24/day hr. - \$23.64/night hr.
Prescription Drug Program	\$10/\$20/\$60	\$10/\$20/\$60
Dental Insurance	Single paid by employer, family paid by employee	Single paid by employer, family paid by employer
Ortho Coverage	Yes	Yes
PPO Plan		-
Annual Deductable	\$500 in/\$1500 out \$1000 in/\$3000 out	\$500 in/\$1500 out \$1000 in/\$3000 out
Preventive Coverage	\$25 copay	\$25 copay
Basic Services	\$25 copay	\$25 copay
Major Services	deductable/coinsurance apply	deductable/coinsurance apply
Emergency room	\$50 copay	\$50 copay
Mental health	inpatient 14 days and deductible out patient 20 days and deductible	inpatient 14 days & deductible out patient 20 days and deductible
Chemical Dependency	same as mental health	same as mental health
Coinsurance	90/10in 60/40 out	90/10in 60/40 out
HMO Plan		-
Annual Deductable	NA	-
Preventive Coverage	\$25 copay	\$25 copay
Basic Services	\$25 Copay	\$25 copay
Major Services	\$0 copay	\$0 copay
Emergency room	\$75 copay	\$75 copay
Mental health	in patient \$0 copay 20 day max out patient \$20 copay 20 visits	in patient \$0 copay 20 day max and out patient \$20, copay 20 visits
Chemical Dependency	same as mental health	same as mental health
Coinsurance	NA	NA
Life Insurance	1X annual salary	1x annual salary
Deferred Compensation Plan	403 (b) /457 with no employer contribution	403 (b) /457 with no employer contribution *
Tuition Reimbursement	\$750/year after 3 years of service from a total pool of \$3,000 annually.	\$750/year after 3 years of service from total pool of \$3,000 annually
Annual Paid Sick days	13 days	13 days
Annual Paid Vacation Days	10 - 20 days based on years of service	10 - 20 days based on years of service
Annual Paid Personal days	2 days	2 days
Bereavement Leave	5 days (spouse death), 3 days (immediate family member death)	5 days(spouse death), 3 days (immediate family member death)
Section 125 plan offered?	Yes	Yes
Retirement Separation Benefit	15 yrs of service and age 55 \$700 - \$2000 based on age at time of retirement	15 yrs of service and age 55 \$700-\$2000 based on age at time of retirement
Employee Monthly Premium costs		
	District 200	Vendor Proposal
	HMO	PPO
Single	\$ 32.34	\$ 40.34
Employee+Child	\$ 96.44	\$ 105.20
Employee+Spouse	\$ 124.41	\$ 133.69
Family	\$ 165.99	\$ 179.76

* error- should indicate
Social Security

Alpha Building Maintenance Services

And Garco Enterprise a Joint Venture

Insurance Clarifications

- 1.) Dental Insurance will be comparable to what the Current employees are now receiving.
- 2.) The deferred compensation plan we will utilize Is social security matching contributions. Since We are not a not-for-profit this is the only vehicle We can utilize.
- 3.) Employee Monthly Contribution. Single paid by company. Family paid by employee.

Section Q

Employee Wage and Benefits Proposal

	District 200	Vendor Proposal
Hourly Wage	\$23.24 /hour	11.15
Prescription Drug Program	\$10/\$20/\$60	
Dental Insurance	Single paid by employer, family paid by employee	Single + Family paid Empl
Ortho Coverage	Yes	NO
PPO Plan		80/20 Empl only
Annual Deductable	\$500 in/\$1500 out \$1000 in/\$3000 out	Based per employee elig.
Preventive Coverage	\$25 copay	
Basic Services	\$25 copay	
Major Services	deductable/coinsurance apply	
Emergency room	\$50 copay	
Mental health	inpatient 14 days and deductible out patient 20 days and deductible	
Chemical Dependency	same as mental health	
Coinsurance	90/10in 60/40 out	
HMO Plan		
Annual Deductable	NA	
Preventive Coverage	\$25 copay	
Basic Services	\$25 Copay	
Major Services	\$0 copay	
Emergency room	\$75 copay	
Mental health	in patient \$0 copay 20 day max out patient \$20 copay 20 visits	
Chemical Dependency	same as mental health	
Coinsurance	NA	
Life Insurance	1X annual salary	N/A
Deferred Compensation Plan	403 (b) /457 with no employer contribution	N/A
Tuition Reimbursement	\$750/year after 3 years of service from a total pool of \$3,000 annually.	N/A
Annual Paid Sick days	13 days	N/A
Annual Paid Vacation Days	10 - 20 days based on years of service	5-15 Days Based on years
Annual Paid Personal days	2 days	N/A
Bereavement Leave	5 days (spouse death), 3 days (immediate family member death)	3 day spouse 1 day immediate
Section 125 plan offered?	Yes	NO
Retirement Separation Benefit	15 yrs of service and age 55 \$700 - \$2000 based on age at time of retirement	N/A

Employee Monthly Premium costs

	District 200		Vendor Proposal	
	HMO	PPO	HMO	PPO
Single	\$ 32.34	\$ 40.34		
Employee+Child	\$ 96.44	\$ 105.20		
Employee+Spouse	\$ 124.41	\$ 133.69		
Family	\$ 165.99	\$ 179.76		

***Oak Park and River Forest High School
District 200***

201 North Scoville Avenue • Oak Park, IL 60302-2296

TO: Board of Education

FROM: Cheryl L. Witham, CFO

DATE: April 16, 2009

RE: Vendor Contract to Provide Custodial Services

BACKGROUND

The Board of Education has solicited Request for Proposals (RFP) for Custodial Services. The Board of Education has reviewed and considered those proposals. The provisions necessary for the contract for custodial services were included in the RFP specifications and will be considered binding in a contract.

SUMMARY OF FINDINGS

The District's legal representative, Paul Keller, has prepared a contract for the Board of Education's consideration. The original RFP specifications will be incorporated into and made a part of this contract as Exhibit A. The final terms of the agreement, relating to fees, dates and other similar items, will be inserted into the contract after a final determination has been made by the Board of Education.

RECOMMENDATIONS

That the Board of Education direct the staff to negotiate the contract with the selected vendor and present the contract to the Board of Education for final approval on April 21, 2009 at a Special Meeting.

**OAK PARK AND RIVER FOREST
HIGH SCHOOL DISTRICT No. 200**

Custodial Services Contract

This Agreement is made by and between Oak Park and River Forest High School District No. 200, an Illinois unit of local government ("School District") and the custodial service provider ("Provider") named below, on the date hereinafter set forth.

In consideration of the recitals and the mutual covenants set forth in the Agreement, the parties agree as follows:

SECTION 1. RECITALS

A. Provider Retained. The School District desires to obtain the Services of the Provider identified below to provide the Services and perform the work described below for the fee hereinafter set forth:

Provider: _____

Contact Person: _____

Address: _____

Telephone: _____

Email: _____

Brief Description of Services: Custodial Services as described in response to Request for Proposals, Exhibit A hereto

Time Period of Work: July 1, 2009 through June 30, 2012

Fee/Rate: As set forth in Appendix A.

Contract Administrator: _____

B. Representations by Provider. The Provider represents that it is qualified to provide the Services called for in this Agreement, and has, or its personnel have, the required education, training, skills, equipment, licenses and certifications necessary to perform the work.

C. School District Authority. The School District represents that it has the authority to enter into this Agreement, that funds have been appropriated to pay for the work to be performed and that the person executing this Agreement is authorized to do so.

SECTION 2: SCOPE OF SERVICES

A. Retention of the Service Provider. The School District contracts with the Provider to perform, and the Provider agrees to perform, the work described in Appendix A. hereto ("Services"), subject to the terms and conditions of this Agreement.

B. Commencement. The Provider shall commence the work upon receipt of written notice from the School District that this Agreement has been fully executed by the parties, and shall diligently and continuously provide the Services called for until completion of the work, or until termination of this Agreement by the School District, and in no event later than the date set forth in § 1A above.

C. Direction. The Provider shall receive and follow instructions regarding the work from the Contract Administrator; provided, however, that no agency nor employment relationship shall be created by such instructions, and Provider shall in all respects function as an independent contractor.

SECTION 3. COMPENSATION

A. Amount to be Paid. The total amount billed by Provider for the Services called for in this Agreement shall not exceed the amount set forth in Section 1A of this Agreement, or as may be set forth in any Schedule of Fees which may be attached hereto and incorporated herein as Appendix B, or any written amendment hereof.

B. Invoices and Payment. The Provider shall submit invoices in an approved format to the School District for fees earned and compensable costs, if any, incurred in performing this Agreement. The School District shall pay the amount billed within 45 days following approval of each invoice for payment.

C. Records. The Provider shall maintain records showing actual time devoted to performance of the work called for in this Agreement, and shall permit the authorized representative of the School District to inspect and audit all data and records of the Provider for work done under this Agreement. The records shall be made available to the School District at reasonable times during the Agreement period and for three years following termination of the Agreement.

E. Taxes, Benefits and Royalties. Each payment by the School District to the Provider includes any federal, state and local taxes of any kind applicable to the Services, and any taxes, contributions, premiums for unemployment insurance and FICA arising from the work or the incorporation into the work, or use in performing the work, of any patented, copyrighted or trademarked material, equipment, tool, supplies, devices, processes or inventions. All claim or right to claim additional compensation by reason of the payment of any such tax, contribution, premium, cost, royalty or fees is hereby waived and released by Provider.

SECTION 4. PERSONNEL; SUBCONTRACTORS

A. Availability of Personnel. Provider warrants that it has personnel available and qualified to perform the Services called for in this Agreement, on the schedule specified, if any.

B. Subcontractors. The Provider shall perform the work with its own personnel and under the management, supervision and control of its own organization. No subcontractors shall be called upon to perform any part of the work without express written approval of the School District. All Services performed under any subcontract shall be subject to all of the provisions of this Agreement in the same

manner as if performed by the Provider or employees of Provider. The term "Provider" shall include any authorized subcontractor and every subcontract shall be deemed to include a provision binding the subcontractor to all provisions of this Agreement.

C. Removal of Personnel or Subcontractors. If in the assessment of the School District, any of the Provider's personnel or subcontractors fail to perform the services in a manner satisfactory to the School District based on the performance requirements identified in Appendix A, the School District Contract Administrator will provide notification to the Contact Person of the Provider regarding the unsatisfactory performance. Upon such notification, the Contact Person of the Provider will assess the allegations and discuss with the Contract Administrator resolution of the unsatisfactory performance. If the allegation is founded and a satisfactory resolution to the complaint is unable to be agreed upon by both parties, the School District may give notice for immediate removal and replacement of such personnel or subcontractor. If Provider fails to so remove or replace, the School District may bar any such person from access to any School District property or facility and cause replacement with a person or subcontractor of its own choosing, at Provider's expense. The Provider shall have no claim for damages, for compensation in excess of the amount contained in this Agreement, or for any delay of the work as a result of any such removal or replacement.

D. Background Check. Each of Provider's employees shall be subject to fingerprinting and a background check as provided in 105 ILCS 5/10-21.9 and shall be disqualified from employment in School District facilities for any cause which would disqualify the School District's own employees, according to law. Provider shall provide evidence of compliance with this provision within ten (10) days of assignment of any of Provider's employees to work at any School District facility.

SECTION 5. CONFIDENTIAL INFORMATION

A. Confidential Information. The term "Confidential Information" shall mean information in the possession or under the control of the School District relating to the technical, business or corporate affairs of the School District; student records; School District property; user information, including without limitation, any information pertaining to usage of the School District's computer system, any information obtained from server logs or other records of electronic or machine readable form; and the terms and conditions of this Agreement. School District Confidential Information shall not include information that can be demonstrated: (i) to have been rightfully in the possession of the Provider from a source other than the School District prior to the time of disclosure of that information to the Provider under this Agreement ("Time of Disclosure"); (ii) to have been in the public domain prior to the Time of Disclosure; (iii) to have become part of the public domain after the Time of Disclosure by a publication or by any other means except an unauthorized act or omission or breach of this Agreement on the part of the Provider or the School District; or (iv) to have been supplied to the Provider after the Time of Disclosure without restriction by a third party who is under no obligation to the School District to maintain such information in confidence.

B. No Disclosure of Confidential Information by the Provider. The Provider acknowledges that it may, in performing the Services for the School District under this Agreement, have access to or be directly or indirectly exposed to Confidential Information. The Provider shall hold confidential all Confidential Information and shall not disclose or use such Confidential Information without express prior written consent of the School District. The Provider shall use reasonable measures at least as strict as those the Provider uses to protect its own confidential information. Such measures shall include, without limitation, requiring employees and independent contractors of the Provider to execute a nondisclosure agreement before obtaining access to Confidential Information.

C. Proprietary Information of Provider. The School District agrees that it will not disclose any proprietary information of the Provider which it may acquire during the performance of this Agreement, to any person or entity other than as may be necessary to the performance or administration of the Agreement or as required by law, provided that such information has been expressly identified by the Provider as proprietary information.

SECTION 6. WARRANTY, INDEMNIFICATION AND INSURANCE

A. Warranty of Services. The Provider warrants that the Services shall be performed in accordance with the current industry standards of professional practice, care, and diligence practiced by recognized firms in performing Services of a similar nature in existence at the Time of Performance. The Warranty expressed shall be in addition to any other warranties expressed in this Agreement, or expressed or implied by law, which are hereby reserved unto the School District.

B. Indemnification. The Provider shall indemnify, save harmless, and defend the School District, and its officials, employees, agents, and attorneys against any and all lawsuits, claims, demands, damages, liabilities, losses, and expenses, including attorneys' fees and administrative expenses, (collectively, "Claims") that may arise, or be alleged to have arisen, out of or in connection with the Provider's performance of, or failure to perform, the Services or any part thereof, or any failure to meet the representations and warranties set forth in this Agreement.

The School District shall indemnify the Provider, its officers and employees, for any loss, including costs and reasonable attorney fees, which any of them may incur arising out of any negligent act or omission of the School District, its officers or employees, while Provider is actively engaged in performing the Services set forth in this Agreement.

C. Insurance. Provider shall, during the term of this Agreement, maintain in effect insurance policies for general comprehensive liability, automobile liability, professional liability, workers' compensation, unemployment and employee health benefits. Within ten (10) days of Provider's execution of this Agreement, the Provider shall provide certificates and policies of insurance, all with coverage and limits acceptable to the School District, and evidencing minimum insurance coverage and limits of not less than \$1 million/\$3 million, or as set forth in Appendix C to this Agreement. GCL, auto and professional policies shall provide coverage for "occurrences" during the term of the policy and not for "claims Made." All such policies shall name the School District, its officers, trustees, employees, and volunteers as additional insureds. For good cause shown, School District may extend the time for submission of the required policies of insurance upon such terms, and with such assurances of complete and prompt performance, as the School District may impose in the exercise of its sole discretion. Such certificates and policies shall be in a form acceptable to the School District and from companies with a general rating of A, and a financial size category of Class V or better, in Best's Insurance Guide. Such insurance policies shall provide that no material change in or cancellation of any insurance shall become effective until the expiration of 30 days after written notice thereof shall have been given by the insurance company to the School District. The Provider shall, at all times during the term of this Agreement, maintain and keep in force, at the Provider's expense, the insurance coverage provided above.

D. No Personal Liability. No elected or appointed official or employee of the School District shall be personally liable, in law or in contract, to the Provider as the result of the execution of this Agreement.

SECTION 7. GENERAL PROVISIONS

A. Relationship of the Parties. The Provider shall act as an independent contractor in providing and performing the Services. Nothing in, nor done pursuant to, this Agreement shall be construed (i) to create the relationship of principal and agent, employer and employee, partners, or joint ventures between

the School District and Provider; or (ii) to create any relationship between the School District and any subcontractor of the Provider.

B. Conflict of Interest. The Provider represents and certifies that, (i) to the best of its knowledge, (ii) no School District employee or agent is interested in the business of the Provider or this Agreement; (iii) as of the date of this Agreement neither the Provider nor any person employed or associated with the Provider has any interest that would conflict in any manner or degree with the performance of the obligations under this Agreement; and (iv) neither the Provider nor any person employed by or associated with the Provider shall at any time during the term of this Agreement obtain or acquire any interest that would conflict in any manner or degree with the performance of the obligations under this Agreement.

C. No Collusion. The Provider represents and certifies that the Provider is not barred from contracting with a unit of state or local government as a result of (i) a delinquency in the payment of any tax administered by the Illinois Department of Revenue unless the Provider is contesting, in accordance with the procedures established by the appropriate revenue act, its liability for the tax or the amount of the tax, as set forth in Section 11-42.1-1 et seq., 65 ILCS 5/1142.1-1 et seq., or (ii) a violation of either Section 33E-3 or Section 33E-4 of Article 33E of the Criminal Code of 1961, 720 ILCS 5/33E-1 et seq. The Provider represents that the only persons, firms, or corporations interested in this Agreement as principals are those disclosed to the School District prior to the execution of this Agreement, and that this Agreement is made without collusion with any other person, firm, or corporation. If at any time it shall be found that the Provider has, in procuring this Agreement, colluded with any other person, firm, or corporation, then the Provider shall be liable to the School District for all loss or damage that the School District may suffer, and this Agreement shall, at the School District's option, be null and void.

D. Sexual Harassment Policy. The Provider certifies that it has a written Sexual Harassment Policy in full compliance with 775 ILCS 5/2-105(A)(4).

E. Termination. Notwithstanding any other provision hereof, the School District or the provider may terminate this Agreement at any time upon 30 days prior written notice. In the event that this Agreement is so terminated, the Provider shall be paid for Services actually performed and reimbursable expenses actually incurred, if any, prior to termination, not exceeding the value of the Services completed determined on the basis of the rates set forth in this Agreement. Any unearned portion of any payment shall be returned to the School District within 30 days.

F. Term The Term of Performance of this Agreement, unless terminated pursuant to the terms of this Agreement, shall expire on the date the School District determines that all of the Services under this Agreement are completed, or on such other date as may be set forth in Appendix A hereto. A determination of completion shall not constitute a waiver of any rights or claims, which the School District may have or thereafter acquire with respect to any breach hereof by the Provider.

G. Non-Discrimination In all hiring or employment by the Provider pursuant to this Agreement, there shall be no discrimination against any employee or applicant for employment because of age, race, gender, creed, national origin, marital status, sexual orientation, or the presence of any sensory, mental, or physical handicap, unless based upon a bona fide occupational qualification. The Provider agrees that no person shall be denied, or subjected to discrimination in receipt of the benefit of any Services or activities made possible by, or resulting from, this Agreement.

H. Default If it should appear at any time that the Provider has failed or refused to prosecute, or has delayed in the prosecution of, the Services at a rate that assures completion of the Services in full compliance with the requirements of this Agreement, or has otherwise failed, refused, or delayed to perform or satisfy the Services or any other requirement of this Agreement ("Event of Default"), and fails to cure any such Event of Default within ten business days after the Provider's receipt of written notice of such Event of Default from the School District, then the School District shall have the right, without prejudice to any other remedies provided by law or equity, to pursue any one or more of the following remedies:

1. Cure by Provider. The School District may require the Provider, within a reasonable time, to complete or correct all or any part of the Services that are the subject of the Event of Default and to take any or all other action necessary to bring the Provider and the Services into compliance with this Agreement.

2. Termination of Agreement by School District. The School District may terminate this Agreement with the submission of a 30 day written notice to the provider without liability for further payment of amounts due or to become due under this Agreement.

3. Withholding of Payment by School District. The School District may withhold from any payment, whether or not previously approved, or may recover from the Provider, any and all costs, including attorneys' fees and administrative expenses, incurred by the School District as the result of any Event of Default by the Provider or as a result of actions taken by the School District in response to any Event of Default by the Provider.

I. No Additional Obligation. The Parties acknowledge and agree that the School District is under no obligation under this Agreement or otherwise to negotiate or enter into any other or additional contracts or agreements with the Provider, or with any vendor solicited or recommended by the Provider.

J. Agreements with Vendors. Notwithstanding any provision of this Agreement, any negotiations or agreements with, or representations by the Provider to vendors shall be subject to the approval of the School Board. The School District shall not be liable to any vendor or other third party for any agreements made by the Provider purportedly on behalf of the School District, without the knowledge and approval of the School Board.

K. Mutual Cooperation. The School District agrees to cooperate with the Provider in the performance of the Services, including meeting with the Provider and providing the Provider with such non-confidential information that the School District may have that may be relevant and helpful to the Provider's performance of the Services. The Provider agrees to cooperate with the School District in the performance of and the completion of the Services and with any other Providers engaged by the School District.

L. News Releases. The Provider shall not issue any news releases or other public statements regarding the Services without prior approval from the Contract Administrator.

M. Ownership. Designs, drawings, plans, specifications, photos, reports, information, observations, calculations, notes, and any other documents, data, or information, in any form, prepared, collected, or received by the Provider in connection with any or all of the Services to be performed under this Agreement ("Documents") shall be and remain the exclusive property of the

School District. At the School District's request, or upon termination of this Agreement, the Provider shall cause the Documents to be promptly delivered to the School District.

N. Amendment. No amendment or modification to this Agreement shall be effective unless and until the amendment or modification is in writing, properly approved in accordance with applicable procedures, and executed.

O. Assignment. This Agreement may not be assigned by the School District or by the Provider without the prior written consent of the other party.

P. Binding Effect. The terms of this Agreement shall bind and inure to the benefit of the Parties hereto and their agents, successors, and assigns.

Q. Notice. Any notice or communication required or permitted to be given under this Agreement shall be in writing and shall be delivered (i) personally, (ii) by a reputable overnight courier, (iii) by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid, (iv) by facsimile, or (v) by electronic internet mail ("e-mail"). Facsimile notices shall be deemed valid only to the extent that they are (a) actually received by the individual to whom addressed and (b) followed by delivery of actual notice in the manner described in either (i), (ii), or (iii) above within three business days thereafter at the appropriate address set forth below. E-mail notices shall be deemed valid and received by the addressee thereof when delivered by e-mail and (a) opened by the recipient on a business day at the address set forth below, and (b) followed by delivery of actual notice in the manner described in either (i), (ii) or (iii) above within three business days thereafter at the appropriate address set forth below. Unless otherwise expressly provided in this Agreement, notices shall be deemed received upon the earlier of (a) actual receipt, (b) one business day after deposit with an overnight courier as evidenced by a receipt of deposit, or (c) three business days following deposit in the U.S. mail, as evidenced by a return receipt. By notice complying with the requirements of this Section, each Party shall have the right to change the address or the addressee, or both, for all future notices and communications to such party, but no notice of a change of addressee or address shall be effective until actually received.

Notices and communications to the School District shall be addressed to, and delivered at, the following address:

Contract Administrator Oak Park and River Forest High School District 200 201 N. Scoville Oak Park, IL 60302-2296 Phone: 708- Fax: 708- E-mail:	with a copy to:	Ancel Glink Diamond et al 140 S. Dearborn St. Suite 600 Chicago, IL 60603 Attention: Paul N. Keller E-mail: pkeller@ancelglink.com Phone: 312-782-7606 Fax: 312-782-0943
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Notices and communications to the Provider shall be addressed to, and delivered at, the following address:

Name: _____
Address: _____
Phone: _____
Fax: _____
E-mail: _____

R. Third Party Beneficiary. No claim as a third party beneficiary under this Agreement by any person, firm, or corporation other than the Provider shall be made or be valid against the School District.

S. Provisions Severable. If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

T. Time. Time is of the essence in the performance of this Agreement.

U. Governing Law. This Agreement shall be interpreted according to the internal laws, but not the conflict of laws rules, of the State of Illinois.

V. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any and all previous or contemporaneous oral or written agreements and negotiations between the School District and the Provider with respect to the Services.

W. Waiver. No waiver of any provision of this Agreement shall be deemed to or constitute a waiver of any other provision of this Agreement (whether or not similar) nor shall any such waiver be deemed to or constitute a continuing waiver unless otherwise expressly provided in this Agreement.

X. Appendixes. Appendixes A, B and C, if attached hereto, are incorporated in and made a part of this Agreement. In the event of a conflict between the Appendix and the text of this Agreement, the text of the Agreement shall control.

Y. Rights Cumulative. Unless expressly provided to the contrary in this Agreement, each and every one of the rights, remedies and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other such rights, remedies and benefits allowed by law.

Z. Counterparts. This Agreement may be executed in several counterparts, each of which, when executed, shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

EXECUTED this _____ day of _____, 20__.

OAK PARK AND RIVER FOREST HIGH SCHOOL DISTRICT 200

By _____
Chief Financial Officer

Attest:

Title _____

PROVIDER

By _____
Title _____

DRAFT

APPENDIX A.
Description of Work

Response to Request for Proposal Submitted by Vendor

DRAFT